



Fresenius Medical Care

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

March 6, 2013

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

**Re: #12-093, Fresenius Medical Care Streeterville - Response to Dr. Neilson
Opposition**

Dear Ms. Avery:

I would like to take this opportunity to respond to the letter submitted by Dr. Neilson in opposition to the above referenced project. It is incorrect in almost all of its assertions.

- The proposed project will not be duplicative of the Fresenius Northwestern facility, as that facility sees patients referred almost exclusively by Northwestern Medical Faculty Foundation (NMFF) physicians. (It also begs the question of why Fresenius would propose a facility that would duplicate its own services at another clinic.) The Fresenius Northwestern facility trains fellows and much like the “physician driven” facility NMFF proposes could offer training, clinical research and coordinated care with Northwestern Memorial Hospital (it is on the Northwestern Memorial Hospital campus and connected to the Feinberg Pavilion by a skybridge). The Streeterville facility would not be involved in such initiatives, as presumably NMFF physicians would not refer to it, and it would not be located on the Northwestern Memorial Hospital campus.
- The Fresenius Northwestern utilization is 74% - not 70% as stated by Dr. Neilson.
- The Streeterville application was filed prior to the NMFF application. The letter from Jack Axel attached to Dr. Neilson’s letter does not identify the location of the intended CON application. Further, the letter requested Fresenius Northwestern patients by initials, zip code and treating physicians for 2009 and 2010. We typically do not respond to requests for this type of detailed information on our patients from outside entities or individuals. Furthermore, we believed that the physicians should have this information and in fact, we typically rely on our physicians to provide us with this information for preparing CON applications.

Fresenius Medical Services ♦ North Division

One Westbrook Corporate Center, Suite 1000 Westchester, IL 60154 708-562-0371

- Fresenius Medical Care is unclear as to the inference Dr. Neilson makes when he states the NMFF facility will not operate in a corporate driven manner (and this seems to have nothing to do with the Streeterville application). Fresenius does have algorithms and protocols developed by its Medical Office, with input from a Medical Advisory Board made up of experienced nephrologists, designed to reflect best practices to achieve quality outcomes. However, physicians may choose not to implement these algorithms or protocols if, in their professional judgment, they are not appropriate for the treatment of their patients. As an example, the NMFF physicians have admitted to the Fresenius Northwestern facility for over 10 years, and have typically chosen not to follow them.
- Fresenius Medical Care is unclear as to why it matters to NMFF or to the IHFSRB that the primary providers of dialysis services within the City of Chicago are Fresenius and DaVita. Certainly it does not seem relevant to the Streeterville application.
- NMFF is incorrect if it thinks that Fresenius believes that NMFF will continue to refer to the Fresenius Northwestern facility if its own “physician driven” facility is approved. To the contrary NMFF has made it quite clear that it will transfer all of its patients to its proposed 36 station facility, and refer future patients to its own facility. This in fact is the model that duplicates services and does so in a manner that clearly will devastate an existing provider of service. The proposed 12 station Streeterville clinic will see patients of a practice entirely different than NMFF. Thus, if the NMFF facility referenced in Dr. Neilson’s letter is not approved, the Fresenius Northwestern facility will continue operating at 74% utilization and the Streeterville facility will be at 80% utilization in two years from certification, based on referrals from another physician practice. However, if the NMFF facility is approved, the Fresenius Northwestern facility will most likely have to close since NMFF states all of its patients will transfer and it will receive no future referrals from NMFF. One might think that the Fresenius Northwestern facility would then have capacity for the physician referrals that are proposed for the Streeterville clinic, but that is not the case. Fresenius could not continue to lease the space for a 44 station facility to serve a patient population appropriate for a 12 station clinic. This would be wasteful, much like proposing the duplication of services and transfer of all of the NMFF patients to a new NMFF owned facility two blocks from the already existing Fresenius Northwestern facility that serves these patients.

Lastly, Fresenius Medical Care fails to understand why Dr. Neilson/NMFF would oppose the Streeterville facility. It would have no impact on the proposed NMFF facility whatsoever. We appreciate your consideration of our comments.

Sincerely,



Rick Stotz
Regional Vice President