Original

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

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MAY 04 2012
HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: *Fresenius Medical Care Spoon River*				
Street Address: *Lot 8 & 9 in E. Johnson's Addition, PIN #09-08-34-114-021 & 022. Approximately 340 S. Avenue B, on campus of Graham Hospital*				
City and Zip Code: *Canton 61520*				
County: *Fulton*	Health Service Area	2	Health Planning Area:	

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: *Dialysis Centers of America – Illinois, Inc. d/b/a Fresenius Medical Care Spoon River*
Address: *920 Winter Street, Waltham, MA 02451*
Name of Registered Agent: *CT Systems*
Name of Chief Executive Officer: *Rice Powell*
CEO Address: *920 Winter Street, Waltham, MA 02451*
Telephone Number: *800-662-1237*

Type of Ownership of Applicant/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 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 during the review period]

Name: *Lori Wright*
Title: *Senior CON Specialist*
Company Name: *Fresenius Medical Care*
Address: *One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154*
Telephone Number: *708-498-9121*
E-mail Address: *lori.wright@fmc-na.com*
Fax Number: *708-498-9334*

Additional Contact

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

Name: *Richard Stotz*
Title: *Regional Vice President*
Company Name: *Fresenius Medical Care*
Address: *One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154*
Telephone Number: *708-498-9165*
E-mail Address: *Richard.stotz@fmc-na.com*
Fax Number: *708-498-9283*

Post Permit Contact

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

Name: *Lori Wright*
Title: *Senior CON Specialist*
Company Name: *Fresenius Medical Care*
Address: *One Westbrook Corporate Center, Tower One, Suite 1000, Westchester, IL 60154*
Telephone Number: *708-498-9121*
E-mail Address: *lori.wright@fmc-na.com*
Fax Number: *708-498-9334*

Additional Contact

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

Name: *Clare Ranalli*
Title: *Attorney*
Company Name: *Holland & Knight, LLP*
Address: *131 S. Dearborn, 30th Floor, Chicago, IL 60603*
Telephone Number: *312-578-6567*
E-mail Address: *clare.ranalli@hklaw.com*
Fax Number: *312-578-6666*

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Graham Hospital*
Address of Site Owner: *210 W. Walnut Street, Canton, IL 61520*
Street Address or Legal Description of Site: *Lot 8 & 9 in E. Johnson's Addition, PIN #09-08-34-114-021 & 022. Approximately 340 S. Avenue B, Canton, IL 61520.* **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.**
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: *Dialysis Centers of America – Illinois, Inc. d/b/a Fresenius Medical Care Spoon River*

Address: *920 Winter Street, Waltham, MA 02451*

- ☐ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ 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 co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT-4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 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 #2005-5 **(http://www.hfsrb.illinois.gov)**.

APPEND DOCUMENTATION AS ATTACHMENT -5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS ATTACHMENT-6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:	Part 1120 Applicability or Classification: [Check one only.]
Substantive	☐ Part 1120 Not Applicable
☐ Non-substantive	☐ Category A Project
	■ Category B Project
	☐ DHS or DVA Project

2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms, NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Dialysis Centers of America – Illinois, Inc. proposes to discontinue its 8-station ESRD facility, Fresenius Medical Care Spoon River, located at 210 W. Walnut, Canton. In conjunction with this discontinuation we will establish a replacement 9-station ESRD facility, Fresenius Medical Care Spoon River, on the campus of Graham Hospital, Lot 8 & 9 in E. Johnson's Addition, PIN #09-08-34-114-021 & 022. Approximately 340 S. Avenue B, Canton, IL 61520.

This is essentially a relocation of the existing facility and the addition of one station to be used as an isolation station for Hepatitis B patients only. The facility will be in leased space with the interior to be built out by the applicant. Both locations are in HSA 2.

There is a need for 3 additional ESRD station in this HSA 2 according to the April 2012 inventory update.

This project is "substantive" under Planning Board rule 1110.10(b) as it entails the discontinuation and establishment (relocation) of a health care facility that will provide in-center chronic renal dialysis services

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	852,000	N/A	852,000
Contingencies	93,660	N/A	93,660
Architectural/Engineering Fees	94,500	N/A	94,500
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	320,000	N/A	320,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space 1,209,965 or Equipment 140,250	1,350,215	N/A	1,350,215
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	2,710,375		2,710,375
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**CLINICAL**
Cash and Securities	1,360,160	N/A	1,360,160
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	1,350,215	N/A	1,350,215
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	**2,710,375**	N/A	**2,710,375**

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 targe utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ 53,364 .

Project Status and Completion Schedules

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): December 31, 2014

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
■ Project obligation 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

Are the following submittals up to date as applicable:

☐ Cancer Registry
☐ APORS
☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
■ All reports regarding outstanding permits

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **BGSF** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
ESRD							
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 representative(s) of the applicant entity. The authorized representative(s) 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 manger 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 for Permit is filed on the behalf of *Dialysis Centers of America – Illinois, Inc.* * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Bryan Mello	Maria T. C. Gillis
PRINTED NAME	PRINTED NAME
Assistant Treasurer	Assistant Treasurer
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this ___ day of _____ 2012	Notarization: Subscribed and sworn to before me this 20 day of Jan 2012
Signature of Notary	Signature of Notary
Seal	Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

*Insert EXACT legal name of the applicant

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) 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 manger 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 for Permit 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Bryan Mello	Maria T. C. Gillis
PRINTED NAME	PRINTED NAME
Assistant Treasurer	Assistant Treasurer
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this _____ day of _____ 2012	Notarization: Subscribed and sworn to before me this 20 day of Jan 2012
Signature of Notary	Signature of Notary
Seal	Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

*Insert EXACT legal name of the applicant

SECTION II. DISCONTINUATION

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 - 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 of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

APPEND DOCUMENTATION AS ATTACHMENT-9, 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.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

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, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as 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 age and condition and 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 Agency Report.

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1) Identify **ALL** of the alternatives to the proposed project:

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost;

B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

SECTION IV - PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.234 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::

    a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;

    b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;

    c. The project involves the conversion of existing space that results in excess square footage.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT-14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT-15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE: ***NOT APPLICABLE – THERE IS NO UNFINISHED SHELLSPACE***

Provide the following information:

1. Total gross square footage of the proposed shell space;

2. The anticipated use of the shell space, specifying the proposed GSF tot be allocated to each department, area or function;

3. Evidence that the shell space is being constructed due to
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data are available; and
   b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES: ***NOT APPLICABLE – THERE IS NO UNFINISHED SHELL SPACE***

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.

2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and

3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G. Criterion 1110.1430 - In-Center Hemodialysis

1. Applicants proposing to establish, expand and/or modernize In-Center Hemodialysis must submit the following information:

2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
■ In-Center Hemodialysis	8	9

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities			X
1110.1430(d)(2) - Documentation			X
1110.1430(d)(3) - Documentation Related to Cited Problems			X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X

APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

4. Projects for relocation of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1110.130 - "Discontinuation" and subsection 1110.1430(i) - "Relocation of Facilities".

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- **Section 1120.120 Availability of Funds – Review Criteria**
- **Section 1120.130 Financial Viability – Review Criteria**
- **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

VIII. - 1120.120 - Availability of Funds

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

1,360,160	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
N/A	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
N/A	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
1,305,215	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
N/A	e)	Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
N/A	f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
N/A	g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project. **(Tenant Improvement Allowance, per Letter of Intent for Leased Space)**
2,710,375		**TOTAL FUNDS AVAILABLE**

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

Provide Data for Projects Classified as:	**Category A or Category B (last three years)**			**Category B (Projected)**
Enter Historical and/or Projected Years:				
Current Ratio	***APPLICANT MEETS THE FINANCIAL VIABILITY WAVER CRITERIA IN THAT ALL OF THE PROJECTS CAPITAL EXPENDITURES ARE COMPLETELY FUNDED THROUGH INTERNAL SOURCES, THEREFORE NO RATIOS ARE PROVIDED.***			
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance ***NOT APPLICABLE***

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

APPEND DOCUMENTATION AS ATTACHMENT 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

1) That the selected form of debt financing for the project will be at the lowest net cost available;

2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. **Reasonableness of Project and Related Costs**

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT -42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaidpatients. 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 43.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care Information MUST be furnished for ALL projects.

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 44.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT-44, 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 attachments included as part of the project's application for permit:

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3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	32a
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File Number 5829-168-4

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

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

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 8TH *day of* DECEMBER *A.D.* 2011 .

Jesse White

SECRETARY OF STATE

Authentication #: 1134201512

Authenticate at: http://www.cyberdriveillinois.com

Certificate of Good Standing
ATTACHMENT - 1

Co-Applicant

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

Exact Legal Name: *Fresenius Medical Care Holdings, Inc.*

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.**

Site Ownership

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: *Graham Hospital*
Address of Site Owner: *210 W. Walnut Street, Canton, IL 61520*
Street Address or Legal Description of Site: *Lot 8 & 9 in E. Johnson's Addition, PIN #09-08-34-114-021 & 022. Approximately 340 S. Avenue B, Canton, IL 61520.* **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, 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.

Fresenius Medical Care

Sent Via Email

April 26, 2012

Attn: Bob Ackerman

RE: Dialysis Centers of America - Illinois, INC d/b/a Fresenius Medical Care Spoon River

Dear Bob

Below are the terms of the letter of intent:

LANDLORD:	Graham Hospital
TENANT:	Dialysis Centers of America - Illinois, INC d/b/a Fresenius Medical Care Spoon River
LOCATION:	340 S. Avenue B, Canton.
Parcel ID Number:	Lot Number Eight (8) and Lot Number 9 in E. Johnson's Addition to the City of Canton, Fulton County, Illinois. PIN – 09-08-34-114-021 PIN – 09-08-34-114-022
INITIAL SPACE REQUIREMENTS:	Approximately 6,000 of contiguous usable square feet - See attached preliminary plan.
PRIMARY TERM:	An initial lease term of ten (10) years. The Lease and rent would commence One hundred twenty (120) days after Landlord Delivery.
DELIVERY OF PREMISES:	Landlord shall deliver the Premises to the Tenant for completion of the Tenant Improvements the earlier of 180 days after CON Approval
OPTIONS TO RENEW:	Three (3) - Five (5) year options to renew the Lease. Option rental rates shall be based upon 10% increase in the then existing rent.
RENTAL RATE:	$18.00 SF increase each year by 2.5%

USE:

Tenant shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

DEMISED PREMISES SHELL:

The Demised Premises will be delivered as followed at landlord expense, in vanilla shell condition with building being watertight a ground up building built to tenant standard specifications. Below are more details

a. Adequate electrical power installed for Tenant's operation (800-amp/208-volt, 3-phase*), terminated inside the building within a main distribution panel dedicated solely for Tenant's use, to be located at location mutually- agreed upon by Tenant and Landlord

b. The presence of gas service* to handle the Tenant's HVAC needs and the use of two 100 gallon water heaters and one 50 gallon water heater to the premises, minimum of 600 MBHat a location to be mutually-agreed upon by Tenant and Landlord.

c. The presence of a sewer service with no less than a 4" line, dedicated to the space, into the leased premises at a location mutually-agreed upon by Tenant and Landlord. Provide sewer invert to meet Tenant's requirements.

d. The presence of a water service** with no less than a 2" dedicated line to thespace, (pressure 60-80 psi) into the leased premises at a location mutually-agreed upon by Tenant and Landlord.

e. Building fully-serviced by automatic fire suppression system to meet requirements and meet all applicable state and local codes, laws, ordinances and regulations.

f. Provide conduit to the building for Cable TV and Telephone service. Conduit shall also be provided to the tenant space and will originate from the building point of demarcation into the tenant space at a location mutually-agreed upon by Tenant and Landlord. If cable is not available Tenant shall

have the right to install a satellite system for its use at its own cost.

g. The demising of the premises shall be in conformance with all applicable state and local codes, laws, ordinances and Life Safety / NFPA 101. The demising of tenant space includes removing asbestos join compound (gypsum) and reinstalling gypsum to retain the fire rating on demised Partitions.

h. Assurances that the front of the building can have a patient drop off area (Porte Cochere) at a location designated by FMC

i. Verification that all asbestos and floor mastic was removed by an approved remediation contractor.

j. Provide a mutually agreeable location to place a concrete pad with enclosure for two 6-8 yard dumpsters.

k. Provide a mutually agreeable location to place a concrete pad with enclosure for a diesel generator.

l. Parking lot resealed and amply parking no less than five (5) spaces per thousand.

m. HVAC units , landlord to provide One(1) 7.5 ton unite and two (2) five ton units.

CONTRACTOR FOR TENANT IMPROVEMENTS: FMC will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FMC shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

LOADING: FMC requires access to the loading dock 24 hours per day, 7 days per week.

SPACE PLANNING/ ARCHITECTURAL AND MECHANICAL DRAWINGS: FMC will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.

PRELIMINARY IMPROVEMENT PLAN: At this time, please provide AutoCAD files that include one-eight inch scale architectural drawings of the proposed demised premises and detailed building specifications.

PARKING: Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. BMA shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

BUILDING CODES: FMC requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

REAL ESTATE TAXES: FMC will pay their pro-rata share of Real Estate Taxes

ASSIGNMENT / SUBLETTING: FMC requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed. Landlord reserves first right of refusal.

MAINTENANCE: Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and

structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any water mains, gas and sewer lines, sidewalks, private roadways, landscape, parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

HVAC Landlord shall provide, at there cost , one (1) 7.5 ton unit and 2 five (5) ton units.

UTILITIES: Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use.

SURRENDER: At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

ZONING AND

RESTRICTIVE COVENANTS: Landlord before the lease is executed confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic.

ENVIRONMENTAL: Landlord confirms that there is no asbestos present in the building and that there are no contaminants or environmental hazards in or on the property. A Phase One Environmental Study has been conducted and has been made available for Tenant's review. Landlord also confirms that no other tenants or there activities present issues as to the generation of hazardous materials.

DRAFT LEASE: FMC propose the use of its Standard Form Lease.

CONFIDENTIAL: The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

NON-BINDING

NON BINDING: NOTICE: THE PROVISONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPERATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR USI) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR USI INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL.

USI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES USI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT

We look forward to reaching an agreement with your company. Once you have completed please email it back to my attention at William.Popken@fmc-na.com. Any questions please call me at 781-699-9994

Yours sincerely,

Bill Popken

Bill Popken

Operating Identity/Licensee

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

Exact Legal Name: *Dialysis Centers of America – Illinois, Inc. d/b/a Fresenius Medical Care Spoon River*

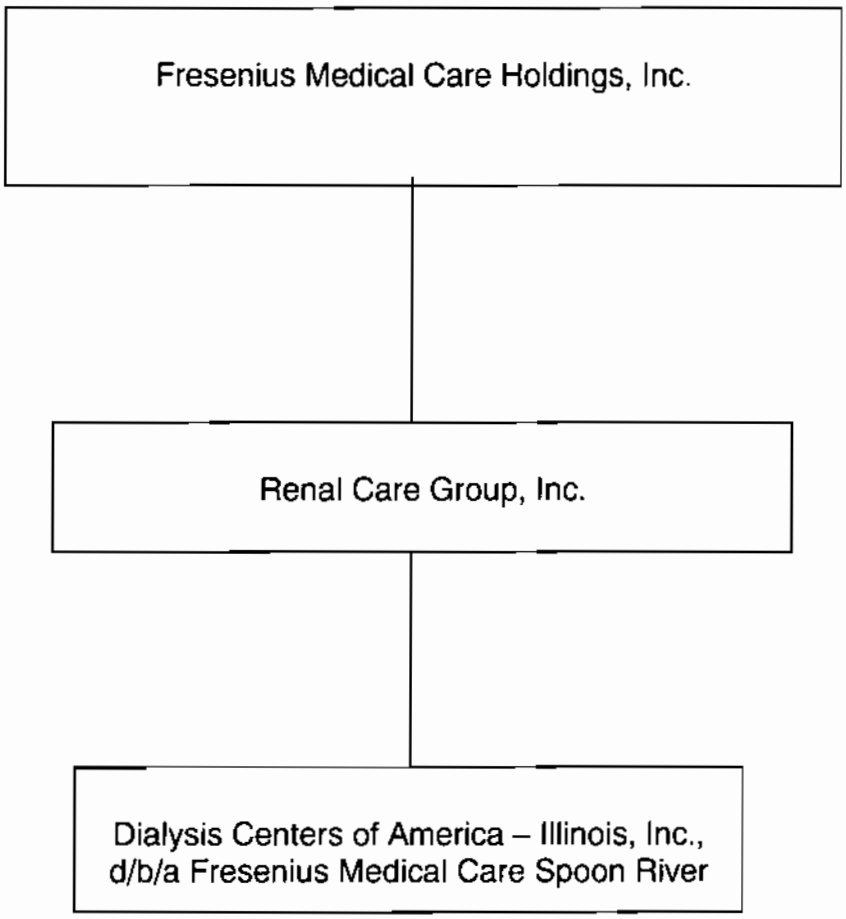
Address: *920 Winter Street, Waltham, MA 02451*

☐	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.

Organization Structure For
Fresenius Medical Care Spoon River



Org Chart
ATTACHMENT - 4

Flood Plain Requirements

The proposed site for the establishment (relocation) of Fresenius Medical Care Spoon River complies with the requirements of Illinois Executive Order #2005-5. The site, 340 S. Avenue B, Canton, is not located in a flood plain as can be seen on the FEMA flood plain map on the following page.

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Illinois Historic Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • www.illinois-history.gov

Fulton County PLEASE REFER TO: IHPA LOG #020111210
Canton
340 South Avenue B
CON - New Construction to Relocate Dialysis Clinic/Spoon River

November 29, 2010

Lori Wright
Fresenius Medical Care
One Westbrook Corporate Center, Suite 1000
Westchester, IL 60154

Dear Ms. Wright:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker

Anne E. Haaker
Deputy State Historic
Preservation Officer

AEH

SUMMARY OF PROJECT COSTS

Modernization Contracts

General Conditions	42,000
Temp Facilities, Controls, Cleaning, Waste Management	3,000
Concrete	11,000
Masonry	13,000
Metal Fabrications	6,500
Carpentry	75,000
Thermal, Moisture & Fire Protection	15,000
Doors, Frames, Hardware, Glass & Glazing	58,000
Walls, Ceilings, Floors, Painting	138,000
Specialities	10,500
Casework, Fl Mats & Window Treatments	5,000
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	273,000
Wiring, Fire Alarm System, Lighting	164,000
Miscelleanous Construction Costs	38,000
Total	**852,000**

Contingencies

Contingencies **$93,660**

Architectural/Engineering

Architecture/Engineering Fees **$94,500**

ATTACHMENT - 7

Movable or Other Equipment

Dialysis Chairs		$17,000
Misc. Clinical Equipment		18,000
Clinical Furniture & Equipment		27,000
Office Equipment & Other Furniture		35,000
Water Treatment		100,000
TVs & Accessories		50,000
Telephones		13,000
Generator		35,000
Facility Automation		20,000
Other miscellaneous		5,000
	Total	**$320,000**

Fair Market Value Leased Space & Equipment

FMV Leased Space (6,000 GSF)		$1,209,965
FMV Leased Dialysis Machines		134,250
FMV Leased Computers		6,000
	Total	**$1,350,215**

The cost per station, based on construction, contingencies, movable and other equipment and A & E fees is $151,118 per station. This excludes the lease costs. All individual line items fall within the Board guidelines. Actual final costs will likely be lower due to built in contingency costs.

Project obligation will occur after permit issuance.

Cost Space Requirements

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

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
In-Center Hemodialysis	2,710,375		6,000		6,000		
Total Clinical	2,710,375		6,000		6,000		
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	2,710,375		6,000		6,000		

APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

1110.130 – DISCONTINUATION

General Information Requirements

Dialysis Centers of America - Illinois, Inc. proposes to discontinue its 8-station ESRD facility located at 210 W. Walnut, on the campus of Graham Hospital, currently operating at 83% utilization according to the 1stQuarter 2012 Renal Network data with 40 patients. This is essentially a relocation of the existing 8-station facility and the establishment of a 9-station facility to include one isolation station for Hepatitis B patients. The new facility will be located at approximately 340 S. Avenue B, Canton and will also be on the campus of Graham Hospital. Both facilities are in HSA 2. All patients are expected to transfer to the new facility and therefore all medical records will be transferred to the new site as well.

The discontinuation is expected to occur simultaneously with the opening of the new facility. This is expected to occur by December 31, 2014. There will be no break in service to the patients involved. The evacuated building at 210 W. Walnut is leased space so will be released back to the landlord, Graham Hospital.

Reasons for Discontinuation

The Spoon River facility is located in an older section of Graham Hospital and the Hospital has plans to renovate this section to expand its growing outpatient services department and has given us notice to vacate the premises. The Hospital has offered us the alternate site to relocate to.

Impact On Access

It is determined that the "relocation" and addition of one station at the Spoon River facility to an alternate site also on the campus of Graham hospital will not have any impact on any area ESRD providers. There is no other facility within 30 minutes travel area serving the Canton area.

IMPACT ON ACCESS STATEMENT PER PART 1110.130

The proposed discontinuation of the Fresenius Medical Care Spoon River 8-station end stage renal disease (ESRD) facility will not have an adverse effect upon access to care for the residents of the healthcare market in the Canton area. Along with this discontinuation, a replacement 9-station ESRD facility will be established on the campus of Graham Hospital, Lot 8 & 9 in E. Johnson's Addition, PIN #09-08-34-114-021 & 022. Approximately 340 S. Avenue B, Canton, IL 61520.

The Spoon River facility, which is currently located in Canton, is essentially being relocated approximately one block away with one station being added that is to be an isolation station. All current patients are expected to transfer to the replacement facility. There will be no break in service to these patients.

A written request for an impact statement was not sent to the other ESRD providers within 45 minutes travel time due to the fact that there is only one facility within that range, Fresenius Medical Care Pekin. There will be no adverse impact to this facility due to its distance from Canton. The Canton patients do not drive to Pekin for treatment.

Richard Stotz, Regional Vice President

Date: 5-2-12

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 2ND DAY
OF MAY, 2012.

OFFICIAL SEAL
CYNTHIA S TURGEON
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/12/13

Cynthia S. Turgeon
NOTARY PUBLIC

Fresenius Medical Care Holdings, Inc. In-center Clinics in Illinois

Clinic	Provider #	Address	City	Zip	Fac >10% Medicaid Treatments*
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803	
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002	10.2%
Aurora	14-2515	455 Mercy Lane	Aurora	60506	
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651	26.5%
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402	16.7%
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406	11.6%
Bolingbrook	14-2605	538 E. Boughton Road	Bolingbrook	60440	
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609	30.4%
Burbank	14-2641	4811 W. 77th Street	Burbank	60459	13.3%
Carbondale	14-2514	725 South Lewis Lane	Carbondale	62901	
Champaign	14-2588	1405 W. Park Street	Champaign	61801	
Chatham		333 W. 87th Street	Chicago	60620	
Chicago Dialysis	14-2506	820 West Jackson Blvd.	Chicago	60607	45.2%
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608	45.1%
Cicero		3030 S. Cicero	Chicago	60804	
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624	29.9%
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445	
Decatur East	14-2503	1830 S. 44th St.	Decatur	62521	
Deerfield	14-2710	405 Lake Cook Road	Deefield	60015	
Des Plaines		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	17.4%
DuQuoin	14-2595	#4 West Main Street	DuQuoin	62832	
East Peoria	14-2562	3300 North Main Street	East Peoria	61611	
Elgin	14-2726	2130 Point Boulevard	Elgin	60123	
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007	10.4%
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126	
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201	16.4%
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805	
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609	20.8%
Glendale Heights	14-2617	520 E. North Avenue	Glendale Heights	60139	17.6%
Glenview	14-2551	4248 Commercial Way	Glenview	60025	
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619	16.7%
Gurnee	14-2549	101 Greenleaf	Gurnee	60031	20.9%
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429	
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195	18.8%
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649	29.8%
Joliet		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	11.6%
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613	22.0%
Logan Square		2734 N. Milwaukee Avenue	Chicago	60647	
Lombard	14-2722	1940 Springer Drive	Lombard	60148	
Macomb	14-2591	523 E. Grant Street	Macomb	61455	
Marquette Park	14-2566	6515 S. Western	Chicago	60636	18.1%
McHenry	14-2672	4312 W. Elm St.	McHenry	60050	
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704	
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160	16.7%
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	
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450	
Mundelein	14-2731	1400 Townline Road	Mundelein	60060	
Naperbrook		2451 S Washington	Naperville	60565	
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566	
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563	
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714	10.8%
Norridge	14-2521	4701 N. Cumberland	Norridge	60656	11.2%
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160	
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630	20.8%
Northcenter	14-2531	2620 W. Addison	Chicago	60618	19.6%

Facility List
ATTACHMENT - 11

Northfield		480 Central Avenue	Northfield	60093	
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611	11.6%
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	600 S. 13th Street	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	
Polk	14-2502	557 W. Polk St.	Chicago	60607	19.9%
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764	
Prairie	14-2569	1717 S. Wabash	Chicago	60616	13.1%
Randolph County	14-2589	102 Memorial Drive	Chester	62233	
River Forest		103 Forest Avenue	River Forest	60305	
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645	19.2%
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008	11.3%
Roseland	14-2690	135 W. 111th Street	Chicago	60628	19.1%
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621	17.6%
Round Lake	14-2616	401 Nippersink	Round Lake	60073	16.8%
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946	
Sandwich	14-2700	1310 Main Street	Sandwich	60548	
Skokie	14-2618	9801 Wood Dr.	Skokie	60077	
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617	20.4%
South Deering		10559 S. Torrence Ave.	Chicago	60617	
South Holland	14-2542	17225 S. Paxton	South Holland	60473	12.2%
South Shore	14-2572	2420 E. 79th Street	Chicago	60649	16.8%
South Side	14-2508	3134 W. 76th St.	Chicago	60652	21.8%
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461	
Southwestern Illinois	14-2535	Illinois Rts 3&143, #7 Eastgate Plz.	East Alton	62024	
Spoon River	14-2565	210 W. Walnut Street	Canton	61520	
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	
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640	16.9%
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	42.3%
West Chicago	14-2702	1859 N. Neltnor	West Chicago	60185	13.1%
West Metro	14-2536	1044 North Mozart Street	Chicago	60622	24.6%
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302	15.6%
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	

*Medicaid percentages are reflected in treatments, not patients. Any patient can have more than one type of coverage in any given year, therefore treatment numbers reflects more accurately the clinic's % of coverage. Only clinics above 10% Medicaid are reported here to show those facilities with significant Medicaid numbers.

