

Original

14-010

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

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

MAR 17 2014

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name: <i>Fresenius Medical Care Highland Park</i>			
Street Address: <i>1657-1671 Old Skokie Road</i>			
City and Zip Code: <i>Highland Park</i>			
County: <i>Lake</i>	Health Service Area <i>8</i>	Health Planning Area:	

Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Highland Park</i>	
Address: <i>920 Winter Street, Waltham, MA 02451</i>	
Name of Registered Agent: <i>CT Systems</i>	
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>	
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>	
Telephone Number: <i>800-662-1237</i>	

Type of Ownership of 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.

Co-Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of Co-Applicant

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

Corporations and limited liability companies must provide an **Illinois Certificate of Good Standing**.
 Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

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

Primary Contact

Name: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>3500 Lacey Road, 9th Floor, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6807</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>630-960-6928</i>

Additional Contact

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

Name: <i>Grant Asay</i>
Title: <i>General Manager</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6710</i>
E-mail Address: <i>grant.asay@fmc-na.com</i>
Fax Number: <i>630-960-6812</i>

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: <i>Lori Wright</i>
Title: <i>Senior CON Specialist</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6807</i>
E-mail Address: <i>lori.wright@fmc-na.com</i>
Fax Number: <i>630-960-6928</i>

Additional Contact

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

Name: <i>Clare Ranalli</i>
Title: <i>Attorney</i>
Company Name: <i>McDermott, Will & Emery</i>
Address: <i>227 W. Monroe Street, Suite 4700, Chicago, IL 60606</i>
Telephone Number: <i>312-984-3365</i>
E-mail Address: <i>cranalli@mwe.com</i>
Fax Number: <i>312-984-7500</i>

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>1657 Old Skokie LLC</i>
Address of Site Owner: <i>555 Skokie Blvd., Suite 204, Northbrook, IL 60062</i>
Street Address or Legal Description of Site: <i>1657-1671 Old Skokie Road, Highland Park, IL</i>
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: <i>Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Highland Park</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
<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
<ul style="list-style-type: none"> 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. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

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

Flood Plain Requirements

[Refer to application instructions.] **NOT APPLICABLE – NOT NEW CONSTRUCTION**

Provide documentation that the project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 (<http://www.hfsrb.illinois.gov>).

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT**1. Project Classification**

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

Part 1110 Classification:

Substantive

Non-substantive

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.

Fresenius Medical Care of Illinois, LLC ("Fresenius") is proposing to establish a 20-station end stage renal disease ("ESRD") facility to be located at 1657-1671 Old Skokie Road, Highland Park. The facility will be in leased space with the interior to be built out by the applicant.

This application is being submitted concurrently with the discontinuation application of NorthShore University HealthSystem ("NorthShore"). The application proposes discontinuation of a 20-station hospital based chronic ESRD service at Highland Park Hospital.

Consistent with a technical assistance conference held with IHFSRB staff on January 7, 2014, Fresenius affirms that the establishment of this facility is contingent upon the approval not only of this application, but the approval and subsequent discontinuation of the NorthShore ESRD service.

Nancy Nora, M.D. is the Medical Director of the NorthShore service to be discontinued and will be the Medical Director of the Fresenius Highland Park facility. It is expected that the patients receiving treatment at the NorthShore service at the time of the discontinuation will "transfer" their care to the Fresenius facility upon its certification. The staff at the NorthShore service will be offered similar positions at the Fresenius facility.

While the Fresenius and NorthShore applications are inter-dependent, a single application addressing a change of ownership could not be filed because the site of the ESRD service currently operated by Highland Park Hospital will be changing.

The Fresenius Medical Care Highland Park facility will be located approximately 4 minutes east of the current Highland Park Hospital service and will be located in HSA 8.

