

ORIGINAL

12-099

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

RECEIVED

DEC 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:	Northwestern Medical Faculty Foundation Dialysis Center		
Street Address:	259 East Erie Street-15 <sup>th</sup> floor		
City and Zip Code:	Chicago, IL 60611		
County:	Cook	Health Service Area	VI
		Health Planning Area:	VI

Applicant /Co-Applicant Identification

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

Exact Legal Name:	Northwestern Medical Faculty Foundation Dialysis Center, LLC
Address:	680 North Lake Shore Drive Suite 1118 Chicago, IL 60611
Name of Registered Agent:	Danae K. Prousis
Name of Chief Executive Officer:	Eric G. Neilson, MD Chairman of the Board and President
CEO Address:	680 North Lake Shore Drive Chicago, IL 60611
Telephone Number:	312/695-8391

Type of Ownership of Applicant/Co-Applicant

- |   |  |
|---|--|
| <input type="checkbox"/> Non-profit Corporation               | <input type="checkbox"/> Partnership         |
| <input type="checkbox"/> For-profit Corporation               | <input type="checkbox"/> Governmental        |
| <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship |
|   | <input type="checkbox"/> Other               |

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o 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:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 201 Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

Additional Contact

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

Name:	
Title:	
Company Name:	
Address:	
Telephone Number:	
E-mail Address:	
Fax Number:	

### 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:	Linda S. Earhart
Title:	Chief Administrative Officer
Company Name:	Ambulatory Services of America
Address:	320 Seven Springs Way Suite 220 Brentwood, TN 37027
Telephone Number:	615/250-1773
E-mail Address:	learhart@asaambulatory.com
Fax Number:	615/296-0373

### Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Northwestern Memorial Hospital
Address of Site Owner:	251 East Huron Street Chicago, IL 60611
Street Address or Legal Description of Site:	259 East Erie Street Chicago, IL 60611
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:	
Address:	
<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
X <input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"><li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li><li>o 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.</li><li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li></ul>	
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](http://www.FEMA.gov) or [www.illinoisfloodmaps.org](http://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:

- Substantive  
 Non-substantive

Part 1120 Applicability or Classification:  
[Check one only.]

- Part 1120 Not Applicable  
 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.

The applicant, Northwestern Medical Faculty Foundation Dialysis Center, LLC, is proposing the establishment of a 36-station end stage renal disease (ESRD) facility in leased space within a medical office building currently under construction at 259 E. Erie Street, Chicago, on the Northwestern Memorial Hospital campus (IHFSRB Project #11-107). Northwestern Medical Faculty Foundation Dialysis Center, LLC is a recently formed entity. Northwestern Medical Faculty Foundation ("NMFF") holds an 80% ownership interest in the applicant entity, and the remaining 20% is held by Ambulatory Services of America, Inc. ("ASA"). NMFF is the practice plan for the full-time faculty of the Northwestern University's Feinberg School of Medicine, and includes six nephrologists who direct the care of patients undergoing hemodialysis. ASA is an experienced operator of ESRD facilities, nationwide.

Northwestern Medical Faculty Foundation Dialysis Center will distinguish itself from the area's other ESRD facilities in a number of critical ways, including:

- All clinical aspects of the proposed ESRD facility will be directed by NMFF nephrologists, with ASA's role being limited to the non-clinical aspects of the facility's operation. The care provided to patients in the ESRD facility will not be limited by corporate-developed treatment protocols.
- The proposed ESRD facility will operate as a fully integrated component of a comprehensive nephrology program, including home dialysis, peritoneal dialysis, hemodialysis, and the largest kidney transplant program in Illinois.
- The proposed ESRD facility will serve as a clinical teaching site for both medical and post-graduate medical education programs of the Northwestern University Feinberg School of Medicine.
- Independent clinical research, directed not only by nephrologists, but by other specialties will be supported.
- Outpatient dialysis will be provided in the proposed facility to non-nephrology patients requiring fluid removal, such as those enrolled in Northwestern Memorial Hospital's Heart Failure Program. Such patients are now forced to receive required dialysis on an inpatient unit because of existing ESRD facility's reimbursement limitations.
- The use of the proposed facility by post-transplant patients experiencing delayed graft function, that now typically are required to extend their inpatient stay in order to receive dialysis, will be facilitated;
- The ability to dialyze recently discharged transplant patients immediately following evaluation in the clinic setting, when needed, will be enhanced;
- The ability of transplant nephrologists and surgeons to follow and monitor pre-transplant patients undergoing dialysis will be improved. In addition, provisions will be made for the dialyzing of recent transplant patients that have yet to begun functioning adequately.

This is a substantive application as a result of the proposed establishment of a new ESRD facility.

## Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	\$70,000		\$70,000
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$2,375,000		\$2,375,000
Contingencies	\$263,000		\$263,000
Architectural/Engineering Fees	\$236,700		\$236,700
Consulting and Other Fees	\$250,000		\$250,000
Movable or Other Equipment (not in construction contracts)	\$1,422,000		\$1,422,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$4,390,764		\$4,390,764
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>\$9,007,464</b>		<b>\$9,007,464</b>
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$4,616,700		\$4,616,700
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Fair Market Value of Leased Space or Equipment	\$4,390,764		\$4,390,764
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$9,007,464</b>		<b>\$9,007,464</b>

**NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Related Project Costs**

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project  Yes  No  
 Purchase Price: \$ \_\_\_\_\_  
 Fair Market Value: \$ \_\_\_\_\_

The project involves the establishment of a new facility or a new category of service  
 Yes  No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is \$ 162,000.

**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): June 30, 2016

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.**

\* Not applicable. The proposed project involves the establishment of a new facility, and the applicants do not own or operate any existing facilities.

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## 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.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
<b>REVIEWABLE</b>							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>							

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

**Facility Bed Capacity and Utilization**

**not applicable**

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are available**. **Include observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

<b>FACILITY NAME:</b>		<b>CITY:</b>			
<b>REPORTING PERIOD DATES:</b>		<b>From:</b>	<b>to:</b>		
<b>Category of Service</b>	<b>Authorized Beds</b>	<b>Admissions</b>	<b>Patient Days</b>	<b>Bed Changes</b>	<b>Proposed Beds</b>
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
<b>TOTALS:</b>					

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### 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.**

**CERTIFICATION**

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

**This Application for Permit is filed on the behalf of Northwestern Medical Faculty Foundation Dialysis Center, LLC\*in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application 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.**

*EG Neilson*

SIGNATURE

*ERIC G. NEILSON, M.D.*

PRINTED NAME

*MANAGER*

PRINTED TITLE

SIGNATURE

PRINTED NAME

PRINTED TITLE

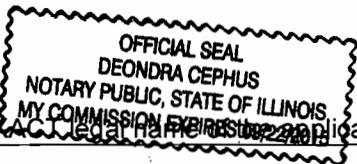
Notarization:  
Subscribed and sworn to before me  
this *27* day of *November*

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_

*Deondra Cephus*  
Signature of Notary

Signature of Notary

Seal



Seal

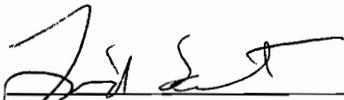
\*Insert EXACT legal name of applicant

**CERTIFICATION**

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o 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);
- o 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);
- o in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- o in the case of a sole proprietor, the individual that is the proprietor.

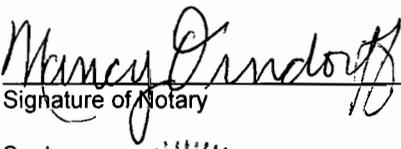
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\_\_\_\_\_  
SIGNATURE  
LINDA S EARHART  
\_\_\_\_\_  
PRINTED NAME  
MANAGER  
\_\_\_\_\_  
PRINTED TITLE

\_\_\_\_\_  
SIGNATURE  
\_\_\_\_\_  
PRINTED NAME  
\_\_\_\_\_  
PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 27<sup>th</sup> day of November

Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_

  
\_\_\_\_\_  
Signature of Notary

\_\_\_\_\_  
Signature of Notary

Seal

Seal

\*Insert EXACT legal name of the applicant



## 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?
ESRD	16,700	<16,920	(2200)	YES

**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	ESRD		26,988	26,251+	YES
YEAR 2	ESRD		26,520	26,251+	YES

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

**UNFINISHED OR SHELL SPACE:**

**not applicable, no shell space included in project**

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 to 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, no shell space included in project**

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
x In-Center Hemodialysis	0	36

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:**

<p>_____ \$4,616,700</p>	a)	<p>Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>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</li> <li>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;</li> </ol>
<p>_____</p>	b)	<p>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.</p>
<p>_____</p>	c)	<p>Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<p>_____</p>	d)	<p>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:</p> <ol style="list-style-type: none"> <li>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;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>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.;</li> <li>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;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol>
<p>_____</p>	e)	<p>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;</p>
<p>_____</p>	f)	<p>Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
<p>_____ \$4,390,764</p>	g)	<p>Fair market Value of Leased Space</p>
<p>_____ <b>\$9,007,464</b></p>	<p><b>TOTAL FUNDS AVAILABLE</b></p>	

**APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**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**

**not applicable, no debt**

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				
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**

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**

**not applicable, no debt**

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 Mod.		Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. 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**

**not applicable**

**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 Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

**A table in the following format must be provided as part of Attachment 43.**

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

**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	2016
Net Patient Revenue			\$7,602,223
Amount of Charity Care (charges)			n/a
Cost of Charity Care/Self Pay			\$34,115

**APPEND DOCUMENTATION AS ATTACHMENT 44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Anticipated Payor Mix:**

Medicare: 70-72%  
Medicaid: 10-12%  
Private Ins.: 15-16%  
Self pay: 1-2%



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

**NORTHWESTERN MEDICAL FACULTY FOUNDATION DIALYSIS CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON NOVEMBER 20, 2012, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.**

**In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 27TH day of NOVEMBER A.D. 2012**



*Jesse White*

SECRETARY OF STATE

Authentication #: 1233203027  
Authenticate at: <http://www.cyberdriveillinois.com>

ATTACHMENT 1



30 South Wacker Drive  
Suite 3100  
Chicago IL 60606  
312.583.5700 phone  
312.583.5701 fax

November 28, 2012

Mr. Norman Botsford  
Northwestern Medical Faculty Foundation  
680 North Lake Shore Drive  
Suite 1118  
Chicago, IL 60611

**Re: Option to Lease Space - Outpatient Care Pavilion**

Dear Norm:

Northwestern Memorial Hospital is pleased to present the following option to lease space the new Outpatient Care Pavilion. A Lease will be prepared upon CON approval with the following terms.

<b>Lessee:</b>	Northwestern Medical Faculty Foundation Dialysis Center, LLC (a joint venture between Northwestern Medical Faculty Foundation (NMFF) and Ambulatory Services of America, Inc. (ASA)).
<b>Lessor:</b>	Northwestern Memorial Hospital, an Illinois not-for-profit corporation.
<b>Premises:</b>	259 E. Erie, 15 <sup>th</sup> floor. 16,700 DGSF (approximately 20,541 rentable square feet)
<b>Commencement Date:</b>	Upon receipt of Certificate of Occupancy, estimated to be Fall 2014.
<b>Lease Term:</b>	Ten (10) years after Commencement Date.
<b>Base Rental Rate:</b>	\$47.00 per rentable square foot.
<b>Annual Escalation:</b>	3%
<b>Tenant Improvement Allowance:</b>	Lessor shall provide Lessee with a tenant improvement allowance equal to \$70.00 per rentable square foot. Lessee shall be responsible for any and all costs exceeding this allowance. Space shall be delivered in "shell" condition as further defined in the Lease document.

**Base Year:** 2015

**Tax & Operating Expenses:** Lessee shall pay its pro-rata share of building operating expenses and real estate taxes that exceed those incurred in the Base Year.

**Restrictions on Use:** Physicians and other health care providers that occupy the Premises shall at all times be in good standing on the Northwestern Memorial Hospital medical staff (or appropriately privileged by Northwestern Memorial Hospital or its medical staff) or the faculty of Northwestern University. Physicians and other health care providers shall be permitted to provide services to their own patients that are normally and customarily provided in their office by physicians or health care providers within the same specialty. The following uses are specifically prohibited – advanced imaging (MRI, CT, PET), surgery, interventional radiology and cardiology, sleep studies, radiation oncology, radio surgery, nuclear cardiology, nuclear medicine and pulmonary function procedures. The above use restrictions are more fully described in the Lease.

**Permitted Use** Practice of medicine normally conducted in a medical office setting for patients of Lessee and for no other purpose, to be further defined in the Lease.

**Electronic Medical Record (EMR):** Lessee (and all physicians that occupy the premises) agrees to adopt and use an EMR system approved by Lessor.

**Utilities:** Lessee's use of electricity will be separately metered by Commonwealth Edison and billed directly to Lessee.

**Security Deposit:** This has been waived.

**Lease Guaranty:** NMFF and ASA will each guaranty this lease.

**Option to Lease:** This option to lease space shall expire November 1, 2013 or upon final denial of CON application, whichever occurs first.

**Leasing Commission:** Lessor assumes there is no broker associated with this transaction.

It is agreed that this proposal and option to lease space shall serve as merely an outline of the major lease provisions and shall be neither legally binding nor construed as a legal offer to lease. Neither Lessor nor Lessee shall have any obligations resulting from this proposal, nor shall any obligations or liability be incurred by either party until and unless a lease is executed by both parties.

The material contained herein is confidential. It is intended for the sole use of Lessee in its decision to lease with Northwestern Memorial Hospital and is not to be copied nor disclosed to any other person. In the event that Lessee does not enter into the contemplated transaction, it will continue to keep such information and material confidential.

Sincerely,

Catherine Rosenberg  
Navigant Consulting  
On behalf of Northwestern Memorial Hospital

Accepted and agreed to this 29<sup>th</sup> day of November, 2012

Lessee: RM-wah  
Signature

Lessor: [Signature]  
Signature

Date: 11-29-12



**To all to whom these Presents Shall Come, Greeting:**

*I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

NORTHWESTERN MEDICAL FACULTY FOUNDATION DIALYSIS CENTER, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON NOVEMBER 20, 2012, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



**In Testimony Whereof,** I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 27TH day of NOVEMBER A.D. 2012 .

*Jesse White*

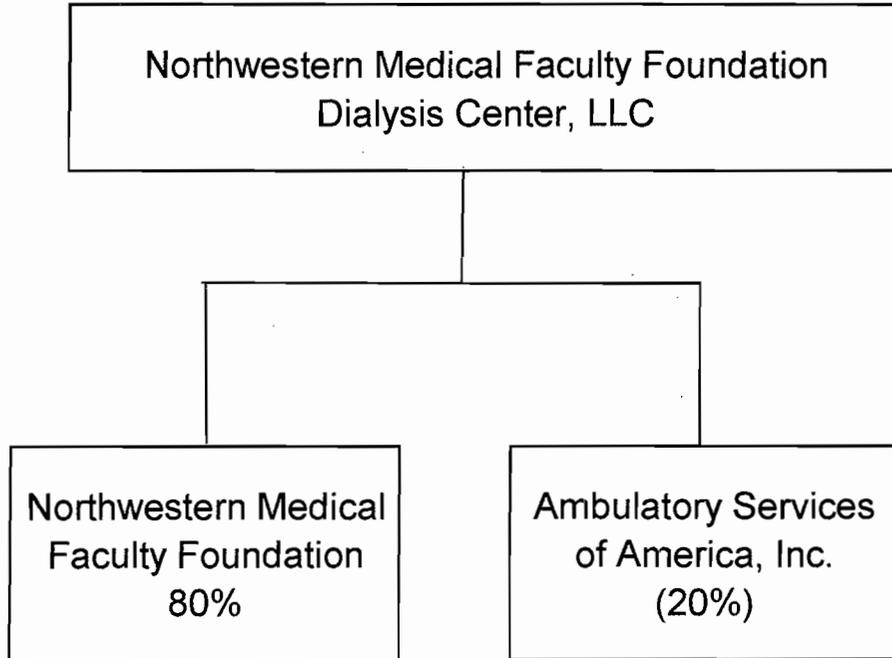
SECRETARY OF STATE

Authentication #: 1233203027 .

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

ATTACHMENT 3

ORGANIZATIONAL CHART





MAP SCALE 1" = 500'



NFIP

# FIRM

FLOOD INSURANCE RATE MAP  
COOK COUNTY,  
ILLINOIS  
AND INCORPORATED AREAS

PANEL 438 OF 832

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTOUR NUMBER PANEL SHEET  
170014 003 J 170054 003 J  
COMMUNITY CHICAGO, CITY OF  
COOK COUNTY

Note to User: The Map Number shown above should be used when placing map orders. The Community Number shown above should be used for insurance applications to the subject community.

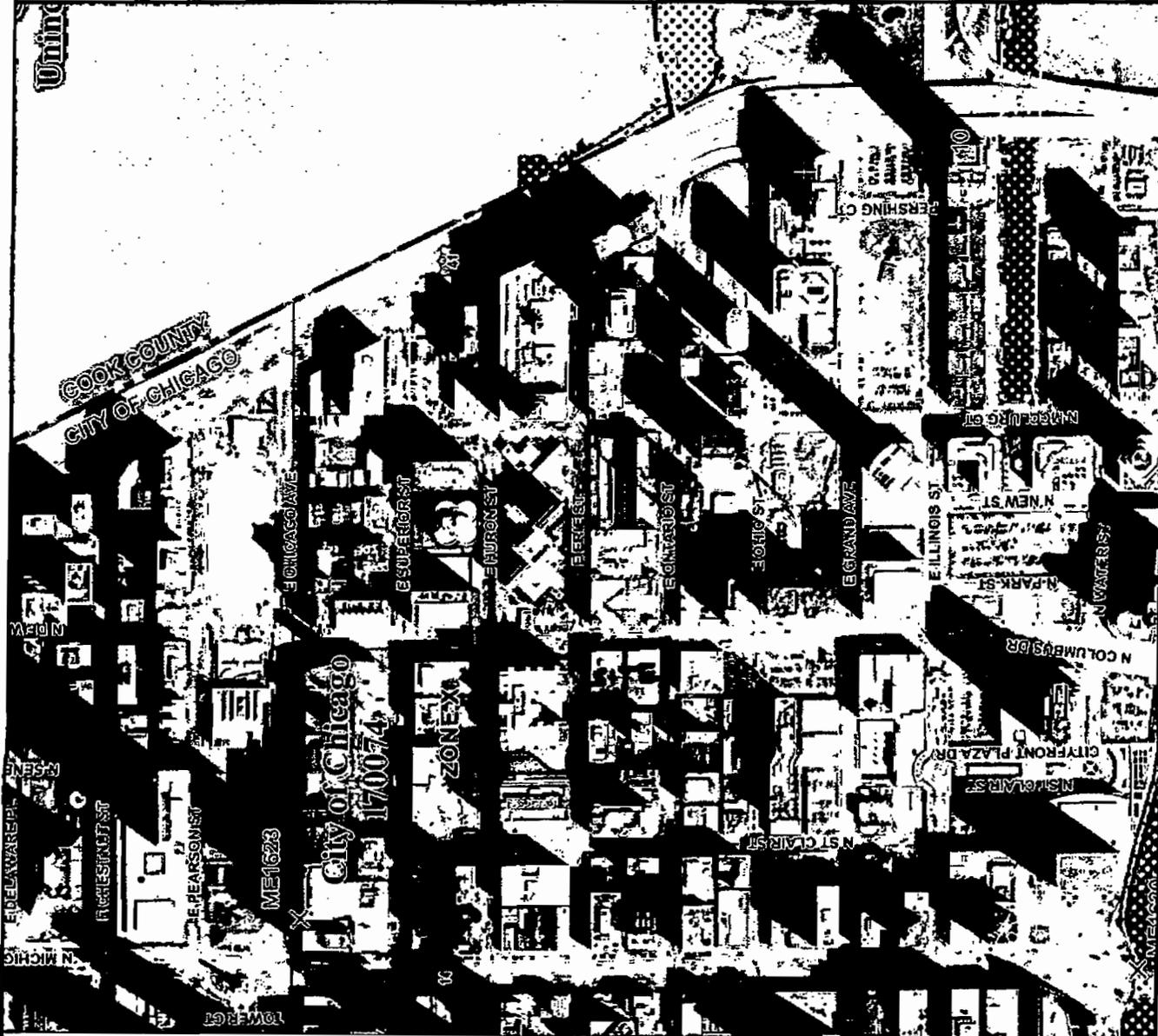


MAP NUMBER  
17031C0438J  
MAP REVISED  
AUGUST 19, 2008

Federal Emergency Management Agency

NATIONAL FLOOD INSURANCE PROGRAM

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](http://www.msc.fema.gov)





**Illinois Historic  
Preservation Agency**

FAX (217) 782-8161

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • [www.illinois-history.gov](http://www.illinois-history.gov)

Cook County  
Chicago

CON - Demolition and New Construction of Outpatient Care Pavilion  
259 E. Erie St., 240 E. Ontario St.  
IHPA Log #008062711

October 27, 2011

Ralph Weber  
Northwestern Memorial Hospital  
251 E. Huron St.  
Chicago, IL 60611-2908

Dear Mr. Weber:

This letter is to inform you that we have reviewed the additional information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5027.

Sincerely,

Anne E. Haaker  
Deputy State Historic  
Preservation Officer

## PROJECT COSTS

### Preplanning Costs (\$70,000)

Estimate of the costs of feasibility studies, evaluation of alternatives, and the decision-making process to proceed.

### Modernization Contracts (\$2,375,000)

Estimate of materials and labor costs directly associated with the "build out" of the proposed 16,700 square foot facility.

### Contingencies (\$263,000)

Allowance for unexpected modernization/renovation-related expenses.

### Architectural and Engineering Fees (\$236,700)

Estimate of architectural fees associated with design and interface with governmental entities, and structural, mechanical, plumbing and electrical engineering processes.

### Consulting and Other Fees (\$250,000)

Estimate of CON-related costs, permitting, reimbursables, interior design, interior signage and artwork consulting, materials testing, legal services, builder's risk insurance, and miscellaneous costs.

### Movable Equipment (\$1,422,000)

Estimate of the cost of medical equipment, IT equipment, and furniture to be owned by the Permit holder.

### Fair Market Value of Leased Space (\$4,390,764)

Identified cost (see Application # 11-107) of constructing 16,700 square feet of space originally identified as physician office space at \$262.92 per square foot.

Cost Space Requirements

Dept./Area Reviewable	Cost	Gross Square Feet		Amount of Proposed Total Square Feet			
		Existing	Proposed	New Const.	That is:		Vacated Space
					Modernized	As Is	
ESRD	\$ 9,007,464	0	16,700	0	16,700	0	0
TOTAL	\$ 9,007,464	0	16,700	0	16,700	0	0

## BACKGROUND

The applicant does not own or operate any health care facilities in Illinois.



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

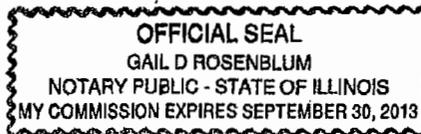
Please be advised that no applicant associated with the Certificate of Need application addressing the establishment of an end stage renal disease facility proposed to be located at 259 East Erie Street in Chicago owns or operates any licensed health care facility in Illinois. Further, no adverse actions have been taken against any named applicant during the past three years.

In addition, the IHFPB and/or its staff is herein given authorization to review the records of the applicants to verify information provided in the Certificate of Need application.

Sincerely,

Robert M. Rosa, MD

Notarized:



10/9/12

## PURPOSE

The purpose of the proposed project is to establish a physician-directed ESRD facility, with sufficient capacity to treat all of the hemodialysis patients under the care of Northwestern Medical Faculty Foundation's ("NMFF") Division of Nephrology, that will be fully integrated with the other nephrology-related programs provided on the Northwestern Medical Center campus, including kidney transplantation, peritoneal dialysis, home dialysis, clinical research, and patient education and counseling. Because of the "physician-driven" model that will be implemented, the proposed ESRD facility, as envisioned by the applicant, will support not only the physicians' patient care activities, but their research and teaching commitments, as well. Examples of those desires, which are unique to, and which will be incorporated into the proposed ESRD facility, include:

- full access to an ESRD facility for the purpose of teaching students and housestaff;
- support of independent research conducted in the facility, not only by nephrologists, but by other specialties, including cardiology, hematology and dermatology;
- support of the use of the facility by selected non-nephrology patients requiring fluid removal, such as those enrolled in Northwestern Memorial Hospital's ("NMH's") Heart Failure Program, as an alternative to receiving dialysis as an inpatient, even when the patient fails to meet the Medicare criteria;
- facilitate the use of the facility by post-transplant patients experiencing delayed graft function, that now typically are required to extend their inpatient stay in order to receive dialysis;
- ease the process of dialyzing recent transplant patients immediately following evaluation in the clinic setting, when needed;
- a shared computer system with the transplant surgeons and the access surgeons, enabling transplant surgeons to monitor patients' access function on a real time basis to better coordinate pre-transplant care; and

- the ability to dialyze recently discharged transplant patients that have yet to begun functioning adequately.

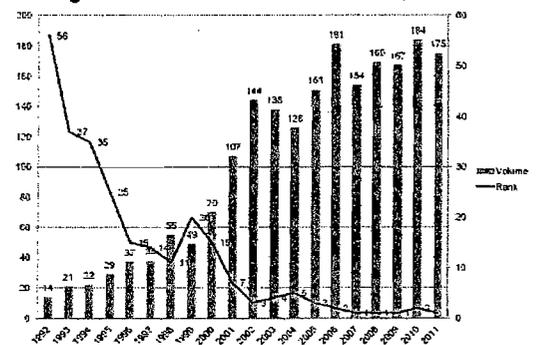
NMFF is the practice plan for the full-time faculty of the Northwestern University's Feinberg School of Medicine, and all clinical aspects of the proposed ESRD facility will be under the direction of a member of NMFF's Division of Nephrology/Hypertension. As a result, the well-being and health care of those patients under the care of the members will be enhanced.