All Illinois Clinics are Medicare certified, and do not discriminate against patients based on their ability to pay or payor source.

All clinics are open to all physicians who meet credentialing requirements.

CORPORATE Responsibility & COMMUNITY Commitment

Fresenius Medical Care

Creating a Future Worth Living 3

A Primer for Your Kidneys
Kidney Disease & Dialysis 4

Fresenius: A Corporate Snapshot 8

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Our Community Commitment:
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Our Community Commitment
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Global Outreach 26

Our Community Commitment
Emergency & Disaster Preparedness 28

Our Community Commitment
Contributions 29

FMCNA Named Among the
World's Most Innovative Companies 29

CREATING A FUTURE
WORTH LIVING

For people. Worldwide. Every day. More than three decades of experience in dialysis, innovative research, the global leader in dialysis services and products–that is Fresenius Medical Care.

Patients with kidney disease can now look ahead with much more confidence thanks to our innovative technologies and treatment concepts. We give them a future, one that offers them the best-possible quality of life.

As a vertically integrated company, we cover the entire dialysis value chain. We use the increasing demand for modern dialysis methods to our advantage and work consistently to enhance the Company's growth. Our focus is on consistently implementing strategies that enable us to uphold and expand our technological leadership.

We take the highest medical standards as our benchmark. This is our commitment to our patients, our partners in the healthcare system and our investors, who trust in the reliable performance and the future of Fresenius Medical Care.

FRESENIUS MEDICAL CARE NORTH AMERICA

A PRIMER FOR YOUR KIDNEYS
KIDNEY DISEASE & DIALYSIS

Kidneys play an important role in your body. They rid the body of wastes and fluid by filtering them out of your blood. They make hormones that help produce red blood cells, control blood pressure and activate Vitamin D to keep our bones healthy.

WHAT HAPPENS WHEN KIDNEYS FAIL?

When kidneys stop working, fluid and wastes build up in the body and make you feel sick. It also becomes harder for your body to make red blood cells, control your blood pressure, and keep your bones healthy.

There are two kinds of kidney failure, acute and chronic. Acute kidney failure may be reversed when the source of the problem is found and treated. People with acute kidney failure may go on dialysis for a short time until their kidneys heal. Chronic Kidney Disease (CKD; also called Chronic Kidney Failure) is a progressive disease. There are five stages of CKD. Some patients with CKD may be watched by their doctors for years before they reach End Stage Renal Disease (ESRD), when dialysis or a transplant is needed to help replace lost kidney function. Other patients will get to this stage in just months or weeks.

WHAT ARE THE SIGNS OF KIDNEY DISEASE?

Knowing what to look for may help you and your doctor find out if you have kidney disease early. Finding out early is important because often, with lifestyle changes and medications you may be able to slow down the disease and stay healthy longer.

Some signs of kidney disease are:

- Changes in urination—Urine that is foamy or bubbly, red or pink (contains blood), more or less than your usual amount, or getting up at night to urinate
- Swelling of face and/or feet
- Feeling more tired than usual
- Nausea/vomiting
- Headache, feeling dizzy, having trouble thinking clearly
- Severe itching
- Shortness of breath
- Loss of appetite
- High blood pressure

If you think you have any of these symptoms, talk to your doctor.

HOW IS KIDNEY DISEASE DIAGNOSED?

If your doctor thinks that you may have CKD, he or she might do some or all of these tests to measure how well your kidneys work:

- Test for protein in your urine
- Blood pressure, to see if it's high
- Blood test to measure your creatinine

The doctor will use your creatinine level along with other information to calculate your GFR (glomerular filtration rate). The GFR helps your doctor determine how well your kidneys are cleaning your blood and diagnose CKD.

WHAT CAUSES KIDNEY DISEASE?

The two most common causes of kidney disease are diabetes and high blood pressure. Other causes include:

- Glomerulonephritis (kidney inflammation)
- Arteriosclerosis (hardening of the arteries)
- Blockage of the urinary system; kidney stones or malformation at birth
- Toxins
- Polycystic kidney disease
- Infection
- Trauma (injury)

HOW CAN KIDNEY DISEASE BE PREVENTED?

If you have diabetes or high blood pressure, be sure to see your doctor regularly. Keeping your blood sugar and blood pressure under control may help to prevent kidney disease. Also, keep your doctor and healthcare team informed of any changes in your health and follow all medication and diet changes given to you by your doctor. Diagnosing and treating kidney disease early is important to slowing down the disease progression. Finally, take an active role in your healthcare. Educate yourself about kidney disease and its treatments so you know what to look for.

WHAT IS DIALYSIS?

Dialysis is a mechanical filtering process that cleans waste products out of your blood, removes extra fluid and controls your body chemistry if your kidneys fail. There are two main kinds of dialysis: hemodialysis and peritoneal dialysis.

HEMODIALYSIS

Hemodialysis removes extra fluid and wastes from your body by constantly moving your blood through a filter. The filter, known as a dialyzer or artificial kidney, is used with a dialysis machine. Your blood is removed from your body in small amounts, run through the filter, and then returned. Hemodialysis can be done at home or in a dialysis treatment center. It can be done during the day, or at night while you are sleeping, leaving your days free for other activities. As with any treatment, there are pros and cons to hemodialysis of any type. Thinking about these can help you decide if some type of hemodialysis is right for you.

PERITONEAL DIALYSIS

Peritoneal dialysis (PD) also filters the blood. But, instead of using an artificial kidney, the thin membrane that lines your abdominal cavity, also known as the peritoneum, is used.

During peritoneal dialysis, you fill your abdomen with dialysate. Because the peritoneum is rich in tiny blood vessels, it continually provides a supply of blood to be cleaned. The extra fluid and wastes in the blood move into the dialysate, which you drain and replace.

There are two main types of peritoneal dialysis: Continuous Ambulatory Peritoneal Dialysis (CAPD) and Continuous Cycling Peritoneal Dialysis (CCDP). Both are done at home and both have pros and cons.

Hemodialysis can be done during the day, or at night while you are sleeping, leaving your days free for other activities.

FRESENIUS MEDICAL CARE:
A CORPORATE SNAPSHOT

Fresenius Medical Care is the world's largest integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than two million individuals worldwide.

Fresenius Medical Care is also the world's leading provider of dialysis products such as hemodialysis machines, dialyzers and related disposable products. Fresenius Medical Care is listed on the Frankfurt Stock Exchange (FME,FME3) and the New York Stock Exchange (FMS, FMS/P).

214,648
PATIENTS WORLDWIDE

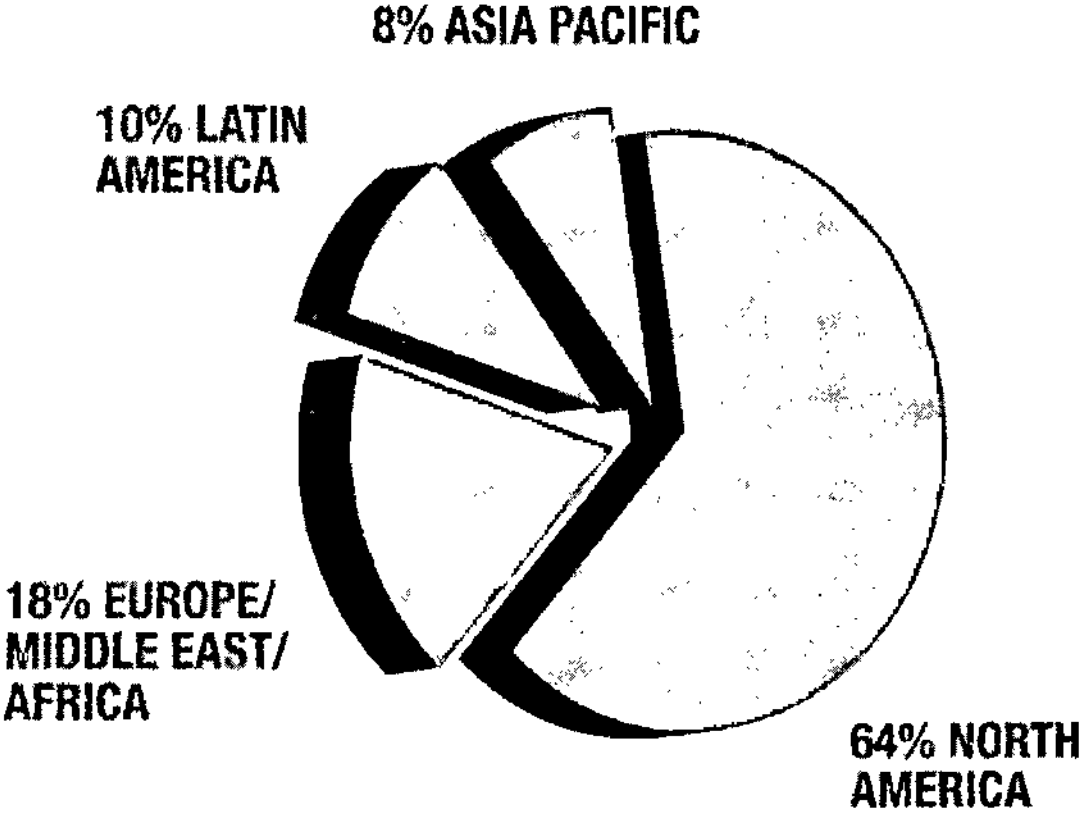
2,757
CLINICS WORLDWIDE

73,452
EMPLOYEES WORLDWIDE

over 40
PRODUCTION SITES WORLDWIDE

about 31.7 million
DIALYSIS TREATMENTS WORLDWIDE

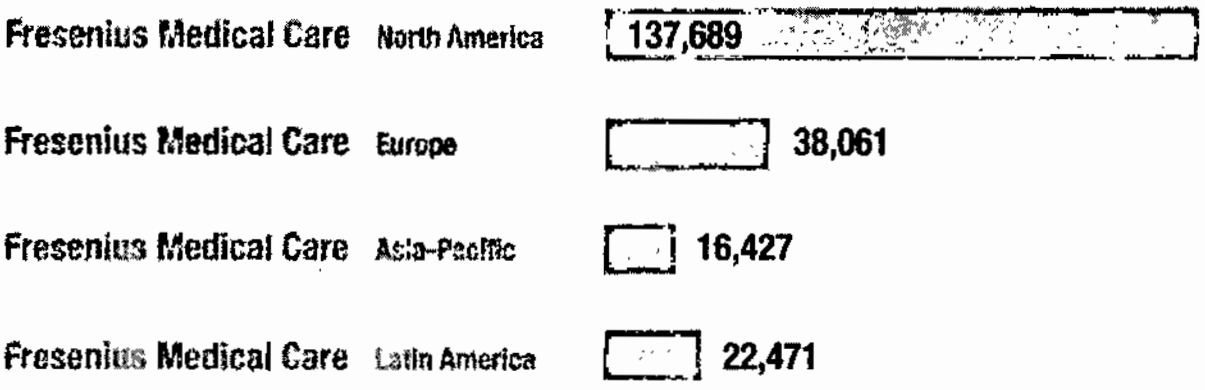
214,648
PATIENTS WORLDWIDE:



2,757
CLINICS WORLDWIDE:

	2010	2009	Change
North America	1,823	1,784	2%
Europe/Middle East/Africa	499	435	15%
Latin America	193	191	1%
Asia-Pacific	242	143	69%
Total	2,757	2,553	8%

2,029 M
DIALYSIS SERVICES WORLDWIDE (2010)



ADVANCING RENAL THERAPY:
DIALYSIS SERVICES & PRODUCTS SINCE 1968

Fresenius Medical Care is the global leader in renal health care, but we don't rest on our laurels. Our mission is to create innovative products and deliver optimal services and care that set the standard in kidney dialysis. Ours is the largest network of dialysis clinics across the United States and worldwide. We're committed to providing patients and their families with the highest quality of care and the best support services.

As the leading manufacturing of dialysis products for use in hemodialysis and peritoneal dialysis, such as machines, cyclers, dialyzers, solutions and related products, including pharmaceuticals... we drive advancements and more options in patient care for medical professionals. We maintain one of America's largest troves of data and research related to renal care; and our vast clinical responsibility demands that we stay the forefront of emerging treatments and services.

QUALITY OF CARE & PATIENT SAFETY

1968:

National Medical Care opens first out-of-hospital dialysis facility in Melrose House, Melrose, Massachusetts.

1970:

National Medical Care operates first out-of-hospital dialysis facility central delivery system at The Kidney Center in Brookline, Massachusetts.

1996:

Fresenius Medical Care AG of Germany acquires National Medical Care, creating Fresenius Medical Care North America (FMCNA). The vertically integrated company becomes the nation's largest network of dialysis centers and the leading manufacturer of dialysis products. Ben Lipps is named chief executive officer and president.

1996:

In partnership with leading nephrologists, FMCNA establishes Renaissance Health Care Inc., a specialty managed care company. Unique knowledge of end stage renal disease clinical practice and medical management allows for cost containment while improving the quality of care for patients.

1997:

FMCNA introduces the Code of Ethics and Business Conduct, and initiates mandatory business practices and compliance training company-wide. The training focuses on company values, commitment to compliance, and the Employee Action Line, patient privacy and security.

1997:

FMCNA is the first large dialysis provider to develop and formally employ Continuous Quality Improvement in its care of patients.

1998:

FMCNA establishes a new peritoneal dialysis (PD) services initiative, focusing on widening the use and availability of this treatment under Dr. Jose Diaz-Buxo, M.D., a nationally recognized leader in PD.

1999:

FMCNA is the first provider to use information from its clinical database to identify and resolve a critical patient care safety issue–detecting frequent disconnects of Central Venous Catheters to blood lines.

2003:

FMCNA launched its Advanced Renal Education Program, developed to assist nephrologists and professional dialysis staff in improving clinical outcomes and standards of practice.

2003:

Fresenius Medical Services announces the successful implementation of UltraCare®, its unique program that combines tools, policies and resources to provide

UltraCare®

differentiated care to all FMCNA patients. UltraCare represents an organizational culture committed to delivering excellent care to patients through innovative methods, the latest technology and a focus on customer service.

2004:

No reuse of dialyzers is fully implemented at all FMCNA clinics, avoiding formaldehyde exposure to patients and the possibility of using an incorrect dialyzer.

2004:

Fresenius Medical Care introduces success@home®, a comprehensive peritoneal dialysis educational support program for clinicians and patients.

2010:

Fresenius Medical Care Renal Pharmaceuticals is established to provide a range of drugs for treating patients with chronic and acute renal failure. Venofer® is used to treat 'iron-poor' blood in kidney disease patients. PhosLo® is a phosphate binder that helps prevent phosphate in the stomach and intestines from being absorbed into the body.

2011:

FMCNA's Patient Safety Organization gains official certification by the secretary of the U.S. Department of Health and Human Services for collecting, analyzing and preventing patient safety problems. The recognition is a first in the dialysis industry.

RESEARCH & INNOVATION

1966:

The first hollow-fiber dialyzers create decisive advances in the quality of treatment. The present chairman of the Management Board of Fresenius Medical Care, Dr. Ben Lipps, was an active contributor to these advances.

1984:

National Medical Care establishes the first dialysis patient database for collection, study, and analysis of patient data.

1999:

FMCNA introduces the On-Line Clearance Monitor, a device that allows staff to more closely monitor adequacy of therapy and immediately make adjustments.

1997:

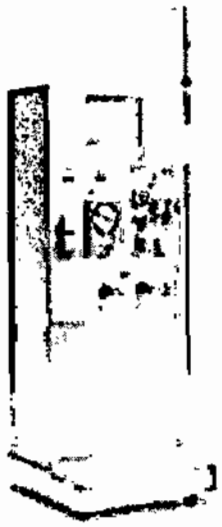
In a joint venture with Beth Israel Medical Center in New York, FMCNA establishes the Renal Research Institute, formed to combine the latest dialysis technology and research to advance end stage renal disease medical care, making it the first collaboration among a group of dialysis centers providing large scale patient samples. The partnership combines optimal treatment for patients with outcome and technology research.

2000:

The Laboratory Services Division introduces automation of laboratory systems at the clinic level with Visual LabWorks, a remote order entry system for laboratory test ordering.

2000:

FMCNA introduces the 2008K hemodialysis machine. The overwhelming market acceptance resulted in all machines manufactured being sold before year-end.



The 2008K

2000:

FMCNA establishes Spectra Renal Research, providing clinical trial services for pharmaceutical, CRO, medical device and biotechnology industries. Spectra Renal Research is the world's largest clinical research site management organization, with a focus on patients with end stage renal disease.

2000:

FMCNA introduces Premier PlusTM Double Bag for CAPD patients. The incorporated Safe-Lock Connectology and Snap disconnect features result in fewer connections for the patient and a commensurate lower risk of infection.

2000:

FMCNA introduces a compliance tracking system to its automated peritoneal dialysis (APD) system, the Freedom™ Cycler PD+. The IQcardTM system allows the cycler to record patient treatment information on a small credit-card sized card.

2001:

FMCNA introduces the Optiflux® dialyzer family with superior small and large molecular weight solute clearances for improved clearance rates and outstanding biocompatibility.

2001:

Fresenius Medical Care and Xitron Technologies Inc., develop a non-invasive process to reliably determine the dry weight of dialysis patients, helping to considerably improve the quality and expectation of life for people with end stage renal disease.

Optiflux Dialyzers

2004:

Fresenius Medical Care introduces stay•safe®, a new generation in peritoneal dialysis (PD) connectology that helps ensure patient safety by automatically closing the PD system.

2004:

Fresenius Medical Care North America announces the completion of a comprehensive, multi-year dialysis products agreement with Dialysis Clinics, Inc. (DCI).

2005:

Fresenius Medical Care acquires Renal Care Group, Inc., further solidifying the company's position as the world's leader in dialysis services and products.

2008:

Fresenius Medical Care launches its Liberty Cycler home dialysis technology for automated peritoneal dialysis combining advanced pumping technology with ease of use for patients.

2010:

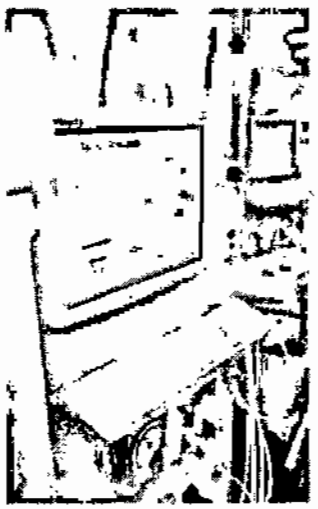
Fresenius Medical Care introduces the 2008T dialysis machine. It combines the company's most advanced hemodialysis delivery system with Clinical Data Exchange (CDX) to provide caregivers, for the first time, chairside access to both dialysis treatment and medical information system data. This improves the treatment session by giving caregivers the ability to facilitate real-time adjustments to therapy and care plans.

2011:

The company's first New Drug Application is approved by the FDA, Phoslyra, an orally available formulation of Phoslo. It broadens options for physicians and dialysis patients to reduce phosphate levels in late stage kidney disease.

2011:

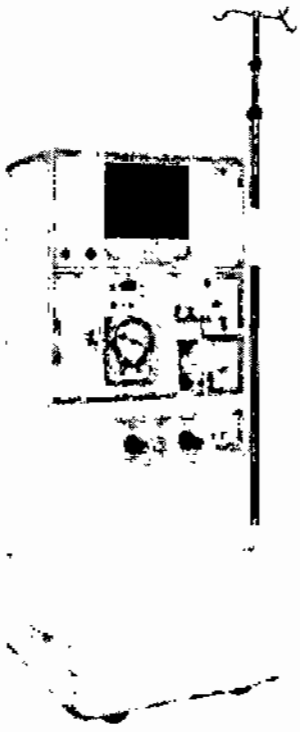
Fresenius Medical Care is certified as the first Patient Safety Organization (PSO) in the dialysis industry by the Secretary U.S. Department of Health and Human Services with the objective of furthering the mission of continuously improving patient safety and health care quality. The purpose of a PSO is to establish a framework by which doctors and other health care providers may voluntarily report information to PSOs, on a privileged and confidential basis, to collect and analyze patient safety events.



The 2008T

2011:

The U.S. Food and Drug Administration clears the 2008K@Home dialysis for marketing to home dialysis patients.



The 2008K@home

ADVANCING RENAL THERAPY: **INTEGRATED CARE**

Results from a project Fresenius Medical Care undertook with the Centers for Medicaid and Medicare Services (CMS) called the End Stage Renal Disease (ESRD) Disease Management Demonstration Project were presented by the independent evaluation contractor, Arbor Research Collaborative for Health, in a series of scientific abstracts and a comprehensive evaluation report. The ESRD DM Demonstration Project is a five-year demonstration project (2006 to 2010) conducted by CMS which the impact of expanded integrated care approaches applied to the Medicare ESRD patient population.

Our main objective in the ESRD DM Demonstration Project was to create a model of care that was patient-centered, one that could improve comprehensive patient quality outcomes of improved survival and reduced hospitalization. Fresenius Medical Care's focus in the ESRD DM Demonstration Project was much broader than improvement of dialysis outcomes, although that result was accomplished in this project as well.

The Fresenius Health Partners program provided a whole-person care approach utilizing an integrated care "health home" concept that actively expanded the management of the various co-morbidities such as congestive heart failure, cardiac disease, nutritional status, infection risks, vascular access and psychosocial needs that impact kidney patients. The program achieved this expanded patient care by adding personal nurse care managers to work with patients and their providers on these non-dialysis focus areas and by deploying a unique home telehealth monitoring device technology (KidneyTel®) and care plan pathways platform, which provided interactive daily contact with patients to collect symptomatic and biometric data, and provide support, education and coordination to patients and their providers. A sample of the results obtained:

- A significantly lower percentage of patients in the FMC program were hospitalized for the first time by one year and two years.
- A significantly lower percentage of patients in the FMC program were hospitalized for cardiovascular disease for the first time by one year and two years.
- A significantly larger percentage of patients in the FMC program survived to the one year and two year time points.
- FMC program experienced estimated savings relative to FFS Medicare based on differences in service utilization throughout all three years of the Demonstration evaluation, with the magnitude of the savings appearing to increase over time.
- FMC Oral Nutritional Supplement program was associated with significantly reduced mortality at one year.
- Significantly higher percentage of patients in the FMC program were wait-listed for transplant.
- FMC achieved greater than 95% of the targeted dialysis Clinical Practice Measures for the Demonstration Project.
- High satisfaction was observed among patients who remained in the FMC program.

PATIENT SURVIVAL & HOSPITALIZATION

The Fresenius Health Partners Program Achieved Improvement in Patient Mortality and Hospitalization Outcomes for the 2006 to 2008 Evaluation Period:

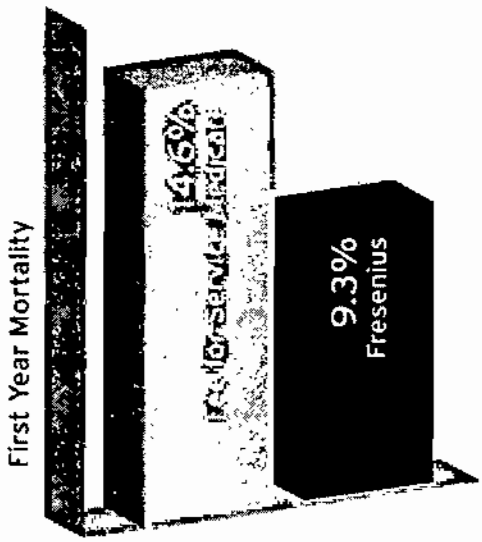
- One Year Mortality (36% reduction)
- Two Year Mortality (24% reduction)
- "All Cause" First Hospitalizations (reduced by 13% for One Year) and (reduced by 20% for Two Year)
- Cardiovascular Disease" First Hospitalizations (reduced by 14% for One Year) and (reduced by 21% for Two Year

REDUCING COSTS

The Fresenius Health Partners Program Achieved Improvement (reductions) in Costs and Utilization of Services in the Third year of the Demonstration Project (2008) in the

Following Measures (range of improvement varied by analysis method):

- Hospital Admissions (8% to 12%)
- Hospital Readmissions (11% to 19%)
- Physician Visits (19% to 27%)
- SNF Stays (43% to 49%)
- ER Visits (3% to 4%)
- Cost of Care (5% to 6%)



Source: "Hospitalization, Survival and Transplant-Related Outcomes in CMS ESRD Disease Management Demonstration." Jeffrey Pearson, et al, Arbor Research Collaborative for Health, 2010. Full independent report at www.kidneytet.com.