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

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs	N/A	N/A	N/A
Site Survey and Soil Investigation	N/A	N/A	N/A
Site Preparation	N/A	N/A	N/A
Off Site Work	N/A	N/A	N/A
New Construction Contracts	N/A	N/A	N/A
Modernization Contracts	2,023,448	N/A	2,023,448
Contingencies	201,088	N/A	201,088
Architectural/Engineering Fees	200,208	N/A	200,208
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	630,000	N/A	630,000
Bond Issuance Expense (project related)	N/A	N/A	N/A
Net Interest Expense During Construction (project related)	N/A	N/A	N/A
Fair Market Value of Leased Space or Equipment	3,343,409	N/A	3,343,409
Other Costs To Be Capitalized	8,000,000	N/A	8,000,000
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
TOTAL USES OF FUNDS	14,398,153	N/A	14,398,153
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	11,054,744	N/A	11,054,744
Pledges	N/A	N/A	N/A
Gifts and Bequests	N/A	N/A	N/A
Bond Issues (project related)	N/A	N/A	N/A
Mortgages	N/A	N/A	N/A
Leases (fair market value)	3,343,409	N/A	3,343,409
Governmental Appropriations	N/A	N/A	N/A
Grants	N/A	N/A	N/A
Other Funds and Sources	N/A	N/A	N/A
TOTAL SOURCES OF FUNDS	14,398,153	N/A	14,398,153
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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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 \$ <u>315,870</u> .		

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
<input checked="" type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): <u>November 30, 2015</u>	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> 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:
<input type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

CERTIFICATION

The application must be signed by the authorized 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 Fresenius Medical Care of Illinois, 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.

SIGNATURE

PRINTED NAME Mark Fawcett
Vice President & Treasurer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of ____ 2014

SIGNATURE

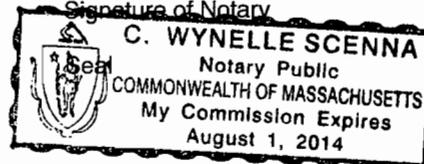
Bryan Mello
PRINTED NAME Assistant Treasurer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 10 day of Feb 2014

Signature of Notary

Seal



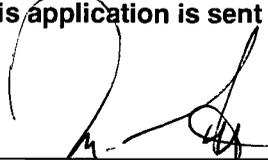
*Insert EXACT legal name of the applicant

CERTIFICATION

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

- 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 Fresenius Medical Care Holdings, Inc. * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.



 SIGNATURE

 PRINTED NAME
Mark Fawcett
Vice President & Treasurer

 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this ____ day of ____ 2014



 SIGNATURE

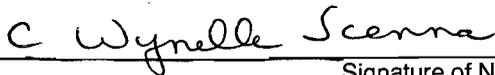
 PRINTED NAME
Bryan Mello
Assistant Treasurer

 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this 2 day of 10 2014

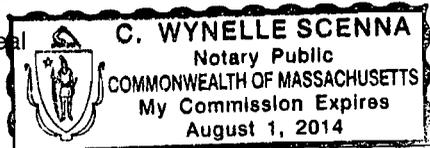
 Signature of Notary

Seal



 Signature of Notary

Seal



*Insert EXACT legal name of the applicant

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 Board 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.

PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

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

Alternative options **must** include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
 - 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

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

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF tot be allocated to each department, area or function;
3. Evidence that the shell space is being constructed due to
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data are available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

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

ASSURANCES: NOT APPLICABLE – THERE IS NO UNFINISHED SHELLSPACE

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.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

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
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	20

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

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><u>11,054,744</u></p>	<p>a)</p>	<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"> 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
<p><u>N/A</u></p>	<p>b)</p>	<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><u>N/A</u></p>	<p>c)</p>	<p>Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<p><u>3,343,409</u></p>	<p>d)</p>	<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"> 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
<p><u>N/A</u></p>	<p>e)</p>	<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><u>N/A</u></p>	<p>f)</p>	<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><u>N/A</u></p>	<p>g)</p>	<p>All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<p><u>14,398,153</u></p>	<p>TOTAL FUNDS AVAILABLE</p>	

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

1. "A" Bond rating or better
2. All of the projects capital expenditures are completely funded through internal sources
3. 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
4. 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-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

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

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

2. Variance **NOT APPLICABLE**

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

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs *NOT APPLICABLE – CHANGE OF OWNERSHIP*

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 -39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

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

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to 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			
Total			
Charity (cost In dollars)	Year	Year	Year
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	Year	Year	Year
Inpatient			
Outpatient			
Total			

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer. (20 ILCS 3960/3) Charity Care **must** be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 44.