Historically, the vast majority of hemodialysis patients under the care of NMFF's nephrologists (please see ZIP Code-specific data in ATTACHMENT 15) have been Chicago residents, and that is anticipated to continue.

The proposed ESRD facility, as envisioned by the applicant and the physicians anticipated to refer patients, will promote the relationship between the provision of hemodialysis services, and the other nephrology services accessed by NMFF physicians and their patients.

The proposed hemodialysis program will be fully integrated into a comprehensive nephrology program, a primary component of which is Northwestern Memorial Hospital's kidney transplant program; and a goal of the proposed project is to increase the number of patients receiving kidney

Living Donor Volumes and Ranks, 1992-2011

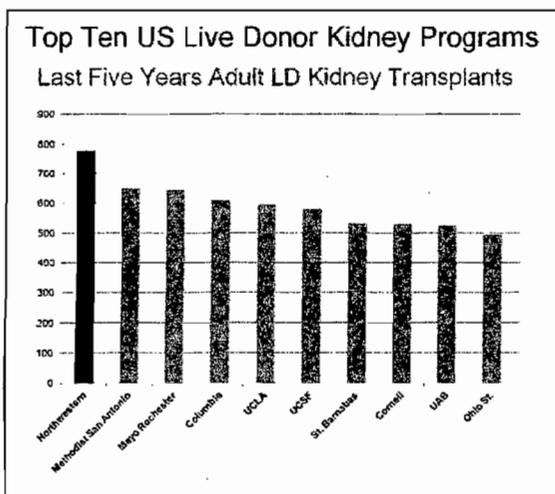


Source: OPTN Adult Organ Transplants from Live Donors

transplants. Success in achieving that goal will be measurable within the first twelve months of the program's operation.

The transplant program at Northwestern Memorial was founded in 1964, and since that time has helped lead the rapidly evolving field of kidney transplantation. Throughout the years, NMH's program has stood at the vanguard of kidney transplantation's most significant developments. In just the last 20 years, as transplant outcomes have improved dramatically due to better immunosuppression and post transplant care, Northwestern has risen to the very top of the field, becoming a top-five total kidney program despite the highly competitive Chicago donation services area for deceased-donor organs.

Northwestern's faculty (now known as NMFF) were among the first to eliminate steroids – and their significant side effects – from immunosuppressive protocols. Dr. Joseph Leventhal, director of kidney and pancreas transplantation, was an early pioneer of laparoscopic donor nephrectomy, dramatically improving the recovery for living kidney donors. Northwestern has now performed more than 1,500 of these minimally invasive procedures with excellent outcomes both for donors and their grateful recipients.



Given the shortage of available deceased donor organs, much of Northwestern Memorial's focus has been on expanding the pool of available organs by making

more living donor transplants possible. Efforts have included immune desensitization to allow both blood-type and HLA-incompatible transplants through reduction of donor-specific antibodies, making transplant possible for otherwise incompatible pairs. More recently, paired exchanges, in which two or more sets of incompatible donors and recipients “swap” donors, has made transplantation possible without even the need for desensitization. These strategies not only benefit the patients involved, but they also help every patient below them on the waiting list by removing patients from the pool requiring deceased-donor organs. With this focus on living donation, Northwestern Memorial has become the largest living donor kidney transplant program in the United States, performing more than 140 such transplants each of the last six years. These strategies require close interaction with patients on dialysis. The increased integration between hemodialysis, as proposed to be provided, and the transplant program will, it is believed, result in greater ease of movement from hemodialysis to transplantation.

Northwestern’s transplant program also excels in the post-transplant care of kidney patients, and related research. Northwestern Medicine Faculty Foundation’s Divisions of Nephrology/Hypertension and Surgery-Organ Transplantation continue to lead research into comparative therapeutic effectiveness in end-stage renal disease, as well as health services and outcomes. Northwestern’s transplant program has led in reducing transplant recipient length of stay, reducing both the cost of transplantation and the exposure to nosocomial infection. Northwestern, as the leading transplant program in the Midwest, and among the leaders nationally, is dedicated to continuing to innovate; and its ability to do so would be significantly enhanced through full integration with an outpatient dialysis facility directed by the NMFF members. Not only would a high level

of integration improve access to innovative care, it would create a much better patient experience for the patients being evaluated for transplantation.

## ALTERNATIVES

The goal of the proposed project is to establish and operate a physician-directed ESRD program that will be fully integrated into the other nephrology-related programs routinely used by the patients of the physician members of Northwestern Medical Faculty Foundation (NMFF).

The first alternative evaluated was the acquisition of an existing ESRD facility, currently in operation on the Northwestern Memorial Hospital campus, and often the referral site for the hemodialysis patients of the NMFF nephrologists. This alternative was not viewed by the applicant as a long-term solution, because the existing facility is in space leased from Northwestern Memorial HealthCare, and Northwestern Memorial has identified alternative uses for the space at the lease's conclusion. The applicants have inquired regarding the existing facility's ownership's interest in selling the facility (would require a separate CON Permit), but no agreement has been reached as of the filing of this application. The cost of this alternative, albeit short-term, is not determinable; however, the quality of care aspects of the project, and patient accessibility would be identical to those of the proposed project.

The second alternative considered was the immediate "replacement" of the 44-station ESRD facility on the NMH campus with a similarly-sized facility in nearby leased

space, with the transfer of the hemodialysis patients under the care of the NMFF nephrologists to that new facility. While the long-term and short-term costs of this alternative would be similar to those of the proposed project, and the quality of care and patient accessibility aspects of this alternative would be identical to that of the proposed project, this alternative was rejected for a number of reasons. First, and because the existing facility would presumably continue in operation through its lease term, an unnecessary duplication of facilities would result. Second, historical utilization of that facility, as well as the referral practices of the NMFF nephrologists, suggest that all 44 ESRD stations approved for the existing program are not needed. Third, the desired interaction with the other nephrology-related programs on the NMH campus would not be as efficient as will be the case with the proposed project, because the building in which the proposed facility will be located will be physically connected to NMH's Feinberg Pavilion.

## SIZE OF PROJECT

The proposed project, which includes thirty-six hemodialysis stations, is being designed consistent with the IHFSRB's standard of less than 470 square feet per station, and as such, the proposed amount of space is not excessive. In addition to the hemodialysis stations, space will be provided for all required support functions, including space for self-dialysis, in-home dialysis training, and office space for facility personnel.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD (36)	16,700	16,920	(220)	yes

## UTILIZATION

The proposed ESRD facility will reach the IHFSRB's target utilization rate by its second year of operation, and will operate at or above that level, thereafter.

It is the intent of the Northwestern Medical Faculty Foundation (NMFF) nephrologists that have provided the required documentation related to anticipated referrals to centralize their hemodialysis practice at the proposed facility in order to maximize their patient care autonomy. As of March 31, 2012, approximately 87% of those six nephrologists' 184 hemodialysis patients were receiving services through FMC-Northwestern, located approximately two blocks from the site of the proposed facility. The remaining approximately 13% were receiving services through DaVita-Loop Dialysis, located one mile to the south. During 2011, the six nephrologists referred 48 "new" patients for hemodialysis, and for the purpose of the analysis provided in this application, referrals are projected to continue at that rate through the proposed facility's second year of operation. Nephrology patients under the care of NMFF's Division of Nephrology are not assigned an individual nephrologist within the Division until dialysis or transplantation is initiated. As of August 30, 2012 there were 166 "pre-ESRD" patients under the care of NMFF's Division of Nephrology that would likely require dialysis or transplantation by the end of the proposed facility's operation. As noted above, and consistent with past hemodialysis referral patterns, only 48 patients per year

have been included in the utilization projection provided below. Also consistent with the nephrologists' experience, the utilization projection assumes that approximately 14% of the patients receiving in-center hemodialysis will expire, 7-8% will receive a transplant, and 6-8 patients will transfer to other dialysis facilities, annually. The combined percentage of patients that expire or are transplanted (approximately 21-22%) is fully the result of the transplant rate, which is over 70% higher than would be expected, based on the patient population and national norms. This extraordinarily high transplant rate is a direct result of the nephrologists' aggressive efforts to move as many patients as possible and clinically appropriate from hemodialysis to transplantation.

Attached are "referral letters" as required from six nephrologists, each of which is a member of the Northwestern Medical Faculty Foundation's Division of Nephrology. The March 31, 2012 and 2011 new patient data was provided to the applicants by The Renal Network. During 2009 and 2010 all of the nephrologists' hemodialysis referrals were to FMC-Northwestern, which provided the required patient-specific data to The Renal Network. The applicants have requested that data from FMC, but as of the filing of this application, the data has not been provided. As an alternative, the 2009 and 2010 patient identification data included in this application has been taken from the Division's records, and is believed to be very similar to that reported to The Renal Network. The information contained in the attached letters is summarized in the table below.

	New Pts 2011	Pts. on HD 3/31/2012	Pts. on HD 12/31/2011	Pts. on HD 12/31/2010	Pts. on HD 12/31/2009
Tuazon	10	28	39	31	35
Rosa	6	15	19	5	20
Batlle	5	21	13	30	0
Schlueter	18	60	60	64	66
Paparello	3	32	37	35	34
Ahya	<u>6</u>	<u>28</u>	<u>35</u>	<u>30</u>	<u>34</u>
	48	184	203	195	189

The patient mortality, transplantation and transfer rates discussed above, as well as the assumption that the number of “new” hemodialysis patients under the care of the nephrologists will remain constant at 48 per year were used to project hemodialysis treatments and the associated station need, through 2016, the second year of operation of the proposed facility. That calculation is presented below:

hemo pts as of 3/31/12:		184
less mortality, transfer, & transplant @ 23% annually for 9 mo:		-32
plus additional pts for final 9 month (48 X .75)		36
12/31/12 patients:		188
additional pts started in 2013		48
less mortality, transfer, & transplant in 2013 @ 23%		-54
12/31/13 patients:		182
additional pts started in 2014		48
less mortality, transfer & transplant in 2014 @ 23%		-53
12/31/14 patients:		177
additional pts started in 2015		48
less mortality, transfer & transplants in 2015 @ 23%		-52
12/31/15 patients:		173
additional pts started in 2016		48
less mortality, transfer & transplants in 2016 @ 23%		-51
12/31/16 patients:		170
projected hemo treatment (156 per year)	156	26,580
required stations (750 treatments per station)	750	35.44

Because of the Division's aggressive goal of moving dialysis patients to transplantation as discussed above, and their intent to continue that practice, the net number of dialysis patients actually diminishes slightly over the course of the analysis presented above, and as reflected in the table below. The applicants believe, however, that the annual number of "new" patients will actually increase slightly from the 48 used in the analysis with the opening of the proposed facility, and actual utilization will be in the 82-84% range. The projected reduction in dialysis treatments as reflected in the analysis above is a highly-unusual circumstance, resulting not only from the Division's desire to move as many clinically-appropriate patients to transplantation as possible, but because of the relationship between the Division and Northwestern Memorial's kidney transplantation program.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1	ESRD	NEW FACILITY	26,988	26,251+	YES
YEAR 2	ESRD	NEW FACILITY	26,520	26,251+	YES

**by Certified Mail**

October 11, 2012

Ms. Coleen Muldoon  
Regional Vice President  
Fresenius Medical Care  
One Westbrook Corporate Center  
Tower One, Suite 1000  
Westchester, IL 60154

Dear Ms. Muldoon:

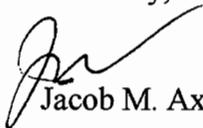
I am preparing a Certificate of Need application for filing with the Illinois Health Facilities and Services Review Board, and herein request your assistance in identifying the 2009 and 2010 utilization of FMC's facility located on the Northwestern Memorial Hospital campus, for the following referring physicians:

- Shubhada Ahya
- James Paparello
- William Schlueter
- Robert Rosa
- Jennifer Tuazon
- Daniel Batlle.

Specifically, I would appreciate a list of patients receiving hemodialysis in that facility in 2009 and a list of patients receiving hemodialysis in that facility in 2010, with each patient identified by their initials, ZIP Code of residence, and referring physician, as reported to The Renal Network.

Thank you in advance for your assistance, and kindly provide this information by October 25, 2012 via email to me at [jacobmaxel@msn.com](mailto:jacobmaxel@msn.com).

Sincerely,

  
Jacob M. Axel

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

C. MULDOON  
FMC  
1 WESTBROOK EORP CTR  
Tower 1 Suite 1000  
WEST CHESTER, IL  
60154

2. Article Number

(Transfer from service label)

7009 1410 0000 7634 4886

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*Bra Woods*

- Agent  
 Addressee

B. Received by (Printed Name)

*Bra Woods*

C. Date of Delivery

*12-15-12*

D. Is delivery address different from item 1?  Yes

If YES, enter delivery address below:  No

3. Service Type

- Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

I am a Board Certified nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility and the DSI-Loop/East Washington, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred ten new area patients for hemodialysis, and on March 31, 2011, 26 patients that I referred for hemodialysis were receiving that care.

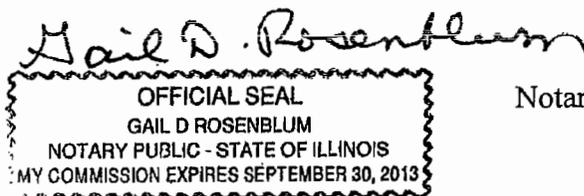
Based on my practice experience, I anticipate that I will directly refer approximately ten patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

*Jennifer A. Tuazon*

Jennifer Tuazon, MD



Notarized:

10/8/12



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

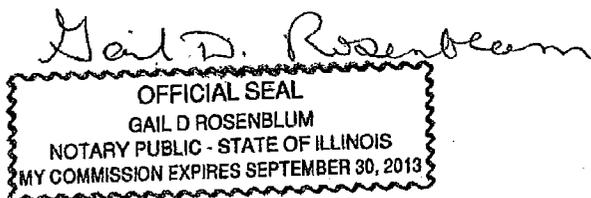
I am a Board Certified nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility and the DSI-Loop/East Washington, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred six new area patients for hemodialysis, and on March 31, 2011, 28 patients that I referred for hemodialysis were receiving that care.

Based on my practice experience, I anticipate that I will directly refer approximately six patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

Shubhada M. Ahya, MD



10/10/12

Notarized:



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

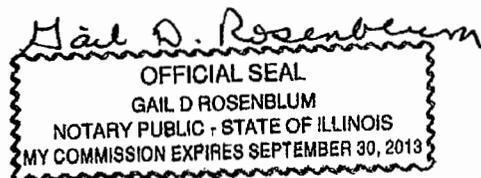
I am a Board Certified nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility and the DSI-Loop/East Washington, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred five new area patients for hemodialysis, and on March 31, 2011, 21 patients that I referred for hemodialysis were receiving that care.

Based on my practice experience, I anticipate that I will directly refer approximately five patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

Daniel Batlle, MD



10/15/12

Notarized:



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

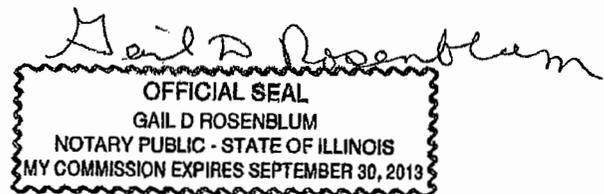
I am a Board Certified nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility and the DSI-Loop/East Washington, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred three new area patients for hemodialysis, and on March 31, 2011, 32 patients that I referred for hemodialysis were receiving that care.

Based on my practice experience, I anticipate that I will directly refer approximately three patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

James J. Paparello, MD



10/10/12

Notarized:



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

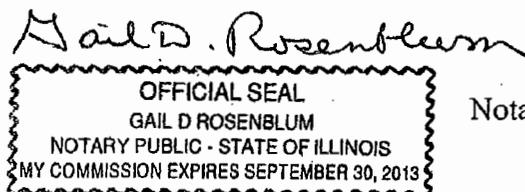
I am a nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred six new area patients for hemodialysis, and on March 31, 2011, 15 patients that I referred for hemodialysis were receiving that care.

Based on my practice experience, I anticipate that I will directly refer approximately six patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

  
Robert M. Rosa, MD



Notarized:

*10/4/12*



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

This letter is being provided in support of the Certificate of Need application addressing the establishment of an end stage renal dialysis ("ESRD") facility at 259 East Erie Street in Chicago.

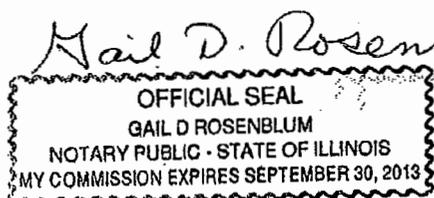
I am a Board Certified nephrologist, and a member the Northwestern Medical Faculty Foundation. I am currently referring my patients in need of hemodialysis to the FMC-Northwestern facility and the DSI-Loop/East Washington, as identified in the attached March 31, 2012 analysis provided by The Renal Network. During 2011 I referred eighteen new area patients for hemodialysis, and on March 31, 2011, 60 patients that I referred for hemodialysis were receiving that care.

Based on my practice experience, I anticipate that I will directly refer approximately eighteen patients a year to the proposed ESRD facility identified above, through, at minimum, that facility's second year of operation.

None of the current or prospective patients identified above have been used to support the establishment or expansion of any existing ESRD facility through the Certificate of Need process, and the information contained in this letter is, to the best of my knowledge, true and correct.

Sincerely,

*William A. Schlueter, M.D.*  
William A. Schlueter, MD



10/4/12

Division of Nephrology  
Pre-ESRD Patients

Data validation date: August 30, 2012

N = 166 Patients

Patient Initials	Patient Zip Code	Patient Transplanted	Zip code Match
A.A.	60501	No	Yes
	60626	No	Yes
A.B.	60004	No	Yes
A.C.	60419	No	Yes
	60619	No	Yes
	60636	No	Yes
	60637	No	Yes
	60804	No	Yes
A.D.	60005	No	Yes
A.E.	60504	No	Yes
A.G.	60108	No	Yes
B.B.	60153	No	Yes
	60619	No	Yes
B.C.	60193	No	Yes
	60628	No	Yes
B.F.	60076	No	Yes
	60613	No	Yes
	60643	No	Yes
B.H.	60302	No	Yes
	60618	No	Yes
	60630	No	Yes
	60805	No	Yes
C.B.	60441	No	Yes
	60610	No	Yes
	60611	No	Yes
	60617	No	Yes
	60626	No	Yes
C.C.	60201	No	Yes
	60302	No	Yes
	60467	No	Yes
C.E.	60619	No	Yes
C.F.	60609	No	Yes
C.G.	60615	No	Yes
	60643	No	Yes
C.H.	60619	No	Yes
	60643	No	Yes
D.A.	60628	No	Yes
D.B.	60649	No	Yes
D.C.	60478	No	Yes
	60610	No	Yes
	60622	No	Yes
D.D.	60431	No	Yes
	60652	No	Yes
D.E.	60619	No	Yes
D.F.	60441	No	Yes
D.G.	60628	No	Yes
D.H.	60110	No	Yes
E.C.	60060	No	Yes
	60411	No	Yes
	60459	No	Yes
E.D.	60160	No	Yes
E.H.	46409	No	Yes

Division of Nephrology  
Pre-ESRD Patients

Data validation date: August 30, 2012

N = 166 Patients

Patient Initials	Patient Zip Code	Patient Transplanted	Zip code Match
F.A.	60552	No	Yes
	60608	No	Yes
F.B.	60657	No	Yes
F.D.	60803	No	Yes
F.F.	60053	No	Yes
	60634	No	Yes
G.A.	60473	No	Yes
G.B.	60425	No	Yes
	60619	No	Yes
	60637	No	Yes
G.C.	60638	No	Yes
G.E.	60610	No	Yes
G.F.	60950	No	Yes
G.G.	60657	No	Yes
G.H.	60636	No	Yes
H.A.	60615	No	Yes
	60640	No	Yes
H.D.	60617	No	Yes
H.G.	60628	No	Yes
	60647	No	Yes
I.F.	60610	No	Yes
J.B.	60613	No	Yes
	60625	No	Yes
	60642	No	Yes
J.C.	60062	No	Yes
	60142	No	Yes
	60560	No	Yes
	60643	No	Yes
	60651	No	Yes
	64501	No	Yes
J.D.	60045	No	Yes
	60130	No	Yes
J.E.	46373	No	Yes
	60487	No	Yes
J.F.	60620	No	Yes
J.G.	60007	No	Yes
	60429	No	Yes
J.H.	60610	No	Yes
	60649	No	Yes
K.B.	60185	No	Yes
	60654	No	Yes
K.C.	60501	No	Yes
K.D.	60526	No	Yes
K.G.	60076	No	Yes
L.A.	60491	No	Yes
L.B.	60202	No	Yes
	60462	No	Yes
L.C.	42160	No	Yes
	60611	No	Yes
	60653	No	Yes
L.G.	60622	No	Yes
	60634	No	Yes

This report is the property of Northwestern Medical Faculty Foundation. It is not to be distributed or copied outside of its intended use as a privileged and confidential work product.

ATTACHMENT 15

Division of Nephrology  
Pre-ESRD Patients

Data validation date: August 30, 2012

N = 166 Patients

Patient Initials	Patient Zip Code	Patient Transplanted	Zip code Match
L.H.	60466	No	Yes
M.A.	60107	No	Yes
	60639	No	Yes
	60804	No	Yes
M.B.	60610	No	Yes
	60637	No	Yes
M.C.	60634	No	Yes
	60638	No	Yes
M.D.	60610	No	Yes
M.G.	60030	No	Yes
	60435	No	Yes
	60610	No	Yes
N.C.	60629	No	Yes
N.D.	60634	No	Yes
	60654	No	Yes
N.G.	46324	No	Yes
O.C.	60613	No	Yes
O.H.	89515	No	Yes
P.C.	60616	No	Yes
P.D.	60608	No	Yes
P.F.	46360	No	Yes
	60035	No	Yes
	60629	No	Yes
P.G.	60605	No	Yes
R.B.	46307	No	Yes
	46320	No	Yes
	60452	No	Yes
	60653	No	Yes
R.C.	60657	No	Yes
R.D.	60430	No	Yes
	60609	No	Yes
R.E.	60610	No	Yes
	60614	No	Yes
	60647	No	Yes
R.F.	60610	No	Yes
R.G.	60137	No	Yes
	60554	No	Yes
	60601	No	Yes
	60643	No	Yes
R.H.	60093	No	Yes
	60617	No	Yes
S.A.	60651	No	Yes
	60714	No	Yes
S.B.	60615	No	Yes
	60617	No	Yes
	60707	No	Yes
S.C.	60609	No	Yes
S.G.	60622	No	Yes
T.A.	60621	No	Yes
T.C.	60070	No	Yes
T.D.	60429	No	Yes
T.F.	60605	No	Yes

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ATTACHMENT 15

56

Division of Nephrology  
Pre-ESRD Patients

Data validation date: August 30, 2012

N = 166 Patients

Patient Initials	Patient Zip Code	Patient Transplanted	Zip code Match
	60630	No	Yes
T.G.	61356	No	Yes
V.B.	60649	No	Yes
W.B.	60563	No	Yes
	60610	No	Yes
W.C.	60620	No	Yes
W.G.	60614	No	Yes
Y.C.	60608	No	Yes
Y.G.	60618	No	Yes
Z.F.	60639	No	Yes



911 E. 86th St., Suite 202  
Indianapolis, IN 46240-1858  
Phone: 317-257-8265  
Fax: 317-257-2120

# Fax

To: Jack Axel From: Rick Coffin  
Fax: 847-776-7004 Pages: 6  
Phone: \_\_\_\_\_ Date: 8-20-2012  
Re: \_\_\_\_\_

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*The attached information is CONFIDENTIAL, and is intended only for the use of the addressee(s) identified above. If the reader of this message is not the intended recipient(s) or the employee or agency responsible for delivering the message to the intended recipient(s), please note that any dissemination, distribution, or copying of the communication is strictly prohibited. Anyone who receives this communication in error should notify us immediately by telephone and return the original message to us at the address above via U.S. Mail. Thank you.*

List of patients starting dialysis in 2011					
UPIN/NPI	Physician	Pt Initials	Zip Code	Prov #	Facility Name
1275708109	JENNIFER TUAZON	GS	60605	142505	DSI - LOOP RENAL CENTER
1275708109	JENNIFER TUAZON	RW	60652	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	VJ	60620	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	AK	60610	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	NW	60639	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	HB	60084	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	SH	46307	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	BM	60154	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	WM	60610	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	BW	60651	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	EC	60620	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	CF	60809	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	GP	60643	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	RB	60653	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	PY	60643	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	SP	60429	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	EL	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CH	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CS	60611	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	ND	60634	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	SG	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JC	60610	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	GM	61721	142563	FMC - MCLEAN COUNTY
C46225	WILLIAM SCHLUETER	LF	60623	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MH	60639	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LM	60649	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LW	60639	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	ES	60641	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	DC	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JB	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MH	60607	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JH	60629	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CC	60611	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JM	60636	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JC	60634	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	HG	60628	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	PF	60657	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	DH	60628	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JB	60647	142597	FMC - NORTHWESTERN
G92688	JAMES PAPARELLO	DS	60606	142505	DSI - LOOP RENAL CENTER
G92688	JAMES PAPARELLO	MT	60614	142597	FMC - NORTHWESTERN
G92688	JAMES PAPARELLO	CY	60612	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	BW	60653	142505	DSI - LOOP RENAL CENTER
H24574	SHUBHADA AHYA	WD	60610	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	NS	60608	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	DW	60614	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	TC	60611	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	RD	60622	142597	FMC - NORTHWESTERN