ADVANCING RENAL THERAPY:
TREATMENT OPTIONS PROGRAM (TOPS)

Renal care at Fresenius Medical Care starts well before dialysis with our pre-dialysis educational classes Treatment Options Program–TOPs.

Options include in-center dialysis, transplant, home dialysis, patient travel services and non-treatment

TOPs, in its five years since launch...

- Educated 57,000 chronic kidney patients at no charge to them. Family members welcome to participate
- Offered nationwide in a variety of settings including dialysis facilities, libraries, hospitals, community centers
- Peer-reviewed paper published on TOPs participants in June 2011
- Showed a 40-50% lower risk of death during first 90 days of dialysis
- TOPs associated with more home dialysis choices
- TOPs associated with more fistula/graft choices

ADVANCING RENAL THERAPY: **CLINICAL STUDIES**

The Clinical Studies Dept. at Fresenius Medical Care facilitates and monitors clinical research in our dialysis facilities.

- Completed more than 50 Phase 3 multi-site sponsored trials
- Completed more than 11 Phase 2 multi-site trials
- In its 11-years of operation, the group now includes 18 clinical research coordinators working with physicians across the U.S.
- Categories of clinical data available for study include general demographics and renal demographics, dialysis prescriptions, dialysis parameters, lab and medication prescriptions and results
- Database of 600,000 renal patients available for study including:
  - 116,000+ active patients
  - 500 million lab results
  - 130+ million hemodialysis treatments
  - 450+ million medication administrations

ADVANCING RENAL THERAPY:
RENAL RESEARCH INSTITUTE

Formed in early 1997 as a joint venture between Fresenius Medical Care and Beth Israel Medical Center, Renal Research Institute is a financial and scientific commitment to better kidney care. It is a collaboration with Beth Israel Medical Center and Fresenius Medical Care to produce measurable results in patient outcomes, building on clinical nephrology and evaluating and applying new technology to enhance the quality of patient care. The Institute collaborates among a select group of dialysis facilities with strong ties to academic research institutions. This synergy among designated academic research universities, industry, and dialysis clinics is the first of its kind in the field of kidney disease.

Key contributions to the body of renal care literature by RRI

The Frequent Hemodialysis Network Trials (2010-2011)

These are landmark studies–1 published in *NEJM*–on the effects of increasing dialysis frequency from conventional thrice weekly to either 6-times, weekly short in-center dialysis or nocturnal dialysis. RRI played a pivotal role in the design and execution of these trials and is actively involved in the analysis and interpretation of the study results.

Calcium kinetic studies; contribution to the dialysate calcium debate (2006-2010)

RRI has conducted seminal calcium kinetic studies which significantly shaped the discussion about calcium balance and dialysate calcium concentration. RRI has further critically commented on recent guidelines to raise awareness in the nephrology community of the importance of calcium mass balance quantification. Additional publications with pivotal calcium kinetic data are underway.

Calcium kinetic studies; contribution to the dialysate calcium debate (2006-2010)

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Events before death (2009-ongoing)

RRI is pioneering a novel methodological approach to look at risk predictors of death in dialysis patients: a look backwards in time, starting from the date of death to provide a powerful way of characterizing common patterns in the evolution of key clinical and laboratory parameters prior to death. The ultimate goal of this project is to develop an alarm system to draw clinicians' attention to high-risk patients that deserve special attention. RRI is leading an unprecedented worldwide collaboration to this end, spanning six continents and more than 30 countries. The results of this ongoing project will to have a major impact on the field of dialysis.

OUR COMMUNITY COMMITMENT:
A STEWARD OF THE ENVIRONMENT AND A SAFE WORKPLACE

- We recently revised a carbon tank backwashing system allowing us to sterilize water in dialysis clinics but save 300 million gallons of water.
- To reduce electrical consumption, heat exchangers are now used to transfer reverse osmosis-concentrate heat into the hot-water heaters allowing a typical 16-patient-station dialysis clinic to recover about 75% of wasted heat across our 1,850 U.S. clinics
- Since 1999, the company's been recognized by CNA for its national leadership and outstanding employee safety, health and risk management track record in earning its National Safety Award

OUR COMMUNITY COMMITMENT: **VOLUNTEERISM**

We volunteer because that is who we are; we are the fabric of our communities.

The South Greensboro, North Carolina Fresenius Medical Care Education Department provided area secondary institutions Page High School and Weaver Academy Allied Health Students with the opportunity to participate in a hemodialysis clinical experience. The students were shown an overview of hemodialysis, an opportunity to participate in an observation on a treatment floor of the dialysis process, interactions with health care professionals and an opportunity to view our Fresenius Treatment Options DVD. The students and instructors voiced positive feedback in learning about patient care and medicine as a career choice, renal dialysis as a treatment modality and as an important medical option for patients with kidney failure.

Amy French, BSN, CNN presented a talk entitled *"The Career Path of a Nephrology Nurse"* to a group of high school students at the Prosser School of Technology in New Albany, INDIANA. Part of a career decision class which was made up of students wishing to pursue a career in the medical field, it was opportunity to introduce students, just beginning their career paths, to the exciting and rewarding world of nephrology nursing.

Fresenius Medical Care employees from the Greater Anderson, South Carolina area participated in the Habitat for Humanity. Pictured from left are **Estella Hill**, Home Therapy Nurse; **Molly Costa**, Home Therapy Program Manager; **Cassandra Pinkston**, Home Therapy Nurse; **Maggie Frazier**, Home Therapy Nurse and **Pam Pyeatt**, Home Therapy Nurse. Not pictured are **Patsy Gaston** and **Elaine Fields**.

Fresenius Medical Care facilities in the Houston area rallied staff members together to collect more than 1,000 cans of food for the Houston Food Bank. From left are Faith McBride, Assistant to Regional Vice President Mark Delahunty; Jesse Moya, Technical Supervisor, Houston Acute Program; and Anne Blue, Patient Services Specialist, Houston Region.

Staff from two clinics in the Vancouver, WA area participated in an NKF Kidney Walk in Portland, OR. The "Fort Vancouver Kidney Crusaders" created tee-shirts and spent a very enjoyable day walking for a good cause. From left, (front row) employee family member **Charles Frayer**, PCT **Melissa Vega**, employee family members **Ayden Vega** and **Dakota Roller**, patient **Suzanne Lam**, **Lisa Schaefer** R.N., **Jeannie Roberts** R.N. and **Lewis the dog**; (back row) PCT **Scott Ryan**, employee family members **Kiana, Kole, and Lori Ryan**, RCIT/PCT **Darci Roller**, employee family member **Anna Roller**, PCT **Sherrie Neff**, **Erica Wheatley** R.N., **Joan Blatt** R.N., employee family member **Dave Leon**, patient family member **Joe Bertrand**, **Jill Walker** R.N., PCT **Michelle Boston** and PCT **Jenni Frayer**.

During a medical mission to earthquake ravaged Haiti, North Alabama Region's Ann Pridgen RN CDN volunteered among a team of medical professionals seeing hundreds of desperate people. Among the many things she participated in: The team set-up a medical mobile clinic on a Saturday that was advertised by loud-speaker in the streets, and saw 138 patients in just 4 hours. We assisted with English lessons in the church one evening, and over 200 attended. Haitians are very anxious to learn English, as they are required to speak English to get a job. One young boy asked me to sit with him and write every word that I had said. Ann drew pictures and repeated the English words, since she could not translate the English into Creole.

Ann Pridgen RN CDN volunteering in Haiti

Ana Perryman, BSN, an Educational Coordinator for Fresenius Medical Care North Florida organized a community educational program in recognition of World Kidney Day. The location was her local farmer's market where individuals older than 45 years old participated in glucose and blood pressure screenings, as well as, a short health questionnaire identifying possible risks for kidney failure. She presented findings to the local chapter of the American Nephrology Nurses Association chapter members and new hires Fresenius Medical Care orientation.

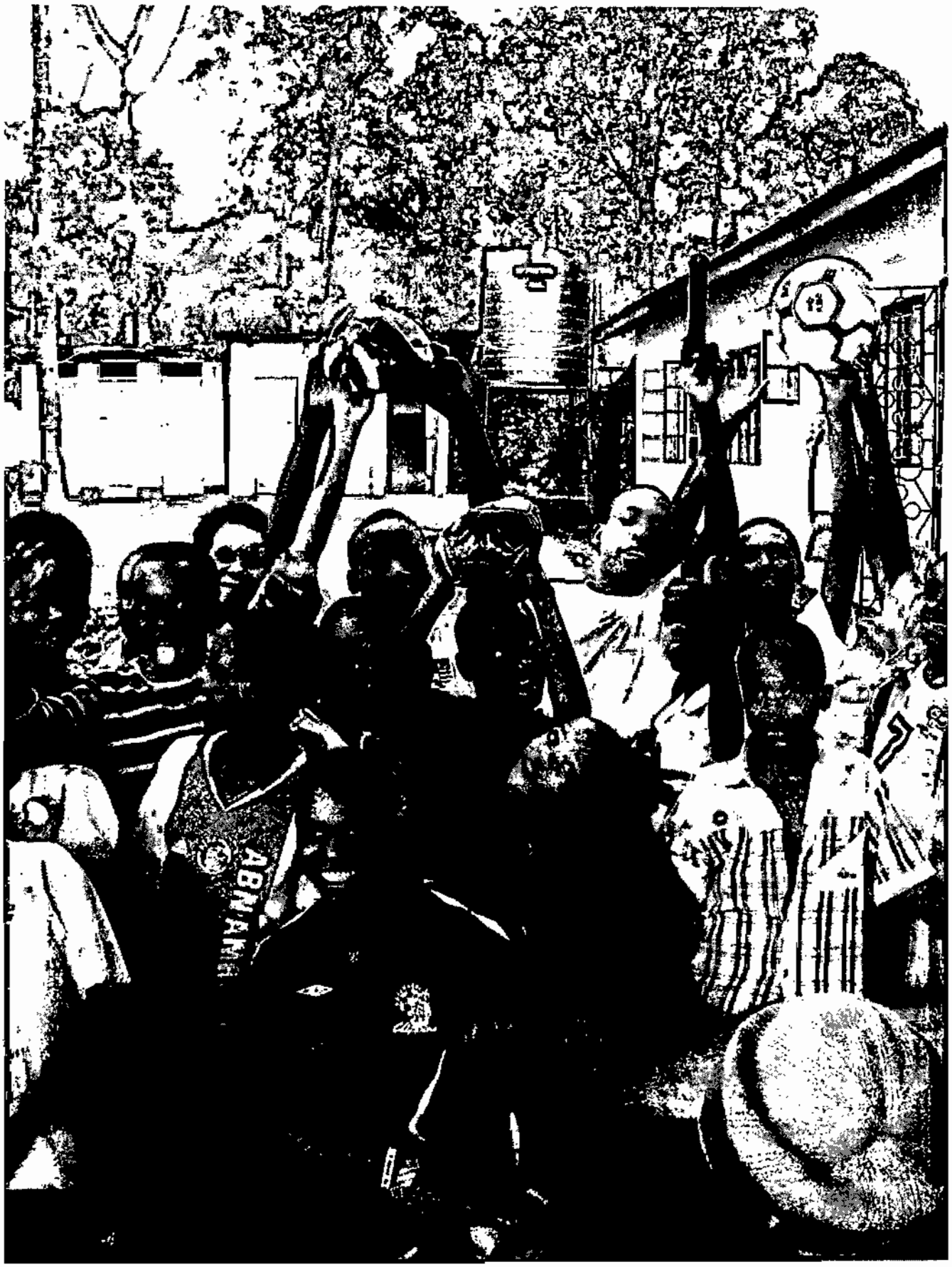
- Our 400 nurse educators are certified to train professional clinical staff across Fresenius Medical Care to meet quality goals, ensure compliance with regulatory standards and the latest advances in patient care.
- Nurse educator personnel are volunteers and national leaders in kidney care and education benefitting the entire renal community.

Shad Ireland (middle), Fresenius Medical Care spokesperson, patient and Ironman triathlete, joined fellow Fresenius Medical Care staff members **Joan MacWilliam** and **Heather Curry** at the Alabama Kidney Foundation Walk.

OUR COMMUNITY COMMITMENT:
GLOBAL OUTREACH

Renal Research Institute, and the Sustainable Kidney Care Foundation with Fresenius Medical Care, Germany were among the co-sponsors of a 2011 conference in Moshi, Tanzania where medical professionals examined the burden of kidney disease with particular focus on treating children and women of childbearing age in developing countries of sub-Saharan Africa, goals consistent with the United Nations Millennium Development Goals 2015 project. Participants included medical professionals from Tanzania, Malawi, Uganda, Kenya, Democratic Republic of Congo with global nephrology opinion leaders. They covered acute kidney injury, peritoneal dialysis, renal replacement therapy, chronic kidney disease management, and managing specific kidney diseases.

Formed in early 1997 as a joint venture between Fresenius Medical Care and Beth Israel Medical Center, Renal Research Institute is an administratively distinct institution. The institute is a collaborative effort among a selected group of dialysis facilities with strong ties to academic research institutions. This synergy among designated academic research universities, industry, and dialysis clinics is the first of its kind in the field of kidney disease.



OUR COMMUNITY COMMITMENT:
EMERGENCY & DISASTER PREPAREDNESS

Our award-winning disaster/emergency preparedness teams ensure the continuity of our life-saving dialysis operations during major disaster/emergencies

- Winner International Association of Emergency Managers Business Preparedness Award in 2010
- Kidney Community Emergency Response Coalition leader
- Boosting disaster/emergency preparedness awareness and training for all our patients
- Disaster preparedness training for all employees
- Availability of a dedicated fully staffed 24-hr disaster hot-line that will locate the nearest open facility for any dialysis patient nationwide impacted during a disaster

HOW PREPARED ARE WE?

- Performed more than 1,000 treatments on non-FMCNA pts. following Hurricane Katrina
- Airlifted 50,000 lbs of urgently needed dialysis supplies to support disaster relief in the immediate aftermath of the Haiti earthquake
- Own and operate 4 large mobile generator trucks to respond to power disruptions during emergencies
- Distributed over 600 personal generators to staff across the country during various storms and emergencies
- By bringing our clinics on-line immediately after a disaster we reduce surge of dialysis patients to nearby hospitals, reducing the strain on the healthcare system

OUR COMMUNITY COMMITMENT: CONTRIBUTIONS

NATIONAL KIDNEY FOUNDATION

- Support at over $250,000 in ongoing partnerships across the U.S. for public health education and research
- Recently co-produced a 6-minute film *"Dialysis Saves Lives"*–a social network viral sensation in the renal community. The aim was to help patients understand what's involved and demonstrate that dialysis can be both life-saving and life-enhancing. *"Dialysis Saves Lives,"* focuses on four patients, ages 9-70, who share their experiences on camera. Viewers can follow the patients' initial fear at being diagnosed, treatment routines and ultimate realization that they can still lead normal, productive lives. http://youtu.be/NHS0oyHR4vI

RENAL SUPPORT NETWORK

- Support at $150,000 to advance their missions help patients develop their personal coping skills, special talents, and employability by educating and empowering them (and their family members) to take control of the course and management of the disease–to live a joyful life in spite of disease employees and patients who need immediate accommodation following major disasters

FMCNA NAMED AMONG THE WORLD'S MOST INNOVATIVE COMPANIES

Fresenius Medical Care is proud to have been named among the World's Most Innovative Companies in the August 8, 2011 cover story edition of Forbes. Of 100 companies, Fresenius Medical Care ranked 51. The list is based on an 8-year study by Harvard Business School Professor Clayton M. Christensen, along with colleagues Professors Jeff Dyer of Brigham Young University and Hal B. Gegersen of INSEAD. They identified company cultures of the most innovative companies in the world where there was constant:

- Questioning, allowing innovators to challenge the status quo and consider new possibilities;
- Observing helping innovators detect small details–in the activities of customers, suppliers and other companies–that suggest new ways of doing things;
- Networking permitting innovators to gain radically different perspectives from individuals with diverse backgrounds;
- Experimenting prompting innovators to relentlessly try out new experiences, take things apart and test new ideas;
- Associational thinking–drawing connections among questions, problems or ideas from unrelated fields–triggered by questioning, observing, networking and experimenting and is the catalyst for creative ideas.

CORPORATE Responsibility & COMMUNITY Commitment

Fresenius Medical Care

The World Leader in Renal Therapy

Fresenius Medical Care North America
920 Winter Street
Waltham, MA 02451
781-699-9000
www.fmcna.com

Certification & Authorization

Dialysis Centers of America - Illinois, Inc.

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

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

By: _____

ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this ____ day of _____, 2012

_____
Signature of Notary

Seal

By: _____

ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

Susan H Console
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

ATTACHMENT - 11

Certification & Authorization

Fresenius Medical Care of Holdings, Inc.

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

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

By: _____

ITS: **Bryan Mello**
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2012

_____
Signature of Notary

Seal

By: _____

ITS: **Maria T. C. Gillis**
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

Susan H Console
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

ATTACHMENT - 11

Criterion 1110.230 – Purpose of Project

The purpose of this project is to maintain access to life-sustaining dialysis services to the Canton market area and to address an aging and outdated facility by relocating the current Fresenius Spoon River dialysis facility to another modernized site also located in Canton on the campus of Graham Hospital.

The current facility was established approximately twenty years ago in leased space at Graham Hospital in Canton. The facility is located in an older section of the building and the Hospital has plans to renovate this section to expand its growing outpatient services department. The Hospital has offered us another free-standing building at approximately 340 S. Avenue B, which is also on the Hospital campus.

Due to the fact that the Spoon River facility is operating at 83% utilization and there are no other dialysis facilities within 30 minutes travel time of Canton, Fresenius Medical Care's goal is to relocate this facility to keep dialysis services accessible to this rural patient population.

The additional station is to provide this market area access to isolation treatment currently available only in Peoria, almost an hour away. When a hepatitis B positive patient requires dialysis they must, according to CMS Guidelines, be treated in an isolation station. This is a station separated from the other stations to prohibit cross contamination to other patients. The facility could apply for a waiver to this isolation station, but because of the distance of other facilities offering isolation we did not fee it would be appropriate.

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. The quality outcomes for the Spoon River facility for the past year have been above the State standard:

- 96% of patients had a URR $\geq$ 65%
- 98% of patients had a Kt/V $\geq$ 1.2

Alternatives

1) All Alternatives

A. Proposing a project of greater or lesser scope and cost.
Three alternatives were considered that would entail a lesser scope and cost than the project proposed in this application, however they were determined not to be feasible options.

- The alternative of doing nothing is not feasible. The landlord at our current site, Graham Hospital, is asking us to vacate our space. The Hospital has plans to renovate the space to enlarge their outpatient services department. They have offered us an alternative space to lease in a free-standing building at approximately 340 S. Avenue B, also on the Hospital campus.

- The next alternative was to relocate only the 8 stations and not add the isolation station. The cost for this would only be about $45,000 less than the current project. While this alternative could be feasible, the clinic is already operating at 83% utilization, reducing treatment shift availability and access to an isolation station is required by CMS guidelines. Any patient that is Hepatitis B positive has to dialyze in an isolation or separation station. This is a station that is separated from the other stations to eliminate cross contamination to other patients. Currently Hepatitis B positive patients have to drive almost an hour away to Peoria for treatment. A waiver for isolation could be granted, however because the other isolation stations in the area are over 30 minutes away we did not feel this would be appropriate.

- The third alternative would be to relocate the 8 stations and make one of the 8 into an isolation station. The clinic is already operating at 83% utilization which does not allow appropriate latitude for treatment shifts at a rural clinic, particularly with no other clinics within 30 minutes. The cost of this alternative would be approximately $25,000 less than the current proposed project. This would not best serve this rural patient population especially those with Hepatitis B.

B. Pursuing a joint venture or similar arrangement with one or more providers of 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.
This facility is not currently a joint venture and it does not make sense to enter into a joint venture only for the purposes of relocating. The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility it enters into a joint venture agreement with. Our healthy financial position and abundant liquidity indicate that that we have the ability to support the development of additional dialysis centers. Fresenius Medical Care has more than adequate capability to meet all of its expected financial obligations and does not require any additional funds to meet expected project costs.

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

The most realistic alternative is to relocate the 8 station Spoon River facility to another site in Canton to keep dialysis accessible for current and future patients and add one station designated to be an isolation station. According to the Board rules a facility may add 10% or 3 stations every two years without a permit, provided stations have not been added in the previous two years. The Spoon River facility qualifies to add this additional station now, however it seems more prudent to wait and add this station along with the relocation. This alternative will keep dialysis services available in Canton and create access to isolation treatment services. The cost of this project is $2,710,375.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Maintain Status Quo	$0	Clinic would be forced to close as Hospital has asked us to vacate the current space. This would eliminate access within 30 minutes of Canton.	Quality would remain similar if patients had to travel out of area to other Fresenius facilities for treatment.	Patients would experience excessive transportation costs.
Relocate only the 8 current stations (resulting in no isolation stations)	$2,548,550	Patients with Hepatitis B would have to travel over an hour to Peoria for treatment.	Patient clinical quality would remain above standards	No effect on patients
Relocate only the 8 current stations and turn one into an isolation station	$2,548,550	Patients with Hepatitis B would now have access to treatment, however due to the fact the clinic is running at 83% utilization without an isolation station the utilization would rise dramatically and there would be loss of access to non-isolation treatment.	Possible implementation of a 4th shift to care for additional patients which causes a hardship on patients. Clinical quality would remain the same.	No financial implications.
Relocate the 8 station Spoon River facility and add one station to be designated as an isolation station.	$2,710,375*	Improved access with safe and ample parking Access to other hospital services in one location Access to isolation treatment.	Patient clinical quality would remain above standards Patient satisfaction would improve with easier access and more modern facilities	The cost of relocation is necessary to keep dialysis services accessible in the Canton area and is a cost only to Fresenius Medical Care.

*$1,350,215 of this project cost is lease of space and equipment and other equipment costs.

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

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. Fresenius Medical Care Spoon River has had above standard quality outcomes.

- 96% of patients had a URR $\geq$ 65%
- 98% of patients had a Kt/V $\geq$ 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	6,000 (9 Stations)	360-520 DGSF	1,320 DGSF	No

As seen in the chart above, the State Standard for ESRD is between 360-520 DGSF per station. This project is being accomplished in leased space with the interior to be built out by the applicant therefore the standard being applied is expressed in departmental gross square feet. The proposed 6,000 DGSF amounts to 667 DGSF per station and is over the State standard. However, the additional space will be leased for administrative offices and for future expansion. Most dialysis facilities will expand when necessary and it is more cost effective to have the additional space at the forefront of a project rather than to have to relocate a facility or establish a new clinic when the need arises. This facility will be able to house an additional 4 stations if/when necessary.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	**HISTORICAL UTILIZATION**	**PROJECTED UTILIZATION**	**STATE STANDARD**	**MET STANDARD?**
	IN-CENTER HEMODIALYSIS	83% - 40 pts 1st Qtr, 2012*		80%	No
YEAR 1	IN-CENTER HEMODIALYSIS		48 pts = 89%	80%	No
YEAR 2	IN-CENTER HEMODIALYSIS		52 pts = 96%	80%	No

As seen in the chart above, the facility is expected to stay above 80% utilization.

Current* & Pre-ESRD Patients of Fresenius Medical Care Spoon River

City	Zip Code	Patients
Cuba	61427	6
Ellisville	61431	1
Fairview	61432	1
Fiatt	61433	2
Ipaya	61441	1
Macomb	61455	1
Smithfield	61477	3
Canton	61520	59
Dunfermline	61524	2
Elmwood	61529	3
Eureka	61530	1
Farmington	61531	5

City	Zip Code	Patients
Forest City	61532	2
Glasford	61533	3
Hanna City	61536	2
Lewistown	61542	5
Manito	61546	2
Mapleton	61547	3
Pekin	61554	1
Canton	61563	2
Trivoli	61569	1
Yates City	61572	3
Havana	62644	7
	Total	**116**

*Since the physician's referral letter was certified to, the 1st Quarter Network Data has been posted. The Spoon River facility has added 2 more patients to its census, per the Network Data. These two patients are included in the above patient count.

A. Planning Area Need - Formula Need Calculation:

The relocation of the Fresenius Medical Care Spoon River dialysis facility is located in Canton in HSA 2. HSA 2 is comprised of Bureau, Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren, and Woodford counties. According to the April 2012 Inventory there is a need for an additional 3 stations in this HSA.