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

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

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	22-24
2	Site Ownership	25-33
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	34
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	35
5	Flood Plain Requirements	36
6	Historic Preservation Act Requirements	37
7	Project and Sources of Funds Itemization	38-39
8	Obligation Document if required	40-41
9	Cost Space Requirements	42
10	Discontinuation	
11	Background of the Applicant	43-64
12	Purpose of the Project	65
13	Alternatives to the Project	66-67
14	Size of the Project	68
15	Project Service Utilization	69
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	70-93
27	Non-Hospital Based Ambulatory Surgery	
28	Selected Organ Transplantation	
29	Kidney Transplantation	
30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
32	Community-Based Residential Rehabilitation Center	
33	Long Term Acute Care Hospital	
34	Clinical Service Areas Other than Categories of Service	
35	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
36	Availability of Funds	94-102
37	Financial Waiver	103-104
38	Financial Viability	
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40	Safety Net Impact Statement	110
41	Charity Care Information	111-113
	Appendix 1 – MapQuest Travel Times	114-142
	Appendix 2 – Physician Referral Letter	143-148

Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Highland Park</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02451</i>
Telephone Number: <i>800-662-1237</i>

Type of Ownership of 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.



To all to whom these Presents Shall Come, Greeting:

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

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MARCH 26, 2004, 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 16TH day of JANUARY A.D. 2014 .

Jesse White

SECRETARY OF STATE

Authentication #: 1401601582

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

Co - Applicant Identification

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

Exact Legal Name: <i>Fresenius Medical Care Holdings, Inc.</i>
Address: <i>920 Winter Street, Waltham, MA 02451</i>
Name of Registered Agent: <i>CT Systems</i>
Name of Chief Executive Officer: <i>Ron Kuerbitz</i>
CEO Address: <i>920 Winter Street, Waltham, MA 02541</i>
Telephone Number: <i>781-669-9000</i>

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

Type of Ownership

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership	
<input checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental	
<input 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.

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>1657 Old Skokie LLC</i>
Address of Site Owner: <i>555 Skokie Blvd., Suite 204, Northbrook, IL 60062</i>
Street Address or Legal Description of Site: <i>1657-1671 Old Skokie Road, Highland Park, IL</i> 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.



Cushman & Wakefield of
 Illinois, Inc.
 455 N. Cityfront Plaza Drive
 Suite 2800
 Chicago, IL 60611-5555
 (312) 470-1800 Tel
 (312) 470-3800 Fax
 www.cushwake.com

December 11, 2013

Sherwood Blitstein
 Mosaic Properties and Development
 555 Skokie Blvd. Ste. 204
 Northbrook IL. 60062

RE: **Fresenius Medical Care, LLC.**
Letter of Intent – 1657 Old Skokie LLC

Dear Sherwood,

Fresenius Medical Care is pleased to provide the following Letter of Intent to lease space.

LANDLORD: 1657 Old Skokie LLC
 555 Skokie Blvd. Ste. 204
 Northbrook IL. 60062

TENANT: FRESENIUS MEDICAL CARE of Illinois.