List of patients receiving hemodialysis as of March 31, 2012					
UPIN/NPI	Physician	Pt Initials	Zip Code	Prov #	facname
1275708109	JENNIFER TUAZON	GS	80605	142505	DSI - LOOP RENAL CENTER
1275708109	JENNIFER TUAZON	RG	80610	142528	DAVITA - LINCOLN PARK NEPHROLOGY ASSN SC
1275708109	JENNIFER TUAZON	LB	60452	142548	DAVITA - OLYMPIA FIELDS DIALYSIS CENTER
1275708109	JENNIFER TUAZON	WG	60629	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	ST	60640	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	SW	60624	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	LD	60619	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	MT	60624	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	MJ	60643	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	OB	60622	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	DF	80644	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	DZ	80430	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	GT	60611	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	TR	60657	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	ER	60610	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	RT	60632	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	FF	60630	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	LF	60613	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	BJ	60615	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	EC	60642	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	BG	60628	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	RW	60652	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	DC	80617	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	CT	60619	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	VJ	60620	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	HB	80084	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	WM	60610	142597	FMC - NORTHWESTERN
1275708109	JENNIFER TUAZON	BW	60651	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	CF	80609	142505	DSI - LOOP RENAL CENTER
B98747	ROBERT ROSA	LB	60601	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	RS	60613	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	DW	60653	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	AD	60624	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	GC	60629	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	AO	60660	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	SP	60429	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	MJ	60611	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	MH	00685	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	RR	60625	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	BW	60637	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	YV	60622	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	RB	60653	142597	FMC - NORTHWESTERN
B98747	ROBERT ROSA	PY	60643	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CT	60617	142505	DSI - LOOP RENAL CENTER
C45343	DANIEL BATLLE	MF	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	FK	60601	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CW	60637	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	DM	60653	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	LM	60619	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	GB	60586	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	FD	60636	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	KP	60604	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	JM	60611	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	TM	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	DB	60629	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	NB	60613	142597	FMC - NORTHWESTERN

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List of patients receiving hemodialysis as of March 31, 2012					
UPIN/NPI	Physician	Pt Iniflals	Zip Code	Prov #	facname
C45343	DANIEL BATLLE	EC	80620	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	EL	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CH	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	CS	60611	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	ND	60634	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	SG	60610	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	SH	60626	142597	FMC - NORTHWESTERN
C45343	DANIEL BATLLE	A JR	60611	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LR	60616	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	FD	60809	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	JL	60816	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	DT	60809	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	JC	60810	142505	DSI - LOOP RENAL CENTER
C46225	WILLIAM SCHLUETER	MH	60639	142536	FMC - WEST METRO DIALYSIS
C46225	WILLIAM SCHLUETER	JC	60810	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MR	61761	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MR	60647	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MT	60647	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	EM	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	KE	60617	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LM	60640	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	ES	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MD	60812	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JJ	60615	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LM	60836	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CN	60608	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LA	60625	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LC	60804	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	SF	60660	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	WH	60637	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MD	60629	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CM	60653	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	SS	60640	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	ZR	60622	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	RS	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	GC	60632	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	RH	60810	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	BH	60622	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JG	60622	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	DT	60837	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	EL	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CR	60621	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	HP	60611	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	MH	60625	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	SA	60644	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	DB	60653	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	GC	60629	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JC	60818	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	EM	60649	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LM	60610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	RH	60620	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	AD		142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	RP	60620	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JR	60202	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	UM	60640	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CS	60640	142597	FMC - NORTHWESTERN

List of patients receiving hemodialysis as of March 31, 2012					
UPIN/NPI	Physician	Pt Initials	Zip Code	Prov #	facname
C46225	WILLIAM SCHLUETER	SR	80605	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LF	80623	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	LW	80639	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	ES	80641	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JB	80610	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	JH	80628	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	CC	80611	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	HG	80628	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	WC	80617	142597	FMC - NORTHWESTERN
C46225	WILLIAM SCHLUETER	GV	80440	142632	FMC - WILLOWBROOK
C46225	WILLIAM SCHLUETER	CT	80620	142638	BEVERLY DIALYSIS
C46225	WILLIAM SCHLUETER	RM	80617	152549	DAVITA - MUNSTER
G92668	JAMES PAPARELLO	J MC	80619	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	KG	80636	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	KB	80637	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	MM	80608	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	MO	80652	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	AG	80619	142505	DSI - LOOP RENAL CENTER
G92668	JAMES PAPARELLO	SO	80615	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	RM	33305	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	SC	80637	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	SQ	80640	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	FA	80610	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	NP	80610	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	DP	80617	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	RN	80623	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	BL	80610	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	TD	80610	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	MB	80624	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	FD	80809	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	TJ	80610	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	FR	80623	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	RG	80651	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	CP	806111	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	YT	80613	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	CT	80640	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	MW	80624	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	JM	80626	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	RW	80653	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	EA	80616	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	RG	80616	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	MT	80614	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	CY	80612	142597	FMC - NORTHWESTERN
G92668	JAMES PAPARELLO	MG	80632	142719	WEST LAWN DIALYSIS
H24574	SHUBHADA AHYA	SB	80619	142505	DSI - LOOP RENAL CENTER
H24574	SHUBHADA AHYA	KS	80637	142529	EMERALD DIALYSIS
H24574	SHUBHADA AHYA	MP	80643	142539	FMC - BLUE ISLAND DIALYSIS CENTER
H24574	SHUBHADA AHYA	JA	80649	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	MR	80611	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	JS	80643	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	JS	80622	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	MB	80628	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	JA	80610	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	TL	80617	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	MK	80623	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	AB	80620	142597	FMC - NORTHWESTERN

List of patients receiving hemodialysis as of March 31, 2012					
UPIN/NPI	Physician	Pt Initials	Zip Code	Prov #	facname
H24574	SHUBHADA AHYA	CC	60619	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	AL	60629	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	SC	60611	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	AW	60611	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	JR	60610	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	MB	60637	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	OH	60601	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	RT	60617	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	KM	60616	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	AW	60637	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	WD	60610	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	LM	60649	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	RD	60622	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	RW	60615	142597	FMC - NORTHWESTERN
H24574	SHUBHADA AHYA	JD	60628	142622	DSI - HAZELCREST
H24574	SHUBHADA AHYA	MJ	60628	142644	MAPLE AVENUE KIDNEY CENTER

2011	AJ	60649-0000	AHYA,SHUBHADA	Olson Pavilion
2011	FA	60610-0000	PAPARELLO,JAMES	Olson Pavilion
2011	LA	60459-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	CA	60649-0000	PAPARELLO,JAMES	Olson Pavilion
2011	JA	60610-0000	AHYA,SHUBHADA	Olson Pavilion
2011	EA	60616-0000	PAPARELLO,JAMES	Olson Pavilion
2011	SA	60644-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	GB	60586-4149	ROSA,ROBERT	Olson Pavilion
2011	MB	60624-0000	PAPARELLO,JAMES	Olson Pavilion
2011	JLB	60661-0000	AHYA,SHUBHADA	Olson Pavilion
2011	OB	60622-0000	TUAZON,JENNIFER	Olson Pavilion
2011	LB	60617-0000	ROSA,ROBERT	Olson Pavilion
2011	LLB	60601-5109	ROSA,ROBERT	Olson Pavilion
2011	DB	60653-0000	AHYA,SHUBHADA	Olson Pavilion
2011	JAB	60624-5850	TUAZON,JENNIFER	Olson Pavilion
2011	NB	60613-0000	ROSA,ROBERT	Olson Pavilion
2011	AB	60620-0000	AHYA,SHUBHADA	Olson Pavilion
2011	JB	60613-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	HSB	60084-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MB	60620-1513	AHYA,SHUBHADA	Olson Pavilion
2011	MB	60653-0000	AHYA,SHUBHADA	Olson Pavilion
2011	RB	60653-0000	ROSA,ROBERT	Olson Pavilion
2011	DJB	60621-0000	ROSA,ROBERT	Olson Pavilion
2011	GC	60657-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JC	60610-1235	SCHLUETER,WILLIAM	Olson Pavilion
2011	DC	60610-0000	AHYA,SHUBHADA	Olson Pavilion
2011	JRC	60616-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	DC	60617-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JC	60707-0000	AHYA,SHUBHADA	Olson Pavilion
2011	EC	60642-0000	TUAZON,JENNIFER	Olson Pavilion
2011	EC	60642-0000	ROSA,ROBERT	Olson Pavilion
2011	BC	60649-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	CC	60641	SCHLUETER,WILLIAM	Olson Pavilion
2011	SC	60611-0000	AHYA,SHUBHADA	Olson Pavilion
2011	CC	60619-0000	AHYA,SHUBHADA	Olson Pavilion
2011	SC	60637-0000	PAPARELLO,JAMES	Olson Pavilion
2011	LC	60647-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	GC	60629-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	CC	60611-0000	AHYA,SHUBHADA	Olson Pavilion
2011	GC	60629-0000	ROSA,ROBERT	Olson Pavilion
2011	RC	60616-0000	AHYA,SHUBHADA	Olson Pavilion

2011	MD	60612-1919	SCHLUETER,WILLIAM	Olson Pavilion
2011	LD	60619-0000	TUAZON,JENNIFER	Olson Pavilion
2011	AD	60654-0000	ROSA,ROBERT	Olson Pavilion
2011	TD	60426-0000	AHYA,SHUBHADA	Olson Pavilion
2011	WRD	60610-0000	AHYA,SHUBHADA	Olson Pavilion
2011	TD	60611-0000	PAPARELLO,JAMES	Olson Pavilion
2011	JD	60430-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	AD	60630	SCHLUETER,WILLIAM	Olson Pavilion
2011	ND	60634-0000	ROSA,ROBERT	Olson Pavilion
2011	FDS	60636-0000	ROSA,ROBERT	Olson Pavilion
2011	RMD	60622-0000	AHYA,SHUBHADA	Olson Pavilion
2011	MED	60641-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	FD	60609-0000	PAPARELLO,JAMES	Olson Pavilion
2011	BD	60617-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	TD	60827-0000	PAPARELLO,JAMES	Olson Pavilion
2011	KE	60617-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	LF	60613-0000	TUAZON,JENNIFER	Olson Pavilion
2011	DF	60644-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MAF	60610-0000	BATLLE,DANIEL	Olson Pavilion
2011	SF	60611-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	FFF	60630-0000	TUAZON,JENNIFER	Olson Pavilion
2011	LF	60623-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RG	60614-0000	TUAZON,JENNIFER	Olson Pavilion
2011	BEG	60628-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RG	60616-0000	PAPARELLO,JAMES	Olson Pavilion
2011	WG	60632-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JEG	60419-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JG	60642-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	REG	60651-0000	PAPARELLO,JAMES	Olson Pavilion
2011	TH	60653-1626	TUAZON,JENNIFER	Olson Pavilion
2011	RH	60610-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	CH	60610-0000	ROSA,ROBERT	Olson Pavilion
2011	WH	60637-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	MH	60625-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RDH	60615-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	LH	60652-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	MH	60639-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	MH	60622-0000	ROSA,ROBERT	Olson Pavilion
2011	SH	46307-0000	TUAZON,JENNIFER	Olson Pavilion
2011	OH	60601-7350	AHYA,SHUBHADA	Olson Pavilion
2011	VH	60643-0000	TUAZON,JENNIFER	Olson Pavilion

2011	JH	60629-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	VH	60611-3321	ROSA,ROBERT	Olson Pavilion
2011	BH	60642-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	BMJ	60653-0000	TUAZON,JENNIFER	Olson Pavilion
2011	HJ	60608-0000	PAPARELLO,JAMES	Olson Pavilion
2011	MJ	60643-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RJ	60649-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JWJ	60615-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	MFJ	60610-0000	BATLLE,DANIEL	Olson Pavilion
2011	TJ	60610	SCHLUETER,WILLIAM	Olson Pavilion
2011	TJ	60610-0000	PAPARELLO,JAMES	Olson Pavilion
2011	VRJ	60620-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MK	60623-0000	AHYA,SHUBHADA	Olson Pavilion
2011	FK	60601-0000	BATLLE,DANIEL	Olson Pavilion
2011	LL	60653-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	TL	60649-1133	AHYA,SHUBHADA	Olson Pavilion
2011	BL	60610-0000	PAPARELLO,JAMES	Olson Pavilion
2011	AL	60629-0000	AHYA,SHUBHADA	Olson Pavilion
2011	ELL	60610-0000	BATLLE,DANIEL	Olson Pavilion
2011	EL	60610-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	DM	60653-0000	BATLLE,DANIEL	Olson Pavilion
2011	MM	60647-0000	AHYA,SHUBHADA	Olson Pavilion
2011	RRM	60640-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	UM	60611-0000	PAPARELLO,JAMES	Olson Pavilion
2011	BM	62703-1747	TUAZON,JENNIFER	Olson Pavilion
2011	EJM	60649-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	LM	60649-0000	TUAZON,JENNIFER	Olson Pavilion
2011	LM	60690-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	DM	60610-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	CM	60617	SCHLUETER,WILLIAM	Olson Pavilion
2011	LM	60619-0000	BATLLE,DANIEL	Olson Pavilion
2011	JM	60626-0000	PAPARELLO,JAMES	Olson Pavilion
2011	JM	60611-0000	BATLLE,DANIEL	Olson Pavilion
2011	TM	60610-0000	BATLLE,DANIEL	Olson Pavilion
2011	LAM	60609-0000	PAPARELLO,JAMES	Olson Pavilion
2011	LLM	60636-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	EM	60610-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	KM	60616-0000	AHYA,SHUBHADA	Olson Pavilion
2011	CN	60608-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RAN	60707-0000	PAPARELLO,JAMES	Olson Pavilion
2011	SO	60615-0000	PAPARELLO,JAMES	Olson Pavilion

2011	AO	60652-0000	ROSA,ROBERT	Olson Pavilion
2011	CAP	60611-0000	PAPARELLO,JAMES	Olson Pavilion
2011	NLP	60651-0000	PAPARELLO,JAMES	Olson Pavilion
2011	SPJ	60429-0000	BATLLE,DANIEL	Olson Pavilion
2011	JP	60616-0000	BATLLE,DANIEL	Olson Pavilion
2011	RP	60690-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	HP	60611-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	KP	60604-2036	SCHLUETER,WILLIAM	Olson Pavilion
2011	TP	60621-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	DP	60617-0000	PAPARELLO,JAMES	Olson Pavilion
2011	SQ	60600-0000	PAPARELLO,JAMES	Olson Pavilion
2011	MR	60611-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JR	60611-0000	ROSA,ROBERT	Olson Pavilion
2011	CR	60621-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	MR	60651-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	JJR	60610-0000	AHYA,SHUBHADA	Olson Pavilion
2011	RRR	60649-0000	BATLLE,DANIEL	Olson Pavilion
2011	ER	60610-0000	TUAZON,JENNIFER	Olson Pavilion
2011	TR	60657-0000	TUAZON,JENNIFER	Olson Pavilion
2011	ZMR	60622-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	SR	60605-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	FMR	60623-0000	PAPARELLO,JAMES	Olson Pavilion
2011	MLR	60647-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	JWR	60202-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	ES	60641-0000	TUAZON,JENNIFER	Olson Pavilion
2011	JS	60620	AHYA,SHUBHADA	Olson Pavilion
2011	CS	60611-0000	ROSA,ROBERT	Olson Pavilion
2011	CAS	60640-2225	PAPARELLO,JAMES	Olson Pavilion
2011	TS	60606-0000	PAPARELLO,JAMES	Olson Pavilion
2011	JS	60643-0000	AHYA,SHUBHADA	Olson Pavilion
2011	SS	60640-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RS	60610-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RS	60613-0000	ROSA,ROBERT	Olson Pavilion
2011	ES	60608	SCHLUETER,WILLIAM	Olson Pavilion
2011	JS	60453-0000	AHYA,SHUBHADA	Olson Pavilion
2011	YT	60613-0000	PAPARELLO,JAMES	Olson Pavilion
2011	DT	60615-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	DT	60637-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	GT	60611-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MBT	60614-0000	PAPARELLO,JAMES	Olson Pavilion
2011	CKT	60640-0000	PAPARELLO,JAMES	Olson Pavilion

2011	ST	60613-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MT	60647-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RT	60632-0000	TUAZON,JENNIFER	Olson Pavilion
2011	KT	60615-0000	AHYA,SHUBHADA	Olson Pavilion
2011	MET	60624-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RLT	60617-0000	AHYA,SHUBHADA	Olson Pavilion
2011	CT	60619-0000	TUAZON,JENNIFER	Olson Pavilion
2011	YV	60622-0000	ROSA,ROBERT	Olson Pavilion
2011	SAV	60516-0000	AHYA,SHUBHADA	Olson Pavilion
2011	AMW	60611-0000	AHYA,SHUBHADA	Olson Pavilion
2011	AW	60637-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RW	60653-0000	PAPARELLO,JAMES	Olson Pavilion
2011	DW	60653-0000	BATLLE,DANIEL	Olson Pavilion
2011	FW	60652-0000	PAPARELLO,JAMES	Olson Pavilion
2011	CW	60637-0000	BATLLE,DANIEL	Olson Pavilion
2011	EW	60640-0000	AHYA,SHUBHADA	Olson Pavilion
2011	SW	60624-0000	TUAZON,JENNIFER	Olson Pavilion
2011	MW	60624-0000	PAPARELLO,JAMES	Olson Pavilion
2011	BJW	60637-0000	TUAZON,JENNIFER	Olson Pavilion
2011	LW	60639-0000	SCHLUETER,WILLIAM	Olson Pavilion
2011	RW	60652-0000	TUAZON,JENNIFER	Olson Pavilion
2011	RW	60637-0000	AHYA,SHUBHADA	Olson Pavilion
2011	DZ	60430-0000	TUAZON,JENNIFER	Olson Pavilion

calendar year	PATIENT Names	PATIENT ZIP	billing_provider	Facility (Olsen Pavilion or DSI Loop)
2011	KB	60637	PAPARELLO	DaVita
2011	SB	60628	AHYA	DaVita
2011	JC	60610	SCHLUETER	DaVita
2011	CC	60620	PAPARELLO	DaVita
2011	MC	60619	PAPARELLO	DaVita
2011	CF	60609	SCHLUETER	DaVita
2011	KG	60636	PAPARELLO	DaVita
2011	RJ	60612	SCHLUETER	DaVita
2011	JL	60616	SCHLUETER	DaVita
2011	MM	60605	PAPARELLO	DaVita
2011	LR	60616	SCHLUETER	DaVita
2011	LR	60651	AHYA	DaVita
2011	GS	60605	TUAZON	DaVita
2011	DS	60657	PAPARELLO	DaVita
2011	CT	60617	SCHLUETER	DaVita
2011	BW	60653	AHYA	DaVita

calendar year	PATIENT Names	PATIENT_ZIP	billing_provider	Facility (Olsen Pavilion or DSI Loop)
2010	JAJ	60659-0000	SCHLUETER	Olson Pavilion
2010	FA	60610-0000	PAPARELLO	Olson Pavilion
2010	JA	60610-0000	AHYA	Olson Pavilion
2010	EA	60616-0000	PAPARELLO	Olson Pavilion
2010	SA	60644-0000	SCHLUETER	Olson Pavilion
2010	GB	60586-4149	BATLLE	Olson Pavilion
2010	MB	60624-0000	PAPARELLO	Olson Pavilion
2010	OB	60622-0000	TUAZON	Olson Pavilion
2010	KB	60637-0000	BATLLE	Olson Pavilion
2010	LB	60617-0000	BATLLE	Olson Pavilion
2010	LLB	60601-5109	BATLLE	Olson Pavilion
2010	JAB	60624-5850	PAPARELLO	Olson Pavilion
2010	PB	60426-0000	TUAZON	Olson Pavilion
2010	NB	60613	BATLLE	Olson Pavilion
2010	MAB	60478	TUAZON	Olson Pavilion
2010	AB	60620	AHYA	Olson Pavilion
2010	HB	60617-0000	SCHLUETER	Olson Pavilion
2010	MB	60620-1513	AHYA	Olson Pavilion
2010	RB	60610-0000	TUAZON	Olson Pavilion
2010	MB	60653-0000	AHYA	Olson Pavilion
2010	DJB	60621-0000	ROSA	Olson Pavilion
2010	GC	60657-0000	SCHLUETER	Olson Pavilion
2010	JC	60610-1235	SCHLUETER	Olson Pavilion
2010	JRC	60616-0000	SCHLUETER	Olson Pavilion
2010	DC	60617-0000	TUAZON	Olson Pavilion
2010	EC	60642-0000	TUAZON	Olson Pavilion
2010	MC	60622-0000	TUAZON	Olson Pavilion
2010	PLC	60657-0000	SCHLUETER	Olson Pavilion
2010	SC	60611-0000	AHYA	Olson Pavilion
2010	CC	60619-0000	AHYA	Olson Pavilion
2010	SC	60637-0000	PAPARELLO	Olson Pavilion
2010	LC	60647-0000	SCHLUETER	Olson Pavilion
2010	GC	60629-0000	SCHLUETER	Olson Pavilion
2010	AC	60153	PAPARELLO	Olson Pavilion
2010	GC	60629-0000	BATLLE,	Olson Pavilion
2010	MC	60619-0000	PAPARELLO	Olson Pavilion
2010	LJC	60610-0000	SCHLUETER	Olson Pavilion
2010	MED	60612-1919	SCHLUETER	Olson Pavilion
2010	LD	60619-0000	TUAZON	Olson Pavilion

2010	AD	60654-0000	BATLLE	Olson Pavilion
2010	HD	60643-0000	AHYA	Olson Pavilion
2010	DD	60653-0000	PAPARELLO	Olson Pavilion
2010	TD	60611-0000	PAPARELLO	Olson Pavilion
2010	JD	60611-1026	SCHLUETER	Olson Pavilion
2010	JED	60430-0000	AHYA	Olson Pavilion
2010	FDS	60636-0000	BATLLE	Olson Pavilion
2010	MED	60641-0000	SCHLUETER	Olson Pavilion
2010	FD	60609-0000	PAPARELLO	Olson Pavilion
2010	OE	60649-0000	TUAZON	Olson Pavilion
2010	CE	60608-0000	AHYA	Olson Pavilion
2010	KE	60617-0000	SCHLUETER	Olson Pavilion
2010	LF	60613-0000	TUAZON	Olson Pavilion
2010	DF	60644-0000	TUAZON	Olson Pavilion
2010	IF	60619-0000	TUAZON	Olson Pavilion
2010	MAF	60610-0000	BATLLE	Olson Pavilion
2010	SF	60611-0000	SCHLUETER	Olson Pavilion
2010	FFF	60630-0000	TUAZON,	Olson Pavilion
2010	AKF	60657-4948	AHYA	Olson Pavilion
2010	BEG	60628-0000	TUAZON	Olson Pavilion
2010	NLG	60610-0000	PAPARELLO	Olson Pavilion
2010	RG	60616-0000	BATLLE	Olson Pavilion
2010	WG	60632-0000	TUAZON	Olson Pavilion
2010	KG	60636	PAPARELLO	Olson Pavilion
2010	MG	60632-0000	SCHLUETER	Olson Pavilion
2010	JG	60642-0000	SCHLUETER	Olson Pavilion
2010	REG	60651-0000	PAPARELLO	Olson Pavilion
2010	SH	60559-5269	PAPARELLO	Olson Pavilion
2010	AH	60707-0000	TUAZON	Olson Pavilion
2010	CH	60610-2170	TUAZON	Olson Pavilion
2010	TH	60653-1626	TUAZON	Olson Pavilion
2010	RH	60610-0000	SCHLUETER	Olson Pavilion
2010	WH	60637-0000	SCHLUETER	Olson Pavilion
2010	MH	60625-0000	SCHLUETER	Olson Pavilion
2010	RDH	60615-0000	SCHLUETER	Olson Pavilion
2010	CVH	60637-0000	SCHLUETER	Olson Pavilion
2010	MH	60622-0000	BATLLE	Olson Pavilion
2010	OH	60601-7350	AHYA	Olson Pavilion
2010	VH	60643-0000	TUAZON	Olson Pavilion
2010	VH	60611-3321	BATLLE	Olson Pavilion
2010	BH	60642-0000	SCHLUETER	Olson Pavilion