2. Planning Area Need – Service To Planning Area Residents:

A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Fulton County in HSA 2, more specifically the Canton market area. Of the combined current ESRD and pre-ESRD patients identified for this project, 89% reside in HSA 2.

Current* Patients and Pre-ESRD Patients Who Will Be Referred To Fresenius Spoon River			
County	**HSA**	**#Patients**	**% of Patients**
Fulton	2	87	75%
Knox	2	3	3%
McDonough	2	1	1%
Peoria	2	11	10%
Tazewell	2	1	1%
Woodford	2	1	1%
Mason	3	12	11%
	Totals	**116**	**100%**

*Since the physician's referral letter was certified to, the 1st Quarter Network Data has been posted. The Spoon River facility has added 2 more patients to its census, per the Network Data. These two patients are included in the above patient count.

Illinois Kidney Disease & Hypertension Center

Nephrology Associates
Frederick Horvath, Jr., M.D.
Phillip J. Olsson, M.D., F.A.C.P.
Robert T. Sparrow, M.D.
Benjamin R. Pflederer, M.D.
David C. Rosborough, M.D.
Timothy A. Pflederer, M.D.
Paul T. Dreyer, M.D.
Gordon W. James, M.D.
Andrew C. Bland, M.D., F.A.A.P., F.A.C.P.
Robert Bruha, M.D.
Samer B. Sader, M.D.
Anthony R. Horinek, M.D.
Alexander J. Alonso, M.D.
Robert A. Pflederer, M.D. - Emeritus
R. Kent Bryan, M.D. - Emeritus

Surgery Associates
Beverley L. Ketel, M.D.
Timothy P. O'Connor, M.D., F.A.C.S.

Physician Assistants
Julie A. DeSutter, P.A.-C.
Holly R. Walker, P.A.-C.

Nurse Practitioners
Tonya K. McDougall, M.S.N., F.N.P.
Karen A. Helfers, M.S.N., F.N.P.
Cheryl M. Wiemer, M.S.N., F.N.P.
Judith A. Dansizen, A.P.R.N.-B.C.

Administrator
Beth A. Shaw, MBA

200 E. Pennsylvania Ave., Suite 212
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Office 309.676.8123
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2355 Broadway Rd.
Pekin, IL 61554

1100 E. Norris Drive
Ottawa, IL 61350

501 E. Grant St.
Macomb, IL 61455

920 West Street
Medical Office Building, Suite 212
Peru, IL 61354

Perry Memorial Hospital
530 Park Avenue East, Suite 306
Princeton, IL 61356

107 Tremont Street
Hopedale, IL 61741

Graham Hospital
210 W. Walnut
1st Floor, Outpatient Clinic
Canton, IL 61520

1315 Memorial Drive
Outpatient Clinic
Mendota, IL 61342

205 South Park
Streator, IL 61364

April 18, 2012

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

Dear Ms. Avery:

I am a nephrologist in practice with Renal Care Associates (RCA) and am the Medical Director of the Fresenius Spoon River and Macomb dialysis clinics. Due to the fact that the landlord (Graham Hospital) of the Spoon River ESRD facility has asked us to vacate the current space to make room for Hospital renovations, I am in full support of the relocation of this facility to 340 S Avenue B, also in Canton and on the campus of Graham Hospital. I am excited at the prospect of having the added isolation station located in the Spoon River facility. Currently my patients who are Hepatitis B positive have to drive a long distance to Peoria for treatment. This trip can be in excess of an hour for patients from the Canton area.

RCA was treating 563 patients at the end of 2009 and 635 patients at the end of 2010, and 728 at the end of 2011 as reported to The Renal Network. Over the past twelve months RCA has referred 256 new hemodialysis patients for dialysis services to Fresenius Spoon River, Pekin, East Peoria, Peoria Downtown, Peoria North, Macomb, Kewanee, Ottawa, McLean County, Pontiac and Spring Valley. We also referred 47 patients for home dialysis services. I expect that all 38 current patients of the Fresenius Medical Care Spoon River facility will relocate to the new site upon its opening. We currently have 949 patients in our practice in various stages of kidney failure. There are 76 pre-ESRD patients that live in the zip codes surrounding the Canton area. Of these there are 53 that we expect to begin dialysis at Spoon River by the time the relocation has been in operation two years (this is accounting for a 30% loss of patients prior to dialysis commencement). These patients all have lab values indicative of a patient in active kidney failure.

The Spoon River facility treats in excess of 40 patients a year and has experienced an approximate 25% death rate due to the aging population of the Canton area. As well, the facility has an approximate 5% transplant rate. It is therefore expected that 10-12 current patients of the facility are not expected to continue to require dialysis services by the time the facility is relocated.

Given the increase of pre-ESRD patients seen in our practice and the loss of our current Canton site, I urge the Board to approve the relocation of Fresenius Medical Care Spoon River in order to keep access available to this rural ESRD patient population. Thank you for your consideration.

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

Sincerely,

Paul Dreyer

Paul Dreyer, M.D.

OFFICIAL SEAL
ALICE J MUSSELMAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/10/16

Notarization:
Subscribed and sworn to before me
this 20th day of April, 2012

Alice J. Musselman
Signature of Notary

Seal

CURRENT SPOON RIVER PATIENTS THAT WILL TRANSFER TO THE RELOCATION SITE UPON OPENING

ZIP CODE	Patients
61455	1
61524	1
61533	1
61536	1
61569	1
61427	2
61529	2
61572	2
61531	3
61542	3
62644	5
61520	16
TOTAL	**38**

PRE-ESRD PATIENTS IDENTIFIED FOR THE SPOON RIVER FACILITY

These patients will begin dialysis in the next 12 months

Stage 5 ESRD		
Patient Initials	Zip Code	Physician
BA	61520	DREYER
BE	61520	DREYER
BS	61441	OLSSON
CB	61520	OLSSON
CM	61532	OLSSON
CO	61520	DREYER
DS	61427	DREYER
DS	61547	DREYER
HG	61542	OLSSON
JH	61536	OLSSON
JM	61524	DREYER
JT	61520	DREYER
LB	62644	OLSSON
MS	62644	OLSSON
ND	61547	DREYER
ND	61547	OLSSON
NG	61532	OLSSON
PS	61520	OLSSON
RB	61520	DREYER
RC	61427	DREYER
SF	61477	OLSSON
SM	61546	DREYER
WS	61554	DREYER
Total 23 Patients		

These patients will begin dialysis in 1-2 years

Stage 4 ESRD		
Patient Initials	Zip Code	Physician
BL	61427	DREYER
JB	61427	OLSSON
PD	61431	OLSSON
JD	61432	OLSSON
RB	61433	OLSSON
OD	61433	OLSSON
JS	61477	DREYER
SF	61477	OLSSON
CO	61520	DREYER
AP	61520	DREYER
IR	61520	DREYER
CR	61520	DREYER
FR	61520	DREYER
DR	61520	DREYER
RS	61520	DREYER
AS	61520	DREYER
WS	61520	DREYER
GS	61520	DREYER
JT	61520	DREYER
JT	61520	DREYER
EW	61520	DREYER
WW	61520	DREYER
WZ	61520	DREYER
MA	61520	OLSSON
CB	61520	OLSSON
CB	61520	OLSSON
HB	61520	OLSSON
KF	61520	OLSSON
DH	61520	OLSSON
RH	61520	OLSSON
MH	61520	OLSSON
EJ	61520	OLSSON
CM	61520	OLSSON
SM	61520	OLSSON
DP	61520	OLSSON
AR	61520	OLSSON
DS	61520	OLSSON
PS	61520	OLSSON
TS	61520	OLSSON
PT	61520	OLSSON
RU	61520	OLSSON
KV	61520	OLSSON
BH	61529	DREYER
NW	61530	OLSSON
LD	61531	DREYER
CM	61531	DREYER
LH	61533	DREYER
LH	61533	OLSSON
RP	61542	OLSSON
BE	61546	DREYER
RR	61563	OLSSON
AY	61563	OLSSON
OM	61572	OLSSON
Total 53 Patients		

Of the total 76 total patients who are expected to begin dialysis in 1-3 years, approximately 30% will no longer require dialysis services due to death, transplant, recovery of kidney function or moving out of the area. It is therefore estimated that approximately 53 of these patients will be referred to the Spoon River facility by the time the relocation has been in operation two years.

NEW REFERRALS OF RCA FOR THE PAST TWELVE MONTHS

	FRESENIUS MEDICAL CARE												
ZIP CODE	BLOOMINGTON	CANTON	PEORIA DOWNTOWN	EAST PEORIA	KEWANEE	MACOMB	NORTH PEORIA	OTTAWA	PEKIN	PONTIAC	SPRING VALLEY	STREATOR	Total
60014			1										1
60062			1										1
60518												1	1
60621	1												1
60643						1							1
60651	1												1
60707											1		1
61282						1							1
61301				1							2		3
61319										1		1	2
61341								3					3
61342											2		2
61348								1			1		2
61350								12					12
61354											3		3
61356											6		6
61362											7		2
61364		1						4				5	10
61369										1		1	2
61370								1					1
61375											1		1
61377											1	2	3
61379											1		1
61401				1									1
61422						1							1
61427		1											1
61443					8								8
61455		1				3							4
61483	1												1
61484						1							1
61501						1							1
61518								1					1
61520		7							1				8
61523							2						2
61524		1											1
61528		1					1						2
61529		1											1
61534									1				1
61536				1			1						2
61537							1						1
61540							2						2
61542			1										1
61546									1				1
61547									1				1
61548				2									2
61550				4									4
61554			1	2					20				23
61559					1								1
61565							1						1
61569		1											1
61571				7									7
61572		1											1
61602							1						1
61603			5	2									7
61604			7	1			5						13
61605			11										11
61607			3	3					1				7
61611	1		1	4									6
61614			2	1			6						9
61615			4	1			2						7
61616			1				1						2
61701	11												11
61702	2												2
61704	7												7
61705	2												2
61725	1												1
61726										1			1
61727	3												3
61728										2			2
61734									1				1
61740										1		1	2
61745	1												1
61748	1												1
61755									1				1
61761	5												5
61764										3			3
61771	1												1
61776	1												1
61940	1												1
62867						1							1
62644									1				1
62682									1				1
63115	1												1
and To	41	15	38	30	9	9	23	22	29	9	20	11	256

PATIENTS OF RCA AT YEAR END 2009

	FRESENIUS MEDICAL CARE												
ZIP CODE	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEKIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	TOTAL
60140							1						1
60409						1			1				2
60461									2				2
60470												1	1
60510							1						1
60538					1								1
60543					1								1
60521									3				3
60534									1				1
60536									1				1
61302				1									1
61301								2			11		13
61312											1		1
61314			1										1
61317											1		1
61319									2			1	3
61321	1												1
61327											5		5
61327											2		2
61329											2		2
61335											1		1
61336											1		1
61341					6								6
61342											4		4
61348											5		5
61350					13							1	14
61354											6		6
61356			1								9		10
61360					1								1
61361			1					1					2
61362											8		8
61364					4							17	16
61373					2								2
61377												2	2
61401								1					1
61420				1									1
61422				3									3
61434			1										1
61443				1									1
61443			15										15
61447				1									1
61450				1									1
61455				8									8
61483			2										2
61484				1									1
63491								1					1
63317								1					1
61520										8			8
61523							1	6		1			8
61524										1			1
61525							1						1
61529							1						1
61529										1			1
61531										1			1
61533										3			3
61534							1						1
61536										1			1
61537		1									2		3
61543										2			2
61546						5							5
61548		3											3
61550		6					1	1					8
61552								1					1
61554		8				24	1			7			30
61555						2							2
61559								1					1
61561	1	1											2
61562								1					1
61564						2							2
61568						2							2
61569										1			1
62373		13					1						13
61602							1						1
61603		6					18	2					23
61604		5					27	8					40
61611		4					42	3					49
61606							4						4
61607						1	5	1					7
61610		3					1						4
61611		10						1					11
61617							1						1
61614		6					7	13					26
61615		1					6	8					15
61616		1					4	3					8
61650							1						1
61653		1					1						2
61701	23						1	1					25
61702	2												2
61704	11												11
61705	1												1
61721	1												1
61722	1												1
61720	1												1
61732	1												1
61734						3							3
61738	2												2
61701									1				1
61705	2												2
61747						1							1
61748	1								1				2
61752	7												7
61753									1				1
61755		1											1
61759						1							1
61761	20							1					21
61764									13				13
61765									1				1
61777	2												2
61827								1					1
61842	2												2
62311				1									1
62644										4			4
TOTAL	79	64	22	18	28	41	123	58	29	75	60	17	563

Planning Area Need – Service Demand – Physician Referral Letter

ATTACHMENT – 26b - 3

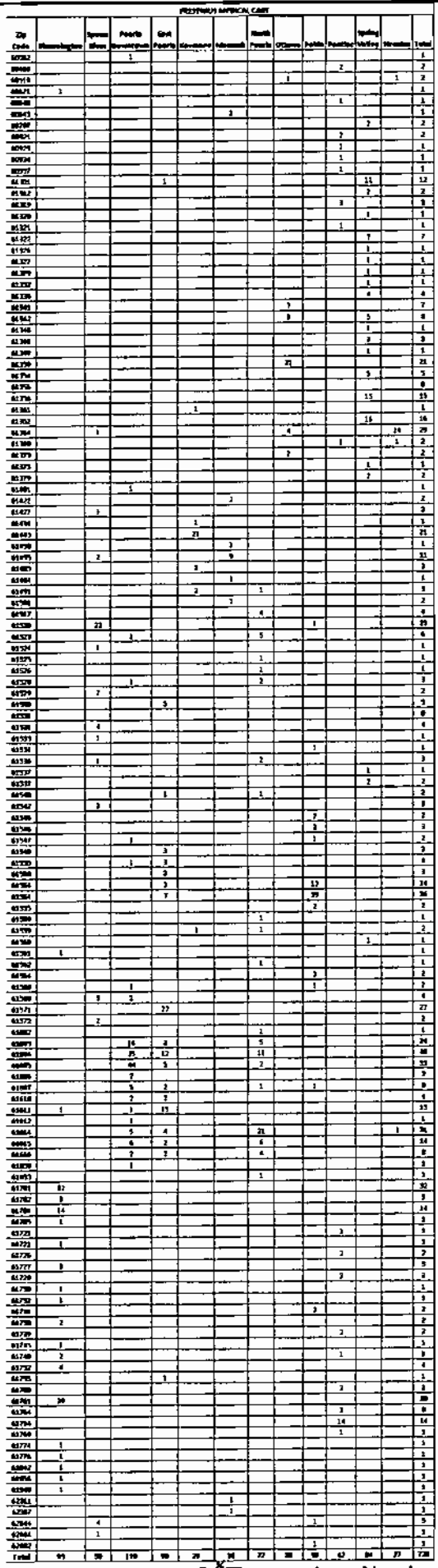
PATIENTS OF RCA AT YEAR END 2010

	PROVENA MEDICAL CART												OSWEGA	
ZIP CODE	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PEKIN	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	LINCOLN	TOTAL
60083	1													1
60609	1													1
60660	2													2
60510	1													1
60510	4													4
60543	1													1
60521	1													1
60523	2													2
60536	1													1
61071	1													1
61075	1													1
61240	1													1
61241	3													3
61301	8													8
61312	1													1
61315	2													2
61320	2													2
61321	1													1
61329	4													4
61326	1													1
61327	3													3
61329	3													3
61330	2													2
61341	6													6
61342	5													5
61348	2													2
61349	1													1
61350	12													12
61354	3													3
61356	11													11
61360	1													1
61361	1													1
61362	2									10				12
61364										10				10
61369										1				1
61375										1				1
61172							1			3				4
61279							1							1
61601							3							3
61606							1							1
61607							2							2
61604							1							1
61641							1							1
61643							14							14
61655							4							4
61698							1							1
61699							1							1
61673							1							1
61683							4							4
61684							1							1
61691							2							2
61501							1							1
61517							2							2
61530							14							16
61523							3							3
61525							3							3
61536							1							1
61538							2							2
61329							1							1
61530							6							6
61535							3							3
61538							1							1
61536							3							3
61537							2							2
61548							3							3
61561							2							2
61546							4							4
61547							3							3
61548							5							5
61550							13							13
61552							1							1
61554		15					15							30
61555		1												1
61594		5												5
61588		1												1
61561		2												2
61563		1												1
61564		3												3
61565		1												1
61568		3												3
61569		4												4
61571		15												15
61577		2												2
61602		4												4
61603		21	7											28
61604			28	7	14									49
61605					20	20								40
61606						2								2
61607						6								6
61610						3								3
61611						7		5						12
61613								1						1
61614								24						24
61615								12						12
61616								6						6
61630								1						1
61633								2						2
61701								11	28					39
61701									2					2
61704									6		5			11
61705											2			2
61721											3		1	4
61729													1	1
61725											3			3
61727											3		1	4
61726											2			2
61731											1			1
61730											1			1
61701											1			1
61734											2			2
61736											3			3
61739											5			5
61745											1			1
61748											3			3
61749											1		1	2
61752											4			4
61753											2			2
61755											2			2
61757											1			1
61760											2			2
61761											28			28
61764											9	3		12
61769												1		1
61774												1		1
61776												1		1
61777												1		1
61842												1		1
61956												1		1
62627												3		3
62641												3	3	2
62644												6	3	5
62656												3	3	2
62664												2		2
62681												3	3	3
TOTAL	85	76	36	7	34	40	172	67	36	74	69	18	7	675

Plannng Area Need – Service Demand – Physician Referral Letter

ATTACHMENT – 26b - 3

PATIENTS OF RCA AS OF YEAR END 2011



Service Accessibility – Service Restrictions

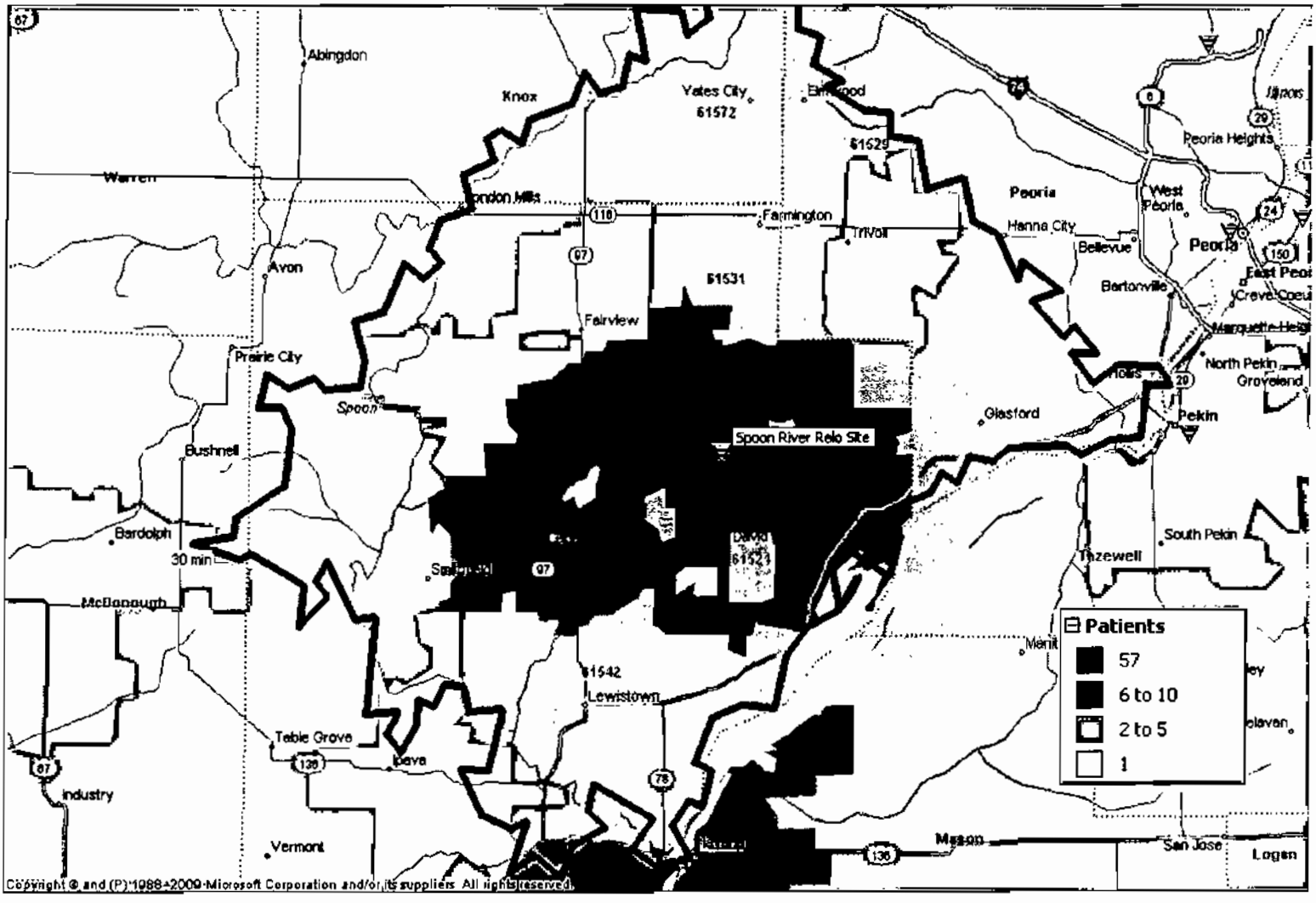
- The establishment (relocation) of the 8-station Fresenius Medical Care Spoon River facility and addition of one station, along with the discontinuation of the 8-station current Spoon River facility, is only going to add 1 station to the inventory. There is a need for 3 additional stations in HSA 2. There are no other facilities within a 30 minute travel time of Canton. If the facility is not permitted there will be no access to dialysis services in this area.

- The problem that **will** exist for Fresenius Spoon River patients if the facility is not allowed to relocate will be non-existent dialysis services in the area. The Spoon River facility is the only dialysis center within 30 minutes of Canton. It is on the campus of Graham Hospital in an older section of the building and the Hospital is requiring us to vacate the space in order for them to expand their out-patient services department. They have offered us another site, also on the campus, in a new freestanding building. The facility was operating at 83% utilization as of March 31, 2011.

- Hepatitis B patients from the Canton area would have to drive nearly an hour away to Peoria for treatment. Adding the 9th station at Spoon River to be used as an isolation station will grant these patients much easier access to isolation treatments and will comply with CMS guidelines.

- The proposed site at 340 S. Avenue B, on the campus of Graham Hospital, will not only give the Spoon River patients a more modern facility to receive treatment in it will also allow access to treatment for patients with Hepatitis B.

Demographics of the 76 Pre ESRD & Current* 40 ESRD Patients Identified Who Will Be Referred to Fresenius Medical Care Spoon River



City	Zip Code	Patients
Cuba	61427	6
Ellisville	61431	1
Fairview	61432	1
Fiatt	61433	2
Ipaya	61441	1
Macomb	61455	1
Smithfield	61477	3
Canton	61520	59
Dunfermline	61524	2
Elmwood	61529	3
Eureka	61530	1
Farmington	61531	5

City	Zip Code	Patients
Forest City	61532	2
Glasford	61533	3
Hanna City	61536	2
Lewistown	61542	5
Manito	61546	2
Mapleton	61547	3
Pekin	61554	1
Canton	61563	2
Trivoli	61569	1
Yates City	61572	3
Havana	62644	7
	Total	**114**

**Since the physician's referral letter was certified to, the 1st Quarter Network Data has been posted. The Spoon River facility has added 2 more patients to its census, per the Network Data. These two patients are included in the above patient count.

Unnecessary Duplication/Maldistribution

Zip Code	Population	Stations	Facility
61415	1,747		
61427	1,229		
61431	371		
61432	676		
61433	74		
61441	897		
61458	822		
61459	433		
61477	631		
61519	233		
61520	17,839	8	Fresenius Spoon River
61524	262		
61529	2,880		
61531	3,379		
61533	2,427		
61536	2,919		
61542	3,794		
61543	151		
61544	713		
61547	3,779		
61563	526		
61569	1,220		
61572	1,068		
Total	**48,070**	**8**	**1/6,009**

1(A-B-C) The ratio of ESRD stations to population in the zip codes within a 30 minute radius of Fresenius Medical Care Spoon River is currently 1 station per 6,009 residents according to the 2010 census. This is based on 48,070 residents and 8 stations. The State average is 1 station per 3,348 residents, based on 12,830,632 residents and 3,832 stations.

2. The ratio of stations to population, which is more than 1 ½ times the State average, in the Canton area supports the need for this project.

3A. The establishment (relocation) of Fresenius Medical Care Spoon River and addition of one station will not have an adverse effect on any other area ESRD providers in the area because there are no other facilities within 30 minutes travel time.

3B. Not applicable – applicant is not a hospital; however the utilization will not be lowered below target utilization at any other ESRD facility due to the establishment of the facility.

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Paul T. Dreyer, M.D. is currently the Medical Director for Fresenius Medical Care Spoon River and will continue to be the Medical Director after the relocation. Attached is his curriculum vitae.