PREMISES: 1657 – 1671 Old Skokie Road, Highland Park, IL, consisting of the entire building and all exterior site improvements located on and serving the subject property, with a current gross leasable area of approximately 12,568 square feet

POSSESSION DATE: Possession Date shall be earlier of: 1) the date that Landlord delivers the Premises to FRESENIUS MEDICAL CARE for completion of the Tenant Improvements provided the Certificate of Need (CON) has been awarded by the state of Illinois; and, 2) nine (9) months from the full execution of the Lease. Notwithstanding the foregoing, if Tenant determines in its reasonable judgment that it cannot obtain a CON, after using all commercially reasonable efforts, at any time prior to the ninth month, then Tenant may terminate the Lease, or enter into the CON Contingency Period Option described below.

CON Contingency Period Option: In the event Tenant requires additional time (more than 9 months) to obtain a CON, and they have not elected to terminate the Lease, Tenant may on a month-to-month basis, for a period of up to six (6) additional months, continue to pursue obtaining the CON provided that: Tenant, commencing at the beginning of the tenth month, and beginning of each successive month thereafter (provided Tenant has not elected to terminate its Lease), pays to Landlord 50% of the total monthly rent due. In the event Tenant is unable to obtain the CON after such six (6) month period, the lease will terminate. If during this Contingency Period tenant obtains the CON Landlord shall promptly thereafter provide Tenant with possession, constituting the Possession Date.

No warranty or representation, express or implied, is made as to the accuracy of the Information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals

RENT COMMENCEMENT DATE Rent Commencement Date shall occur three (3) months after the Possession Date.

PRIMARY TERM: An initial lease term of fifteen (15) years from the date that Tenant opens for business, and is in receipt of a Certificate of Occupancy. For purposes of establishing the Possession Date, Rent Commencement Date and Primary Term starting date, both parties will execute a Key Date Certificate after store opening has occurred.

OPTIONS TO RENEW: Three (3), five (5) year options to renew the Lease. FRESENIUS MEDICAL CARE shall provide six months (180) days' prior written notification of its desire to exercise the option.

BASE RENTAL RATE: Initial Rental Rate (year 1) shall be \$276,000.00 per year, paid in monthly installments. The rent is for the entire Premises. \$21.96 SF

ESCALATION: Throughout the Primary Term and all extension options, if exercised, the Rental Rate shall escalate at the rate of 2.0% per annum, on the anniversary date of Rent Commencement.

LANDWORK WORK: Landlord to pay for Landlord Work up to \$350,000.00 toward improving the base building of the property as outlined by Tenant "Landlord Work". Landlord Work will consist of the following removal of the Mezzanine, demo the interior, all parking lot and sidewalks improvements and all utilities upgrades and any other work that the Tenant deems necessary. All costs not spent will be credited to Tenant and paid to Tenant for their tenant improvements.

CONCESSIONS: As described above, a free rent period of three (3) months shall commence on the Possession Date.

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

DEMISED PREMISES SHELL AND SITE: Landlord shall deliver the Premises as is, except for its commitment to perform (or provide) Landlord Work

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

No warranty or representation, express or implied, is made as to the accuracy of the Information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals

HVAC: Equipment as-is. Landlord to maintain pursuant to its Landlord Maintenance, described below.

DELIVERIES: FRESENIUS MEDICAL CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR: FRESENIUS MEDICAL CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/
ARCHITECTURAL AND
MECHANICAL DRAWINGS:** FRESENIUS MEDICAL CARE will provide all space planning and architectural and mechanical drawings required to build out and demolish existing improvement not needed, the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the FRESENIUS MEDICAL CARE's responsibility.

PARKING: Landlord to permit, subject to local ordinances, designated handicapped spaces plus one ambulance space. Tenant acknowledges that 24 spaces are leased from the city on an annual basis for \$432 per year. Per agreement dated December 2005 attached.

BUILDING CODES: FRESENIUS MEDICAL CARE has or will, perform its own building code analysis and acknowledges the demised premises will be delivered by the Landlord as described herein, without any repos or warranties regarding current or future codes.

**CORPORATE
IDENTIFICATION:** Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES
AND REAL ESTATE TAXES:** Concurrent with Rent Commencement, Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associated with its Premises.