2010	BMJ	60653-0000	TUAZON	Olson Pavilion
2010	JH	60608-0000	PAPARELLO	Olson Pavilion
2010	JM	60643-0000	SCHLUETER	Olson Pavilion
2010	JAJ	60618-0000	PAPARELLO	Olson Pavilion
2010	RJ	60649-0000	TUAZON	Olson Pavilion
2010	BJ	60619-0000	SCHLUETER	Olson Pavilion
2010	JWJ	60615-0000	SCHLUETER	Olson Pavilion
2010	MFJ	60610-0000	BATLLE	Olson Pavilion
2010	SJ	60622-0000	BATLLE	Olson Pavilion
2010	TJ	60610	SCHLUETER	Olson Pavilion
2010	TJ	60610-0000	PAPARELLO	Olson Pavilion
2010	MK	60623-0000	AHYA	Olson Pavilion
2010	FK	60601-0000	BATLLE	Olson Pavilion
2010	BL	60637-0000	BATLLE	Olson Pavilion
2010	JL	60616-0000	SCHLUETER	Olson Pavilion
2010	TL	60649-1133	AHYA	Olson Pavilion
2010	BL	60610-0000	PAPARELLO	Olson Pavilion
2010	AL	60629-0000	AHYA	Olson Pavilion
2010	EL	60610-0000	SCHLUETER	Olson Pavilion
2010	DM	60653-0000	BATLLE	Olson Pavilion
2010	JM	60622-0000	AHYA	Olson Pavilion
2010	RRM	60611-0000	PAPARELLO	Olson Pavilion
2010	UM	60640-0000	SCHLUETER	Olson Pavilion
2010	RVM	60617-0000	SCHLUETER	Olson Pavilion
2010	EJM	60649-0000	SCHLUETER	Olson Pavilion
2010	LM	60690-0000	SCHLUETER	Olson Pavilion
2010	RDM	60085-0000	TUAZON	Olson Pavilion
2010	BM	60619-3018	PAPARELLO	Olson Pavilion
2010	DM	60610-0000	SCHLUETER	Olson Pavilion
2010	CM	60617	SCHLUETER	Olson Pavilion
2010	JM	60626-0000	PAPARELLO	Olson Pavilion
2010	MM	60608-0000	PAPARELLO	Olson Pavilion
2010	JM	60611	BATLLE	Olson Pavilion
2010	TM	60610	BATLLE	Olson Pavilion
2010	LAM	60609-0000	SCHLUETER	Olson Pavilion
2010	LLM	60636-0000	SCHLUETER	Olson Pavilion
2010	EM	60610-0000	SCHLUETER	Olson Pavilion
2010	KM	60616-0000	AHYA	Olson Pavilion
2010	CN	60608-0000	SCHLUETER	Olson Pavilion
2010	RN	60707-0000	PAPARELLO	Olson Pavilion
2010	GN	60651-0000	AHYA	Olson Pavilion

2010	SO	60615-0000	PAPARELLO	Olson Pavilion
2010	LO	60644-0000	SCHLUETER	Olson Pavilion
2010	EO	60625-0000	BATLLE	Olson Pavilion
2010	AO	60652-0000	BATLLE	Olson Pavilion
2010	CP	60611-0000	PAPARELLO	Olson Pavilion
2010	NP	60651-0000	PAPARELLO	Olson Pavilion
2010	DP	60653-0000	BATLLE	Olson Pavilion
2010	JP	60616-0000	ROSA	Olson Pavilion
2010	RP	60690-0000	SCHLUETER	Olson Pavilion
2010	HP	60611-0000	SCHLUETER	Olson Pavilion
2010	KP	60604-2036	BATLLE	Olson Pavilion
2010	TP	60621-0000	SCHLUETER	Olson Pavilion
2010	DP	60617-0000	AHYA	Olson Pavilion
2010	GMP	60611-0000	SCHLUETER	Olson Pavilion
2010	SQ	60600-0000	PAPARELLO	Olson Pavilion
2010	MR	60611-0000	SCHLUETER	Olson Pavilion
2010	JR	60611-0000	ROSA	Olson Pavilion
2010	CR	60621-0000	SCHLUETER	Olson Pavilion
2010	MR	60651-0000	SCHLUETER	Olson Pavilion
2010	LR	60616-0000	SCHLUETER	Olson Pavilion
2010	JJR	60610-0000	AHYA	Olson Pavilion
2010	LR	60641-0000	AHYA	Olson Pavilion
2010	RRR	60649-0000	BATLLE	Olson Pavilion
2010	ER	60610-0000	TUAZON	Olson Pavilion
2010	TR	60657-0000	TUAZON	Olson Pavilion
2010	ZMR	60622-0000	SCHLUETER	Olson Pavilion
2010	FMR	60623-0000	PAPARELLO	Olson Pavilion
2010	MLR	60647-0000	SCHLUETER	Olson Pavilion
2010	JS	60620	AHYA	Olson Pavilion
2010	CAS	60640-2225	SCHLUETER	Olson Pavilion
2010	CLA	60471-1810	TUAZON	Olson Pavilion
2010	CS	60625-0000	AHYA	Olson Pavilion
2010	JS	60643-0000	AHYA	Olson Pavilion
2010	DS	60657-0000	SCHLUETER	Olson Pavilion
2010	SS	60640-0000	SCHLUETER	Olson Pavilion
2010	CS	60610-0000	AHYA	Olson Pavilion
2010	GS	60610-0000	ROSA	Olson Pavilion
2010	RS	60610-0000	SCHLUETER	Olson Pavilion
2010	RS	60613-0000	BATLLE	Olson Pavilion
2010	KS	60613-0000	SCHLUETER	Olson Pavilion
2010	SS	60659-2008	PAPARELLO	Olson Pavilion

2010	ES	60608	SCHLUETER	Olson Pavilion
2010	YT	60613-0000	PAPARELLO	Olson Pavilion
2010	DT	60615-0000	SCHLUETER	Olson Pavilion
2010	CT	60617-0000	BATLLE	Olson Pavilion
2010	DT	60637-0000	SCHLUETER	Olson Pavilion
2010	GT	60611-0000	TUAZON	Olson Pavilion
2010	CKT	60640-0000	PAPARELLO	Olson Pavilion
2010	ST	60613-0000	TUAZON	Olson Pavilion
2010	MT	60647-0000	PAPARELLO	Olson Pavilion
2010	RT	60632-0000	TUAZON	Olson Pavilion
2010	KT	60615-0000	AHYA	Olson Pavilion
2010	MET	60624-0000	TUAZON	Olson Pavilion
2010	RLT	60617-0000	AHYA	Olson Pavilion
2010	YV	60622-0000	BATLLE	Olson Pavilion
2010	SAV	60516-0000	AHYA	Olson Pavilion
2010	MV	60609-0000	SCHLUETER	Olson Pavilion
2010	AMW	60611-0000	AHYA	Olson Pavilion
2010	AW	60637-0000	AHYA	Olson Pavilion
2010	RW	60653-0000	PAPARELLO	Olson Pavilion
2010	DW	60653-0000	ROSA	Olson Pavilion
2010	FW	60652-0000	BATLLE	Olson Pavilion
2010	CW	60637-0000	BATLLE	Olson Pavilion
2010	IW	60620-0000	SCHLUETER	Olson Pavilion
2010	CW	60621-0000	SCHLUETER	Olson Pavilion
2010	SW	60624-0000	TUAZON	Olson Pavilion
2010	MW	60624-0000	PAPARELLO	Olson Pavilion
2010	BJW	60637-0000	BATLLE	Olson Pavilion
2010	MDW	60621-0000	PAPARELLO	Olson Pavilion
2010	TW	60608-0000	SCHLUETER	Olson Pavilion
2010	RW	60637-0000	AHYA	Olson Pavilion
2010	MW	60647-0000	SCHLUETER	Olson Pavilion
2010	NW	60639-0000	SCHLUETER	Olson Pavilion
2010	DZ	60430-0000	TUAZON	Olson Pavilion

calendar year	PATIENT Names	PATIENT_ZIP	billing_provider	Facility (Olsen Pavilion or DSI Loop)
2009	JAJR	60659-0000	SCHLUETER	Olson Pavilion
2009	FA	60610-0000	TUAZON	Olson Pavilion
2009	LA	60625	ROSA	Olson Pavilion
2009	HAJR	60610-0000	TUAZON	Olson Pavilion
2009	JA	60610-0000	SCHLUETER	Olson Pavilion
2009	SA	60644-0000	SCHLUETER	Olson Pavilion
2009	MB	60624-0000	PAPARELLO	Olson Pavilion
2009	SB	60640-7482	SCHLUETER	Olson Pavilion
2009	SWB	60614-0000	AHYA	Olson Pavilion
2009	JAB	60624-5850	PAPARELLO	Olson Pavilion
2009	PB	60426-0000	TUAZON	Olson Pavilion
2009	KB	55411	ROSA	Olson Pavilion
2009	MAB	60636	TUAZON	Olson Pavilion
2009	AB	60620-0000	AHYA	Olson Pavilion
2009	MB	60620-1513	AHYA	Olson Pavilion
2009	GC	60657-0000	SCHLUETER	Olson Pavilion
2009	JC	60610-1235	SCHLUETER	Olson Pavilion
2009	JRC	60616-0000	SCHLUETER	Olson Pavilion
2009	EC	60642-0000	ROSA	Olson Pavilion
2009	LC	60440-0000	PAPARELLO	Olson Pavilion
2009	MC	60622-0000	TUAZON	Olson Pavilion
2009	SC	60611-0000	AHYA	Olson Pavilion
2009	CC	60619-0000	AHYA	Olson Pavilion
2009	BC	60611-0000	AHYA	Olson Pavilion
2009	SC	60637-0000	TUAZON	Olson Pavilion
2009	LC	60647-0000	SCHLUETER	Olson Pavilion
2009	DCC	60652-0000	TUAZON	Olson Pavilion
2009	AC	60153	PAPARELLO	Olson Pavilion
2009	MC	60622-3247	ROSA	Olson Pavilion
2009	GC	60629-0000	SCHLUETER	Olson Pavilion
2009	TC	60614-0000	PAPARELLO	Olson Pavilion
2009	MED	60612-1919	SCHLUETER	Olson Pavilion
2009	JD	60611-0000	TUAZON	Olson Pavilion
2009	LD	60619-0000	TUAZON	Olson Pavilion
2009	SD	60649-0000	TUAZON	Olson Pavilion
2009	TD	60611-0000	PAPARELLO	Olson Pavilion
2009	JD	60611-1026	SCHLUETER	Olson Pavilion
2009	JED	60430-0000	AHYA	Olson Pavilion
2009	HD	60649-0000	SCHLUETER	Olson Pavilion

2009	FSS	60636-0000	ROSA	Olson Pavilion
2009	MED	60641-0000	SCHLUETER	Olson Pavilion
2009	FD	60609-0000	PAPARELLO	Olson Pavilion
2009	OE	60649-0000	ROSA	Olson Pavilion
2009	CE	60608-0000	AHYA	Olson Pavilion
2009	KE	60617-0000	SCHLUETER	Olson Pavilion
2009	LF	60613-0000	TUAZON	Olson Pavilion
2009	DF	60644-0000	TUAZON	Olson Pavilion
2009	JF	60610-1596	AHYA	Olson Pavilion
2009	FF	60630-0000	TUAZON	Olson Pavilion
2009	AKF	60657-4948	AHYA	Olson Pavilion
2009	RG	60614-0000	TUAZON	Olson Pavilion
2009	BEG	60628-0000	TUAZON	Olson Pavilion
2009	NLG	60610-0000	PAPARELLO	Olson Pavilion
2009	RG	60639-0000	SCHLUETER	Olson Pavilion
2009	WG	60632-0000	TUAZON	Olson Pavilion
2009	HG	60616-0000	SCHLUETER	Olson Pavilion
2009	KG	60636	PAPARELLO	Olson Pavilion
2009	MG	60632-0000	SCHLUETER	Olson Pavilion
2009	JG	60642-0000	SCHLUETER	Olson Pavilion
2009	AMG	60640-0000	SCHLUETER	Olson Pavilion
2009	REG	60651-0000	PAPARELLO	Olson Pavilion
2009	SH	60559-5269	PAPARELLO	Olson Pavilion
2009	CH	60627	AHYA	Olson Pavilion
2009	CH	60610-2170	TUAZON	Olson Pavilion
2009	TH	60653-1626	TUAZON	Olson Pavilion
2009	RH	60610-0000	ROSA	Olson Pavilion
2009	DAH	60652-0000	SCHLUETER	Olson Pavilion
2009	WH	60637-0000	SCHLUETER	Olson Pavilion
2009	MH	60625-0000	SCHLUETER	Olson Pavilion
2009	RDH	60615-0000	AHYA	Olson Pavilion
2009	CH	60614-0000	PAPARELLO	Olson Pavilion
2009	CBH	60622-0000	ROSA	Olson Pavilion
2009	CVH	60637-0000	SCHLUETER	Olson Pavilion
2009	MH	60622-0000	ROSA	Olson Pavilion
2009	SSH	60640-0000	SCHLUETER	Olson Pavilion
2009	VH	60643-0000	TUAZON	Olson Pavilion
2009	RH	60619-0000	PAPARELLO	Olson Pavilion
2009	BH	60642-0000	ROSA	Olson Pavilion
2009	MGI	60625-0000	SCHLUETER	Olson Pavilion
2009	HJ	60608-0000	PAPARELLO	Olson Pavilion

2009	BMJ	60653-0000	TUAZON	Olson Pavilion
2009	JAJ	60618-0000	PAPARELLO	Olson Pavilion
2009	LJ	60608-0000	AHYA	Olson Pavilion
2009	RJ	60649-0000	TUAZON	Olson Pavilion
2009	VJ	60607-4149	AHYA	Olson Pavilion
2009	TJ	60610	SCHLUETER	Olson Pavilion
2009	BJ	60619-0000	SCHLUETER	Olson Pavilion
2009	SJ	60622-0000	ROSA	Olson Pavilion
2009	JWJ	60615-0000	SCHLUETER	Olson Pavilion
2009	TJ	60610-0000	PAPARELLO	Olson Pavilion
2009	DJ	60613-0000	SCHLUETER	Olson Pavilion
2009	SK	60640-0000	SCHLUETER	Olson Pavilion
2009	MK	60623-0000	AHYA	Olson Pavilion
2009	BL	60637-0000	ROSA	Olson Pavilion
2009	JL	60616-0000	SCHLUETER	Olson Pavilion
2009	TL	60649-1133	AHYA	Olson Pavilion
2009	BL	60610-0000	PAPARELLO	Olson Pavilion
2009	JL	60640-0000	PAPARELLO	Olson Pavilion
2009	AL	60629-0000	AHYA	Olson Pavilion
2009	KL	60641	ROSA	Olson Pavilion
2009	EL	60610-0000	SCHLUETER	Olson Pavilion
2009	LM	60651	SCHLUETER	Olson Pavilion
2009	JM	60622-0000	AHYA	Olson Pavilion
2009	RRM	60611-0000	PAPARELLO	Olson Pavilion
2009	RVM	60617-0000	SCHLUETER	Olson Pavilion
2009	LM	60632-0000	AHYA	Olson Pavilion
2009	EJM	60649-0000	TUAZON	Olson Pavilion
2009	LM	60690-0000	SCHLUETER	Olson Pavilion
2009	BM	60619-3018	PAPARELLO	Olson Pavilion
2009	CM	60617	SCHLUETER	Olson Pavilion
2009	RM	60613-0000	TUAZON	Olson Pavilion
2009	JM	60626-0000	AHYA	Olson Pavilion
2009	JM	60611-0000	ROSA	Olson Pavilion
2009	TM	60610-0000	SCHLUETER	Olson Pavilion
2009	LAM	60609-0000	ROSA	Olson Pavilion
2009	LLM	60636-0000	SCHLUETER	Olson Pavilion
2009	GM	60608-0000	AHYA	Olson Pavilion
2009	EM	60610-0000	SCHLUETER	Olson Pavilion
2009	PM	60618-0000	TUAZON	Olson Pavilion
2009	RN	60623	PAPARELLO	Olson Pavilion
2009	MN	60611-8242	SCHLUETER	Olson Pavilion

2009	GN	60651-0000	AHYA	Olson Pavilion
2009	SO	60615-0000	ROSA	Olson Pavilion
2009	LO	60644-0000	SCHLUETER	Olson Pavilion
2009	AO	60652-0000	ROSA	Olson Pavilion
2009	CAP	60611-0000	PAPARELLO	Olson Pavilion
2009	NLP	60651-0000	PAPARELLO	Olson Pavilion
2009	MP	60643-0000	AHYA	Olson Pavilion
2009	CRP	60625-0000	SCHLUETER	Olson Pavilion
2009	MP	60605-0000	SCHLUETER	Olson Pavilion
2009	HP	60611-0000	SCHLUETER	Olson Pavilion
2009	TP	60621-0000	SCHLUETER	Olson Pavilion
2009	DP	60617-0000	AHYA	Olson Pavilion
2009	KP	60422-0000	AHYA	Olson Pavilion
2009	GMP	60611-0000	SCHLUETER	Olson Pavilion
2009	SQ	60600-0000	PAPARELLO	Olson Pavilion
2009	DR	60605	AHYA	Olson Pavilion
2009	CR	60621-0000	SCHLUETER	Olson Pavilion
2009	MR	60651-0000	ROSA	Olson Pavilion
2009	LR	60616-0000	SCHLUETER	Olson Pavilion
2009	ER	60610-0000	TUAZON	Olson Pavilion
2009	TR	60657-0000	TUAZON	Olson Pavilion
2009	ZMR	60622-0000	SCHLUETER	Olson Pavilion
2009	DKR	60630-2695	PAPARELLO	Olson Pavilion
2009	FMR	60623-0000	PAPARELLO	Olson Pavilion
2009	MLR	60647-0000	SCHLUETER	Olson Pavilion
2009	NS	60634-0000	SCHLUETER	Olson Pavilion
2009	JS	60620	AHYA	Olson Pavilion
2009	DS	60618-0000	SCHLUETER	Olson Pavilion
2009	BSJ	60610-0000	PAPARELLO	Olson Pavilion
2009	FSJR	60660-0000	SCHLUETER	Olson Pavilion
2009	SS	60640-0000	SCHLUETER	Olson Pavilion
2009	JAS	60616	TUAZON	Olson Pavilion
2009	BS	60657-0000	TUAZON	Olson Pavilion
2009	RS	60610-0000	SCHLUETER	Olson Pavilion
2009	RS	60613-0000	TUAZON	Olson Pavilion
2009	KS	60613-0000	SCHLUETER	Olson Pavilion
2009	SS	60659-2008	PAPARELLO	Olson Pavilion
2009	ES	60608	SCHLUETER	Olson Pavilion
2009	YT	60613-0000	PAPARELLO	Olson Pavilion
2009	DT	60615-0000	SCHLUETER	Olson Pavilion
2009	JT	60605-0000	SCHLUETER	Olson Pavilion

2009	GT	60611-0000	TUAZON	Olson Pavilion
2009	DT	60637-0000	SCHLUETER	Olson Pavilion
2009	CET	60620-0000	SCHLUETER	Olson Pavilion
2009	CKT	60640-0000	PAPARELLO	Olson Pavilion
2009	ST	60613-0000	PAPARELLO	Olson Pavilion
2009	MT	60647-0000	AHYA	Olson Pavilion
2009	RT	60632-0000	TUAZON	Olson Pavilion
2009	KT	60615-0000	AHYA	Olson Pavilion
2009	DT	60653-1008	TUAZON	Olson Pavilion
2009	MET	60624-0000	TUAZON	Olson Pavilion
2009	FV	60619-0000	AHYA	Olson Pavilion
2009	SAV	60515	AHYA	Olson Pavilion
2009	GV	60440-0000	SCHLUETER	Olson Pavilion
2009	MV	60609-0000	SCHLUETER	Olson Pavilion
2009	AMW	60611-0000	AHYA	Olson Pavilion
2009	RW	60653-0000	PAPARELLO	Olson Pavilion
2009	EW	60640-0000	AHYA	Olson Pavilion
2009	CW	60621-0000	SCHLUETER	Olson Pavilion
2009	SW	60624-0000	TUAZON	Olson Pavilion
2009	CW	60610-0000	ROSA	Olson Pavilion
2009	MW	60624-0000	SCHLUETER,	Olson Pavilion
2009	BJW	60637-0000	ROSA	Olson Pavilion
2009	MDW	60621-0000	PAPARELLO	Olson Pavilion
2009	RW	60637-0000	AHYA	Olson Pavilion
2009	NW	60639-0000	SCHLUETER	Olson Pavilion
2009	RY	60620-0000	PAPARELLO	Olson Pavilion
2009	DZ	60430-0000	TUAZON	Olson Pavilion

## PLANNING AREA NEED

The proposed project is limited to the establishment of a 36-station ESRD facility in the City of Chicago, which is designated by the IHFSRB as Planning Area VI for ESRD services. The August 24, 2012 *Update* to the IDPH's "*Inventory*" identifies a five-year "need" for 108 additional ESRD stations in Planning Area VI, and as a result, the proposed project is consistent with the applicable review criterion.

## SERVICE TO PLANNING AREA RESIDENTS

Consistent with the origin of patients currently under the care of the six nephrologists that have provided letters in support of this project (please see ATTACHMENT 26b3), a very high percentage of the prospective patients to be referred to the proposed ESRD facility will be residents of the City of Chicago, the IDPH-designated planning area. During 2011, and based on data provided by The Renal Network, 89.4% of the patients initiating hemodialysis under the direction of the six nephrologists providing referral letters in support of this application were Chicago residents, 8.5% were non-Chicago Illinois residents, and one patient lived in northwest Indiana. No appreciable changes to the physicians' patient origin are anticipated.

SERVICE DEMAND  
ESTABLISHMENT OF CATEGORY OF SERVICE

Please see letters and supportive documentation, including past, current and prospective patients' ZIP Codes of residence, provided in ATTACHMENT 15.

PLANNING AREA NEED  
SERVICE ACCESSIBILITY

The most recent ESRD station calculation for the City of Chicago identifies a five-year need for 78 additional stations. As is the case with many planning areas and with many ESRD projects brought before the IHFSRB, a disparity exists between calculated need and the historical utilization of the planning area's existing facilities and stations.

The purpose of this project, as discussed in ATTACHMENTS 12, 15 and others, is to provide a single setting for the hemodialysis patients of Northwestern Medical Faculty Foundation's Division of Nephrology's patients, that is located on the Northwestern Medical campus, and fully-integrated into Northwestern Memorial Hospital's other nephrology-related programs and services.

## UNNECESSARY DUPLICATION OF SERVICES

Attached are lists of all ZIP Code areas located within a 30-minute drive (per IHFSRB adjustment) of the proposed site, and all ESRD facilities located within that area. The cumulative 2012 population of the identified area is 2,489,972 per 2012 ZIP Code-specific population estimates developed by Geolytics, Inc. There are 763 approved ESRD stations within the identified area, resulting in a population : station ratio of 3,511.9 persons per station. While the area-specific population : station ratio is slightly lower than that of the State as a whole, the proposed project differs from the existing ESRD providers because of the intended relationship between the hemodialysis program and the other patient care, teaching and research programs provided on the Northwestern Memorial Hospital campus, as discussed in ATTACHMENT 12.