B. All Other Personnel

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

- Clinic Manager who is a Registered Nurse
- Charge Nurse who is a Registered Nurse
- 2 Full-time Patient Care Technicians
- 2 Part-time Patient Care Technicians
- Part-time Registered Dietitian
- Part-time Licensed Master level Social Worker
- Part-time Equipment Technician
- Part-time Ward Clerk

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

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

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

CURRICULUM VITAE

Paul T. Dreyer, M.D.

PERSONAL INFORMATION

Date of Birth:	June 18, 1965
Place of Birth:	Elmhurst, Illinois
Work Address:	RenalCare Associates, S.C. 200 E. Pennsylvania Ave. Suite 212 Peoria, Illinois, 61603
	RenalCare Associates, S.C. 1404 Eastland Drive, Suite 103 Bloomington, Illinois 61701
	Renal Intervention Center 430 Maxine Drive Morton, Illinois 61550
Work Telephone:	309/676-8123
Work Fax:	309/676-8455

UNDERGRADUATE EDUCATION

B.A. Chemistry, University of Iowa, 1987

MEDICAL SCHOOL EDUCATION

M.D. University of Illinois, 1991

POST GRADUATE EDUCATION

Internal Medicine Internship, University of Illinois School of Medicine, Peoria, Illinois 1991-1992
Internal Medicine Residency, University of Illinois School of Medicine, Peoria, Illinois 1992-1994

Activities:
- Chief Medical Resident, 11/93-2/94
- Vice President, House Staff
- Resident Representative Blue Alert Committee
- Physical Diagnosis Instructor, UICOMP M-2 Students

Nephrology Fellowship, University of Michigan Medical School, Ann Arbor, Michigan 1994-1996

Activities:
- Teaching house officers and medical students in Renal Clinics on Nephrology Services
- Instructor, Urinalysis Labs, Nephrology section of ICS Clinical Skills
- Physical Diagnosis Instructor, M-2 Students

CERTIFICATION AND LICENSURE

1993	Illinois State License, #036-086961
1994	American Board of Internal Medicine, Certificate #155614
1996	American Board of Internal Medicine, Nephrology

HOSPITAL STAFF APPOINTMENTS

1998 - present	St. Francis Medical Center, Peoria, Illinois, active staff
1998 - present	Methodist Medical Center, Peoria, Illinois, courtesy staff
1998 - present	Proctor Hospital, Peoria, Illinois, courtesy staff
1998 - present	Graham Hospital, Canton, Illinois, courtesy staff
1998 - present	Pekin Hospital, Pekin, Illinois, consulting staff
1998 - present	BroMenn Health Care, Normal, Illinois, consulting staff
1998 - present	St. Joseph's Medical Center, Bloomington, Illinois, consulting staff
1998 - present	St. Margaret's Hospital, Spring Valley, Illinois, consulting staff
1998 - present	Community Hospital of Ottawa, Ottawa, Illinois, consulting staff
1998 - present	Kewanee Hospital, Kewanee, Illinois, consulting staff

PROFESSIONAL AFFILIATIONS

American College of Physicians
National Kidney Foundation

AWARDS AND HONORS

1991	Alpha Omega Alpha, University of Illinois
1991	Charles Spencer Williamson Excellence in Internal Medicine, University of Illinois
1991	Merck Manual "Doctor's Doctor" Award, UICOMP
1993	Resident of the Year, UICOMP
1994	Resident of the Year, UICOMP

PUBLICATIONS

Hoschek JC, Dreyer P, Dahal S, and Walker, PD. Rapidly Progressive Renal Failure in Childhood. American Journal of Kidney Diseases, Vol 40, No 6, December 2002, 1342-1347.

RENALCARE ASSOCIATES, SC
515 N.E. Glen Oak Ave., #108
Peoria, IL 61603
T: 309/676-8123
F: 309/676-8455

Nephrologists
Horvath, Frederick, MD
Olsson, Phillip J., MD
Sparrow, Robert T., MD
Pflederer, Benjamin R., MD
Rosborough, David C., MD
Pflederer, Timothy A., MD
Dreyer, Paul T., MD
James, Gordon W., MD
Bland, Andrew C. MD
Bruha, Robert, MD
Sader, Samer B., MD
Horinek, Anthony R., MD

Physician Assistants
Miller, Richard A., PA-C
DeSutter, Julie A., PA-C
Walker, Holly A., PA-C

Nurse Practitioners
McDougall, Tonya K., APN
Helfers, Karen A., APN
Sarimento, Tammy C., APN
Wiemer, Cheryl M., APN

Clinical Nurse Specialist
Dansizen, Judith, CNS

Surgeons
Ketel, Beverley, MD
O'Connor, Timothy P., MD

PAUL T. DREYER, MD

OSF St. Francis Medical Center
530 NE Glen Oak Ave.
Peoria, IL 61637
Peoria County
T: 309/655-6769
F: 309/624-8933
Active - 7/98

OSF St. Joseph Medical Center
2200 E. Washington St.
Bloomington, IL 61701
McLean County
T: 309/662-3311
F: 309/662-0006
Courtesy - 8/98

Methodist Medical Center
221 NE Glen oak Ave.
Peoria, Il 61636
Peoria County
T: 309/672-4830
F: 309/672-4517
Courtesy - 4/98

BroMenn Healthcare
P.O. Box 2850
Bloomington, IL 61702
McLean County
T: 309/454-1400
F: 309/451-2949
Courtesy - 7/98

Proctor Hospital
5409 N. Knoxville Ave.
Peoria, IL 61614
Peoria County
T: 309/691-1037
F: 309/691-1631
Courtesy - 4/98

Graham Hospital
210 W. Walnut St.
Canton, IL 61520
Fulton County
T: 309/647-5240
F: 309/649-5101
Affiliate - 7/98

Pekin Memorial Hospital
600 S. First St.
Pekin, IL 61554
Tazewell County
T: 309/353-0560
F: 309/353-0561
Consulting - 5/98

St. Margaret's Hospital
600 E. First St.
Spring Valley, IL 61382
Bureau County
T: 815/664-1362
F: 815/664-1335
Consulting - 6/98

McDonough District Hospital
525 E. Grant Street
Macomb, IL 61455
McDonough County
T: 309/833-4101
F: 309/836-1610
Consulting - 12/04

Kewanee Hospital
PO Box 747
Kewanee, IL 61443
Henry County
T: 309/853-3361
F:309/852-6857
Provisional - 12/06

PAUL T. DREYER, MD
FRESENIUS DIALYSIS GROUP
Recert date: 1/1/05

For Verifications:
Carole Sekula, Area Manager
Fresenius
3300 N. Main Street
East Peoria, IL 61611

Bloomington
1505 Eastland Medical Plaza
Lower Level
Bloomington, IL 61701
T: 309/663-7165
F: 309/663-1031

Canton
210 W. Walnut
Canton, IL 61520
T: 309/647-0731
F: 309/647-1625

Peoria Downtown
410 R.B. Garrett Ave.
Peoria, IL 61605
T: 309/637-4100
F: 309/637-3455

East Peoria
3300 N. Main St.
East Peoria, IL 61611
T: 309/698-8300
F: 309/698-8491

Kewanee
511 Pine St.
Kewanee, IL 61443
T: 309/854-0917
F: 309/854-9062

Ottawa
1601 Mercury Cr., #3
Ottawa, IL 61350
T: 815/433-4039
F: 815/434-2527

Pekin
600 S. 13 St. – 3rd Floor
Pekin, IL 61554
T: 309/353-7629
F: 309/353-7997

Peoria North
10405 N. Juliet Court
Peoria, IL 61615
T: 309/243-2200
F: 309/243-2240

Pontiac
804 W. Madison St.
Pontiac, IL 61764
T: 815/844-4340
F: 815/844-2870

Spring Valley
12 Wolfer Industrial Dr.
Spring Valley, IL 61362
T: 815/664-4585
F: 815/663-1430

Macomb Dialysis - Managed
523 E. Grant Street
Macomb, IL 61455
T: 309/836-1662
F: 309/836-1661

Criterion 1110.1430 (e)(5) Medical Staff

I am the Regional Vice President of the Central Illinois Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Spoon River, I certify the following:

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

Signature

Richard Stotz
Printed Name

Regional Vice President
Title

Subscribed and sworn to before me
this 18th day of January, 2012

Michelle M. Hogan
Signature of Notary

Seal

OFFICIAL SEAL
MICHELLE M HOGAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/12/13

Criterion 1110.1430 (f) – Support Services

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

- Fresenius Medical Care utilizes the Proton patient data tracking system in all of its new facilities.

- These support services are/will be available at Fresenius Medical Care Spoon River during all six shifts:
  - Nutritional Counseling
  - Psychiatric/Social Services
  - Home/self training
  - Clinical Laboratory Services – provided by Spectra Laboratories

- The following services are currently provided to Fresenius Medical Care Spoon River and will continue to be provided after the relocation via referral to OSF St. Francis Medical Center:

  - Blood Bank Services
  - Rehabilitation Services
  - Psychiatric Services

Signature

Richard Stotz/Regional Vice President
Name/Title

Subscribed and sworn to before me
this 18th day of January, 2012

Michelle M. Hogan
Signature of Notary

Seal

OFFICIAL SEAL
MICHELLE M HOGAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/12/13

Fresenius Medical Care

March 25, 2010

Connie Torrey-Romanus
c/o Fresenius Medical Care Spoon River
175 N. Main Street
Canton, IL 61520

Dear Connie,

Fresenius Medical Care East Peoria will accept end stage renal disease patients from Fresenius Medical Care Spoon River who require peritoneal dialysis services. These services include Continuous Ambulatory Peritoneal Dialysis (CAPD) & Continuous Cycling Peritoneal Dialysis (CCPD) training and support. Through this agreement all necessary training and follow-up services will be provided until one of the parties notifies the other in writing of a change. This notice will be made 30 days prior to termination of the agreement.

Sincerely,

Kathy Olson RN

Kathy Olson
Director of Operations
Fresenius Medical Care East Peoria

TRANSFER AGREEMENT
between
OSF HEALTHCARE SYSTEM,
SAINT FRANCIS MEDICAL CENTER
and
DIALYSIS CENTERS OF AMERICA - ILLINOIS

THIS TRANSFER AGREEMENT ("Agreement") is made and executed on the last date written below, by and between OSF HEALTHCARE SYSTEM, an Illinois not-for-profit corporation, having its Corporate Office in Peoria, Illinois, owner and operator of SAINT FRANCIS MEDICAL CENTER, located and doing business in Peoria, Illinois, (such System and Hospital are collectively referred to as "Receiving Hospital") and DIALYSIS CENTERS OF AMERICA – ILLINOIS, which owns and operates renal dialysis facilities, whose locations are set forth in Exhibit A, attached hereto and made a part hereof (all hereinafter referred to as "Transferring Facility").

RECITALS:

A. The Transferring Facility and the Receiving Hospital desire, by means of this Agreement, to assist physicians in the treatment of patients.

B. The parties hereto specifically wish to facilitate: (a) the timely transfer of patients and the medical records and other information necessary or useful for the care and treatment of patients transferred; (b) the determination as to whether such patients can be adequately cared for other than by either of the parties hereto; (c) the continuity of care and treatment appropriate to the needs of the transferred patient; and (d) the utilization of knowledge and other resources of both healthcare entities in a coordinated and cooperative manner to improve the professional healthcare of patients.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and in reliance upon the recitals, set forth above and incorporated by reference herein, the parties hereto agree as follows:

I. DUTIES AND RESPONSIBILITIES.

1.1 Joint Responsibilities. In accordance with the policies and procedures of the Transferring Facility and upon the recommendation of the patient's attending physician that such a transfer is medically appropriate, such patient shall be transferred from the Transferring Facility to the Receiving Hospital as long as the Receiving Hospital has bed availability, staff availability, is able to provide the services requested by the Transferring Facility, including on-call specialty physician availability, and pursuant to any other necessary criteria established by the Receiving Hospital. In such cases, the Receiving Hospital and the Transferring Facility agree to exercise best efforts to provide for prompt admission of the patient. If applicable, the parties shall comply with all EMTALA requirements with respect to such transfers. Receiving Hospital and Transferring Facility

shall meet periodically to review the transfer process, of policies and procedures in order to improve the process, including efficiency, clinical care and patient safety.

1.2 Receiving Hospital. The Receiving Hospital shall accept patients in need of transfer from the Transferring Facility pursuant to the criteria set forth in Section 1.1. Further, Receiving Hospital shall designate a person to coordinate with Transferring Facility in order to establish acceptable and efficient transfer guidelines.

1.3 Transferring Facility. Transferring Facility shall request transfers of patients to Receiving Hospital pursuant to the criteria set forth in Section 1.1. Further, Transferring Facility shall:

a. Have responsibility for obtaining the patient's informed consent for the potential transfer to Receiving Hospital, if the patient is competent. If the patient is not competent, the consent of the legal guardian, agent with power of attorney for health care, or surrogate decision maker of the patient shall be obtained.

b. Notify Receiving Hospital as far in advance as possible of the impending transfer.

c. Transfer to Receiving Hospital the patient's personal effects, including money and valuables, and information related thereto. A standard form shall be adopted and used by both parties listing such personal effects and appropriate documentation and transfer procedure. Transferring Facility shall be responsible for such personal effects until such standard form has been signed by the Receiving Hospital and Receiving Hospital has received such personal effects.

d. Affect the transfer to Receiving Hospital through qualified personnel and appropriate transfer equipment and transportation, including the use of necessary and medically appropriate life support measures. Receiving Hospital's responsibility for the patient's care shall begin when the patient is admitted to Receiving Hospital.

e. Transfer, and supplement as necessary, all relevant medical records, or in the case of an emergency, as promptly as possible, transfer an abstract of the pertinent medical and other records necessary in order to continue the patient's treatment without interruption and to provide identifying and other information,

including contact information for referring physician, name of physician(s) at Receiving Hospital contacted with regard to the patient (and to whom the patient is to be transferred), medical, social, nursing and other care plans. Such information shall also include, without limitation and if available, current medical and lab findings, history of the illness or injury, diagnoses, advanced medical directives, rehabilitation potential, brief summary of the course of treatment at the Transferring Facility, medications administered, known allergies, nursing, dietary information, ambulation status and pertinent administrative, third party billing and social information.

1.4 Non Discrimination. The parties hereto acknowledge that nothing in this Agreement shall be construed to permit discrimination by either party in the transfer process set forth herein based on race, color, national origin, handicap, religion, age, sex or any other characteristic protected by Illinois state laws, Title VI of the Civil Rights Act of 1964, as amended or any other applicable state or federal laws. Further, Section 504 of the Rehabilitation Act of 1973 and the American Disabilities Act require that no otherwise qualified individual with an handicap shall, solely by reason of the handicap, be excluded from participation in, or denied the benefits of, or be subjected to discrimination in a facility certified under the Medicare or Medicaid programs.

1.5 Name Use. Neither party shall use the name of the other party in any promotional or advertising material unless the other party has reviewed and approved in writing in advance such promotional or advertising material.

1.6 Standards. Receiving Hospital shall ensure that its staff provide care to patients in a manner that will ensure that all duties are performed and services provided in accordance with any standard, ruling or regulation of the Joint Commission on Accreditation of Healthcare Organizations, the Department of Health and Human Services or any other federal, state or local government agency, corporate entity or individual exercising authority with respect to or affecting Receiving Hospital. Receiving Hospital shall ensure that its professionals shall perform their duties hereunder in conformance with all requirements of the federal and state constitutions and all applicable federal and state statutes and regulations.

1.7 Exclusion/Debarment. Both parties certify that they have not been debarred, suspended, or excluded from participation in any state or federal healthcare program, including, but not limited to, Medicaid, Medicare and

Tricare. In addition, each party agrees that it will notify the other party immediately if it subsequently becomes debarred, suspended or excluded or proposed for debarment, suspension or exclusion from participation in any state or federal healthcare program.

1.8 Confidentiality. Receiving Hospital agrees to maintain confidentiality. Receiving Hospital acknowledges that certain material, which will come into its possession or knowledge in connection with this Agreement, may include confidential information, disclosure of which to third parties may be damaging to Transferring Facility. Receiving Hospital agrees to hold all such material in confidence, to use it only in connection with performance under this Agreement and to release it only to those persons requiring access thereto for such performance or as may otherwise be required by law and to comply with the Health Insurance Portability and Accountability Act.

1.9 Access to Books and Records. Both parties will maintain records relating to their responsibilities under this Agreement for a period of one (1) year from the date of services. During normal working hours and upon prior written and reasonable notice, each party will allow the other party reasonable access to such records for audit purposes and also the right to make photocopies of such records (at requesting party's expense), subject to all applicable state and federal laws and regulations governing the confidentiality of such records.

II. FINANCIAL ARRANGEMENTS.

2.1 Billing and Collection. The patient is primarily responsible for payment for care provided by Transferring Facility or Receiving Hospital. Each party shall bill and collect for services rendered by each party pursuant to all state and federal guidelines and those set by third party payors. Neither the Transferring Facility nor the Receiving Hospital shall have any liability to the other for billing, collection or other financial matters relating to the transfer or transferred patient. Since this Agreement is not intended to induce referrals, there should be no compensation or anything of value, directly or indirectly, paid between the parties.

2.2 Insurance. Each party shall, at its expense, maintain through insurance policies, self-insurance or any combination thereof, such policies of comprehensive general liability and professional liability insurance with coverage limits of at least One Million Dollars ($1,000,000.00) per occurrence and Three Million Dollars ($3,000,000.00) annual aggregate to insure such party and its Board, officers, employees and agents acting

within the scope of their duties and employment against any claim for damages arising by reason of injuries to property or personal injuries or death occasioned directly or indirectly in connection with services provided by such party and activities performed by such party in connection with this Agreement. Either party shall notify the other party thirty (30) days prior to the termination or modification of such policies.

III. TERM AND TERMINATION.

3.1 Term and Automatic Renewal. The promises and obligations contained herein shall commence as of March 1, 2005 for a term of one (1) year therefrom and shall automatically renew pursuant to like terms unless one party shall give the other party a notice of intent not to renew thirty (30) days prior to the expiration of the initial term, or the then-existing term, subject, however, to termination under Section 3.2 herein.

3.2 Termination. This Agreement may be sooner terminated on the first to occur of the following:

a. Written agreement by both parties to terminate this Agreement.

b. In the event of breach of any of the terms or conditions of this Agreement by either party and the failure of the breaching party to correct such breach within ten (10) business days after written notice of such breach by either party, such other party may terminate this Agreement immediately with written notice of such termination to the breaching party.

c. In the event either party to this Agreement shall, without cause, at any time give to the other at least thirty (30) days advanced written notice, this Agreement shall terminate on the future date specified in such notice.

d. Debarment, suspension or exclusion, as set forth in Section 1.7.

3.3 Effects of Termination. Upon termination of this Agreement, as hereinabove provided, no party shall have any further obligations hereunder, except for obligations accruing prior to the date of termination.

IV. MISCELLANEOUS.

4.1 This Agreement constitutes the entire agreement between the parties and contains all of the terms and conditions between the parties with respect to the subject matter hereunder. Receiving Hospital and Transferring

Facility shall be entitled to no benefits or services other than those specified herein. This Agreement supersedes any and all other agreements, either written or oral, between the parties with respect to the subject matter hereof.

4.2 This Agreement shall be construed and interpreted in accordance with the laws of Illinois. It may only be amended, modified or terminated by an instrument signed by the parties. This Agreement shall inure to the benefit of and be binding upon the parties, their successors, legal representatives and assigns, and neither this Agreement nor any right or interest of Receiving Hospital or Transferring Facility arising herein shall be voluntarily or involuntarily sold, transferred or assigned without written consent of the other party, and any attempt at assignment is void.

4.3 The parties are independent contractors under this Agreement. Nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship or a joint venture relationship between the parties, or to allow any party to exercise control or direction over the manner or method by which any of the parties perform services herein. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provisions hereof. Notices required herein shall be considered effective when delivered in person, or when sent by United States certified mail, postage prepaid, return receipt requested and addressed to:

Receiving Hospital:	Transferring Facility:
Keith Steffen	David G. Carter
CEO	Regional Vice President
Saint Francis Medical Center	Dialysis Centers of America - Illinois
530 N.E. Glen Oak Avenue	Central Illinois Region
Peoria, Illinois 61637	3300 North Main Street
	East Peoria, Illinois 61611

or to other such address, and to the attention of such other person(s) or officer(s) as a party may designate by written notice.

4.4 It is understood and agreed that neither party to this Agreement shall be legally liable for any negligent nor wrongful act, either by commission or omission, chargeable to the other, unless such liability is imposed by law and that this Agreement shall not be construed as seeking to either enlarge or diminish any obligations or duty owed by one party against the other or

against a third party. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted. The section titles and other headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

4.5 This Agreement is a result of negotiations between the parties, none of whom have acted under any duress or compulsion, whether legal, economic or otherwise. Accordingly, the parties hereby waive the application of any rule of law that otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose attorney) prepared the executed Agreement or any earlier draft of the same.

IN WITNESS WHEREOF, the parties have hereto executed this Agreement in multiple originals as of the last date written below.

RECEIVING HOSPITAL:

OSF HEALTHCARE SYSTEM,
an Illinois not-for-profit
corporation, owner and operator of
Saint Francis Medical Center

By: _____
Title: CEO

Dated: 4/18/05

TRANSFERRING FACILITY:

DIALYSIS CENTERS OF AMERICA -
ILLINOIS

By: _____
Title: _____

Dated: _____

XX 3/08/05

EXHIBIT A

FACILITY LOCATIONS

RCG Macomb
523 E. Grant Street
Macomb, IL 61455

RCG Kewanee
511 Pine Street
Kewanee, IL 61443

RCG Spring Valley
12 Wolfer Industrial Park Drive
Spring Valley, IL 61362

RCG Ottawa
1000 E. Norris Drive
Ottawa, IL 61350

RCG Peoria North
3300 N. Main Street
Peoria, IL 61615

RCG East Peoria
3300 N. Main Street
East Peoria, IL 61611

RCG Canton
210 W. Walnut
Canton, IL 61520

RCG East Peoria Home Dialysis
3300 N. Main Street
East Peoria, IL 61611

RCG Peoria North Home Dialysis
10405 N. Juliet Court
Peoria, IL 61615

RCG Pekin
600 S. 13th Street – 3rd Floor
Pekin, IL 61554

RCG Peoria Downtown
410 R.B. Garrett Avenue
Peoria, IL 61605

Continuity of Care
ATTACHMENT – 26h

Transfer Agreement

THIS AGREEMENT made on this 10th day of March, 2005 by and between Dialysis Centers of America - Illinois, with facilities located as shown on Exhibit I ("Facility") and Methodist Medical Center of Illinois, a general acute care hospital duly licensed under the laws of this State with a current provider agreement issued pursuant to Title XVII of the Social Security Act, whose address is 221 NE Glen Oak Ave, Peoria, IL 61636, ("Hospital").

Agreement

1. When a patient's need for transfer from Facility to Hospital determined by the patient's physicians, Hospital agrees to admit the patient as promptly as possible, provided admission requirements are met, and adequate capacity to accommodate the patient is available, in accordance with Federal and State laws and regulations.

2. Facility will complete and send with each patient at the time of transfer, or in the case of emergency, as promptly as possible, the standard transfer and referral forms mutually agreed upon by the parties to this Agreement to provide the medical and administrative information necessary to determine to enable continuing care to the patient.

3. Hospital shall make available its outpatient diagnostic and therapeutic services in accordance with the orders of the attending physician provided customary requirements for such services are met in accordance with Federal and State laws and regulations and a separate agreement or agreements have been established between the parties setting forth the terms for use and reimbursements of any service or services utilized.

4. Facility will be responsible for effecting the transfer or other appropriate disposition of personal effects, particularly money and valuables, and information related to these items in its custody. Any personal effects, including medications and patient ID (insurance information, i.e., cards), specifically entrusted to an authorized officer or agent of Facility shall be transferred upon signed receipt from a similarly designated individual of Hospital.

5. The institution in custody of the patient shall be accountable for the recognition of the need of social services and for prompt reporting of such need to the local Welfare Department or other appropriate sources.

6. When indicated by patient's condition, Facility will be responsible for effecting the transfer of the patient, including arranging for appropriate and safe transportation during the transfer in accordance with applicable Federal and State laws and regulations.

7. Facility shall contact and explain reasons for transfer to patient and patient's relatives or other parties responsible for patients.

8. Charges for services performed shall be collected by the institution rendering such services, directly from the patient, third-payer or other sources normally billed by the institution, and

neither party shall have any liability to the other party for such charges. (This provision does not preclude separate agreements between the parties for the sale, purchase, exchange of supplies or services including drugs and diagnostic or therapeutic services.)

9. The transferring facility agrees to make notification to Illinois Department of Public Health and other regulatory organizations as required.

10. It is the parties' intention that the relationship between the parties is that of independent contractors. The Governing Body of each party shall have exclusive control of policies, management, assets and affairs of its respective institution. No institution shall assume any liability by virtue of the Agreement for any debts or other obligations incurred by any other party to this Agreement.