ZIP Code	City	State	Area Code	Distance
60130	FOREST PARK	IL	708	9.92
60202	EVANSTON	IL	224	9.95
60301	OAK PARK	IL	708	9.15
60302	OAK PARK	IL	708	8.63
60303	OAK PARK	IL	708	8.63
60304	OAK PARK	IL	708	8.76
60402	BERWYN	IL	708	9.68
60403	CREST HILL	IL	708	9.48
60601	CHICAGO	IL	312	0.61
60602	CHICAGO	IL	312	0.86
60603	CHICAGO	IL	312	1.04
60604	CHICAGO	IL	312	1.19
60605	CHICAGO	IL	312	1.94
60606	CHICAGO	IL	312	1.16
60607	CHICAGO	IL	312	2.03
60608	CHICAGO	IL	312	3.94
60609	CHICAGO	IL	312	5.97
60610	CHICAGO	IL	312	0.85
60611	CHICAGO	IL	312	0
60612	CHICAGO	IL	312	3.46
60613	CHICAGO	IL	312	4.54
60614	CHICAGO	IL	312	2.49
60615	CHICAGO	IL	312	6.42
60616	CHICAGO	IL	312	3.42
60618	CHICAGO	IL	312	5.36
60621	CHICAGO	IL	312	8.22
60622	CHICAGO	IL	312	2.58
60623	CHICAGO	IL	312	5.84
60624	CHICAGO	IL	312	5.27
60625	CHICAGO	IL	312	6.68
60626	CHICAGO	IL	312	8.16
60629	CHICAGO	IL	312	9.34
60630	CHICAGO	IL	312	8.73
60632	CHICAGO	IL	312	7.54
60636	CHICAGO	IL	312	8.58
60637	CHICAGO	IL	312	8.01
60639	CHICAGO	IL	312	7.12
60640	CHICAGO	IL	312	5.84
60641	CHICAGO	IL	312	7.22
60642	CHICAGO	IL	312	1.78
60644	CHICAGO	IL	312	7.04
60645	CHICAGO	IL	312	8.83
60646	CHICAGO	IL	312	9.91
60647	CHICAGO	IL	312	4.42
60649	CHICAGO	IL	312	9.57
60651	CHICAGO	IL	312	6.07
60653	CHICAGO	IL	312	5.27
60654	CHICAGO	IL	312	0.83
60657	CHICAGO	IL	312	3.58
60659	CHICAGO	IL	312	7.5
60660	CHICAGO	IL	312	7.02
60661	CHICAGO	IL	312	1.38
60664	CHICAGO	IL	773	2.27
60668	CHICAGO	IL	312	0.99
60669	CHICAGO	IL	312	2.01

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Zipoid - free zip code finder

ZIP Code	City	State	Area Code	Distance
60670	CHICAGO	IL	312	0.58
60673	CHICAGO	IL	312	0.67
60674	CHICAGO	IL	312	1.97
60675	CHICAGO	IL	312	1.11
60677	CHICAGO	IL	312	1.2
60678	CHICAGO	IL	312	1.02
60680	CHICAGO	IL	773	2.37
60681	CHICAGO	IL	312	2
60682	CHICAGO	IL	312	5.16
60684	CHICAGO	IL	312	3.13
60685	CHICAGO	IL	312	1.18
60686	CHICAGO	IL	312	3.44
60687	CHICAGO	IL	312	1.02
60688	CHICAGO	IL	312	3.44
60689	CHICAGO	IL	312	3.44
60690	CHICAGO	IL	312	1.21
60691	CHICAGO	IL	312	1.16
60693	CHICAGO	IL	312	1.16
60694	CHICAGO	IL	312	1.1
60695	CHICAGO	IL	312	1.33
60696	CHICAGO	IL	312	3.44
60697	CHICAGO	IL	312	1.15
60699	CHICAGO	IL	312	1.98
60712	LINCOLNWOOD	IL	773	9.64
60804	CICERO	IL	708	7.92
80	Records found			

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ESRD Facilities Located within  
30 Minutes of Proposed Site

	Mount Sinai Hospital	15th Street @ California Ave.	Chicago
	Stroger Hospital of Cook County	1835 W. Harrison	Chicago
	Rush University Medical Center	1653 W. Congress Parkway	Chicago
	FMC-North Kilpatrick	4800 N. Kilpatrick	Chicago
	Neomedica Loop East	557 West Polk Street	Chicago
	Loop Renal Center	55 East Washington	Chicago
	Chicago Dialysis Center	820 West Jackson	Chicago
	Jackson Park Dialysis	7531 S. Stony Island Avenue	Chicago
	DCA-Rogers Park	2277 West Howard Street	Chicago
	FMC West Belmont	4848 West Nelmont Avenue	Chicago
	FMC Bridgeport	825 West 35th Street	Chicago
	Lincoln Park Dialysis Center	3155 N. Lincoln Avenue	Chicago
	Emerald Dialysis	1437 East 53rd Street	Chicago
	FMC Northcenter	2620 W. Addison Street	Chicago
	FMC-West Willow	1444 West Willow	Chicago
	West Metro Dialysis Center	1044 West Mozart	Chicago
	Circle Medical Management	1426 W. Washington Blvd.	Chicago
	RCG Garfield	5401 Wentworth	Chicago
	RCG-Prairie	1717 West Wabash Ave	Chicago
	FMC-South Shore	2420 East 79th Street	Chicago
	Northwestern Memorial Hospital	710 Fairbanks Court	Chicago
	Nephron-Swedish Covenant	5140 N. California Avenue	Chicago
	Lurie Children's Hospital	225 East Chicago Avenue	Chicago
	FMC-Congress Parkway	3410 W. Van Buren Street	Chicago
	Garfield Kidney Center	W. Franklin @ Spaulding	Chicago
	Montclare Dialysis Center	7009 W. Belmont Ave.	Chicago
	Austin Community Kidney Ctr.	Chicago @ Cicero Avenues	Chicago
	Little Village Dialysis	2335 W. Cermack Road	Chicago
	FMC-Englewood	6333 South Green Street	Chicago
	FMC-Lakeview	4800 N. Broadway	Chicago
	FMC-Chicago West	1340 S. Damen Avenue	Chicago
	RCG-Uptown	4720 N. Marine Drive	Chicago
	DaVita-Lake Park Dialysis	43rd & S. Cottage Grove Ave.	Chicago
	DaVita-Woodlawn	164 East 55th Street	Chicago
	FMC-Logan Square	2816 N. Kimball Avenue	Chicago

## STAFFING

The proposed ESRD facility will meet or exceed all licensure, JCAHO and industry staffing-related standards.

A member of Northwestern Medical Faculty Foundation's Division of Nephrology, each of which is a Board-Certified nephrologist will be named to the position of Medical Director. The initial Medical Director will be named approximately six months prior to the facility's opening, and will lead the process of developing treatment protocols and clinical policies and procedures. As an example of the professional background of members of NMFF's Division of Nephrology, a copy of Dr. William Schlueter's curriculum vitae is attached.

The nursing staff will consist of registered nurses, including at least one nurse having a minimum of twelve months experience in a hemodialysis center. In addition, dialysis technicians, meeting all State of Illinois requirements will be hired, consistent with anticipated patient volumes, and a part-time registered dietitian and a part-time Master's Degreeed social worker will be hired prior to the facility's opening. These positions will transition to full-time positions upon the recommendation of the Medical Director.

All personnel will undergo an orientation process, led by the Medical Director and experienced members of the nursing staff prior to participating in any patient care activities. In addition, and on an annual basis, all clinical staff will participate in inservice training related to OSHA compliance, CPR certification, applicable skills competency, water quality, and other areas as determined appropriate by management.

**CURRICULUM VITAE**  
**WILLIAM A. SCHLUETER, M.D.**

**PERSONAL INFORMATION**

Office address: Northwestern Memorial Hospital  
Olson 4-500  
710 N. Fairbanks Court  
Chicago, IL 60611  
(312) 926-4871  
Fax (312) 926-4885

Home address: 808 Park Wood Lane  
Park Ridge, IL 60068  
(847) 825-0919

E-mail address: WSchlueter@nmff.org  
Citizenship: U.S.  
Date of birth: February 9, 1954  
Place of birth: Evanston, Illinois

**EDUCATION**

1976	Northern Illinois University	B.S.
1980	Chicago Medical School	M.D.

**GRADUATE MEDICAL EDUCATION**

1980-1981 Internship in Internal Medicine  
Hines VA Hospital  
Hines, Illinois

1981- 1983 Residency in Internal Medicine  
University of Illinois at Chicago Hospital  
Chicago, Illinois

1983 – 1985 Nephrology Fellowship  
University of Illinois at Chicago Hospital  
Chicago, Illinois

## **CERTIFICATION AND LICENSURE**

1981- pres.	Illinois Medical license
1984	American Board of Internal Medicine (Internal Medicine)
1986	American Board of Internal Medicine (Nephrology)

## **FACULTY APPOINTMENTS**

1987 – 1993	Associate in Medicine, Division of Nephrology Northwestern University Medical School
1993 - 2001	Assistant Professor of Medicine, Division of Nephrology Northwestern University Feinberg School of Medicine
2001 – pres.	Associate Professor of Medicine, Division of Nephrology Northwestern University Feinberg School of Medicine

## **HOSPITAL APPOINTMENTS**

1987– 2005	Nephrology attending Lakeside VA Medical Center, Chicago IL
1987 – pres.	Nephrology attending Northwestern Memorial Hospital, Chicago IL
2005 – pres.	Nephrology attending West Side VA Medical Center, Chicago IL

## **ADMINISTRATIVE APPOINTMENTS**

1995 – 2005	Chief of Nephrology Lakeside VA Medical Center, Chicago IL
1995 – 2005	Director, Hypertension Clinic Lakeside VA Medical Center, Chicago IL
1992 – 1999	Director, Inpatient dialysis Northwestern Memorial Hospital, Chicago, IL

1999 – pres. Director, Outpatient Dialysis Unit under the following administrations  
1999 - 2001 Northwestern Memorial Hospital  
2001 - 2006 Renal Care Group, University Program  
2006 – pres. Fresenius Medical Group

### COMMITTEE SERVICE

1990 – 2000 Pharmacy and Therapeutics Committee  
Lakeside VA Medical Center  
1989 - 1990 Hospital Quality Assurance Committee  
Lakeside VA Medical Center  
1989 - 1991 Department of Medicine Quality Assurance Committee  
Lakeside VA Medical Center  
1989 - 1991 Utilization Review Committee  
Lakeside VA Medical Center  
1991 - 2005 End Stage Renal Disease Committee  
Lakeside VA Medical Center  
2000 – 2002 IRB  
Northwestern University Feinberg School of  
Medicine

### HONORS AND AWARDS

1990 Young Investigator Award  
National Kidney Foundation of Illinois  
1991 NMH/NMFF Competitive Grant Award  
1994 Roy Patterson Teaching Award  
Department of Medicine  
Northwestern University Medical School

### PROFESSIONAL SOCIETY MEMBERSHIPS

1985 – pres. American Medical Association  
1985 – pres. Chicago Medical Society  
1988 American Heart Association  
1992 – pres. American Society of Nephrology

### TEACHING EXPERIENCE

1987 – 1990 Ward teaching attending, Internal Medicine  
Northwestern Memorial Hospital

- 1987 – pres. Nephrology Consult attending for fellows, house staff,  
medical students  
Northwestern Memorial Hospital
- 1987 – 2005 Nephrology Consult attending for fellows, house staff,  
medical students  
Lakeside VA
- 1988 - 1999 Dental Care of Patients with Renal Disease, Clinical  
Correlations class  
Northwestern University
- 1987 – pres. Medical student lectures, 2<sup>nd</sup> and 3<sup>rd</sup> year classes  
Northwestern University, Feinberg School of Medicine
- 1987 – 2005 Ambulatory Care Hypertension Clinic, house staff  
Lakeside VA
- 2005 – pres. Nephrology Consult attending for fellows, house staff,  
medical students  
West Side VA

### **RESEARCH GRANTS AND CONTRACTS**

RO-1 National Institute of Health 3/1/1994 – 2/2/1998

Co-Principal Investigator

Arginine Vasopression, Potassium Excretion, and Acid-Base Balance

\$403,000

Bristol-Myers Squibb

8/1/1995-8/1/1998

Co-Principal Investigator

A Pilot Study of the Safety and Efficacy of Irbesartan in Hypertensive Type  
II Diabetic Subjects with Proteinuria

\$72,141

Smith Kline Beecham

12/1/1995 – 12/31/1996

Co-Principal Investigator

A Long-Term Open-Label Multicenter Extension Study of Once Daily Oral  
SK&F 108566 in Patients with Essential Hypertension

\$50,220

Brown Pharmaceuticals, Germany

12/6/02 – present

Principal Investigator

Post-marketing Surveillance of LDL Pharesis

\$20,160

A Phase IV Study of the Effects of Paracalcitol on Mortality in  
Dialysis Patients 2/10/2004 – present  
Co-Principal Investigator  
\$426,751 total (just completed)

EVOLVE Study 11/30/2006 – 10/31/2009  
Co-Principal Investigator  
Approximately \$200,000 in direct costs

Nocturnal Hypertension Prevention of Microalbuminuria in Type I  
Diabetes 9/30/2006 – 8/31/2012  
Co-Investigator  
UO1 DK 071733  
\$2,500,000 in direct costs (Principal Investigator: Daniel Batlle, M.D.)

## **PUBLICATIONS AND PRESENTATIONS**

### **BOOK CHAPTERS**

Schlueter W., Batlle D. The effect of loop diuretics on urinary acidification, in Diuretics III: Chemistry, pharmacology, and clinical applications: Mexico, pp. 174-182. Puschett J.B. and Greenberg A., eds. Elsevier, 1990.

Schlueter W., Batlle D. Electrolyte abnormalities in obstructive nephropathy and diversions of the urinary tract. In Fluids and Electrolytes, pp. 561-597. Kokko JP and Tannen RK, eds. Saunders, 1996; 3<sup>rd</sup> edition.

## ARTICLES

1. Batlle D., **Schlueter W.**, Foley R., Kurtzman N. Urinary pCO<sub>2</sub> as an index of collecting duct hydrogen ion secretion during chronic hypercapnia. Miner Electrolyte Metab. 1985; 11(4):230-9.
2. Batlle D., Von Riotte A., **Schlueter W.** Urinary sodium in the evaluation of hyperchloremic metabolic acidosis. N Engl J Med. 1987 Jan 15; 316(3):140-4.
3. **Schlueter W.**, Batlle D. Chronic obstructive nephropathy. Semin Nephrol. 1988 Mar; 8(1):17-28.
4. Batlle D., **Schlueter W.**, Gutterman C., Kurtzman N. Assessment of collecting tubule hydrogen ion secretion in acute respiratory alkalosis using the urinary pCO<sub>2</sub>. Pflugers Arch. 1988 Jun; 411(6):692-4.
5. Batlle D., Salem M., Levin M., **Schlueter W.**, Singer I. More on therapy for hyperkalemia in renal insufficiency. N Engl J Med. 1989 Jun 1; 320(22):1496-7.
6. **Schlueter W.**, Batlle D. Renal effects of antihypertensive drugs. Drugs. 1989 Jun; 37(6):900-25.
7. **Schlueter W.**, Keilani T., Hizon M., Kaplan B., Batlle D. On the mechanism of impaired distal acidification in hyperkalemic renal tubular acidosis: evaluation with amiloride and bumetanide. J Am Soc Nephrol. 1992 Oct; 3(4):953-64.
8. Keilani T., **Schlueter W.**, Levin M., Batlle D. Improvement of lipid abnormalities associated with proteinuria using fosinopril, an angiotensin-converting enzyme inhibitor. Ann Intern Med. 1993 Feb 15; 118(4):246-54.
9. **Schlueter W.**, Keilani T., Batlle D. Metabolic effects of converting enzyme inhibitors: focus on the reduction of cholesterol and lipoprotein(a) by fosinopril. Am J Cardiol. 1993 Dec 30; 72(20):37H-44H.
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14. Singri N., Johnstone D., Paparello J., Khosla N., Ahya S., Ghossein C., **Schlueter W.**, Rosa R., Batlle D., Levin M. Effects of predialysis eating on measurements of urea reduction ratio and KT/V. Advances in Chronic Kidney Disease, Vol. 11 No. 4, 2004, pp. 398-403.

15. Batlle D., Moorthi K., **Schlueter W.**, Kurtzman N. Distal renal tubular acidosis and the potassium enigma. Semin Nephrol 2006 Nov; 26(2):471-478.

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## **ABSTRACTS**

(\*Indicates presentation in National or International Meetings)

1. **Schlueter W**, von Riotte A, Rubenstein H, Kurtzman NA, Batlle DC: "Pseudo-distal renal tubular acidosis (DRTA)" due to laxative abuse: the role of decreased distal sodium delivery. Amer Soc Nephrol 17th Annual Meeting 54A, 1984.

2. **Schlueter W**, Jacksack K, Gutterman C, and Batlle DC: Vasopressin (AVP) enhances voltage- dependent potassium secretion. Kidney Internat 33:426, 1988.

3. \*Keilani T, **Schlueter W**, Levin M and Batlle DC. Reduction of Serum Total Cholesterol and Proteinuria with Fosinopril, a New Converting Enzyme Inhibitor (CEI). The American Society of Nephrology - The 24th Annual Meeting, 1991.

4. \*Keilani T, **Schlueter W**, Molteni A and Batlle DC. Converting Enzyme Inhibition with Fosinopril Does Not Suppress Plasma Aldosterone

and May Not Cause Hyperkalemia Despite Moderate Renal Impairment. The American Society of Nephrology - The 24th Annual Meeting, 1991.

5. \*Keilani T, **Schlueter W**, Levin M and Batlle DC. Reduction of Plasma Lipoprotein(a) with Fosinopril, a Converting Enzyme Inhibitor, in Patients with Proteinuric Renal Disease. AFCR Meeting. Clinical Research. 40: No.2, P255A, 1992.

6. \*Sobrero M, Keilani T, **Schlueter W**, Redon J and Batlle DC. Concurrent Intracellular pH and Ca<sup>2+</sup> Measurements in Lymphocytes from Hypertensive Subjects: Impact of Therapy. Am. J. Hypert. (Abstract Issue) 5: No 5 (2) P67A, 1992.

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12. \*Delis C, Esparaz D, Keilani T, **Schlueter W**, Fehmi, Robertson G, Rosa R, and Batlle D. Effect of Total Dietary Potassium Deprivation in Normal Human Subjects: Early Changes on Sodium Balance and AVP Release. 31<sup>st</sup> Annual Meeting of the American Society of Nephrology. October, JASN 1998.

13. Serrano A, Huang J, Ghossein C, Nishi L, Gangavathi A, Madhan V, Ramadugu P, Ahya S, Paparello J, Khosla N, **Schlueter W**, Batlle D. Stabilization Of GFR In Advanced Chronic Kidney Disease: A Two-Year Follow Up Of A Cohort Of CKD Patients Stages 4 and 5. Advances in Chronic Kidney Diseases. 2006 National Kidney Foundation Annual Meeting, Chicago, 2006.



October 5, 2012

Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

To Whom It May Concern:

Consistent with the requirements of Section 1110.1430.f), the proposed ESRD facility to be established at 259 Erie Street in Chicago will:

1. participate in The Renal Network's data system;
2. have direct access to clinical laboratory, blood bank, nutrition, rehabilitation, psychiatric and social services; and
3. provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training at the facility.

Sincerely,

A handwritten signature in cursive script that reads "Robert M. Rosa".

Robert M. Rosa, MD

## MINIMUM NUMBER OF STATIONS

The proposed ESRD facility will include 36 stations, consistent with the minimum standard set forth in Section 1110.1430(g).

## TRANSFER AGREEMENT

This Transfer Agreement ("Agreement") is entered into as of November 29, 2012, ("Effective Date") by and between **Northwestern Memorial Hospital**, an Illinois not-for-profit corporation ("Receiving Hospital") and **Northwestern Medical Faculty Foundation Dialysis Center, LLC** ("Transferring Facility"). The Receiving Hospital and Transferring Facility may be referred to individually as a "Party" and collectively the "Parties."

### RECITALS

**WHEREAS**, Transferring Facility owns and operates a dialysis center;

**WHEREAS**, Transferring Facility receives, from time to time, patients who are in need of treatment in an acute care setting; and

**WHEREAS**, the Parties desire to establish a transfer arrangement to promote continuity of care and treatment appropriate to the needs of patients.

**NOW, THEREFORE**, for and in consideration of the terms, conditions, covenants, agreements and obligations contained herein:

### SECTION 1 PATIENT TRANSFERS

1.1 **Acceptance of Patients.** Upon recommendation of an attending physician, and pursuant to the provisions of this Agreement, Receiving Hospital agrees to accept the transfer of patients from Transferring Facility *provided that* customary admission requirements, applicable State and Federal laws and regulations are met, and Receiving Hospital has the capacity and ability to treat the patient, as determined in its sole discretion. A request for a patient transfer shall be made by Transferring Facility as soon as possible once the need for a transfer has been identified. After receiving a transfer request, Receiving Hospital shall exercise its reasonable best efforts to promptly communicate whether it has the capacity to accept the transfer. Receiving Hospital further agrees to exercise its reasonable best efforts to provide for the prompt admission of transferred patients.

1.2 **Appropriate Transfer.**

**1.2.1** It shall be Transferring Facility's responsibility, at no cost to Receiving Facility, to arrange for appropriate and safe transportation and care of the patient during such transport. The Transferring Facility shall assure that the transfer is an "appropriate transfer" as defined in the Emergency Medical Treatment and Active Labor Act ("EMTALA") and related regulations, and is carried out in accordance with any other applicable laws and regulations. The Transferring Facility shall provide all available information regarding the patient when requesting a transfer, and shall comply with Section 2 below regarding the transmission of the patient's medical record to Receiving Hospital. Direct communication between the patient's attending physician from the Transferring Facility and an attending

physician at the Receiving Hospital is required before Receiving Hospital will agree to accept the requested transfer.

**1.2.2** All transfers between the Parties shall be made in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("TJC") and any other applicable accrediting bodies, and reasonable policies and procedures of the Parties. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at the Transferring Facility and must accompany the patient to the Receiving Hospital.

**1.2.3** Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious or unreasonable discrimination or based upon the patient's inability to pay for services rendered by either Party.

1.3 **Standard of Performance.** Each Party shall, in performing its obligations under this Agreement, provide patient care services in accordance with the same standards as services provided under similar circumstances to all other patients of such Party, and as may be required by federal and state laws and Medicare/Medicaid certification standards. Each Party shall maintain all legally required certifications and licenses from all applicable governmental and accrediting bodies, and shall maintain full eligibility for participation in Medicare and Medicaid.

1.4 **Billing and Collections.** Each Party shall be entitled to bill patients and any third parties responsible for paying a patient's bill, for services rendered to patients by such Party and its employees, agents and representatives, and neither Party will have any liability to the other Party for such charges. Each Party shall be solely responsible for all matters pertaining to its billing and collection of such charges, including all forms, documentation, and insurance verification. The Parties shall reasonably cooperate with each other in the preparation and completion of all forms and documentation necessary for billing.

## SECTION 2 MEDICAL RECORDS AND PERSONAL EFFECTS

### 2.1 Medical Records.

**2.1.1** Subject to applicable confidentiality requirements, the Parties shall exchange all information which may be necessary or useful in the care and treatment of a transferred patient, or which may be relevant in determining whether such patient can be adequately cared for by the Receiving Hospital. All such information shall be provided by the Transferring Facility in advance, where possible, and in any event, no later than at the time of the transfer. The Transferring Facility shall send a copy of all patient medical records that are available at the time of transfer to the Receiving Hospital, including documentation pertaining to the transfer. Any other patient records shall be sent as soon as practicable after the transfer. Each Party shall and shall cause its employees and agents to protect the confidentiality

of all patient health information, and comply with all applicable state and federal laws and regulations protecting the confidentiality of patients' records, including the privacy and security regulations related to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

- 2.2 **Personal Effects.** The Transferring Facility shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of the Receiving Hospital

### SECTION 3 TERMS AND TERMINATION

- 3.1 **Term.** This Agreement shall be effective as of the Effective Date and shall remain in effect until terminated as provided herein.

- 3.2 **Termination.** This Agreement may be terminated as follows:

- (a) **Termination by Mutual Consent.** The Parties may terminate this Agreement at any time by mutual written consent, and such termination shall be effective upon the date stated in the consent.
- (b) **Termination Without Cause.** Either Party may terminate this Agreement, without cause, upon thirty (30) days prior written notice to the other Party.
- (c) **Termination for Cause.** A Party shall have the right to immediately terminate this Agreement for cause upon the happening of any of the following:
  - (i) If such Party determines that the continuation of this Agreement would endanger patient care.
  - (ii) Violation by the other Party of any material provision of this Agreement, which violation continues for a period of fifteen (15) days after receipt of written notice by the other Party specifying the violation and failure by the other Party to cure.
  - (iii) Exclusion of the other Party from participation in the Medicare or Medicaid programs or conviction of the other Party of a felony related to the provision of health care services.
  - (iv) Except with respect to a change from one accrediting organization to another, the other Party's loss or suspension of any certification, license, accreditation (including the Health Facilities Accreditation Program ("HFAP") or other applicable accreditation), or other approval necessary to render acute patient care services.

### SECTION 4 NON-EXCLUSIVE RELATIONSHIP

- 4.1 **Non-Exclusive.** This Agreement shall be non-exclusive. Either Party shall be free to enter into similar arrangements at any time with other hospitals, or health care entities on either a limited or general basis while this Agreement is in effect. Neither Party shall use the other Party's name or marks in any promotional or advertising material without first obtaining the written consent of the other Party.

## SECTION 5 LICENSURE AND INSURANCE

- 5.1 **Licenses, Permits and Certification.** Each party represents to the other Party that it and all of its employees, agents and representatives possess and shall maintain all required licenses, permits and certifications enabling such Party to provide the services referenced in this Agreement.
- 5.2 **Notification of Claims.** Each Party shall notify the other Party in writing of any action or suit filed, and shall give prompt notice of any claim made, against the Party by any person or entity that may result in litigation related to the subject of this Agreement.

## SECTION 6 COMPLIANCE

- 6.1 **Compliance.** At all times, both Parties shall comply with all federal, state and local laws, rules and regulations now in effect or later adopted relating to the services to be provided hereunder. Each Party shall promptly notify the other Party if it receives notice of any actual or alleged infraction or violation of the same, or notice of any suit or action filed or claim made against a Party related to this Agreement.
- 6.2 **Mutual Representations and Warranties.**
- 6.2.1 **Receiving Hospital.** As of the date hereof and throughout the term of this Agreement, the Receiving Hospital represents and warrants that it is: (a) licensed to operate a general acute care hospital in Illinois; (b) a participating provider in all federally funded health care programs, including Medicare and Medicaid; and (c) accredited by the HFAP or TJC. Receiving Hospital shall promptly notify the Transferring Facility if it is no longer able to support any of the above representations and warranties.
- 6.2.2 **Transferring Facility.** As of the date hereof and throughout the term of this Agreement, the Transferring Facility represents and warrants that it is: (a) licensed to operate a an end-stage renal disease facility in Illinois; and (b) a participating provider in all federally funded health care programs, including Medicare and Medicaid. Transferring Facility shall promptly notify the Receiving



With a copy to:

Northwestern Medical Faculty Foundation  
680 N. Lake Shore Drive, Suite 1118  
Chicago, IL 60611  
Attention: Office of General Counsel

or to such other address of which the receiving Party has given notice pursuant to this Section. All notices shall be considered given and received on the date actually received if given by personal delivery, or traceable courier service, or on the date shown as received on a fax confirmation sheet (unless such date is not a business day, in which case the notice shall be deemed given on the next business day) if given by facsimile.

- 7.4 **Assignment.** Neither Party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other, except that either Party may assign all or part of its rights and delegate all or part of its obligations under this Agreement to any entity controlled by or under common control with such Party, or a successor in interest to substantially all of the assets of such Party.
- 7.5 **Entire Agreement; Amendment.** This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof and may not be amended or modified except in a writing signed by both Parties. All continuing covenants, duties, and obligations contained herein shall survive the expiration or termination of this Agreement.
- 7.6 **Governing Law.** This Agreement shall be governed by and construed according to the laws of the State of Illinois without regard to the conflict of laws provisions thereunder.
- 7.7 **Headings.** The headings of sections contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.
- 7.8 **Non-discrimination.** Neither Party shall discriminate against any individuals on the basis of race, color, sex, age, religion, national origin, or disability while acting pursuant to this Agreement.
- 7.9 **Severability.** If any provision of this Agreement, or the application thereof to any person or circumstance, shall be held to be invalid, illegal or unenforceable in any respect by any court or other entity having the authority to do so, the remainder of this Agreement, or the application of such affected provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall be in no way affected, prejudiced or disturbed, and each provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.
- 7.10 **Successors and Assigns.** This Agreement shall be binding upon, and shall inure to the benefit of the Parties hereto, their respective successors and permitted assigns.

- 7.11 **Waiver.** No failure by a Party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, shall constitute a waiver of any such breach of such covenant, agreement, term or condition. Any Party may waive compliance by the other Party with any of the provisions of this Agreement if done so in writing. No waiver of any provision shall be construed as a waiver of any other provision or any subsequent waiver of the same provision.
- 7.12 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement through their respective authorized officers, effective as of the day and year first written above.

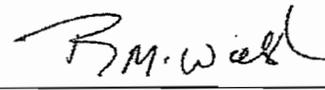
**Northwestern Memorial Hospital**

By: 

Title: General Counsel

Date Signed: 11/29/2012

**Northwestern Medical Faculty Foundation  
Dialysis Center, LLC**

By: 

Title: Manager

Date Signed: 11/29/2012



Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

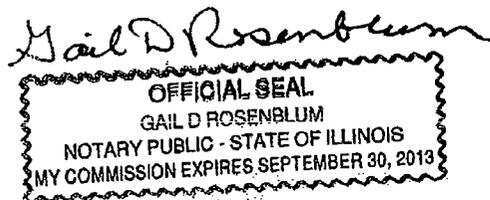
To Whom It May Concern:

This letter is being written for inclusion in the Certificate of Need application addressing the establishment of an end stage renal disease facility to be located at 259 East Erie Street in Chicago, Illinois. Please be advised that it is my expectation and understanding that by the second year following the project's completion, the facility will be operating at the IHFSRB's target utilization rate, and that it will, at minimum, maintain that level of utilization thereafter.

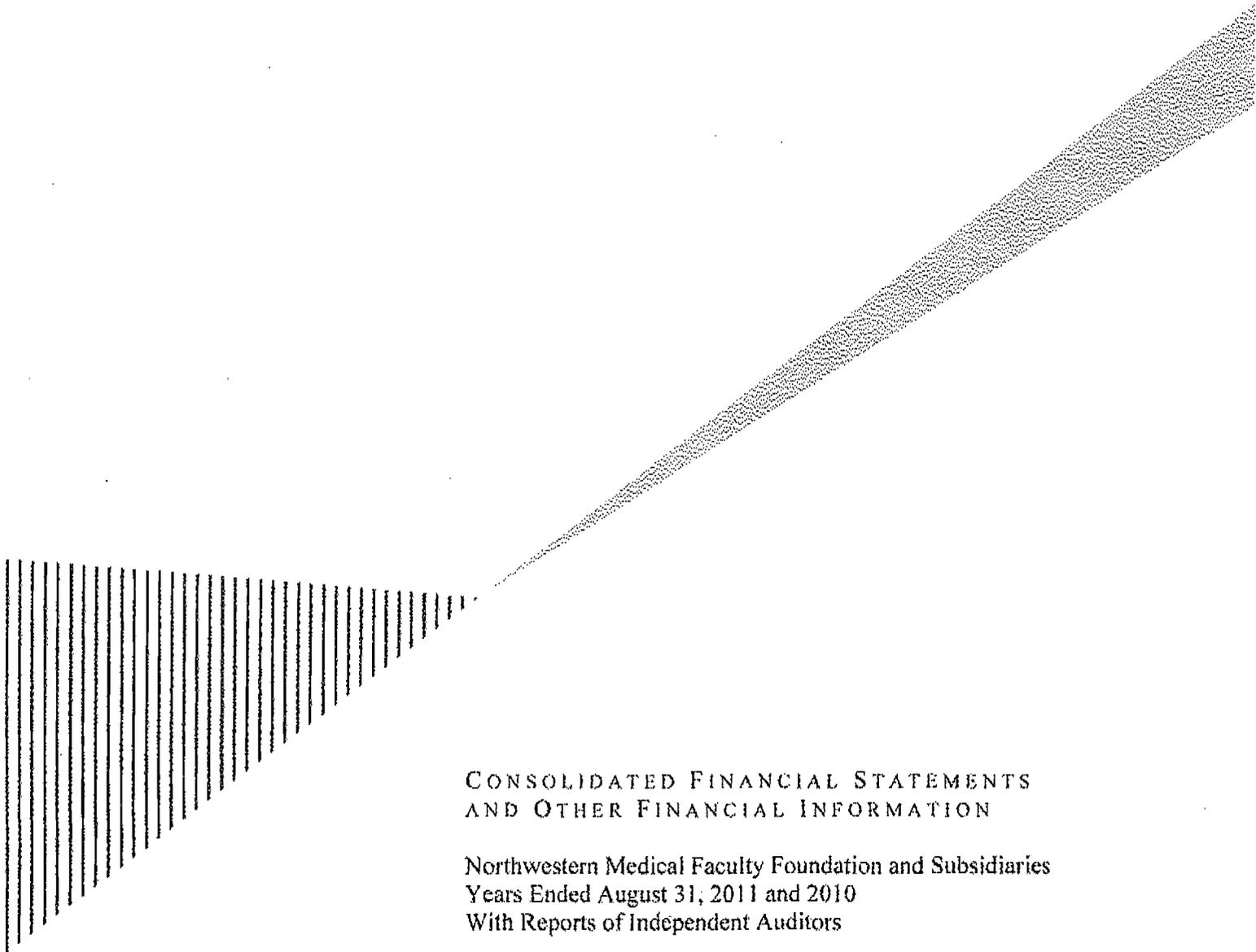
Sincerely,

*Robert M. Rosa, MD*  
Robert M. Rosa, MD

Notarized:



10/17/12



CONSOLIDATED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION

Northwestern Medical Faculty Foundation and Subsidiaries  
Years Ended August 31, 2011 and 2010  
With Reports of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

ATTACHMENT 39

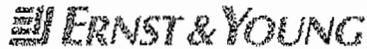
Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Financial Statements  
and Other Financial Information

Years Ended August 31, 2011 and 2010

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Ernst & Young LLP  
155 North Wacker Drive  
Chicago, IL 60606-1787  
Tel: +1 312 879 2000  
Fax: +1 312 879 4000  
www.ey.com

## Report of Independent Auditors

The Board of Directors  
Northwestern Medical Faculty Foundation

We have audited the accompanying consolidated balance sheets of Northwestern Medical Faculty Foundation and Subsidiaries (the Foundation) as of August 31, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Foundation's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Northwestern Medical Faculty Foundation and Subsidiaries as of August 31, 2011 and 2010, and the consolidated results of their operations, changes in net assets, and cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

*Ernst & Young LLP*

January 6, 2012

Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Balance Sheets

(In Thousands)

	August 31	
	2011	2010
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 56,404	\$ 39,493
Current portion of assets limited as to use:		
Internally designated assets	7,170	4,995
Held-by-trustee assets	2,839	2,788
Accounts receivable, net of allowance for doubtful accounts of \$14,099 in 2011 and \$15,180 in 2010	57,633	57,330
Current portion of insurance program deposits and collateral	4,317	4,522
Pledges receivable	7,366	5,763
Other receivables, prepaid expenses, and current assets	18,211	15,775
<b>Total current assets</b>	<b>153,940</b>	<b>130,666</b>
Investments	81,623	71,613
Assets limited as to use:		
Internally designated assets	45,058	33,411
Held-by-trustee assets	6,233	6,233
Property, equipment, and improvements, net	71,521	72,550
Insurance program deposits and collateral	74,389	55,288
Deferred bond issuance costs, net	1,188	1,259
Pledges receivable	12,625	5,197
Other noncurrent assets	3,795	3,112
	<b>\$ 450,372</b>	<b>\$ 379,329</b>

	August 31	
	2011	2010
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 18,915	\$ 15,635
Accrued salaries, wages, benefits, and taxes	40,528	36,642
Amounts payable to Feinberg School of Medicine and Research and Education Fund	24,650	20,453
Current portion of insurance program liabilities	4,317	4,522
Current maturities of long-term debt and capital leases	2,838	2,901
Total current liabilities	<u>91,248</u>	<u>80,153</u>
Long-term debt and capital leases, less current maturities	69,374	72,117
Other liabilities:		
Insurance program liabilities	58,391	44,865
Deferred compensation	7,254	6,284
Other	7,527	7,433
Total other liabilities	<u>73,172</u>	<u>58,582</u>
Total liabilities	233,794	210,852
Net assets:		
Unrestricted	185,493	146,634
Temporarily restricted	31,085	21,843
Total net assets	<u>216,578</u>	<u>168,477</u>
	<u>\$ 450,372</u>	<u>\$ 379,329</u>

See accompanying notes.

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Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets  
(In Thousands)

	Year Ended August 31	
	2011	2010
<b>Change in unrestricted net assets</b>		
Revenues:		
Patient service revenue	\$ 487,494	\$ 480,568
Net assets released from restrictions	14,040	13,449
Other revenue	59,327	58,684
Total revenues	<u>560,861</u>	<u>552,701</u>
Expenses:		
Physician salaries, wages, benefits, and taxes	210,591	200,432
Nonphysician salaries, wages, benefits, and taxes	111,471	108,118
Provision for bad debts	33,030	36,659
Purchased medical and professional services	26,029	26,434
Medical supplies and devices	65,895	58,576
Administrative and general	14,196	12,647
Rent and other occupancy costs	15,570	14,580
Professional liability insurance	(248)	7,535
Provision for Research and Education Fund	20,043	19,779
Depreciation and amortization	9,940	8,852
Interest expense	3,894	3,814
Total expenses	<u>510,411</u>	<u>497,426</u>
Operating income before earnings on insurance program deposits and collateral	50,450	55,275
Earnings on insurance program deposits and collateral	7,346	5,238
Operating income	<u>57,796</u>	<u>60,513</u>
Nonoperating (expenses) income:		
Investment income	7,085	2,747
Net assets released from restrictions	240	9,846
Mission support contributions – medical education	(531)	(1,234)
Mission support contributions – research, academic, and other	(25,731)	(39,637)
Total nonoperating expenses	<u>(18,937)</u>	<u>(28,278)</u>
Excess of revenues over expenses	<u>38,859</u>	<u>32,235</u>

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Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)  
*(In Thousands)*

	Year Ended August 31	
	2011	2010
<b>Change in unrestricted net assets</b>		
Excess of revenues over expenses	\$ 38,859	\$ 32,235
Increase in unrestricted net assets	38,859	32,235
<b>Change in temporarily restricted net assets</b>		
Net assets released from restrictions	(14,280)	(23,295)
Restricted contributions	23,522	14,018
Decrease in temporarily restricted net assets	9,242	(9,277)
Change in net assets	48,101	22,958
Net assets – beginning of year	168,477	145,519
Net assets – end of year	\$ 216,578	\$ 168,477

*See accompanying notes.*

Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Statements of Cash Flows  
(In Thousands)

	Year Ended August 31	
	2011	2010
<b>Operating activities</b>		
Change in net assets	\$ 48,101	\$ 22,958
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Earnings on retained-risk insurance programs	(7,346)	(5,238)
Equity (gains) losses on alternative investments	(1,062)	680
Net increase in trading securities	(11,113)	(2,971)
Depreciation and amortization	9,940	8,852
Amortization of original issue discount and deferred financing costs	164	164
Forgiveness of physician and employee loans	807	1,046
Provision for bad debts	33,030	36,659
Restricted contributions	(23,522)	(14,018)
Changes in operating assets and liabilities:		
Accounts receivable	(33,333)	(38,928)
Other receivables, prepaid expenses, and current assets	(2,436)	(5,521)
Accounts payable and accrued expenses, including accrued salaries, wages, benefits, and taxes	5,858	(3,316)
Amounts payable to Feinberg School of Medicine and Research and Education Fund	4,197	5,192
Insurance program liabilities	13,321	(11,799)
Other assets and liabilities	1,144	1,034
Net cash provided by (used in) operating activities	<u>37,750</u>	<u>(5,206)</u>
<b>Investing activities</b>		
Purchases of property, equipment, and improvements	(7,602)	(7,541)
Capital contributions to alternative investment funds	(10,030)	(11,025)
Distributions from alternative investment funds	11,265	10,629
(Increase) decrease in insurance program deposits and collateral	(11,550)	17,383
Increase in assets limited as to use, net	(12,941)	(15,467)
Net cash used in investing activities	<u>(30,858)</u>	<u>(6,021)</u>

Northwestern Medical Faculty Foundation and Subsidiaries

Consolidated Statements of Cash Flows (continued)

(In Thousands)

	Year Ended August 31	
	2011	2010
<b>Financing activities</b>		
Repayment of long-term debt	\$ (2,435)	\$ (2,325)
Payments on capital leases	(463)	(467)
Proceeds from restricted contributions	14,235	12,928
Issuance of loans to physicians and employees	(1,753)	(602)
Repayment of loans by physicians and employees	435	288
Net cash provided by financing activities	<u>10,019</u>	<u>9,822</u>
Increase (decrease) in cash and cash equivalents	16,911	(1,405)
Cash and cash equivalents:		
Beginning of year	39,493	40,898
End of year	<u>\$ 56,404</u>	<u>\$ 39,493</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for interest	<u>\$ 3,930</u>	<u>\$ 4,022</u>
Noncash additions to property, equipment, and improvements	<u>\$ 1,309</u>	<u>\$ 4,927</u>

See accompanying notes.

# Northwestern Medical Faculty Foundation and Subsidiaries

## Notes to Consolidated Financial Statements (In Thousands)

August 31, 2011

### 1. Description of Organization

Northwestern Medical Faculty Foundation and Subsidiaries (the Foundation), an Illinois not-for-profit, tax-exempt corporation located in Chicago, Illinois, is an academic faculty practice plan with approximately 720 physicians and 1,350 additional health professionals and other staff. The Foundation's mission is to promote optimal health for patients and the broader community by preventing and curing disease, providing high-quality medical care, and supporting critical inquiry and continuous learning. The Foundation's physicians embody the traditional tripartite commitments of academic medicine -- clinical care, research, and education -- and work in a wide array of medical and surgical specialties and subspecialties. The Foundation's physicians serve as full-time faculty at Northwestern University (NU) Feinberg School of Medicine (FSM) and as members of the medical staff of Northwestern Memorial Hospital (NMH).

The Foundation's revenue is derived primarily from reimbursement for clinical services provided by Foundation physicians at the Foundation's ambulatory care locations, at NMH, and at other sites in the metropolitan Chicago area. The Foundation also derives revenue from fees earned from nonclinical services performed by its physicians and other health professionals, including medical administration, medical education, and other services.

The consolidated financial statements include the accounts of Northwestern Foundation for Research and Education (NFRE), an Illinois not-for-profit, tax-exempt corporation created to foster and promote the educational, charitable, research, scientific, and other activities of the Foundation and FSM. The Foundation is the sole corporate member of NFRE. Contributions and grants from NFRE are awarded to qualifying entities at the discretion of an oversight committee. The consolidated financial statements also include the accounts of Northwestern/Rosin Eyecare LLC (Rosin Eyecare), an Illinois limited liability company established to provide optical and optometric services. The Foundation is the majority owner of Rosin Eyecare. The assets, liabilities, and net assets of NFRE and Rosin are not material. All significant intercompany transactions have been eliminated in consolidation.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

The accompanying consolidated financial statements have been presented in conformity with accounting principles generally accepted in the United States (generally accepted accounting principles).

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and on deposit as well as certain investments with purchased maturities of 90 days or less. The Foundation invests excess working capital in money market mutual funds. These funds focus on preservation of capital and generally hold highly liquid government, bank, and commercial obligations.

##### **Inventories**

Pharmaceutical inventories are stated at the lower of cost or fair value using the average cost method.

##### **Investments**

Investments in commingled funds, structured as domestic and foreign limited liability companies, are measured at fair value based upon determined and published net asset values that are the basis for current transactions. The Foundation considers its commingled fund holdings to be trading securities, as the Foundation has granted discretionary authority to buy and sell underlying assets to various investment managers.

Investments in alternative investment funds, structured as limited partnerships, limited liability companies, and investor companies, are accounted for on the equity basis, based on valuation information provided by the fund managers. In cases where management believes the quarterly valuation information provided by fund managers does not reflect current market conditions, a valuation reserve is estimated and recorded.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### **2. Summary of Significant Accounting Policies (continued)**

Investment income (including interest and dividends, realized gains and losses, equity earnings on alternative investment funds, and changes in unrealized gains and losses on trading securities) is included in the excess of revenues over expenses and reported as nonoperating gains (losses).

#### **Assets Limited as to Use**

Assets limited as to use include internally designated assets and held-by-trustee assets. Internally designated assets comprise amounts set aside to fund various commitments and strategic objectives. The Foundation retains control over the related assets and may, at its discretion, subsequently redirect these amounts to other purposes. Held-by-trustee assets represent amounts maintained by a trustee under terms of the Foundation's borrowing agreements (see Note 6). Internally designated assets and held-by-trustee assets are classified in the consolidated balance sheets as current assets to the extent they are expected to be applied to discharge current obligations.

As described in Note 4, internally designated assets are held in money market funds, commingled funds, mutual funds, and guaranteed interest annuity contracts. Such commingled funds and mutual funds are measured at fair value and are considered trading securities, as discretionary authority to buy and sell underlying assets has been granted to investment managers and program participants, respectively. Guaranteed interest annuity contracts are measured at contract value, which approximates fair value. Held-by-trustee assets are held in money market funds.

#### **Property, Equipment, and Improvements**

Property, equipment, and improvements are recorded at cost or fair value, if donated. Costs relating to computer software developed or obtained for internal use (including external direct costs of materials and services, payroll costs for employees directly associated with software development projects, and interest costs incurred during the development period) are capitalized and included in property, equipment, and improvements.

Depreciation on property and equipment is provided over the estimated useful lives of the related assets and is computed using the straight-line method. Leasehold improvements and assets under capital leases are amortized over the shorter of the lease term or the estimated useful lives of the assets using the straight-line method, with the associated charge included in depreciation expense.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

**2. Summary of Significant Accounting Policies (continued)**

The Foundation estimates the useful lives of property, equipment, and improvements as follows:

<u>Type of Asset</u>	<u>Useful Life</u>
Building	35 years
Building improvements	18 years
Furniture and fixtures	10 years
Medical equipment	8 years
Computers, computer equipment, and internal-use software projects	3 to 8 years

**Long-Lived Assets**

The Foundation periodically assesses whether circumstances have occurred that would indicate the remaining estimated useful lives of long-lived assets may warrant revision or that the remaining balance of such assets may not be recoverable. In cases of possible impairment, the Foundation uses an estimate of the undiscounted cash flows over the remaining life of the asset in measuring whether the carrying value of the asset is recoverable. No impairment adjustments were recorded in fiscal years 2011 or 2010.

**Pledges and Contributions**

Unconditional promises to give cash and other assets are reported as pledges receivable at fair value at the date the promise is received. An allowance for uncollectible pledges receivable is estimated based on historical experience and other indicators. Pledges receivable with payment terms extending beyond one year are discounted using a risk-free rate of return. Pledges and other contributions are reported as temporarily restricted if received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either because a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions.

**Insurance Program Deposits**

Insurance contracts that do not transfer insurance risk are accounted for using the deposit method.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Deferred Financing Costs and Amortization of Bond Discount**

Long-term debt issuance costs are deferred and amortized over the term of the debt, along with the related original issue discount, using the straight-line method, which approximates the effective interest method.

##### **Net Patient Service Revenue**

Patient service revenue is reported at the estimated net realizable amounts due from patients, third-party payors, and others for services rendered. Under terms of government programs and agreements with other third-party payors, the Foundation receives payments at amounts different from established rates. Payment arrangements primarily include predetermined fee schedules and discounts from charges. The consolidated financial statements reflect provisions for contractual adjustments and other discounts and allowances, representing the difference between charges for services rendered and expected reimbursement.

Laws and regulations governing Medicare, Medicaid, and other third-party payor reimbursement programs are complex and subject to interpretation. As a result, there is a reasonable possibility that recorded amounts will change by a material amount in the near term.

In 2011 and 2010, charges associated with the Medicare program, the Medicaid program, and commercial and managed care payors accounted for 31% and 30%, 7% and 7%, and 58% and 59%, respectively, of the Foundation's gross patient charges.

##### **Charity Care**

The Foundation is committed to providing high-quality clinical care to its patients. Consistent with this commitment and as part of its charitable mission, the Foundation seeks to assist patients who confront challenges in paying for medically necessary services. The Foundation offers services to qualifying patients at a discount or free of charge, under terms of its established charity care policy through a sliding scale option and a catastrophic option. Under the sliding scale option, the policy provides a discount of 100% of billed charges to patients with income up to 250% of the federal poverty level, a discount of 65% to patients with income between 251% and 400% of the federal poverty level, and a discount of 35% to patients with income between 401% and 600% of the federal poverty level. Under the catastrophic option, the policy limits

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

**2. Summary of Significant Accounting Policies (continued)**

patient bills to 21% of household income for patients with annual income of 600% or less of the federal poverty level and 35% of household income for patients with annual income in excess of 600% of the federal poverty level. Household income is based on adjusted gross income as reflected on the patient's most recent tax return and other relevant factors. If the patient qualifies under both the sliding scale and catastrophic options, the Foundation applies the option most beneficial to the patient.

As amounts determined to qualify as charity care are not pursued for collection, they are not reported as net patient service revenue. For the years ended August 31, 2011 and 2010, charges forgone for charity care services, adjusted for changes in prior year estimates, totaled \$22,587 and \$18,488, respectively.

In addition to providing discounted and free care, the Foundation also incurs losses related to unreimbursed costs of providing services to Medicaid and Medicare patients. The Foundation also provides a continuum of clinical care to meet the varying healthcare needs of the patients and communities it serves. For example, the Foundation expends resources to support programs in areas such as psychiatry, geriatrics, internal medicine, primary care, and obstetrics and gynecology, which seek to provide care to economically disadvantaged and other vulnerable patient populations.

**Other Revenue**

Other revenue primarily comprises fixed and variable amounts received or accrued for physician clinical and administrative services, provided at NMH and other healthcare organizations in the Chicago area. Other revenue is recognized when realized or realizable and earned.

**Excess of Revenues over Expenses**

The consolidated statements of operations and changes in net assets include excess of revenues over expenses. Changes in unrestricted net assets that are excluded from the excess of revenues over expenses include permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets, and other items that are required by generally accepted accounting principles to be reported separately (such as extraordinary items and the cumulative effect of certain accounting changes).

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued) (In Thousands)

#### 2. Summary of Significant Accounting Policies (continued)

##### Nonoperating Income (Expenses)

Nonoperating income primarily consists of investment income (loss) on long-term investments. Nonoperating expenses primarily represent expenses relating to discretionary mission support contributions paid or accrued to FSM and others (see Note 3). In cases where such discretionary contributions are supported by the release of restricted net assets, related amounts also are reported in nonoperating income.

##### Fair Value of Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses approximated their financial statement carrying amounts as of August 31, 2011 and 2010, due to their short-term maturity. The fair value of pledges receivable is estimated using discounted cash flow analysis and approximated the carrying amount at August 31, 2011 and 2010. The fair value of long-term debt is estimated based on quoted market prices for the same or similar issues and is disclosed in Note 6.

##### Income Taxes

The Foundation and NFRE are not-for-profit corporations and have been recognized by the Internal Revenue Service (IRS) as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC), with related income considered tax-exempt under IRC Section 509(a).

##### New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued guidance requiring various additional disclosures about fair value measurements. Certain of the new disclosures became effective for the Foundation in fiscal years 2010 and 2011, and are provided in Note 12.

In August 2010, the FASB issued guidance requiring healthcare entities to disclose charity care services at cost using a costing system or reasonable estimation technique. Additionally, in September 2010, the FASB issued guidance requiring healthcare entities to present insurance recoveries separate from related claims liabilities and to measure claims liabilities without consideration of such recoveries. These standards will become effective for the Foundation in fiscal year 2012.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued) (In Thousands)

#### 2. Summary of Significant Accounting Policies (continued)

In July 2011, the FASB issued guidance requiring healthcare entities to report the provision for bad debts as a deduction from patient service revenue rather than record the related amount as an operating expense. Additionally, these standards require healthcare entities to provide enhanced disclosures about their policies for recognizing revenue and assessing bad debts. The new guidance also requires healthcare entities to provide information about patient service revenue by major payor source as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. This standard will become effective for the Foundation in fiscal year 2013.

Management is evaluating the impact of adopting these new pronouncements on the Foundation's consolidated financial statements.

#### Reclassifications

Certain reclassifications have been made to amounts in the fiscal year 2010 consolidated financial statements in order to conform to the fiscal year 2011 consolidated financial statement presentations. Such reclassifications had no effect on cash and cash equivalents, net assets, operating income, or excess of revenues over expenses as previously reported.

#### 3. Affiliated Entities and Related-Party Transactions

The Foundation is related to NMH and FSM through common missions and purposes and other contractual arrangements, as described below. Other transactions and agreements between the Foundation and NMH and FSM are described in Notes 5, 7, 10, 11, and 14.