11. Each party will maintain such insurance as will fully protect it from any and all claims of any nature for damage to property from personal injury including death, made by anyone which may arise from operations carried on by either party under this Agreement. It is the intention that the party in custody of the patient will be liable for the injury. Each party agrees, however, to indemnify and hold the other harmless for any and all liability, loss, cost or expenses incurred directly or indirectly from any act of omission by Hospital or Facility arising from or relating to the obligations provided for under this Agreement. Certificates of insurance will be provided upon request.

12. Nothing in this Agreement shall affect or interfere with the rules and regulations of either institution as they relate to medical staff membership or privileges in that institution.

13. No institution shall use the name of any other party to this Agreement in any promotional or advertising material and this Agreement shall not constitute an endorsement by one party of any other party to this Agreement.

14. It is understood that all disputes arising under the Agreement shall first be discussed directly by the institutions that are directly involved.

15. This Agreement shall automatically terminate, without regard to the notice requirements contained in paragraph sixteen (16), upon the date that either party to this Agreement: (1) ceases to have a valid provider agreement with the Secretary of the Department of Health, Education and Welfare, under Title XVII of the Social Security Act, or subsequent statutory authority amending or replacing said Title; or (2) fails to renew, has suspended or has revoked its' license or registration issued by this State to operate as a general acute care hospital.

This Agreement shall be effective on the date written above and shall continue in full force and effect for twelve months. This Agreement shall be automatically be renewed from year to year. This Agreement may be terminated at any time upon 30 day written notice to the other party.

In WITNESS WHEREOF, the parties have executed this Agreement on the day and date first above written to be effective as provided hereinabove.

Methodist Medical Center of Illinois

By: H. Michael Bryant

Title: President & CEO

Dialysis Centers of America – Illinois

By: David G. Carter

David G. Carter, Regional Vice President

Exhibit I
Facility Locations:

RCG Peoria North
10405 N. Juliet Court
Peoria, IL 61615

RCG Canton
210 W. Walnut
Canton, IL 61520

RCG East Peoria
3300 N. Main Street
East Peoria, IL 61611

RCG Pekin
600 S. 13th Street
Pekin, IL 61554

RCG Peoria Downtown
410 R.B. Garrett Avenue
Peoria, IL 61605

RCG East Peoria Home Dialysis
3300 N. Main Street
East Peoria, IL 61611

RCG Peoria North Home Dialysis
10405 N. Juliet Court
Peoria, IL 61615

RCG Morris Home Dialysis
1401 Lakewood Drive, Suite D-1
Morris, IL 61450

RELOCATION OF FACILITIES

1) The existing Spoon River facility in Canton is currently at 83% utilization serving 40 patients (as of March 31, 2012). The facility has been at its current location in an older section of Graham Hospital for over 20 years and has been notified by the Hospital of its plans to expand its outpatient services utilizing the space the dialysis clinic occupies.

2) Relocating the 8-station Spoon River facility will offer patients a new, more modern facility to dialyze in, along with offering continuing access to dialysis services to the Canton area. The addition of the one isolation will drastically improve access for those patients with Hepatitis B, who currently have to travel over an hour to Peoria for services. This will also meet CMS guidelines.

   The Spoon River facility has exceptional quality measures and exceeds the State Board standards. 60% of the patients at the facility dialyze via fistula versus a catheter. A fistula is the preferred access for dialysis treatment as it leads to better patient outcomes. The facility has experienced an approximate 2.5% transplant rate over the past three years and as mentioned previously the following lab values were recorded for 2011 at the facility.

   - 96% of patients had a URR $\geq$ 65%
     (Stands for urea Reduction Ratio derived from measuring the urea in the patient's blood pre and post treatment. Measures how much waste is removed from the patient's blood.)

   - 98% of patients had a Kt/V $\geq$ 1.2
     (Also measures how much waste is removed but is a more accurate measurement of adequacy because it takes into account, the patient's weight, height, size of the dialyzer, rate at which the blood passes through the dialyzer and treatment time.)

Criterion 1110.1430 (j) – Assurances

I am the Regional Vice President of the Central Illinois Region of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Spoon River, I certify the following:

1. As supported in this application through expected referrals and transfers to the relocated Spoon River facility in the first two years of operation, the facility will achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;

2. Fresenius Medical Care Spoon River patients achieved adequacy outcomes of:
   - 96% of patients had a URR $\geq$ 65%
   - 98% of patients had a Kt/V $\geq$ 1.2

   and same is expected for Fresenius Medical Care Spoon River after relocation.

Signature

Richard Stotz Regional Vice President
Name/Title

Subscribed and sworn to before me
this 1 day of May, 2012

Michelle M. Hogan
Signature of Notary

Seal

OFFICIAL SEAL
MICHELLE M HOGAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/12/13

Fresenius Medical Care

Sent Via Email

April 26, 2012

Attn: Bob Ackerman

RE: Dialysis Centers of America - Illinois, INC d/b/a Fresenius Medical Care Spoon River

Dear Bob

Below are the terms of the letter of intent:

LANDLORD:	Graham Hospital
TENANT:	Dialysis Centers of America - Illinois, INC d/b/a Fresenius Medical Care Spoon River
LOCATION:	340 S. Avenue B, Canton.
Parcel ID Number:	Lot Number Eight (8) and Lot Number 9 in E. Johnson's Addition to the City of Canton, Fulton County, Illinois. PIN – 09-08-34-114-021 PIN – 09-08-34-114-022
INITIAL SPACE REQUIREMENTS:	Approximately 6,000 of contiguous usable square feet - See attached preliminary plan.
PRIMARY TERM:	An initial lease term of ten (10) years. The Lease and rent would commence One hundred twenty (120) days after Landlord Delivery.
DELIVERY OF PREMISES:	Landlord shall deliver the Premises to the Tenant for completion of the Tenant Improvements the earlier of 180 days after CON Approval
OPTIONS TO RENEW:	Three (3) - Five (5) year options to renew the Lease. Option rental rates shall be based upon 10% increase in the then existing rent.
RENTAL RATE:	$18.00 SF increase each year by 2.5%

USE:

Tenant shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related office uses and for no other purposes except those authorized in writing by Landlord, which shall not be unreasonably withheld, conditioned or delayed. Tenant may operate on the Premises, at Tenant's option, on a seven (7) days a week, twenty-four (24) hours a day basis, subject to zoning and other regulatory requirements.

DEMISED PREMISES SHELL:

The Demised Premises will be delivered as followed at landlord expense, in vanilla shell condition with building being watertight a ground up building built to tenant standard specifications. Below are more details

a. Adequate electrical power installed for Tenant's operation (800-amp/208-volt, 3-phase*), terminated inside the building within a main distribution panel dedicated solely for Tenant's use, to be located at location mutually- agreed upon by Tenant and Landlord

b. The presence of gas service* to handle the Tenant's HVAC needs and the use of two 100 gallon water heaters and one 50 gallon water heater to the premises, minimum of 600 MBHat a location to be mutually-agreed upon by Tenant and Landlord.

c. The presence of a sewer service with no less than a 4" line, dedicated to the space, into the leased premises at a location mutually-agreed upon by Tenant and Landlord. Provide sewer invert to meet Tenant's requirements.

d. The presence of a water service** with no less than a 2" dedicated line to thespace, (pressure 60-80 psi) into the leased premises at a location mutually-agreed upon by Tenant and Landlord.

e. Building fully-serviced by automatic fire suppression system to meet requirements and meet all applicable state and local codes, laws, ordinances and regulations.

f. Provide conduit to the building for Cable TV and Telephone service. Conduit shall also be provided to the tenant space and will originate from the building point of demarcation into the tenant space at a location mutually-agreed upon by Tenant and Landlord. If cable is not available Tenant shall

have the right to install a satellite system for its use at its own cost.

g. The demising of the premises shall be in conformance with all applicable state and local codes, laws, ordinances and Life Safety / NFPA 101. The demising of tenant space includes removing asbestos join compound (gypsum) and reinstalling gypsum to retain the fire rating on demised Partitions.

h. Assurances that the front of the building can have a patient drop off area (Porte Cochere) at a location designated by FMC

i. Verification that all asbestos and floor mastic was removed by an approved remediation contractor.

j. Provide a mutually agreeable location to place a concrete pad with enclosure for two 6-8 yard dumpsters.

k. Provide a mutually agreeable location to place a concrete pad with enclosure for a diesel generator.

l. Parking lot resealed and amply parking no less than five (5) spaces per thousand.

m. HVAC units , landlord to provide One(1) 7.5 ton unite and two (2) five ton units.

CONTRACTOR FOR TENANT IMPROVEMENTS: FMC will hire a contractor and/or subcontractors of their choosing to complete their tenant improvements utilizing the tenant allowance. FMC shall be responsible for the implementation and management of the tenant improvement construction and will not be responsible to pay for Landlord's project manager, if any.

LOADING: FMC requires access to the loading dock 24 hours per day, 7 days per week.

SPACE PLANNING/ ARCHITECTURAL AND MECHANICAL DRAWINGS: FMC will provide all space planning and architectural and mechanical drawings required to build out the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the Tenant's responsibility.

PRELIMINARY IMPROVEMENT PLAN: At this time, please provide AutoCAD files that include one-eight inch scale architectural drawings of the proposed demised premises and detailed building specifications.

PARKING: Landlord will provide a parking ratio of 5 per 1,000 RSF with as many of those spaces as possible to be directly in front of the building for patient use. BMA shall require that 10% of the parking be designated handicapped spaces plus one ambulance space (cost to designate parking spaces to be at Landlord's sole cost and expense).

BUILDING CODES: FMC requires that the site, shell and all interior structures constructed or provided by the Landlord to meet all local, State, and Federal building code requirements, including all provisions of ADA.

REAL ESTATE TAXES: FMC will pay their pro-rata share of Real Estate Taxes

ASSIGNMENT/ SUBLETTING: FMC requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed. Landlord reserves first right of refusal.

MAINTENANCE: Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the exterior portions and structural portions of the Building to keep the building weather and water tight and

structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, doors and windows, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, footings as well as any water mains, gas and sewer lines, sidewalks, private roadways, landscape,
parking areas, common areas, and loading docks, if any, on or appurtenant to the Building or the Premises.

Tenant shall maintain and keep the interior of the Premises in good repair, free of refuse and rubbish and shall return the same at the expiration or termination of the Lease in as good condition as received by Tenant, ordinary wear and tear, and damage or destruction by fire, flood, storm, civil commotion or other unavoidable causes excepted. Tenant shall be responsible for maintenance and repair of Tenant's equipment in the Premises.

HVAC — Landlord shall provide, at there cost , one (1) 7.5 ton unit and 2 five (5) ton units.

UTILITIES: — Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Landlord agrees to bring water, electricity, gas and sanitary sewer to the Premises in sizes and to the location specified by Tenant and pay for the cost of meters to meter their use.

SURRENDER: — At any time prior to the expiration or earlier termination of the Lease, Tenant may remove any or all the alterations, additions or installations, installed by or on behalf of Tenant, in such a manner as will not substantially injure the Premises. Tenant agrees to restore the portion of the Premises affected by Tenant's removal of such alterations, additions or installations to the same condition as existed prior to the making of such alterations, additions, or installations. Upon the expiration or earlier termination of the Lease, Tenant shall turn over the Premises to Landlord in good condition, ordinary wear and tear, damage or destruction by fire, flood, storm, civil commotion, or other unavoidable cause excepted. All alterations, additions, or installations not so removed by Tenant shall become the property of Landlord without liability on Landlord's part to pay for the same.

ZONING AND

RESTRICTIVE COVENANTS: Landlord before the lease is executed confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic.

ENVIRONMENTAL: Landlord confirms that there is no asbestos present in the building and that there are no contaminants or environmental hazards in or on the property. A Phase One Environmental Study has been conducted and has been made available for Tenant's review. Landlord also confirms that no other tenants or there activities present issues as to the generation of hazardous materials.

DRAFT LEASE: FMC propose the use of its Standard Form Lease.

CONFIDENTIAL: The material contained herein is confidential. It is intended for use of Landlord and Tenant solely in determining whether they desire to enter into a Lease, and it is not to be copied or discussed with any other person.

NON-BINDING

NON BINDING: NOTICE: THE PROVISONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPERATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR USI) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR USI INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL.

USI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES USI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT

We look forward to reaching an agreement with your company. Once you have completed please email it back to my attention at William.Popken@fmc-na.com. Any questions please call me at 781-699-9994

Yours sincerely,

Bill Popken

Bill Popken

EXHIBIT 1

LEASE SCHEDULE NO. 769 0002105-015
(True Lease)

LESSOR: SIEMENS FINANCIAL SERVICES, INC.
("Lessor")

Address: 170 Wood Ave South
Iselin, NJ 08830

LESSEE: NATIONAL MEDICAL CARE, INC.
a Delaware corporation
("Lessee")
Address: 920 Winter Street
Waltham, MA 02451

1. Lessor and Lessee have entered into a Master Equipment Lease Agreement dated as of March 10, 2008 ("Master Lease"), including this Schedule (together, the "Lease"), pursuant to which Lessor and Lessee have agreed to lease the equipment described in Exhibit A hereto (the "Equipment"). Lessee and Lessor each reaffirm all of its respective representations, warranties and covenants set forth in the Master Lease, all of the terms and provisions of which are incorporated herein by reference, as of the date hereof. Lessee further confirms to Lessor that Lessee has selected the Equipment and prior to the execution of this Schedule has received and approved a purchase order, purchase agreement or supply contract under which the Equipment will be acquired for purposes of this Lease.

2. The Acquisition Cost of the Equipment is: $ 3,673,373.64

3. The Equipment will be located at the location specified in Exhibit A hereto, unless the Equipment is of the type normally used at more than one location (such as vehicular equipment, construction machinery or the like) in which case the Equipment will be used in the area specified on Exhibit A hereto.

4. TERM OF LEASE: The term for which the Equipment shall be leased shall be for 72 months (the "Initial Lease Term"), commencing on the Lease Term Commencement Date as set forth in the Acceptance Certificate to this Schedule, and expiring 03/30/2016, unless renewed, extended, or sooner terminated in accordance with the terms of the Lease.

5. RENT: (a) Payable in monthly installments on the 26th day of each month during the Initial Lease Term as follows:

Rental Payment Numbers	Number of Rental Payments	Amount of Each Rental Payment
1-72	72	$51,954.37

Lessor will invoice Lessee for all sales, use and/or personal property taxes as and when due and payable in accordance with applicable law, unless Lessee delivers to Lessor a valid exemption certificate with respect to such taxes. Delivery of such certificate shall constitute Lessee's representation and warranty that no such tax shall become due and payable with respect to the Equipment and Lessee shall indemnify and hold harmless Lessor from and against any and all liability or damages, including late charges and interest which Lessor may incur by reason of the assessment of such tax.

6. OTHER PAYMENTS:

(a) Lessee agrees to pay Rental Payments in advance.

[illegible]

Dialysis Machine Lease
ATTACHMENT - 37

7. EARLY TERMINATION OPTION: So long as no Event of Default under the Lease, nor any event which upon notice or lapse of time or both would constitute such an Event of Default has occurred and is continuing, Lessee shall have the option to terminate the Lease for all, but not less than all, of the Equipment on the rental payment date for the twenty-forth (24th) monthly rental payment (the "Early Termination Date"). Lessee shall notify Lessor in writing of Lessee's intention to exercise such termination option at least ninety (90) days prior to the Early Termination Date of such Lease. Lessee shall pay to Lessor on the Early Termination Date an aggregate amount (the "Termination Amount") equal to: (i) all rental payments, late charges and other amounts due and owing under the Lease, including the rental payment due on the Early Termination Date, plus (ii) any and all taxes, assessments and other charges due in connection with the termination of the Lease; plus (iii) 64% of the original Acquisition Cost of the Equipment as set forth herein.

In addition to the payment of the Termination Amount, Lessee shall return all of the Equipment to Lessor on the Early Termination Date pursuant to and in the condition required by the terms of the Lease.

In the event Lessee shall not pay the Termination Amount on the Early Termination Date and return the Equipment to Lessor pursuant to, and in the condition required by the Lease, then the Lease Term for the Equipment shall continue in full force and effect and this Early Termination Option shall be null and void and of no further force or effect.

8. EARLY PURCHASE OPTION: So long as no Event of Default under the Lease, nor any event which upon notice or lapse of time or both would constitute such an Event of Default has occurred and is continuing, Lessee shall have the option to terminate the Lease and purchase all, but not less than all, of the Equipment on the rental payment date for the sixtieth (60th) monthly rental payment (the "Early Purchase Option Date"). Lessee shall notify Lessor in writing of Lessee's intention to exercise such early purchase option at least ninety (90) days prior to the Early Purchase Option Date of such Lease. Lessee shall pay to Lessor on the Early Purchase Option Date an aggregate amount (the "Purchase Price") equal to: (i) all rental payments, late charges and other amounts due and owing under the Lease, including the rental payment due on the Early Purchase Option Date; plus (ii) any and all taxes, assessments and other charges due in connection with the termination of the Lease and the purchase of the Equipment; plus (iii) 28.02% of the original Acquisition Cost of the Equipment as set forth herein.

Provided that Lessor shall have received the Purchase Price on the Early Purchase Option Date, Lessor shall convey all of its right, title and interest in and to the Equipment to Lessee on the Early Purchase Option Date, on an "AS-IS", "WHERE-IS" BASIS WITHOUT REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, and without recourse to Lessor, provided however, that notwithstanding anything else herein to the contrary, Lessor shall warrant that the Equipment is free and clear of all liens, charges and encumbrances created by, through or under Lessor, and that Lessor has good and lawful right, power and authority to sell said Equipment to Lessee.

In the event Lessee shall not pay the Purchase Price on the Early Purchase Option Date then the Initial Lease Term or any renewal term for the Equipment shall continue in full force and effect and this Early Purchase Option shall be null and void and of no further force or effect.

9. PURCHASE OPTION: So long as no Event of Default, nor any event which upon notice or lapse of time or both would constitute and Event of Default, has occurred and is continuing under the Lease, and the Lease has not been earlier terminated, and upon not less than ninety (90) days prior written notice, Lessee shall have the option, upon expiration of the Initial Lease Term, renewal term or Extended Term, to purchase all, but not less than all, of Lessor's right, title and interest in and to the Equipment at the end of the Lease Term for a Purchase Option Price (hereinafter defined), on the last day of the Lease Term, in immediately available funds.

The Purchase Option Price shall be equal to the Fair Market Value of the Equipment (hereinafter defined) plus any sales, use, property or excise taxes on or measured by such sale, any other amounts accrued and unpaid under the Lease and any other expenses of transfer including UCC termination fees.

The "Fair Market Value" of the Equipment, shall be determined on the basis of, and shall be equal in amount to the value which would be obtained in, an arm's-length transaction between an informed and willing buyer-user (other than a lessee currently in possession or a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. For purposes of determining Fair Market Value it will be assumed that as of the date of determination that the Equipment is in at least the condition required by the Lease. If during or after the period of thirty (30) days from Lessor's receipt of the aforesaid written notice from Lessee of Lessee's intention to exercise said purchase option, Lessor and Lessee determine that they cannot agree upon such fair market value, then such value shall be determined in accordance with the foregoing definition by a qualified independent appraiser as selected by mutual agreement between Lessor and Lessee, or failing such agreement, by a panel of three independent appraisers, one of whom shall be selected by Lessor, the second by Lessee and the third designated by the first two selected. If any party refuses or fails to appoint an appraiser or a third appraiser cannot be agreed upon by the other two appraisers, such appraiser or appraisers shall be selected in accordance with the rules for commercial arbitration of the

Dialysis Machine Lease
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American Arbitration Association. The appraisers shall be instructed to make such determination within a period of twenty (20) days following appointment, and shall promptly communicate such determination in writing to Lessor and Lessee. The determination of Fair Market Value so made by the sole appraiser or by a majority of the appraisers, if there is more than one, shall be conclusively binding upon both Lessor and Lessee. All appraisal costs, fees and expenses shall be payable by Lessee. The sale of the Equipment by Lessor to Lessee shall be on an AS-IS, WHERE-IS basis, without recourse to, or warranty by, Lessor, provided however, that notwithstanding anything else herein to the contrary, Lessor shall warrant that the Equipment is free and clear of all liens, charges and encumbrances created by, through or under Lessor, and that Lessor has good and lawful right, power and authority to sell said Equipment to Lessee.

Lessee shall be deemed to have waived this Purchase Option unless it provides Lessor written notice of its irrevocable election to exercise this option within fifteen (15) days after Lessee is advised of the Fair Market Value of the Equipment.

Lessee may elect to return all, but not less than all, of the Equipment at the end of the Initial Lease Term or any renewal term, provided that such return will only be permitted if (i) the Lessee provides the Lessor with written notice of its intention to return the Equipment not less than ninety (90) days prior to the end of the Initial Term, and (ii) the return of the Equipment is in accordance with the terms of the Lease and any Schedules, Acceptance Certificate, Riders, Exhibits and Addenda thereto.

If, for any reason whatsoever, the Lessee does not purchase the Equipment at the end of the Initial Lease Term or any renewal term in accordance with the foregoing, or exercise their option to return the Equipment as set forth above, the lease term of the Equipment shall end without further action on the part of Lessee be extended on a month-to-month basis with rentals payable monthly calculated at one hundred five percent (105%) of the highest monthly rental payable during the Initial Lease Term (the "Extended Term"). At the end of such Extended Term, the Lessee shall have the option to either: (i) return the Equipment to the Lessor in accordance with the terms of the Lease; or (ii) purchase the Equipment for its then Fair Market Value as determined in accordance with the provisions set forth above. The Extended Term shall continue until (a) Lessee provides Lessor with not less than ninety (90) days prior written notice of the anticipated date Lessee will return the Equipment and Lessee returns the Equipment in accordance with the return provisions of this Lease, or (b) Lessee provides Lessor with not less than ninety (90) days prior written notice of Lessee's exercise of its Fair Market Value purchase option with respect to the Equipment.

10 STIPULATED LOSS VALUES:

Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
1	101.47	37	60.22
2	100.51	38	58.94
3	99.55	39	57.66
4	98.56	40	56.37
5	97.55	41	55.03
6	96.53	42	53.78
7	95.48	43	52.47
8	94.41	44	51.16
9	93.33	45	49.84
10	92.25	46	48.51
11	91.15	47	47.10
12	90.05	48	45.84
13	88.95	49	44.50
14	87.83	50	43.15
15	86.71	51	41.79
16	85.58	52	40.43
17	84.44	53	39.05
18	83.29	54	37.69
19	82.14	55	36.31

Dialysis Machine Lease
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Rental Payment #	Percentage of Acquisition Cost	Rental Payment #	Percentage of Acquisition Cost
20	80.97	56	34.02
21	79.81	57	33.53
22	78.63	58	32.13
23	77.45	59	30.72
24	76.26	60	20.31
25	75.06	61	27.89
26	73.86	62	26.47
27	72.65	63	25.04
28	71.44	64	23.61
29	70.22	65	22.17
30	68.99	66	20.72
31	67.76	67	19.27
32	66.52	68	17.82
33	65.27	69	16.35
34	64.01	70	14.88
35	62.75	71	13.40
36	61.49	72	11.92

Stipulated Loss Values are due in addition to the Rental Payment due on the same date.

IN WITNESS WHEREOF, the parties hereto certify that they have read, accepted and caused this Individual Leasing Record to be duly executed by their respective officers thereunto duly authorized.

Dated: 3/30/09

LESSOR:

Siemens Financial Services, Inc.

By: Carol Walters

Name: CAROL WALTERS

Title: VICE PRESIDENT-DOCUMENTATION

Ernest Ervigo
Sr. Transaction Coordinator

LESSEE:

National Medical Care, Inc.