#### Transactions With Northwestern Memorial Healthcare and Subsidiaries

Northwestern Memorial Healthcare (NMHC), the parent corporation of NMH, has pledged to provide funding to the Foundation under terms of various grant agreements. Such amounts are designated for the support of clinical program development and other strategic objectives, including initiatives to promote medical education and research, quality and patient safety, access, and community service. During fiscal years 2011 and 2010, the Foundation recognized new grant commitments from NMHC totaling \$15,330 and \$6,194, respectively, reported as restricted contributions.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### **3. Affiliated Entities and Related-Party Transactions (continued)**

Payments received on new and previously extended commitments from NMHC totaled \$8,734 and \$10,923 in fiscal years 2011 and 2010, respectively. At August 31, 2011 and 2010, pledges receivable from NMHC totaled \$11,483 (reported \$4,313 as current assets and \$7,170 as noncurrent assets) and \$5,142 (reported as \$3,842 as current assets and \$1,300 as noncurrent assets), respectively.

The Foundation provides medical administration and other professional services to NMH under terms of various agreements. The Foundation recorded revenue relating to such services and support of \$41,602 and \$43,285 in fiscal years 2011 and 2010, respectively, included in other revenue.

At August 31, 2011 and 2010, amounts due from NMH for medical administration and other professional services totaled \$9,155 and \$6,969, respectively, included in other receivables, prepaid expenses, and current assets.

NMH provides laboratory and various other professional services to the Foundation. The Foundation recorded expenses for such services of \$6,826 and \$6,839 in fiscal years 2011 and 2010, respectively, included in purchased medical and professional services. Additionally, the Foundation leases certain clinical and administrative space from NMH. Rent expense relating to such space totaled \$4,543 and \$4,700 in fiscal years 2011 and 2010, respectively, included in rent and other occupancy costs. At August 31, 2011 and 2010, amounts due to NMH for laboratory and other professional services and space rental totaled \$2,950 and \$2,198, respectively.

#### **Transactions With Northwestern University**

The Foundation's bylaws require the organization to contribute 5% of certain clinical care receipts to the Research and Education Fund of the Office of the Dean of FSM. These funds are intended to develop improved patient care facilities and services and to develop and sustain medical education programs, basic and applied biomedical research facilities and programs, and research and education support services, at the sole discretion of the Dean of FSM. The Foundation recorded a provision for the Research and Education Fund of \$20,043 and \$19,779 in fiscal years 2011 and 2010, respectively. Amounts unpaid and outstanding at August 31, 2011 and 2010, totaled \$5,083 and \$5,213, respectively, included in amounts payable to the FSM Research and Education Fund.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### 3. Affiliated Entities and Related-Party Transactions (continued)

FSM provides certain patient consultation and other professional services to the Foundation. The Foundation recorded expenses for such services of \$5,334 and \$7,040 in fiscal years 2011 and 2010, respectively, included in purchased medical and professional services. Additionally, the Foundation leases certain administrative space from NU. Rent expense relating to such space totaled \$1,819 and \$1,898 in fiscal years 2011 and 2010, respectively, included in rent and other occupancy costs. In certain instances, the Foundation provides department administration and other management services to FSM. The Foundation does not receive compensation from FSM for such activities. At August 31, 2011 and 2010, amounts due to NU for patient consultation and other professional services and space rental totaled \$2,022 and \$3,495, respectively.

In August 2010, NU, FSM, NMH, and the Foundation entered into the Feinberg School of Medicine Fiscal Year 2010 Financial Remediation Plan and Northwestern Medicine Budget Management and Review Agreement (Remediation Agreement), in order to provide non-recurring, near-term financial support to FSM. The Remediation Agreement also set forth certain mutual commitments relating to inter-entity budget and financial management.

Under terms of the Remediation Agreement, NU and NMH each contributed support of \$10,000 to FSM, and the Foundation provided funding of \$25,000. The funding provided by the Foundation comprised \$4,994 in amounts owed to FSM in the ordinary course for physician and nonphysician personnel services and space rental (reflected in purchased services and occupancy) and \$20,006 in other departmental and enterprise contributions (reported in mission support contributions – research, academic, and other). Reimbursements and contributions totaling \$20,207 were paid to FSM on August 31, 2010. The residual \$4,793 pledged to FSM was included in amounts payable to Feinberg School of Medicine at August 31, 2010, with a corresponding amount reported as internally designated assets, current portion. Such residual amounts were remitted to FSM on October 31, 2010, consistent with provisions of the Remediation Agreement.

In connection with the Remediation Agreement, NU released to the Foundation \$10,000 in excess Rubicon insurance deposits (see Note 10). These funds were disbursed to the Foundation on August 31, 2010, and the transfer was accounted for as a reduction in insurance program deposits.

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued) (In Thousands)

#### 3. Affiliated Entities and Related-Party Transactions (continued)

##### Other Discretionary Mission Support Contributions

In addition to the contributions to the FSM Research and Education Fund, the Foundation makes discretionary contributions to FSM and to McGaw Medical Center (McGaw), a consortium of Chicago-area hospitals and NU organized to provide clinical and research residency and fellowship programs. These discretionary contributions are intended to support the academic and research endeavors of these organizations. The nature and amount of such contributions are dependent on the Foundation's financial performance, the priorities and decisions of its clinical department leaders, and other factors.

During fiscal years 2011 and 2010, the Foundation contributed \$531 and \$1,234, respectively, to McGaw to support the medical education of residents and fellows, reported as mission support contributions – medical education. At August 31, 2011 and 2010, related amounts payable were not significant.

In fiscal years 2011 and 2010, the Foundation accrued additional discretionary contributions to support research, academic, and other mission-based programs and initiatives at FSM totaling \$25,731 and \$15,931, respectively, reported as mission support contributions – research, academic, and other. At August 31, 2011 and 2010, discretionary mission support contributions payable to FSM totaled \$19,567 and \$10,615, respectively, included in amounts payable to FSM and Research and Education Fund.

##### Transactions With Northwestern Medicine Catalyst Fund

Effective December 31, 2009, NMHC, NU, and the Foundation entered into a collaboration agreement (Collaboration Agreement) for the Northwestern Medicine Catalyst Fund (NMCAT Fund). Under terms of the Collaboration Agreement, the parties are permitted, but not obligated, to make contributions to the NMCAT Fund. Contributions to the NMCAT Fund support grants to qualifying recipients for the purpose of furthering the goals of the Northwestern Academic Medical Center. The assets of the NMCAT Fund are held by NU. Grant determinations are made by representatives of NMHC, FSM, and NMFF. During fiscal year 2010, the Foundation made a contribution to the NMCAT Fund of \$3,700, included in mission support contributions – research, academic, and other. The Foundation did not make or accrue any contributions to the NMCAT Fund during fiscal year 2011.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**3. Affiliated Entities and Related-Party Transactions (continued)**

During fiscal years 2011 and 2010, the Foundation received grant commitments from the NMCAT Fund of \$7,672 and \$6,740, respectively, recorded as restricted contributions. Such amounts are designated for the support of clinical program development and other strategic objectives, including faculty recruitment and retention. Payments received on new and previously extended commitments from the NMCAT Fund totaled \$4,982 and \$922 in fiscal years 2011 and 2010, respectively. At August 31, 2011 and 2010, pledges receivable from the NMCAT Fund totaled \$8,508 and \$5,818, reported \$3,053 and \$1,921 as current assets and \$5,455 and \$3,897 as noncurrent assets, respectively.

**Other Related-Party Transactions**

The Foundation extends loans to select physicians and employees, primarily in connection with recruitment and retention activities. Under terms of certain of the related promissory notes, principal and interest may be forgiven, pending continued employment and other conditions. At August 31, 2011 and 2010, physician and employee loans receivable totaled \$3,141 and \$2,630, respectively, included in other noncurrent assets.

**4. Investments and Assets Limited as to Use**

At August 31, 2011 and 2010, investments and assets limited as to use included the following:

	<u>2011</u>	<u>2010</u>
Investments	\$ 81,623	\$ 71,613
Assets limited as to use:		
Internally designated assets:		
For Feinberg School of Medicine	6,883	4,793
For donor restrictions	11,094	10,883
For clinical mission accounts	16,632	13,776
For other strategic initiatives	10,593	2,859
For deferred compensation programs	7,026	6,095
	<u>52,228</u>	<u>38,406</u>
Held-by-trustee assets	9,072	9,021
Total investments and assets limited as to use	<u>\$ 142,923</u>	<u>\$ 119,040</u>

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

4. Investments and Assets Limited as to Use (continued)

The composition of investments and assets limited as to use is as follows at August 31, 2011 and 2010:

	2011	2010
Cash and money market funds	\$ 55,754	\$ 38,677
Commingled funds:		
Domestic equities	17,426	22,204
International equities	6,825	8,927
Fixed income	22,987	25,036
Mutual funds:		
Domestic equities	3,708	3,077
International equities	738	574
Fixed income	563	745
Common trust funds:		
Commodities	5,241	-
Natural resources	1,179	-
Emerging markets	8,804	-
Guaranteed interest annuity contracts	1,767	1,699
Alternative investments	17,931	18,101
Total investments and assets limited as to use	<u>\$ 142,923</u>	<u>\$ 119,040</u>

Investments in alternative investment funds, including hedge, natural resource, real estate, distressed debt, and venture capital and private equity funds, are accounted for on the equity method. Alternative investment funds are valued on the basis of quoted market prices of the underlying holdings, when available. When not available, alternative investment funds are valued on the basis of information provided by the fund managers. Investors in the alternative investment funds are subject to liquidity restrictions, including lock-up periods and advance notification of redemptions.

The financial statements of the Foundation's alternative investment funds are audited on an annual basis. The Foundation's risk relating to such interests is limited to its carrying value and future capital commitments. The Foundation monitors the methodologies and assumptions used in valuing and reporting alternative investment funds. At August 31, 2011, the Foundation is committed to contribute additional capital totaling approximately \$3,200 to limited partnership investment entities, under terms of the underlying partnership agreements.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**4. Investments and Assets Limited as to Use (continued)**

The Foundation pools unrestricted investments and certain internally designated assets for investment purposes. Investment income relating to such investments and internally designated assets comprised the following for the years ended August 31:

	<u>2011</u>	<u>2010</u>
Investment income (loss) -- reported as nonoperating gains (losses):		
Interest and dividend income	\$ 1,495	\$ 1,283
Realized gains (losses), net	2,323	(4)
Change in unrealized gains on trading securities	2,291	2,258
Equity earnings (losses) on alternative investment funds	1,062	(680)
Other	(86)	(110)
	<u>\$ 7,085</u>	<u>\$ 2,747</u>

At August 31, 2011, equity earnings on alternative investment funds includes a provision for losses of \$840.

Investment income relating to assets limited as to use, reported in interest income and earnings on certain assets limited as to use, was not significant for the years ended August 31, 2011 and 2010.

**5. Property, Equipment, and Improvements**

Property, equipment, and improvements are stated at cost less accumulated depreciation and consist of the following at August 31:

	<u>2011</u>	<u>2010</u>
Air rights	\$ 1,315	\$ 1,315
Ambulatory Care Center space and related improvements	76,685	76,596
Furniture, fixtures, and equipment	48,504	46,062
Other leasehold improvements	17,146	17,085
Capitalized internal-use software	7,208	6,385
Construction-in-process	5,762	265
	<u>156,620</u>	<u>147,708</u>
Less accumulated depreciation and amortization	<u>(85,099)</u>	<u>(75,158)</u>
Property, equipment, and improvements, net	<u>\$ 71,521</u>	<u>\$ 72,550</u>

## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued) (In Thousands)

#### 5. Property, Equipment, and Improvements (continued)

In 1994, the Foundation and NMH entered into a Building Agreement (the Building Agreement), under which NMH sold to the Foundation certain air rights and the core and shell of seven floors within NMH's Ambulatory Care Center (ACC), along with certain interests in common elements of the ACC. The Foundation built out the acquired space and transferred many of its clinical practices and diagnostic services to the ACC.

Concurrent with the execution of the building agreement, the parties also entered into an Easement and Operating Agreement (the Operating Agreement). The Operating Agreement requires NMH to provide (or arrange for) building and maintenance services in the Foundation's ACC space. The Operating Agreement also specifies a proportionate cost-sharing arrangement between NMH and the Foundation relating to common costs and expenditures.

The Operating Agreement also places certain conditions and limitations on the sale or transfer of the parties' interests in the ACC. Under terms of the Operating Agreement, each party is permitted to transfer its interest to an affiliated entity, but neither party is permitted to unilaterally transfer its interest to a third party. In the event either party wishes to sell its interest to a third party, the other party retains a right of first purchase refusal. Furthermore, if NMH elects to sell its interest to a third party, the Foundation has the right to require NMH to sell the Foundation's interest to such third party for a pro rata portion of the purchase price.

As discussed in Note 6, the Foundation has granted a mortgage and security interest in the ACC space and related improvements to the Series 1998 bond trustee. Consistent with requirements of the Operating Agreement, the mortgage requires the trustee to provide NMH with 30 days' notice prior to commencing any foreclosure or similar action with regard to the mortgaged property. NMH has the right, within 60 days of such notice, to acquire the trustee's interest in the mortgaged property upon payment to the trustee of all amounts due and owing that are secured by the mortgaged property.

For the years ended August 31, 2011 and 2010, the Foundation recorded expenses relating to services provided by NMH under terms of the Operating Agreement totaling \$3,119 and \$3,187, respectively, included in rent and other occupancy costs.

In April 2010, the Foundation entered into lease agreements for certain telecommunications equipment. The arrangements are accounted for as capital leases with the related assets included in furniture, fixtures, and equipment. At August 31, 2011 and 2010, assets under capital leases totaled \$1,970 and \$1,970, respectively, and associated accumulated depreciation totaled \$707 and \$289, respectively.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

**5. Property, Equipment, and Improvements (continued)**

At August 31, 2011 and 2010, capitalized internal use software costs primarily relate to new or enhanced information systems to support the Foundation's revenue cycle, human resources and payroll, accounting, and decision support business processes. Amortization of capitalized internal use software costs, included in depreciation expense, totaled \$1,350 and \$465 in fiscal years 2011 and 2010, respectively.

Construction-in-process represents costs incurred in connection with initiatives to expand and refurbish the Foundation's clinical and administrative spaces. Certain of these projects are being conducted under terms of fixed price construction contracts. Outstanding commitments relating to such contracts totaled \$2,611 at August 31, 2011.

Capitalized interest was not significant during fiscal years 2011 and 2010.

**6. Long-Term Debt**

Long-term debt comprised the following at August 31:

	<u>2011</u>	<u>2010</u>
Revenue Refunding Bonds, Series 1998, serial bonds with interest at 5.0%, per annum, due in varying installments through 2013	\$ 8,065	\$ 10,500
Revenue Refunding Bonds, Series 1998, term bonds with interest at 5.0%, per annum, due in 2018	16,365	16,365
Revenue Refunding Bonds, Series 1998, term bonds with interest at 5.125%, per annum, due in 2028	47,815	47,815
Capital lease obligations	1,040	1,503
Less:		
Current maturities	(2,838)	(2,901)
Unamortized discount	(1,073)	(1,165)
Total long-term debt	<u>\$ 69,374</u>	<u>\$ 72,117</u>
Estimated fair value	<u>\$ 71,390</u>	<u>\$ 75,000</u>

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**6. Long-Term Debt (continued)**

The Series 1998 bonds were issued by the Illinois Health Facilities Authority for the benefit of the Foundation under terms of bond and trust indentures, which established the Foundation as the initial sole member of an Obligated Group. The bonds are secured by a bond insurance policy, a security interest in certain unrestricted receivables, and a mortgage and security interest in certain real property and improvements. The bonds also are secured by a debt service reserve fund.

Beginning in 2014, the Series 1998 term bonds are subject to mandatory redemption, in varying installments and without premium, under the bond sinking fund provisions of the bond indenture. Additionally, all Series 1998 bonds maturing on or after November 15, 2009, are subject to optional redemption with premiums, beginning May 15, 2008. The Series 1998 borrowing agreements also provide for extraordinary optional redemption in the event of damage or destruction of certain property and facilities.

Under the trust indenture, the Foundation, as sole member of the Obligated Group, covenants to maintain certain debt service and liquidity ratios and to provide certain other financial information. Terms of the trust indenture also place limitations on the incurrence of additional indebtedness and on the sale, lease, or other disposition of the Foundation's assets (including, in certain instances, restrictions on discretionary mission support transfers to FSM) and require various other nonfinancial covenants. The Foundation was in compliance with such covenants and requirements as of August 31, 2011 and 2010.

Principal payments on long-term debt are as follows for the indicated fiscal years:

	<u>Capital Leases</u>	<u>Other Long- Term Debt</u>	<u>Total</u>
2012	\$ 278	\$ 2,560	\$ 2,838
2013	261	2,685	2,946
2014	269	2,820	3,089
2015	232	2,960	3,192
2016	-	3,110	3,110
Thereafter	-	58,110	58,110

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**6. Long-Term Debt (continued)**

The Foundation has entered into a 364-day revolving line of credit agreement with a bank. The arrangement permits the Foundation to borrow, repay, and reborrow up to \$30,000 until the scheduled maturity date. Borrowings under the agreement bear interest at a rate based on prime rate or a rate based on the London Interbank Offering Rate (LIBOR), as elected by the Foundation. The agreement requires the Foundation to pay to the bank a commitment fee of 0.10% per annum on the average daily unused balance amount on the line of credit. The commitment fee is payable on a quarterly basis. The agreement places certain restrictions on transfers of assets to consolidated subsidiaries. There were no borrowings on the line of credit at August 31, 2011 or 2010. The Foundation intends to apply for renewal of the line of credit agreement prior to the expiration date of March 30, 2012.

**7. Temporarily Restricted Net Assets**

Temporarily restricted net assets, which primarily relate to amounts received from or pledged by NMH and the NMCAT Fund under terms of various grant agreements (see Note 3), are available for the following purposes at August 31:

	<u>2011</u>	<u>2010</u>
Faculty recruitment and program development	\$ 28,994	\$ 19,593
Designated chair grants	1,720	1,879
Clinical program development	371	371
	<u>\$ 31,085</u>	<u>\$ 21,843</u>

Net assets were released from donor restrictions by incurring expenditures for the following purposes during the years ended August 31:

	<u>2011</u>	<u>2010</u>
Faculty recruitment and program development	\$ 13,881	\$ 13,070
Designated chair grants	159	176
Clinical program development	—	203
Research and education – nonoperating	240	9,846
	<u>\$ 14,280</u>	<u>\$ 23,295</u>

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

**7. Temporarily Restricted Net Assets (continued)**

As of August 31, 2011, pledges receivable are expected to be realized as follows:

Within one year	\$ 7,366
One to five years	12,625
Total pledges	<u>\$ 19,991</u>

No allowance for uncollectible pledges receivable has been provided at August 31, 2011, due to the credit-worthiness of the grantors. Additionally, no discount on pledges receivable has been recorded due to the short-term maturity and low prevailing interest rates.

As the result of a legal settlement, the Foundation has been named as the beneficiary of an interest in the estate of a former patient. The estate includes certain closely held businesses, real property, cash and investments, and certain other contingent assets. As of August 31, 2011 and 2010, the Foundation has not recognized a beneficial interest in the estate assets in excess of distributions received because sufficient information to value such interest is not available.

As distributions from the estate are received, related amounts are recognized as operating revenue to the extent of related legal costs incurred. Distributions in excess of legal costs, along with the Foundation's residual beneficial interest in the estate, when determined and measurable, will be recorded as restricted contributions, consistent with stipulations included in the estate plan.

In September 2011, shares of the commercial venture owned by the estate were distributed to the Foundation and other beneficiaries. Valuation information relating to such shares is not presently available. Accordingly, the impact of the distribution on the Foundation's assets and net assets cannot yet be estimated.

**8. Retirement Benefit Plan and Deferred Compensation Programs**

The Foundation maintains a 403(b) retirement savings plan covering substantially all physicians and employees. Participants can enter into salary reduction agreements to make voluntary tax-deferred contributions to the 403(b) plan, subject to certain IRS limitations. Additionally, the Foundation contributes a specified percentage of eligible compensation to the plan on behalf of each participant. Participants are always fully vested in their own tax-deferred contributions and

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**8. Retirement Benefit Plan and Deferred Compensation Programs (continued)**

related earnings and become fully vested in Foundation contributions and related earnings upon completion of three years of vesting service. Contributions to the 403(b) plan by the Foundation totaled \$20,426 and \$20,891 in fiscal years 2011 and 2010, respectively.

The Foundation also sponsors a noncontributory Section 457(b) defined-contribution plan covering select employees. Under the 457(b) plan, participants may contribute a percentage of qualifying compensation, subject to certain IRS limits. The assets of the 457(b) plan are subject to the claims of the Foundation's general creditors. Accordingly, the 457(b) plan assets, and a related obligation to participants, totaling \$4,926 and \$3,557 at August 31, 2011 and 2010, respectively, are included in assets limited as to use and deferred compensation liabilities, respectively, in the consolidated balance sheets.

In prior years, the Foundation sponsored a nonqualified, discretionary deferred compensation plan for certain employees. This plan provided for participants to forgo certain compensation amounts in favor of a ten-year deferred compensation option. The option provides the participant with a payment at the end of the option period, as defined, of an amount equal to the deferred compensation, a matching amount provided by the Foundation equal to 33% of the deferred compensation, and earnings (including losses) realized through the investment of these amounts during the option period in specified investments. At the end of the option period, the participant is required to pay an exercise price (equal to the matching amount contributed by the Foundation) to receive the proceeds.

The Foundation has recorded a deferred compensation liability, net of the exercise price receivable, of \$274 and \$652 as of August 31, 2011 and 2010, respectively. Related deferred compensation program assets totaled \$332 and \$839 at August 31, 2011 and 2010, respectively. The plan has been frozen to new participants and new contributions.

Previously, the Foundation contributed amounts to a deferred compensation program it maintained for certain physicians, resulting in the deferral of a portion of their salaries until termination, retirement, death, or disability. Compensation deferred under this program totaled \$1,767 and \$1,699 as of August 31, 2011 and 2010, respectively, invested in guaranteed interest annuity contracts held by an insurance company. These contracts, together with the related accumulated interest earnings, are reflected in the consolidated balance sheets as assets limited as to use, with a corresponding amount included in deferred compensation liabilities.

Income and expenses relating to deferred compensation programs were not significant in fiscal years 2011 and 2010.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**9. Concentrations of Credit Risk**

In the normal course of business, the Foundation grants credit without collateral to its patients, most of whom are insured under government programs and third-party payor agreements. The mix of net patient accounts receivable from patients and third-party payors at August 31 was as follows:

	<u>2011</u>	<u>2010</u>
Managed care organizations	43%	41%
Medicare	8	8
Commercial insurance products	5	5
Medicaid	4	3
Patients	40	43
Total	<u>100%</u>	<u>100%</u>

**10. Professional Liability Coverage**

The Foundation has professional liability coverage through Northwestern Memorial Insurance Company (NMIC), a captive insurance company wholly owned by NMH, under terms of an Insurance Program Participation Agreement. Under the NMIC program, the Foundation and NMH are charged an actuarially determined premium for claims-made coverage. Policies written by NMIC include a retained primary layer (the Tier I) and a reinsured excess layer (the Tier II). Because the NMIC contracts result in the transfer of both timing and underwriting risk, the Foundation accounts for the NMIC claims-made coverage as insurance.

Effective June 1, 2010, NMIC adopted a paid loss retrospective premium funding model for the claims-made program. Under this approach, insurance premiums become due and owing to NMIC at the time a qualifying claim is presented for payment. In order to secure its obligation to reimburse NMIC for such future amounts, the Foundation is required to maintain collateral deposits with NMIC sufficient to fund the expected outstanding premiums. Such collateral deposits are payable to NMIC on an installment basis over the annual claims-made period. In certain cases, the Foundation may elect to withdraw excess collateral deposits. Additionally, under the new funding model, the Foundation is required to prepay its allocated share of certain NMIC operating and other costs.

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## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### 10. Professional Liability Coverage (continued)

Under terms of a Mutual Funding Agreement with NMH, the Foundation has elected to deposit its actuarially estimated tail coverage premium (Tail Coverage Funding Obligation) with NMIC and executed an extended reporting period endorsement. Provisions of the Mutual Funding Agreement require the Foundation to deposit with NMIC monthly amounts sufficient to support the actuarially projected NMIC Funding Obligation as of the end of the then-current extended reporting period endorsement. Because the Mutual Funding Agreement does not result in the transfer of both timing and underwriting risk, the Foundation accounts for the tail coverage payments made to NMIC under terms of this arrangement as insurance program deposits.

The Foundation accrues the estimated ultimate costs of claims and incidents not reported to NMIC during the claims-made coverage period and reports the related amount as an insurance program liability. The Foundation also records a provision for unallocated loss adjustment expense related to the NMIC program.

The NMIC claims-made collateral and tail coverage deposits are held in various mutual funds investing in domestic and international equities and fixed income securities. Investment earnings (losses) on such collateral and deposits are credited (debited) to the Foundation's account on a periodic basis and are reported as earnings (losses) on insurance program deposits and collateral.

The Foundation previously obtained professional liability coverage through Rubicon Insurance Company (Rubicon), a captive insurance company wholly owned by NU. The Rubicon program provided occurrence-basis coverage at varying per occurrence and annual aggregate amounts. Under the Rubicon program, claims-made excess liability insurance was purchased from various insurance carriers. Additionally, the Rubicon program included a retrospective feature, under which the Foundation can be required to make additional payments to or entitled to receive reimbursement from Rubicon based on claims experience. Because the retrospective feature does not result in the transfer of significant underwriting risk, the Foundation applies the deposit method to account for the Rubicon program.