By: _____

Name: MARK FAWCETT

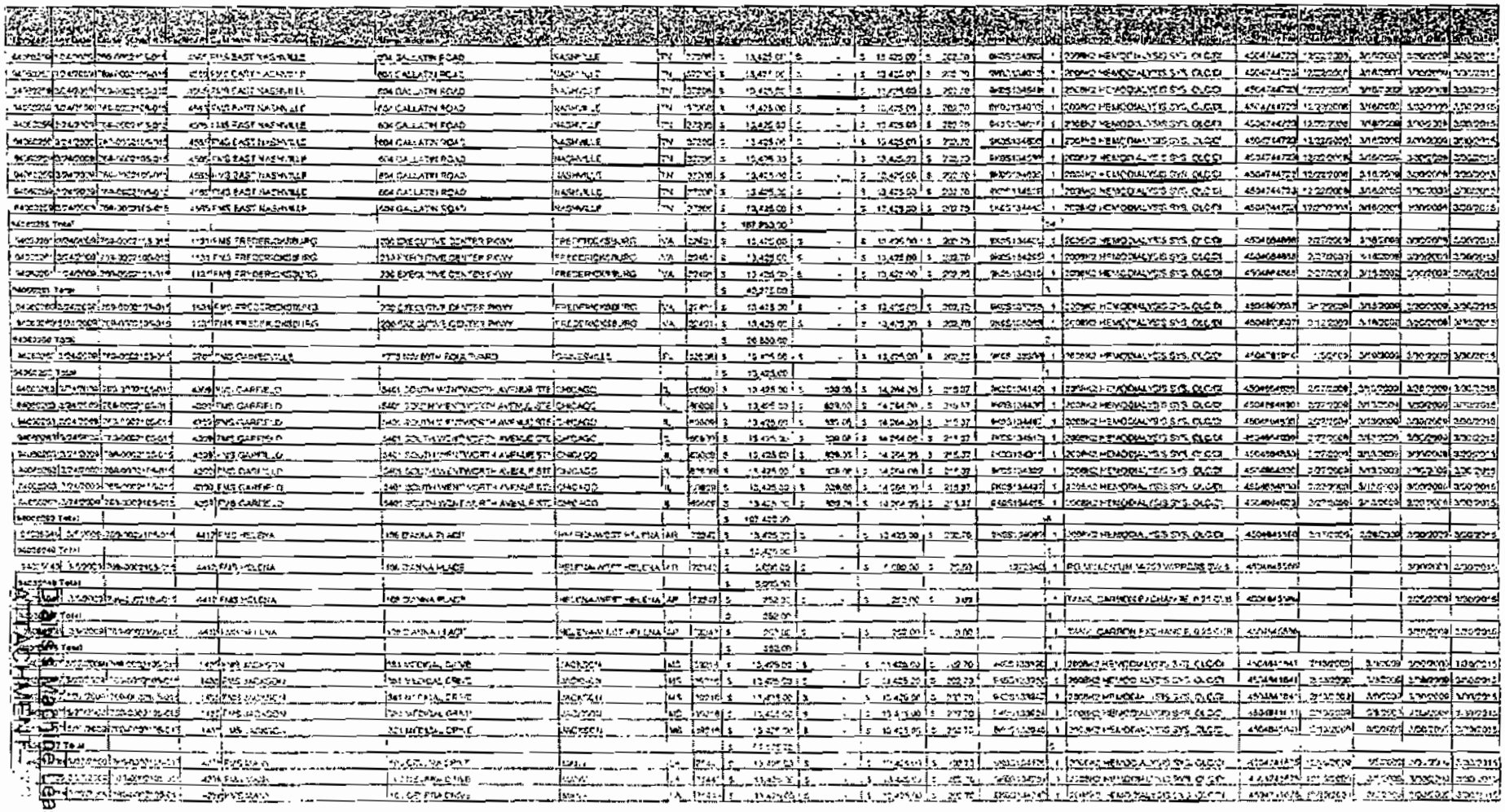
Title: TREASURER

615 Ind Rdv 12.doc

Dialysis Machine Lease
ATTACHMENT - "A"

DIGNITAS FINANCIAL SERVICES INC

EXHIBIT A



DELL

QUOTATION

QUOTE #: 485293558
Customer #: 84405601
Contract #: 70137
CustomerAgreement #: Dell Std Terms
Quote Date: 4/22/09
Customer Name: FRESENIUS MEDICAL CARE N A

Date: 4/22/09 12:33:14 PM

TOTAL QUOTE AMOUNT:	$975.02		
Product Subtotal:	$864.59		
Tax:	$46.43		
Shipping & Handling:	$64.00		
Shipping Method:	Ground	Total Number of System Groups:	1

GROUP 1	QUANTITY 1	SYSTEM PRICE: $584.51	GROUP TOTAL $584.51
Base Unit:	OptiPlex 760 Small Form FactorBase Standard PSU (224-2219)		
Processor:	OptiPlex 760,Core 2 Duo E7300/2.66GHz,3M,1066FSB (311-9514)		
Memory:	2GB,Non-ECC,800MHz DDR2,2X1GB OptiPlex (311-7374)		
Keyboard:	Dell USB Keyboard,No Hot Keys English,Black,Optiplex (330-1987)		
Monitor:	Dell UltraSharp 1708FP BLK w/AdjStn,17 inch,1x08FPBLK OptiPlex,Precision and Latitude (320-7682)		
Video Card:	Integrated Video,GMA 4500,DellOptiPlex 760 and 960 (320-7407)		
Hard Drive:	80GB SATA 3.0Gb/s and 8MB DataBurst Cache,Dell OptiPlex (341-8006)		
Floppy Disk Drive:	No Floppy Drive with Optical Filler Panel,Dell OptiPlex Small Form Factor (341-4609)		
Operating System:	Windows XP PRO SP3 with Windows Vista Business LicenseEnglish,Dell Optiplex (420-9570)		
Mouse:	Dell USB 2 Button Optical Mouse with Scroll,Black OptiPlex (330-2733)		
NIC:	ASF Basic Hardware Enabled Systems Management (330-2901)		
CD-ROM or DVD-ROM Drive:	24X24 CDRW/DVD Combo,with Cyberlink Power DVD,No Media Media,Dell OptiPlex 960 Small Form Factor (313-7071)		
CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.1,with Media,Dell OptiPlex/Precision (420-9179)		
Sound Card:	Heat Sink, Mainstream, Dell Optiplex Small Form Factor (311-9520)		
Speakers:	Dell AX510 black Sound Bar forUltraSharp Flat Panel DisplaysDell Optiplex/Precision/ Latitude (313-6414)		
Cable:	OptiPlex 760 Small Form FactorStandard Power Supply (330-1984)		
Documentation Diskette:	Documentation,English,Dell OptiPlex (330-1710)		
Documentation Diskette:	Power Cord,125V,2M,C13,Dell OptiPlex (330-1711)		
Factory Installed Software:	No Dell Energy Smart Power Management Settings,OptiPlex (467-3564)		
Feature	Resource DVD contains Diagnostics and Drivers for Dell OptiPlex 760 Vista (330-2019)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response Initial Year (991-6370)		
Service:	ProSupport for IT: Next Business Day Parts and Labor Onsite Response 2 Year Extended (991-3642)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Initial Year (992-6507)		
Service:	Dell Hardware Limited Warranty Plus Onsite Service Extended Year(s) (992-6508)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, Initial (984-6640)		
Service:	ProSupport for IT: 7x24 Technical Support for certified IT Staff, 2 Year Extended (984-0002)		
	Thank you choosing Dell ProSupport. For tech support, visit http://support.dell.com/ProSupport		

Service:	or call 1-866-516-31 (989-3449)
Installation:	Standard On-Site Installation Declined (900-9987)
Installation:	Standard On-Site Installation Declined (900-9987)
Misc:	Shipping Material for System Cypher Small Form Factor,Dell OptiPlex (330-2193)
	Vista Premium Downgrade Relationship Desktop (310-9161)
	CFI Routing SKU (365-0257)
	CFI,Rollup,Integration Service,Image Load (366-1416)
	CFI,Rollup,Custom Project,Fee for ESLH (366-1551)
	CFI,Rollup,Integration Services,BIOS Setting (366-1556)
	CFI,Information,Vista To WXP ONLY,Factory Install (372-6272)
	CFI,Software,Image,Quick Image,Titan,Factory Install (372-9740)
	CFI,BIOS,Across Line Of Business,Wakeup-on-lan, Enable,Factory Install (374-4558)
	CFI,Information,Optiplex 760 Only,Factory Install (374-8402)

SOFTWARE & ACCESSORIES			
Product	Quantity	Unit Price	Total
Office 2007 Sngl C 021-07777 (A0748570)	1	$259.68	$259.68
Windows Server CAL 2008 Sngl MVL Device CAL C R18-02830 (A1511502)	1	$20.40	$20.40
Number of S & A Items: 2	SKA Total Amount: [illegible]		

SALES REP:	PHIL CLINTON	PHONE:	1800-274-3355
Email Address:	Phil_Clinton@Dell.com	Phone Ext:	723-3128

For your convenience, your sales representative, quote number and customer number have been included to provide you with faster service when you are ready to place your order. Orders may be faxed to the attention of your sales representative to 1-866-230-4217. You may also place your order online at www.dell.com/qto

This quote is subject to the terms of the agreement signed by you and Dell, or absent such agreement, to Dell's Terms of Sale.

Prices and tax rates are valid in the U.S. only and are subject to change.

***Sales/use tax is a destination charge, i.e. based on the "ship to" address on your purchase order. Please indicate your taxability status on your PO. If exempt, please fax exemption certificate to Dell Tax Department at 888-863-8778, referencing your customer number. If you have any questions regarding tax please call 800-433-9019 or email Tax_Department@dell.com. ***

All product and pricing information is based on latest information available. Subject to change without notice or obligation.

LCD panels in Dell products contain mercury, please dispose properly.
Please contact Dell Financial Services' Asset Recovery Services group for EPA compliant disposal options at US_Dell_ARS_Requests@dell.com. Minimum quantities may apply.

Shipments to California: For certain products, a State Environmental Fee Of Up to $10 per item may be applied to your invoice as early as Jan 1, 2005. Prices in your cart do not reflect this fee. More Info: or refer to URL www.dell.com/environmentalfee

Criterion 1120.310 Financial Viability

Financial Viability Waiver

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

2010 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #11-022, Fresenius Medical Care Lockport and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

Fresenius Medical Care

To: Illinois CON

August 31, 2011

Fresenius Medical Care Holdings, Inc (the Company or FMCH) summary of discussion points with Illinois CON for the meeting in early August, 2011. We discussed several points related to the rating and credit quality of the Company as follows:

1. Most ratings of the Company are higher than the ratings for our Senior Notes. Our Senior Secured ratings are investment grade and our Accounts Receivable Commercial Paper Facility is structured to a AA rating. See ratings summary below:

	Standard & Poor's	Moody's	Fitch
Corporate Credit Rating	BB	Ba1	BB+
Outlook	Positive	stable	stable
Secured Debt	BBB-	Baa3	BBB
Unsecured Debt	BB	Ba2	BB+

2. The market's evaluation of the Company's bonds is far more positive than the rating agencies assessment would indicate. The Company's yields trade in line with BBB investment grade rated companies and much lower than the index for BB rated companies. That chart was on Page 7 of our presentation.
3. Moody's has published its standards for investment grade ratings. Of the six criteria, the Company meets or exceeds four of the criteria.
4. The company has substantial liquidity (over a billion $'s) to meet all of its obligations in Illinois and elsewhere.

Additionally, in the discussion following our presentation, the topic of the company's size was brought up as a negative. We did not have the opportunity to address that issue during the meeting, so we will address it here. During the credit crisis, many of the physician practices and related health care businesses in our industry (and others) had difficulty growing and raising capital. The financial markets were closed to many health care businesses, both for profit and not for profit. However, due to our size and strength of our credit, the banking and capital markets were still open to us, allowing us to continue to grow to meet the needs of end stage renal disease patients in our clinic setting and to invest in the pharmaceutical and medical equipment industries necessary to serve this patient population. We have been a strong and committed business in Illinois, willing to continue to invest capital, provide access to care, add jobs and grow in the State.

Mark Fawcett
Vice President, Treasurer
Fresenius Medical Care NA

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Dialysis Centers of America – Illinois, Inc.

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

By: _____

Title: Bryan Mello
Assistant Treasurer

By: _____

Title: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 1 day of _____, 2012

Signature of Notary

Seal

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

Susan H Console
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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

By: _____

ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2012

_____
Signature of Notary

Seal

By: _____

ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

Susan H Console
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

Criterion 1120.310(b) Conditions of Debt Financing

Dialysis Centers of America - Illinois, Inc.

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

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

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

By: _____

ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this ____ day of _____, 2012

_____
Signature of Notary

Seal

By: _____

ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

_____
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

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

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

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

By: _____

ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2012

_____
Signature of Notary

Seal

By: _____

ITS: Maria T. C. Gillis
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 20 day of Jan, 2012

_____
Signature of Notary

Seal

SUSAN H. CONSOLE
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
February 1, 2013

Criterion 1120.310 (c) Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
ESRD		$142.00			6,000			852,000	852,000
Contingency		15.61			6,000			93,660	93,660
TOTALS		157.61			6,000			945,660	945,660
* Include the percentage (%) of space for circulation									

Criterion 1120.310 (d) – Projected Operating Costs

Year 2015

Salaries	$817,344
Benefits	204,336
Supplies	191,609
Total	$1,213,289

Annual Treatments 8,424

Cost Per Treatment $144.03

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

Year 2015

Depreciation/Amortization	$124,492
Interest	0
CAPITAL COSTS	$124,492

Treatments: 8,424

Capital Cost per treatment $14.77

Safety Net Impact Statement

The establishment of the Fresenius Medical Care Spoon River (essentially a relocation) will not have any impact on safety net services in the Canton area. 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)

Charity Care Information

The applicant(s) do not provide charity care at any of their facilities. The applicant(s) are for profit corporations and do not receive the benefits of not for profit entities, such as sales tax and/or real estate exemptions, or charitable donations. The applicants are not required, by any State or Federal law, including the Illinois Healthcare Facilities Planning Act, to provide charity care. The applicant(s) are prohibited by Federal law from advising patients that they will not be invoiced for care, as this type of representation could be an inducement for patients to seek care prior to qualifying for Medicaid, Medicare or other available benefits.

The applicants do provide access to care at all of its clinics regardless of payer source or whether a patient is likely to receive treatments for which the applicants are not compensated. Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented and/or who do not qualify for Medicare, and who otherwise qualify for public assistance. Also, the American Kidney Fund provides low cost insurance coverage for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage through the AKF. The applicants donate to the AKF to support its initiatives.

The applicants accept all patients regardless of payer source. If a patient has no available insurance coverage, they are billed for services rendered, and after three statement reminders the charges are written off as 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

Uncompensated Care By Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Alsip	33	0	0	9,960	0	0
Fresenius Antioch	73	102	0	21,689	28,682	0
Fresenius Aurora	314	83	87	67,864	18,818	21,087
Fresenius Austin Community	26	140	0	8,284	40,504	0
Fresenius Berwyn	713	715	228	199,885	163,817	52,363
Fresenius Blue Island	77	174	80	21,901	49,341	22,611
Fresenius Bolingbrook	143	48	21	31,451	12,317	5,081
Fresenius Bridgeport	395	528	45	99,428	118,493	10,991
Fresenius Burbank	248	721	49	63,286	185,201	12,597
Fresenius Carbondale	10	79	42	2,500	20,723	11,262
Fresenius Chicago	243	328	45	66,732	89,972	14,202
Fresenius Chicago Westside	162	146	0	77,512	46,548	0
Fresenius Congress Parkway	237	176	14	63,900	46,511	3,760
Fresenius Crestwood	219	67	320	59,373	17,034	84,179
Fresenius Decatur	0	0	0	0	0	0
Fresenius Deerfield	N/A	N/A	0	N/A	N/A	0
Fresenius Downers Grove	137	20	233	31,380	4,878	56,124
Fresenius Du Page West	196	76	34	43,409	18,336	9,290
Fresenius Du Quoin	0	37	10	0	10,433	2,756
Fresenius East Peoria	217	52	0	55,285	12,238	0
Fresenius Elk Grove	343	127	53	75,105	29,711	12,642
Fresenius Evanston	214	194	215	58,821	49,319	63,059
Fresenius Evergreen Park	93	510	197	23,541	140,975	52,782
Fresenius Garfield	311	177	54	97,761	45,903	14,915
Fresenius Glendale Heights	365	159	15	81,125	35,089	3,681
Fresenius Glenview	83	87	46	18,692	19,974	10,095
Fresenius Greenwood	190	251	179	46,374	62,205	42,481
Fresenius Gurnee	285	122	35	67,702	29,403	8,329
Fresenius Hazel Crest	199	34	22	53,440	9,226	6,303
Fresenius Hoffman Estates	87	33	17	19,789	7,418	4,037
Fresenius Jackson Park	454	528	3	115,160	125,578	681
Fresenius Kewanee	0	0	72	0	0	20,619
Fresenius Lake Bluff	212	65	5	54,948	17,317	1,112
Fresenius Lakeview	207	27	13	61,074	7,377	3,217
Fresenius Macomb	0	0	0	0	0	0
Fresenius Marquette Park	148	362	0	39,118	100,681	0
Fresenius McHenry	89	186	5	26,941	57,292	1,332
Fresenius McLean County	115	67	19	31,715	17,291	4,152
Fresenius Melrose Park	0	19	0	0	5,156	0
Fresenius Merrionette Park	0	105	41	0	28,882	9,936
Fresenius Midway	N/A	N/A	0	N/A	N/A	0
Fresenius Mokena	1	44	3	544	16,250	1,012
Fresenius Morris	0	42	104	0	11,267	29,076
Fresenius Naperville	199	301	100	41,182	67,077	22,565
Fresenius Naperville North	57	183	0	18,437	48,627	0
Fresenius Niles	213	152	26	55,817	37,442	6,096

Continued...

Continued Uncompensated Care by Facility

Facility	Uncompensated Treatments			Uncompensated Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	13	6	3	3,002	1,506	747
Fresenius North Avenue	0	94	74	0	23,669	18,189
Fresenius North Kilpatrick	48	0	64	11,290	0	14,200
Fresenius Northcenter	118	121	78	30,407	34,727	22,117
Fresenius Northwestern	334	226	77	89,528	58,416	21,695
Fresenius Oak Park	165	126	6	40,346	32,752	1,487
Fresenius Orland Park	188	121	0	43,222	30,148	0
Fresenius Oswego	89	12	1	25,307	3,389	305
Fresenius Ottawa	117	8	2	32,866	2,357	454
Fresenius Pekin	0	0	20	0	0	4,721
Fresenius Peoria Downtown	57	46	45	13,799	10,980	11,301
Fresenius Peoria North	115	54	13	27,782	13,179	3,245
Fresenius Plainfield	N/A	N/A	8	N/A	N/A	6,165
Fresenius Polk	212	231	104	51,467	60,738	26,376
Fresenius Pontiac	40	19	0	9,732	4,801	0
Fresenius Prairie	83	114	54	25,383	32,357	15,634
Fresenius Randolph County	0	4	32	0	1,219	8,913
Fresenius Rockford	70	74	24	18,003	24,267	6,946
Fresenius Rodgers Park	143	328	224	44,464	85,647	60,351
Fresenius Rolling Meadows	228	0	204	55,625	0	53,516
Fresenius Roseland	132	164	99	108,043	61,632	31,345
Fresenius Ross Dialysis Englewood	150	184	8	55,077	56,239	2,132
Fresenius Round Lake	225	182	1	57,640	44,165	255
Fresenius Saline County	13	21	11	3,645	5,583	2,952
Fresenius Sandwich	N/A	18	3	N/A	8,161	985
Fresenius Skokie	0	18	10	0	4,508	2,698
Fresenius South Chicago	424	747	278	115,038	205,498	70,577
Fresenius South Holland	90	127	104	22,191	31,917	26,731
Fresenius South Shore	75	110	8	20,591	30,066	2,086
Fresenius South Suburban	329	566	241	92,140	148,380	64,049
Fresenius Southside	734	483	137	209,871	129,554	34,459
Fresenius Southwestern Illinois	1	0	0	242	0	0
Fresenius Spoon River	66	38	35	14,971	9,033	8,835
Fresenius Spring Valley	1	1	31	236	233	6,422
Fresenius Streator	0	0	0	0	0	0
Fresenius Uptown	50	134	110	35,291	44,148	33,311
Fresenius Villa Park	128	369	27	35,003	95,048	7,258
Fresenius West Belmont	105	191	70	26,984	51,980	18,896
Fresenius West Chicago	0	44	0	0	24,152	0
Fresenius West Metro	241	880	237	54,133	187,505	49,677
Fresenius West Suburban	144	273	146	34,283	65,129	34,504
Fresenius Westchester	207	0	0	56,641	0	0
Fresenius Williamson County	8	0	28	1,812	0	7,468
Fresenius Willowbrook	98	45	0	23,477	10,815	0
Totals	**14,557**	**15,457**	**7,047**	**3,402,665**	**3,489,213**	**1,307,433**

Medicaid Treatments/Costs By Facility

Facility Name	IL Medicaid Txts			IL Medicaid Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Alsip	726	624	749	219,121	188,700	218,389
Fresenius Antioch	38	148	937	11,398	41,617	257,229
Fresenius Aurora	954	1,230	1,521	206,456	277,862	367,439
Fresenius Austin Community	1,050	1,574	2,111	334,543	455,377	548,468
Fresenius Berwyn	3,466	3,618	4,102	971,639	828,527	941,816
Fresenius Blue Island	1,816	1,901	1,937	516,518	538,138	550,355
Fresenius Bolingbrook	1,481	1,246	1,628	325,729	319,725	393,058
Fresenius Bridgeport	3,928	4,570	5,610	988,745	1,025,015	1,377,275
Fresenius Burbank	2,314	2,142	2,046	590,498	550,210	531,285
Fresenius Carbondale	1,119	1,214	1,650	279,802	318,454	442,445
Fresenius Chicago Dialysis Center	5,862	5,466	5,279	1,609,814	1,499,358	1,666,001
Fresenius Chicago Westside	2,396	3,509	3,807	1,146,416	1,118,745	1,169,530
Fresenius Congress Parkway	3,663	3,685	4,197	987,611	973,822	1,127,227
Fresenius Crestwood	1,045	1,166	1,072	283,308	296,443	282,439
Fresenius Decatur	33	1	136	8,220	226	36,359
Fresenius Deerfield	0	0	100	0	0	67,104
Fresenius Downers Grove	771	1,010	995	176,600	246,416	239,552
Fresenius DuQuoin	302	318	203	78,555	89,666	55,954
Fresenius DuPage West	1,529	2,086	2,725	338,547	502,413	739,997
Fresenius East Peoria	672	607	1,083	171,254	142,462	258,654
Fresenius Elk Grove	950	1,414	1,996	208,018	330,794	480,506
Fresenius Evanston	1,025	1,513	1,535	281,738	384,635	450,064
Fresenius Evergreen Park	3,484	2,284	3,231	881,879	631,675	863,821
Fresenius Macomb	12	212	116	4,123	57,485	36,414
Fresenius Garfield	2,365	2,684	3,299	743,422	696,063	910,918
Fresenius Glendale Heights	1,896	2,085	2,332	421,403	460,132	572,130
Fresenius Glenview	1,091	984	992	245,700	225,914	219,975
Fresenius Morris	30	119	200	8,814	31,923	55,776
Fresenius Greenwood	3,055	3,349	3,712	746,786	830,023	880,965
Fresenius Gurnee	1,614	1,859	2,143	383,406	448,037	517,361
Fresenius Hazel Crest	878	979	657	235,780	265,643	192,621
Fresenius Hoffman Estates	1,406	1,726	2,513	319,804	387,981	596,772
Fresenius Jackson Park	5,402	5,444	5,972	1,370,257	1,294,789	1,626,081
Fresenius Kewanee	81	182	146	27,752	51,043	41,812
Fresenius Lake Bluff	1,002	1,541	1,354	259,707	410,556	334,530
Fresenius Lakeview	1,144	1,398	1,516	337,530	381,943	375,228
Fresenius Marquette Park	2,447	2,339	2,473	646,774	650,535	722,642
Fresenius McLean County	1,147	1,225	1,044	316,325	316,139	228,138
Fresenius McHenry	57	457	546	17,254	140,859	161,482
Fresenius Melrose Park	884	1,015	1,390	243,039	275,447	360,787
Fresenius Merrionette Park	407	1,001	749	114,511	275,340	183,623
Fresenius Midway	0	0	28	0	0	35,987
Fresenius Mokena	0	0	125	0	0	42,159
Fresenius Naperville	318	512	544	65,867	114,163	123,223
Fresenius Naperville North	236	494	654	76,334	131,265	159,418
Fresenius Niles	1,637	1,675	1,914	427,287	412,508	457,523

Continued...