The Foundation's share of the Rubicon program assets (i.e., cumulative amounts paid and related investment earnings, net of claims and other expense payments) are recorded as insurance program deposits. The Rubicon program assets are pooled with other NU assets for investment purposes and are held in domestic and international equities, fixed income securities, and alternative investments. Investment earnings (losses) on such deposits are credited (debited) to the Foundation's account on a periodic basis and are reported as earnings (losses) on insurance program deposits and collateral.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

**10. Professional Liability Coverage (continued)**

In certain prior insurance years, the Foundation is exposed to various retained-risks in connection with the Rubicon program, due to such factors as the erosion or exhaustion of primary and (or) excess insurance limits, the emergence of gaps between primary and excess insurance layers, and the commutation of certain excess insurance policies.

The following table summarizes insurance program deposits and collateral at August 31:

	<u>2011</u>	<u>2010</u>
Insurance program collateral – NMIC claims-made program:		
Current	\$ 1,541	\$ –
Noncurrent	18,190	2,391
Insurance program deposits – NMIC tail coverage funding obligation:		
Noncurrent	25,572	27,306
Insurance program deposits – Rubicon program:		
Current	2,776	4,522
Noncurrent	30,627	25,591
Total insurance program deposits and collateral	<u>\$ 78,706</u>	<u>\$ 59,810</u>

Insurance program liabilities were as follows at August 31:

	<u>2011</u>	<u>2010</u>
Liabilities relating to NMIC claims-made program	\$ 21,975	\$ 4,711
Liabilities relating to NMIC tail coverage program	28,662	27,474
Liabilities relating to Rubicon program	8,987	13,237
Liabilities relating to insurance gaps under the Rubicon program	3,084	3,965
Total insurance program liabilities	<u>\$ 62,708</u>	<u>\$ 49,387</u>

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## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

*(In Thousands)*

#### **10. Professional Liability Coverage (continued)**

The liabilities relating to the NMIC tail coverage and Rubicon programs have been estimated and recorded on the basis of independent actuarial determinations that incorporate data on the Foundation's payout patterns and various other assumptions. Certain of such liabilities are recorded at the estimated present value. At August 31, 2011 and 2010, the NMIC liabilities were recorded at a 3% per annum discount rate, and the Rubicon liabilities were recorded on an undiscounted basis. Selected discount rates reflect the expected average duration of the associated liabilities. If the present value method had not been used, the Foundation's aggregate liabilities relating to the NMIC tail coverage and Rubicon programs would have been approximately \$46,483 and \$52,454 at August 31, 2011 and 2010, respectively.

As more fully described in Note 3, NU released to the Foundation \$10,000 in excess Rubicon insurance deposits on August 31, 2010, in connection with the FSM Remediation Agreement. The recovery of these funds was accounted for as a reduction in insurance program deposits.

Consistent with alternatives available under the Mutual Funding Agreement, the Foundation elected to withdraw excess tail coverage deposits relating to the 2010 and 2011 coverage periods, and funds totaling \$4,667 were remitted to the Foundation during fiscal year 2011. The related receipts were accounted for as reduction in insurance program deposits. Additionally, during fiscal years 2011 and 2010, the Foundation received policyholder dividends of \$18,869 and \$4,649, recorded as a reduction in professional liability insurance expense.

During fiscal years 2011 and 2010, the Foundation recognized reductions in professional liability insurance expense due to favorable claims experience and development.

#### **11. Operating Leases**

The Foundation has various operating lease agreements for the rental of space and equipment with both third parties and related parties (see Note 3). Rent expense under these leases totaled \$11,071 in 2011 and \$9,790 in 2010. Certain of such arrangements contain renewal options, fixed rent escalation clauses, tenant allowances, rent abatements, termination penalties, and noncancelable terms.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

**11. Operating Leases (continued)**

At August 31, 2011, future minimum rental commitments for all noncancelable operating leases with original terms of more than one year are as follows:

2012	\$	5,351
2013		5,348
2014		5,212
2015		5,088
2016		4,989
Thereafter		33,215

At August 31, 2011 and 2010, the Foundation has recorded deferred rent and lease incentive obligations of \$7,144 and \$7,373, respectively, included in other liabilities.

**12. Fair Value Measurements**

Under guidance issued by the FASB, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, determined on the basis of market-based assumptions. Additionally, the FASB guidance defines a three-level hierarchy for classifying the inputs used in determining fair value, as follows:

- Level 1 – Fair value measurements determined on the basis of quoted prices for an identical asset or liability in an active market to which the reporting entity has access at the measurement date are considered Level 1 measurements.
- Level 2 – Fair value measurements determined on the basis of directly or indirectly observable inputs for the asset or liability (such as quoted prices for similar instruments and other market or market-corroborated data) are considered Level 2 measurements.
- Level 3 – Fair value measurements determined on the basis of unobservable inputs intended to reflect the assumptions market participants would use in pricing the asset or liability are considered Level 3 measurements.

Fair value measurements are classified within the hierarchy according to the classification of the lowest level input that is significant in determining the related fair value measurement.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

12. Fair Value Measurements (continued)

The following tables categorize those assets and liabilities recognized at fair value in the Foundation's consolidated balance sheets at August 31, 2011 and 2010, according to the fair value hierarchy defined under generally accepted accounting principles:

	Fair Value Measurements as of August 31, 2011			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Assets:				
Cash and cash equivalents:				
Cash and cash equivalents	\$ 51,762	\$ --	\$ --	\$ 51,762
Money market funds	4,642	--	--	4,642
Current portion of internally designated assets – money market funds	7,170	--	--	7,170
Current portion of held-by-trustee assets – money market funds	2,839	--	--	2,839
Investments – commingled funds:				
Money market funds	1,230	--	--	1,230
Commingled funds – domestic equities	17,426	--	--	17,426
Commingled funds – international equities	6,825	--	--	6,825
Commingled funds – fixed income securities	--	22,987	--	22,987
Investments – common trust funds:				
Common trust funds – commodities	--	5,241	--	5,241
Common trust funds – natural resources	--	1,179	--	1,179
Common trust funds – emerging markets	--	8,804	--	8,804
Internally designated assets:				
Cash and cash equivalents	27,726	--	--	27,726
Money market funds	10,556	--	--	10,556
Mutual funds – domestic equities	3,708	--	--	3,708
Mutual funds – international equities	738	--	--	738
Mutual funds – fixed income securities	563	--	--	563
Guaranteed interest annuity contracts	--	1,767	--	1,767
Held-by-trustee assets – money market funds	6,233	--	--	6,233
Total assets at fair value	\$ 141,418	\$ 39,978	\$ --	\$ 181,396

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
(In Thousands)

12. Fair Value Measurements (continued)

	Fair Value Measurements as of August 31, 2010			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Assets:				
Cash and cash equivalents:				
Cash and cash equivalents	\$ 34,016	\$ --	\$ --	\$ 34,016
Money market funds	5,477	--	--	5,477
Current portion of internally designated assets -- money market funds	4,995	--	--	4,995
Current portion of held-by-trustee assets -- money market funds	2,788	--	--	2,788
Investments -- commingled funds:				
Money market funds	270	--	--	270
Commingled funds -- domestic equities	21,048	--	--	21,048
Commingled funds -- international equities	8,462	--	--	8,462
Commingled funds -- fixed income securities	--	23,732	--	23,732
Internally designated assets:				
Cash and cash equivalents	7,958	--	--	7,958
Money market funds	16,434	--	--	16,434
Commingled funds -- domestic equities	1,155	--	--	1,155
Commingled funds -- international equities	465	--	--	465
Commingled funds -- fixed income	1,304	--	--	1,304
Mutual funds -- domestic equities	3,077	--	--	3,077
Mutual funds -- international equities	574	--	--	574
Mutual funds -- fixed income securities	745	--	--	745
Guaranteed interest annuity contracts	--	1,699	--	1,699
Held-by-trustee assets -- money market funds	6,233	--	--	6,233
Total assets at fair value	\$ 115,001	\$ 25,431	\$ --	\$ 140,432

As described in Note 4, alternative investment funds are accounted for using the equity method of accounting.

*Cash and cash equivalents* -- The Foundation's cash and cash equivalents are comprised of cash on deposit and cash held in overnight sweep accounts for which the fair value is equal to the account balance. Cash and cash equivalents are classified as Level 1.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

**12. Fair Value Measurements (continued)**

*Money market funds* – Money market funds are common investment trusts for which the fair value is equal to the account balance. Money market funds are classified as Level 1.

*Commingled funds* – Commingled funds invest in domestic and international equities and fixed income securities and are valued daily on the basis of the net asset value of the underlying holdings. Commingled funds are classified as Level 1.

*Common trust funds* – Common trust funds invest in domestic and international equities and collective investment funds and are valued daily on the basis of quoted market prices, when available, or estimated fair value as determined by the trustee using a market approach, when not available. Common trust funds are classified as Level 2.

*Mutual funds* – Mutual funds invest in domestic and international equities, fixed income securities and are valued daily on the basis of the net asset value of the underlying holdings. Mutual funds are classified as Level 1.

*Guaranteed interest annuity contracts* – Guaranteed interest annuity contracts are valued at the present value of estimated future cash flows based on provisions included in the underlying arrangements. Guaranteed interest annuity contracts are classified as Level 2.

**13. Functional Expenses**

Consistent with its mission, the Foundation provides healthcare services to patients and support for the research and educational initiatives of FSM. Expenses related to providing these services were as follows:

	<u>2011</u>	<u>2010</u>
Healthcare services	\$ 444,695	\$ 435,944
General and administrative	45,673	41,703
Provision for Research and Education Fund	<u>20,043</u>	<u>19,779</u>
Total operating expenses	510,411	497,426
Contributions to support research and educational initiatives of Feinberg School of Medicine	<u>26,262</u>	<u>40,871</u>
Total	<u>\$ 536,673</u>	<u>\$ 538,297</u>

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## Northwestern Medical Faculty Foundation and Subsidiaries

### Notes to Consolidated Financial Statements (continued) (In Thousands)

#### 14. Commitments and Contingencies

##### Healthcare Legislation and Regulation

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, particularly those relating to the Medicare and Medicaid programs, can be subject to review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity continues with respect to investigations and allegations concerning possible violations of regulations by healthcare providers and could result in the imposition of significant fines and penalties, as well as the repayment of previously billed and collected revenues from patient services. Management believes that the Foundation is in substantial compliance with current laws and regulations.

##### Legal Matters

The Foundation is involved in professional liability and other litigation arising in the normal course of business. In the opinion of management, the ultimate disposition of claims incurred to date will not have a material adverse effect on the financial position or operations of the Foundation.

##### Sales Tax Exemption

In August 2011, the Illinois Department of Revenue (Department) informed the Foundation that its application for renewal of its sales tax exemption had been deferred. In the notification letter, the Department advised that it was developing a strategy to handle pending property tax exemption applications and sales tax exemption requests and renewals, in light of the Illinois Supreme Court's March 2010 decision in the *Provena Covenant Medical Center v. Department of Revenue*. In the Provena matter, the Illinois Supreme Court denied the property tax appeal filed by Provena Covenant Medical Center (PCMC), holding that PCMC was not entitled to a property tax exemption because it failed to satisfy the statutory requirement that it was an institution of public charity. A plurality of the members of the court participating in the decision further ruled that PCMC failed to demonstrate that PCMC satisfied the constitutional and statutory requirement that the property was actually and exclusively used for charitable or beneficent purposes.

Northwestern Medical Faculty Foundation and Subsidiaries

Notes to Consolidated Financial Statements (continued)  
*(In Thousands)*

**14. Commitments and Contingencies (continued)**

For entities such as the Foundation, with pending applications for sales and use tax exemptions, the Department indicates that it is reasonable to expect that each application will be reviewed individually on a case-by-case basis on its own merits. The communication further states that a precise time frame for determination has not yet been established. While the final determination is still pending, the Department has advised that the Foundation's existing exemption status will be preserved and that the Foundation is authorized to continue to use its existing sales and use tax exemption.

At this time, management is unable to determine the effect of the Department's deferral of its application for renewal of the sales and use tax exemption on the Foundation's consolidated financial statements.

**15. Subsequent Events**

The Foundation has evaluated transactions and events occurring subsequent to August 31, 2011, through January 6, 2012, the date of issuance of the consolidated financial statements. During this period, no subsequent events occurred that required recognition or disclosure in the consolidated financial statements, except for the distribution of shares in a commercial venture discussed at Note 7.

## Other Financial Information



Ernst & Young LLP  
155 North Wacker Drive  
Chicago, IL 60606-1787  
Tel: +1 312 879 2000  
Fax: +1 312 879 4000  
www.ey.com

## Report of Independent Auditors on Other Financial Information

The Board of Directors  
Northwestern Medical Faculty Foundation

Our audit was conducted for the purpose of forming an opinion on the August 31, 2011, basic consolidated financial statements taken as a whole. The accompanying financial information is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

*Ernst & Young LLP*

January 6, 2012

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Northwestern Medical Faculty Foundation and Subsidiaries

Consolidating Balance Sheets

August 31, 2011 and 2010  
(In Thousands)

	2011			2010					
	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern/ Rosin Eyecare LLC	Northwestern Foundation for Research and Education	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern Foundation for Research and Education	Northwestern/ Rosin Eyecare LLC	Eliminating Entries	Eliminating Entries	Consolidated
<b>ASSETS</b>									
Current assets:									
Cash and cash equivalents	\$ 56,098	\$ 306	\$ -	\$ 39,224	\$ -	\$ 269	\$ -	\$ -	\$ 39,493
Current portion of assets limited as to use:									
Internally designated assets	7,169	-	-	4,995	-	-	-	-	4,995
Hold-by-trustee assets	2,839	-	-	2,788	-	-	-	-	2,788
Accounts receivable, net of allowance for doubtful accounts of \$14,099 in 2011 and \$15,188 in 2010	57,633	-	-	57,330	-	-	-	-	57,330
Current portion of insurance program deposits and collateral	4,317	-	-	4,522	-	-	-	-	4,522
Pledges receivable	7,366	-	-	5,763	-	-	-	-	5,763
Other receivables, prepaid expenses, and current assets	19,172	39	-	15,732	-	43	-	-	19,775
Total current assets	153,594	345	-	130,354	-	312	-	-	130,666
Investments	81,623	-	-	71,613	-	-	-	-	71,613
Assets limited as to use:									
Internally designated assets	45,058	-	-	33,411	-	-	-	-	33,411
Hold-by-trustee assets	6,233	-	-	6,233	-	-	-	-	6,233
Property, equipment, and improvements, net	71,520	1	-	72,530	-	-	-	-	72,530
Insurance program deposits and collateral	74,389	-	-	53,288	-	-	-	-	53,288
Deferred bond issuance costs, net	1,188	-	-	1,259	-	-	-	-	1,259
Pledges receivable	12,625	-	-	5,197	-	-	-	-	5,197
Other noncurrent assets	3,916	-	-	3,273	-	-	(111)	(111)	3,162
	\$ 450,146	\$ 346	\$ -	\$ 379,128	\$ -	\$ 312	\$ -	\$ -	\$ 379,329

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Northwestern Medical Faculty Foundation and Subsidiaries

Consolidating Balance Sheets (continued)

August 31, 2011 and 2010  
(in Thousands)

	2011			2010		
	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern/ Rosin Eyescare LLC	Northwestern Foundation for Research and Education	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern Foundation for Research and Education	Northwestern/ Rosin Eyescare LLC
		Eliminating Entries	Consolidated	Eliminating Entries	Consolidated	Eliminating Entries
<b>Liabilities and net assets</b>						
<b>Current liabilities:</b>						
Accounts payable and accrued expenses	\$ 18,758	\$ 157	\$ 18,915	\$ 15,494	\$ -	\$ 15,635
Accrued salaries, wages, benefits, and taxes	40,528	-	40,528	36,642	-	36,642
Amounts payable to Feinberg School of Medicine and Research and Education Fund	24,650	-	24,650	20,453	-	20,453
Current portion of insurance program liabilities	4,317	-	4,317	4,522	-	4,522
Current maturities of long-term debt and capital leases	2,838	-	2,838	2,901	-	2,901
Total current liabilities	91,091	157	91,248	80,012	141	80,153
Long-term debt and capital leases, less current maturities	69,374	-	69,374	72,117	-	72,117
<b>Other liabilities:</b>						
Insurance program liabilities	58,391	-	58,391	44,865	-	44,865
Deferred compensation	7,254	-	7,254	6,284	-	6,284
Other	7,465	-	7,465	7,373	-	7,373
Total other liabilities	73,110	-	73,110	58,522	-	58,522
Total liabilities	233,575	157	233,732	210,651	141	210,832
<b>Net assets:</b>						
Unrestricted	185,486	189	185,675	146,634	171	146,805
Temporarily restricted	31,085	-	31,085	21,843	-	21,843
Total net assets	216,571	189	216,760	168,477	171	168,648
	\$ 450,146	\$ 346	\$ 450,492	\$ 379,128	\$ 312	\$ 379,440

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Northwestern Medical Faculty Foundation and Subsidiaries

Consolidating Statements of Operations

Years Ended August 31, 2011 and 2010  
(in Thousands)

	2011				2010					
	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern Foundation for Research and Education	Northwestern/ Robin Eyecare LLC	Eliminating Entries	Consolidated	Northwestern Medical Faculty Foundation, Inc. (Obligated Group)	Northwestern Foundation for Research and Education	Northwestern/ Robin Eyecare LLC	Eliminating Entries	Consolidated
<b>Revenues</b>										
Patient service revenue	\$ 487,494	\$ -	\$ -	\$ -	\$ 487,494	\$ 480,568	\$ -	\$ -	\$ -	\$ 480,568
Net assets released from restrictions	14,040	-	-	-	14,040	13,449	-	-	-	13,449
Other revenue	58,947	-	390	(10)	59,327	58,231	433	(1)	(1)	58,684
Total revenues	560,481	-	390	(10)	560,861	532,268	433	(1)	(1)	532,701
<b>Expenses</b>										
Physician salaries, wages, benefits, and taxes	210,591	-	-	-	210,591	206,412	-	-	-	206,412
Nonphysician salaries, wages, benefits, and taxes	111,354	-	117	-	111,471	107,974	144	-	-	108,118
Provision for bad debts	33,030	-	-	-	33,030	36,639	-	-	-	36,639
Purchased medical and professional services	25,862	-	167	-	26,029	26,274	160	-	-	26,434
Medical supplies and devices	65,895	-	-	-	65,895	58,576	-	-	-	58,576
Administrative and general	14,180	-	14	2	14,196	12,588	23	26	26	12,647
Rent and other occupancy costs	15,496	-	74	-	15,570	14,507	73	-	-	14,580
Professional liability insurance	(248)	-	-	-	(248)	7,535	-	-	-	7,535
Provision for Research and Education Fund	20,043	-	-	-	20,043	19,779	-	-	-	19,779
Depreciation and amortization	9,940	-	-	-	9,940	8,847	5	-	-	8,852
Interest expense	3,894	-	-	-	3,894	3,814	-	-	-	3,814
Total expenses	510,037	-	372	2	510,411	496,995	405	26	26	497,326
Operating income before losses on insurance program deposits and collateral	50,444	-	18	(12)	50,450	55,273	1	28	(27)	54,275
Earnings on insurance program deposits and collateral	7,346	-	-	-	7,346	5,238	-	-	-	5,238
Operating income	57,790	-	18	(12)	57,796	60,511	1	28	(27)	60,513
Nonoperating (expenses) income:										
Investment income (loss)	7,085	-	-	-	7,085	2,747	-	-	-	2,747
Net assets released from restrictions	240	-	-	-	240	9,846	-	-	-	9,846
Mission support contributions - medical education	(531)	-	-	-	(531)	(1,234)	-	-	-	(1,234)
Mission support contributions - research, academic, and other	(25,731)	-	-	-	(25,731)	(35,957)	(3,680)	-	-	(39,637)
Total nonoperating expenses	(19,937)	-	-	-	(19,937)	(24,598)	(3,680)	-	-	(28,278)
Excess (deficiency) of revenues over expenses	\$ 38,853	\$ -	\$ 18	\$ (12)	\$ 38,859	\$ 35,913	\$ (3,679)	\$ (27)	\$ (27)	\$ 32,235

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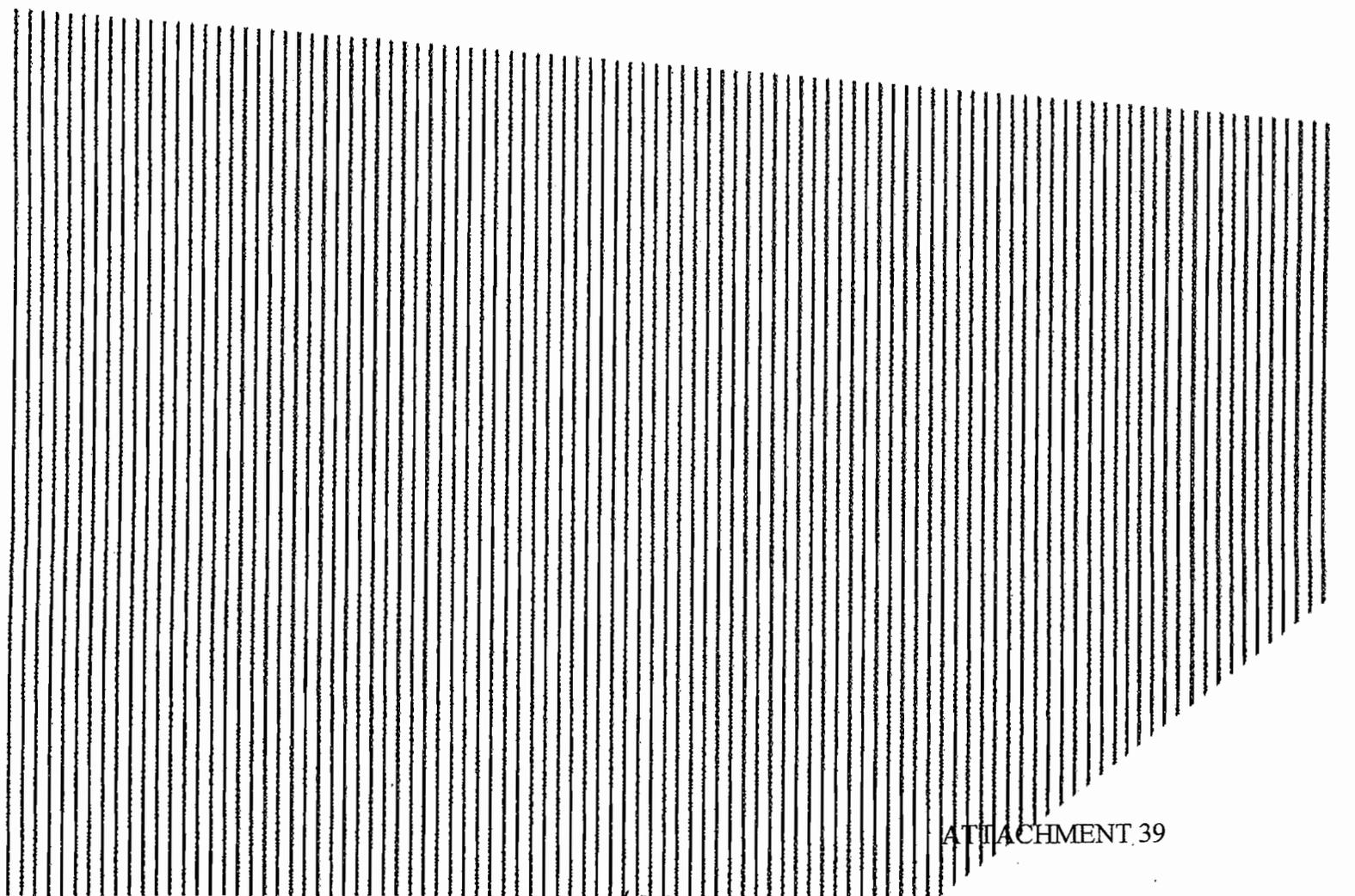
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Illinois Health Facilities  
and Services Review Board  
Springfield, Illinois

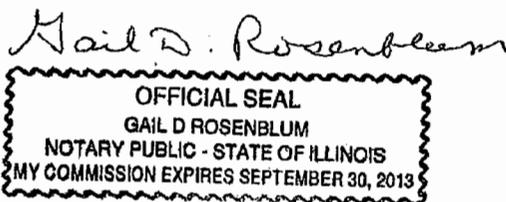
To Whom It May Concern:

This letter is being written for inclusion in the Certificate of Need application addressing the establishment of an end stage renal disease facility to be located at 259 East Erie Street in Chicago, Illinois. Please be advised that all costs associated with the project will be funded through cash and other liquid assets, and that no debt will be used to fund the project.

Sincerely,

Robert M. Rosa, MD

Notarized:



10/5/12

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (list below)	A Cost/Sq. Foot New	B Mod.	C		D		E		F Circ.	G Const. \$ (A x C)	H Mod. \$ (B x E)	Total Costs (G + H)
			New	DGSF	New	Circ.	Mod.	DGSF				
Reviewable												
ESRD		\$ 142.22					16,700				\$ 2,375,000	\$ 2,375,000
contingency		\$ 15.75									\$ 263,000	\$ 263,000
TOTAL		\$ 157.96									\$ 2,638,000	\$ 2,638,000

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## OPERATING and CAPITAL COSTS per TREATMENT

### Projected Operating Costs, Year 1

Treatments:		35,942
Salaries & Benefits:	\$	3,977,027
Medical Supplies:	\$	1,077,194
	\$	5,054,220

Operating Cost per Treatments:	\$	140.62
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### Projected Capital Costs, Year 1

Treatments:		35,942
Depreciation, Amortization, and Interest	\$	224,000

Capital Cost per Treatment	\$	6.23
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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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