Continued Medicaid Treatments/Costs By Facility

Facility Name	IL Medicaid Txts			IL Medicaid Costs		
	2008	2009	2010	2008	2009	2010
Fresenius Norridge	391	858	1,037	90,276	215,349	257,928
Fresenius North Avenue	1,663	1,818	1,854	399,039	457,777	455,682
Fresenius North Kilpatrick	1,969	2,323	2,504	463,144	537,567	555,449
Fresenius Northcenter	1,236	1,603	1,981	318,505	460,061	565,347
Fresenius Northwestern	3,102	3,103	2,954	830,405	802,076	835,999
Fresenius Oak Park	2,395	1,972	2,142	586,131	512,596	530,585
Fresenius Orland Park	553	734	774	127,136	182,882	213,816
Fresenius Oswego	390	454	482	110,896	128,215	147,203
Fresenius Ottawa	187	141	70	52,529	41,542	21,192
Fresenius Pekin	83	24	136	19,043	5,483	32,924
Fresenius Peoria Downtown	1,297	1,238	1,283	313,988	295,509	325,686
Fresenius Peoria North	511	374	265	123,449	90,842	66,112
Fresenius Plainfield	0	0	390	0	0	128,173
Fresenius Polk	3,502	3,151	3,509	850,172	829,908	891,647
Fresenius Pontiac	157	185	284	38,199	46,749	69,911
Fresenius Prairie	1,513	1,067	1,108	462,703	302,851	323,637
Fresenius Randolph County	188	190	251	59,360	57,884	69,909
Fresenius Rockford	255	540	747	65,584	178,073	216,191
Fresenius Rogers Park	1,705	1,433	1,756	530,142	374,183	473,109
Fresenius Rolling Meadows	1,032	1,543	2,100	251,777	368,801	550,765
Fresenius Roseland	114	641	1,506	93,309	240,891	476,665
Fresenius Ross Dialysis-Englewood	715	814	1,936	262,534	248,798	515,780
Fresenius Roundlake	1,690	1,909	2,661	432,943	463,250	679,000
Fresenius Saline County	485	676	441	136,002	179,725	123,927
Fresenius Sandwich	0	60	145	0	33,384	47,603
Fresenius Skokie	648	850	1,096	178,781	212,937	295,651
Fresenius South Chicago	3,511	3,995	5,002	952,588	1,099,016	1,269,883
Fresenius South Holland	1,318	1,304	1,603	324,973	327,718	412,017
Fresenius South Shore	2,548	2,143	1,900	699,533	585,749	528,209
Fresenius South Suburban	1,317	1,392	1,804	368,844	364,920	479,436
Fresenius Southside	5,108	5,249	6,248	1,460,523	1,407,923	1,577,162
Fresenius Southwestern Illinois	160	296	428	38,702	75,763	115,684
Fresenius Spoon River	0	11	30	0	2,615	7,573
Fresenius Spring Valley	0	39	267	0	9,087	56,218
Fresenius Streator	0	7	34	0	2,757	11,288
Fresenius Uptown	0	701	1,037	0	230,951	315,316
Fresenius Villa Park	970	922	1,037	265,255	237,306	278,881
Fresenius West Belmont	2,240	2,495	3,388	575,654	679,000	921,006
Fresenius West Chicago	0	8	429	0	4,391	151,682
Fresenius West Metro	6,169	6,331	7,147	1,383,891	1,348,204	1,497,052
Fresenius West Suburban	6,355	5,951	5,841	1,512,980	1,419,713	1,385,026
Fresenius Westchester	504	669	429	137,909	171,821	118,436
Fresenius Williamson County	442	363	435	100,123	89,706	118,125
Fresenius Willowbrook	459	474	1,065	109,960	113,915	256,960
Totals	**122,615**	**132,658**	**154,591**	**32,355,267**	**34,055,958**	**40,270,371**

It is noted in the above charts, that the number of patients receiving uncompensated care has declined. This is not because of any policy or admissions changes at Fresenius Medical Care. We still accept any patient regardless of ability to pay. The reduction is due to an aggressive approach within our facilities to obtain insurance coverage for all patients, thus the rise in Medicaid treatments/costs. Nearly all dialysis patients in Illinois will qualify for some type of coverage. Our Financial Coordinators work with patients to assist in finding the right coverage for each patient's particular situation. This coverage applies not only to dialysis services, but all health care services this chronically ill patient population may receive. Therefore, while assisting the patient to obtain coverage benefits the patient and Fresenius, it also assists other health care providers. Mainly though, it relieves patients of the stress of not having coverage or affordable coverage for health care. (see following page for patient coverage options)

Fresenius Medical Care North America
Community Care

Fresenius Medical Care North America (FMCNA) assists all of our patients in securing and maintaining insurance coverage when possible. However, even if for whatever reason insurance (governmental or otherwise) is not available FMCNA does not deny admission for treatment due to lack of insurance coverage.

American Kidney Fund

FMCNA works with the American Kidney Fund (AKF) to help patients with insurance premiums at no cost to the patient.

Applicants must be dialyzed in the US or its territories and referred to AKF by a renal professional and/or nephrologist The Health Insurance Premium Program is a "last resort" program. It is restricted to patients who have no means of paying health insurance premiums and who would forego coverage without the benefit of HIPP. Alternative programs that pay for primary or secondary health coverage, and for which the patient is eligible, such as Medicaid, state renal programs, etc. must be utilized. Applicants must demonstrate to the AKF that they cannot afford health coverage and related expenses (deductible etc.).

Our team of Financial Coordinators and Social Workers connect patients who cannot afford to pay their insurance premiums, with AKF, which provides financial assistance to the patients for this purpose. FMCNA's North Division currently has 2986 patients with primary insurance coverage and 7469 patients with secondary insurance coverage for a total of 10,455 patients receiving AKF assistance. For the state of Illinois we have 632 primary and 1503 secondary patients receiving AKF assistance. The benefit of working with the AKF is the insurance coverage which AKF facilities applies to all of the patient's insurance needs, not just coverage for dialysis services.

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

Annual Income: A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have an annual income in excess of two (2) times the Federal Poverty Standard in effect at the time. Patients whose annual income is greater than two (2) times the Federal Poverty Standard may qualify for a partial indigent waiver based upon a sliding scale schedule approved by the Office of Business Practices and Corporate Compliance.

Net Worth: A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have a net worth in excess of $75,000 (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. Patients may have dual coverage of AKF assistance and an Indigent Waiver if their financial status qualifies them for both programs.

FMCNA North Division currently has 718 active Indigent Waivers. 21 cover primary balances which means the patient has no insurance coverage, and 697 cover patient balances where there is no supplemental insurance.

Illinois currently has 5 active Indigent Waivers that cover the supplemental balances after the primary insurance pays. There isn't a high volume of Indigent Waivers issued in Illinois because patients are entitled to Medicaid coverage in Illinois.

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 of their healthcare needs, including transportation to their appointments.

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.

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).

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

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

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

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

Self-Pay

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

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

MAPQUEST.

Notes

TO FRESENIUS MEDICAL CARE PEKIN

Trip to 600 S 13th St
Pekin, IL 61554-4936
25.08 miles - about 34 minutes

A 340 S Avenue B, Canton, IL 61520

START	1. Start out going **south** on **S Avenue B** toward **Fulton Pl**.	go 0.2 mi
	2. Turn **left** onto **W Hickory St**.	go 0.6 mi
78	3. Turn **right** onto **IL-78 / IL-9**.	go 0.2 mi
9	4. Turn **left** onto **E Linn St / IL-9**. Continue to follow **IL-9**.	go 7.4 mi
EAST 24	5. **IL-9** becomes **US-24 E**.	go 13.4 mi
EAST 9	6. Turn **slight right** onto **IL-9 E**.	go 3.1 mi
	7. Turn **right** onto **S 14th St**.	go 0.0 mi
	8. Turn **right** onto **Park Ave**.	go 0.0 mi
	9. Turn **right** onto **S 13th St**.	go 0.0 mi
END	10. **600 S 13TH ST** is on the **right**.	go 0.0 mi

B 600 S 13th St, Pekin, IL 61554-4936
Total Travel Estimate : 25.08 miles - about 34 minutes

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MAPQUEST.

Notes

TO FRESENIUS MEDICAL CARE PEORIA DOWNTOWN

Trip to 410 W Romeo B Garrett Ave

Peoria, IL 61605-2401

30.73 miles - about 44 minutes

A 340 S Avenue B, Canton, IL 61520

START	1. Start out going **south** on **S Avenue B** toward **Fulton Pl**.	go 0.2 mi
	2. Turn **left** onto **W Hickory St**.	go 0.6 mi
78	3. Turn **right** onto **IL-78 / IL-9**.	go 0.2 mi
9	4. Turn **left** onto **E Linn St / IL-9**. Continue to follow **IL-9**.	go 7.4 mi
EAST 24	5. **IL-9** becomes **US-24 E**.	go 19.7 mi
	6. Turn **slight right**.	go 0.0 mi
EAST 24	7. Turn **slight right** onto **SW Washington St / US-24 E**.	go 2.0 mi
	8. Turn **left** onto **Oak St**.	go 0.2 mi
	9. **Oak St** becomes **N Hightower St**.	go 0.4 mi
	10. Turn **right** onto **W Romeo B Garrett Ave**.	go 0.0 mi
END	11. **410 W ROMEO B GARRETT AVE** is on the **right**.	go 0.0 mi

B 410 W Romeo B Garrett Ave, Peoria, IL 61605-2401

Total Travel Estimate : 30.73 miles - about 44 minutes

Illinois Kidney Disease & Hypertension Center

Nephrology Associates
Frederick Horvath, Jr., M.D
Phillip J. Olsson, M.D., F.A.C.P.
Robert T. Sparrow, M.D.
Benjamin R. Pfiederer, M.D
David C. Rosborough, M.D
Timothy A. Pfiederer, M.D
Paul T. Dreyer, M.D.
Gordon W. James, M.D
Andrew C. Bland, M.D., F.A.A.P., F.A.C.P.
Robert Bruha, M.D
Samer B. Sader, M.D.
Anthony R. Horinek, M.D.
Alexander J. Alonso, M.D
Robert A. Pfiederer, M.D - Emeritus
R. Kent Bryan, M.D - Emeritus

Surgery Associates
Beverley L. Ketel, M.D
Timothy P. O'Connor, M.D., F.A.C.S.

Physician Assistants
Julie A. DeSutter, P.A.-C.
Holly R. Walker, P.A.-C.

Nurse Practitioners
Tonya K. McDougall, M.S.N., F.N.P.
Karen A. Helfers, M.S.N., F.N.P.
Cheryl M. Wiemer, M.S.N., F.N.P.
Judith A. Danzizen, A.P.R.N.-B.C.

Administration
Beth A. Shaw, MBA

200 E. Pennsylvania Ave., Suite 212
Peoria, IL 61603
Office 309.676.8123
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1404 Eastland Drive, Suite 103
Bloomington, IL 61701
Office 309.663.4766
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2355 Broadway Rd.
Pekin, IL 61554

1100 E. Norris Drive
Ottawa, IL 61350

501 E. Grant St.
Macomb, IL 61455

920 West Street
Medical Office Building, Suite 212
Peru, IL 61354

Perry Memorial Hospital
530 Park Avenue East, Suite 306
Princeton, IL 61356

107 Tremont Street
Hopedale, IL 61747

Graham Hospital
210 W. Walnut
1st Floor, Outpatient Clinic
Canton, IL 61520

1315 Memorial Drive
Outpatient Clinic
Mendota, IL 61342

205 South Park
Streator, IL 61364

April 18, 2012

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

Dear Ms. Avery:

I am a nephrologist in practice with Renal Care Associates (RCA) and am the Medical Director of the Fresenius Spoon River and Macomb dialysis clinics. Due to the fact that the landlord (Graham Hospital) of the Spoon River ESRD facility has asked us to vacate the current space to make room for Hospital renovations, I am in full support of the relocation of this facility to 340 S Avenue B, also in Canton and on the campus of Graham Hospital. I am excited at the prospect of having the added isolation station located in the Spoon River facility. Currently my patients who are Hepatitis B positive have to drive a long distance to Peoria for treatment. This trip can be in excess of an hour for patients from the Canton area.

RCA was treating 563 patients at the end of 2009 and 635 patients at the end of 2010, and 728 at the end of 2011 as reported to The Renal Network. Over the past twelve months RCA has referred 256 new hemodialysis patients for dialysis services to Fresenius Spoon River, Pekin, East Peoria, Peoria Downtown, Peoria North, Macomb, Kewanee, Ottawa, McLean County, Pontiac and Spring Valley. We also referred 47 patients for home dialysis services. I expect that all 38 current patients of the Fresenius Medical Care Spoon River facility will relocate to the new site upon its opening. We currently have 949 patients in our practice in various stages of kidney failure. There are 76 pre-ESRD patients that live in the zip codes surrounding the Canton area. Of these there are 53 that we expect to begin dialysis at Spoon River by the time the relocation has been in operation two years (this is accounting for a 30% loss of patients prior to dialysis commencement). These patients all have lab values indicative of a patient in active kidney failure.

The Spoon River facility treats in excess of 40 patients a year and has experienced an approximate 25% death rate due to the aging population of the Canton area. As well, the facility has an approximate 5% transplant rate. It is therefore expected that 10-12 current patients of the facility are not expected to continue to require dialysis services by the time the facility is relocated.

Given the increase of pre-ESRD patients seen in our practice and the loss of our current Canton site, I urge the Board to approve the relocation of Fresenius Medical Care Spoon River in order to keep access available to this rural ESRD patient population. Thank you for your consideration.

I attest to the fact that to the best of my knowledge, all the information contained in this letter is true and correct and that the projected referrals in this document were not used to support any other CON application.

Sincerely,

Paul Dreyer M.D.

Paul Dreyer, M.D.

OFFICIAL SEAL
ALICE J MUSSELMAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/10/16

Notarization:
Subscribed and sworn to before me
this 20th day of April, 2012

Alice J. Musselman
Signature of Notary

Seal

CURRENT SPOON RIVER PATIENTS THAT WILL TRANSFER TO THE RELOCATION SITE UPON OPENING

ZIP CODE	Patients
61455	1
61524	1
61533	1
61536	1
61569	1
61427	2
61529	2
61572	2
61531	3
61542	3
62644	5
61520	16
TOTAL	**38**

PRE-ESRD PATIENTS IDENTIFIED FOR THE SPOON RIVER FACILITY

These patients will begin dialysis in the next 12 months

Stage 5 ESRD		
Patient Initials	Zip Code	Physician
BA	61520	DREYER
BE	61520	DREYER
BS	61441	OLSSON
CB	61520	OLSSON
CM	61532	OLSSON
CO	61520	DREYER
DS	61427	DREYER
DS	61547	DREYER
HG	61542	OLSSON
JH	61536	OLSSON
JM	61524	DREYER
JT	61520	DREYER
LB	62644	OLSSON
MS	62644	OLSSON
ND	61547	DREYER
ND	61547	OLSSON
NG	61532	OLSSON
PS	61520	OLSSON
RB	61520	DREYER
RC	61427	DREYER
SF	61477	OLSSON
SM	61546	DREYER
WS	61554	DREYER
Total 23 Patients		

These patients will begin dialysis in 1-2 years

Stage 4 ESRD		
Patient Initials	Zip Code	Physician
BL	61427	DREYER
JB	61427	OLSSON
PD	61431	OLSSON
JD	61432	OLSSON
RB	61433	OLSSON
OD	61433	OLSSON
JS	61477	DREYER
SF	61477	OLSSON
CO	61520	DREYER
AP	61520	DREYER
IR	61520	DREYER
CR	61520	DREYER
FR	61520	DREYER
DR	61520	DREYER
RS	61520	DREYER
AS	61520	DREYER
WS	61520	DREYER
GS	61520	DREYER
JT	61520	DREYER
JT	61520	DREYER
EW	61520	DREYER
WW	61520	DREYER
WZ	61520	DREYER
MA	61520	OLSSON
CB	61520	OLSSON
CB	61520	OLSSON
HB	61520	OLSSON
KF	61520	OLSSON
DH	61520	OLSSON
RH	61520	OLSSON
MH	61520	OLSSON
EJ	61520	OLSSON
CM	61520	OLSSON
SM	61520	OLSSON
DP	61520	OLSSON
AR	61520	OLSSON
DS	61520	OLSSON
PS	61520	OLSSON
TS	61520	OLSSON
PT	61520	OLSSON
RU	61520	OLSSON
KV	61520	OLSSON
BH	61529	DREYER
NW	61530	OLSSON
LD	61531	DREYER
CM	61531	DREYER
LH	61533	DREYER
LH	61533	OLSSON
RP	61542	OLSSON
BE	61546	DREYER
RR	61563	OLSSON
AY	61563	OLSSON
OM	61572	OLSSON
Total 53 Patients		

Of the total 76 total patients who are expected to begin dialysis in 1-3 years, approximately 30% will no longer require dialysis services due to death, transplant, recovery of kidney function or moving out of the area. It is therefore estimated that approximately 53 of these patients will be referred to the Spoon River facility by the time the relocation has been in operation two years.

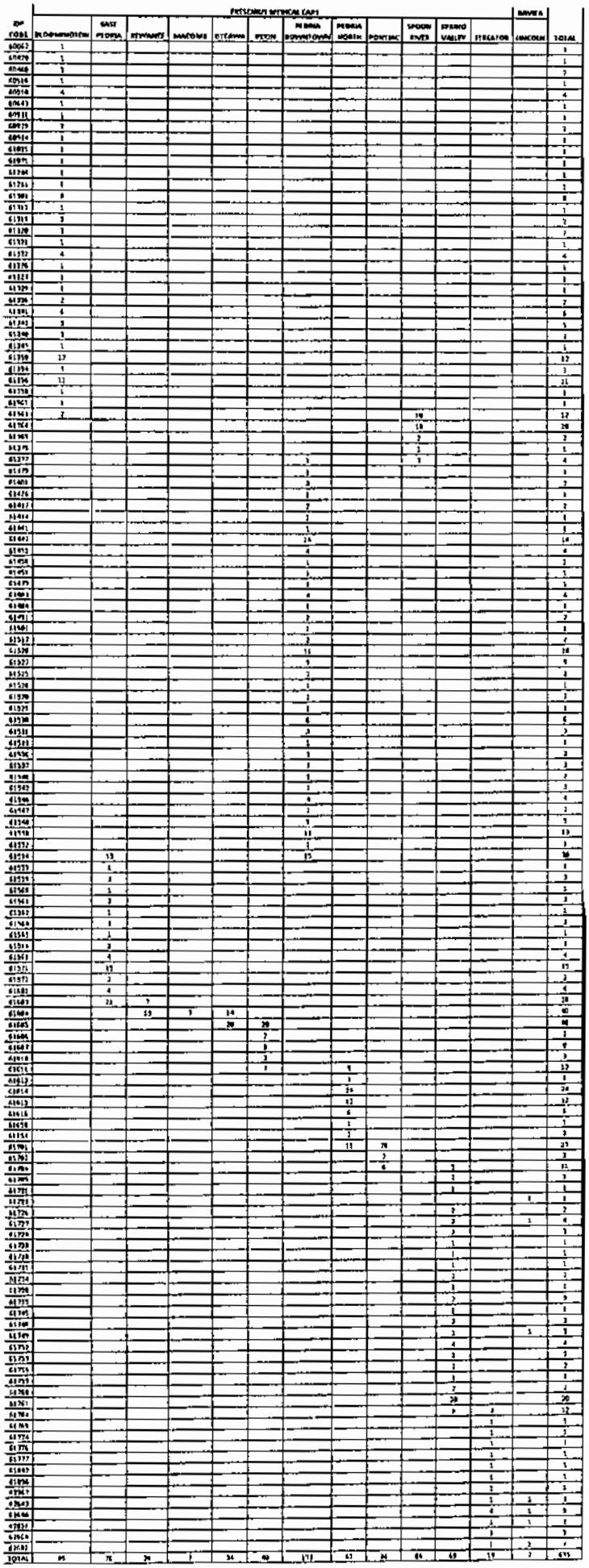
NEW REFERRALS OF RCA FOR THE PAST TWELVE MONTHS

ZIP	FRESENIUS MEDICAL CARE												
CODE	BLOOMINGTON	CANTON	PEORIA DOWNTOWN	EAST PEORIA	KEWANEE	MACOMB	NORTH PEORIA	OTTAWA	PEKIN	PONTIAC	SPRING VALLEY	STREATOR	Total
60014			1										1
60062			1										1
60510												1	1
60621	1												1
60643						1							1
60651	1												1
60707											1		1
61787						1							1
61301				1							2		3
61319										1		1	2
61341								3					3
61342											2		2
61348								1			1		2
61350								12					12
61354											3		3
61356											6		6
61362											2		7
61364		1						4				5	10
61369										1		1	2
61370								1					1
61375											1		1
61377											1	2	3
61379											1		1
61401				1									1
61422						1							1
61427		1											1
61443					8								8
61455		1				3							4
61483	1												1
61484						1							1
61501						1							1
61519								1					1
61520		7							1				8
61523							1						1
61524		1											1
61528		1					1						2
61529		1											1
61534									1				1
61536				1			1						2
61537							1						1
61540							2						2
61542			1										1
61546									1				1
61547									1				1
61548				2									2
61550				4									4
61554			1	2					20				23
61559					1								1
61565							1						1
61569		1											1
61571				7									7
61572		1											1
61602							1						1
61603			5	2									7
61604			7	1			5						13
61605			11										11
61607			3	3					1				7
61611	1		1	4									6
61614			2	1			6						9
61615			4	1			2						7
61616			1				1						2
61701	11												11
61702	2												2
61704	7												7
61705	2												2
61725	1												1
61726										1			1
61727	3												3
61728										2			2
61734									1				1
61740										1		1	2
61745	1												1
61748	1												1
61755									1				1
61761	5												5
61764										3			3
61771	1												1
61776	1												1
61948	1												1
62367						1							1
62644									1				1
62682									1				1
63115	1												1
and To	41	15	38	30	9	9	23	27	29	9	20	11	256

PATIENTS OF RCA AT YEAR END 2009

	FRESENIUS MEDICAL CARE												
ZIP CODE	BLOOMINGTON	EAST PEORIA	KEWANEE	MACOMB	OTTAWA	PERU	PEORIA DOWNTOWN	PEORIA NORTH	PONTIAC	SPOON RIVER	SPRING VALLEY	STREATOR	TOTAL
60148							1						1
60420									3				3
60460									2				2
60478												1	1
60510							3						3
60518					2								2
60543					1								1
60921									3				3
60936									1				1
60936									1				1
61302				1									1
61301								2			13		15
61312											1		1
61110			1										1
61317											1		1
61319									2			1	3
61321	1												1
61322											5		5
61327											2		2
61329											2		2
61335											1		1
61336											1		1
61341					6								6
61342											4		4
61348											5		5
61350					13							1	14
61354											9		9
61356			1								9		10
61360					3								3
61361			1					1					7
61362											8		8
61364					4							12	16
61379					2								2
61377												2	2
61401								1					1
61420				1									1
61422				3									3
61436			1										1
61441				1									1
61443			15										15
61445				1									1
61458				1									1
61455				8									8
61463			2										2
61484				1									1
61491								1					1
61517								1					1
61570										8			8
61573							1	6		1			8
61574										1			1
61574							1						1
61578							1						1
61579										3			3
61581										1			1
61581										3			3
61594							1						1
61536										1			1
61537		3									3		3
61547										2			2
61546						5							5
61548		3											3
61550		6					1	1					8
61552								1					1
61554		2				26	1			7			30
61555						7							7
61559								1					1
61561	1	1											2
61562								1					1
61564						2							2
61568						2							2
61569										1			1
61571		12					1						13
61602							1						1
61603		6					13	2					21
61604		5					27	8					40
61605		4					42	9					55
61606							4						4
61607						1	5	1					7
61610		3					1						4
61611		10						1					11
61612							1						1
61614		6					7	13					26
61615		1					6	8					15
61616		1					4	3					8
61650							1						1
61652		1					1						2
61701	23						1	1					25
61702	2												2
61704	11												11
61705	1												1
61721	1												1
61722	1												1
61730	1												1
61732	1												1
61734						3							3
61730	2												2
61741									1				1
61745	2												2
61747						1							1
61748	1								1				2
61752	2												2
61753									1				1
61755		1											1
61759						1							1
61761	20							1					21
61764									13				13
61769									1				1
61773	2												2
61822								1					1
61842	2												2
62113				1									1
62644										4			4
TOTAL	79	64	31	10	38	41	173	58	29	75	60	17	565

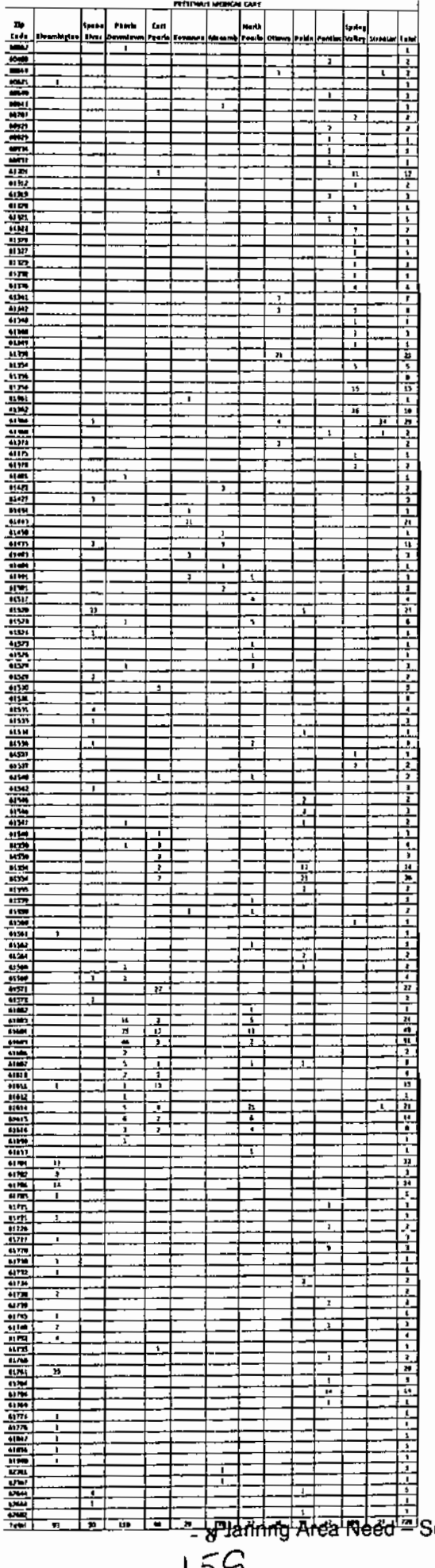
PATIENTS OF RCA AT YEAR END 2010



- Plannng Area Need – Service Demand – Physician Referral Letter

APPENDIX - 2

PATIENTS OF RCA AS OF YEAR END 2011



Planning Area Need = Service Demand – Physician Referral Letter