**ASSIGNMENT/
SUBLETTING:** FRESENIUS MEDICAL CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent, provided guarantor remains fully liable under its guaranty. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

LANDLORD MAINTENANCE: Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the structural portions of the Building to keep the building structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, roof supports, columns, retaining walls, footings as well as water mains, gas and sewer lines serving the Premises.

With respect to the parking and other exterior areas of the Premises and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices and reasonable management and administrative fees throughout the term: repainting or

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals

routine tuck-pointing the exterior surfaces of the building when necessary; repairing, resurfacing, repaving, re-striping, and resealing of the parking areas; repairing and maintaining the roof (other than its structure, which is Landlord's responsibility); repairing, maintaining and replacing the HVAC equipment; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

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

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees water, electricity, gas and sanitary sewer currently serves the Premises.

SURRENDER:

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

ZONING AND RESTRICTIVE COVENANTS:

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESenius MEDICAL CARE's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain, but it is in a flood zone.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESenius MEDICAL CARE is not entering into a capitalized lease arrangement.

FINANCING:

Landlord will use its best efforts to cause its lender to provide a non-disturbance agreement.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals

EXCLUSIVITY

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL:

A Phase One Environmental Study may be conducted.

DRAFT LEASE:

FRESENIUS MEDICAL CARE requires the use of its Standard Form Lease, which shall be conformed to terms described herein.

LEASE EXECUTION:

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

EXCLUSIVITY:

Landlord agrees not to seek an alternate tenant for the Premises, unless Tenant terminates its Lease. Tenant agrees that it will not seek another location for this planned Highland Park store. This paragraph shall be **BINDING UPON THE PARTIES** for a period of twelve (12) months upon the full execution of this proposal.

**LEASE TERMINATION
INDEMNIFICATION PAYMENT:**

In lieu of an indemnification of costs incurred by Landlord in pursuit of the Premises for Tenant and holding period costs incurred while Landlord waits for Tenant to take possession, Tenant agrees to pay Landlord \$60,000 in the event Landlord acquires the Premises, and Tenant fails to obtain a CON and take possession. This paragraph shall be **BINDING UPON THE PARTIES** upon the full execution of this proposal.

LEASE SECURITY:

Fresenius Medical Holdings Corp. shall fully guarantee the lease. No security deposit shall be required.

CONFIDENTIAL:

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

NON-BINDING NATURE:

This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only, except for matters pertaining to the EXCLUSIVITY and INDEMNIFICATION sections above. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred to herein, except for matters pertaining to the EXCLUSIVITY and INDEMNIFICATION sections above, unless and until a definitive Lease agreement has been fully executed and delivered by the parties. Once this proposal has been fully executed the EXCLUSIVITY and INDEMNIFICATION sections as described above shall be legally binding on the parties.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

You may email the proposal to loren.guzik@cushwake.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals

Loren Guzik
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

AGREED AND ACCEPTED this 11 day of December, 2013

By William Popker

Title: Senior Real Estate Manager, Fresenius Medical Care

AGREED AND ACCEPTED this 12 day of December, 2013

By Wanda

Title: MANAGER

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

-6-

AGREEMENT

THIS AGREEMENT is made and entered into as of the 15 day of DECEMBER, 2005, by and between ARLEN L. PETERSON (hereinafter referred to as "Peterson") and the CITY OF HIGHLAND PARK, LAKE COUNTY, ILLINOIS (hereinafter referred to as "City"), a home rule municipal corporation.

WITNESSETH

WHEREAS, Peterson is the owner of certain real property legally described as follows:

Lot 1 in Peterson's Resubdivision, being a subdivision of part of the South East ¼ of the South West ¼ of Section 22, Township 43 North, Range 12, East of the Third Principal Meridian, in Lake County, Illinois (hereinafter referred to as "Subject Property"); and

WHEREAS, the Subject Property is adjacent to and abuts a portion of a public Right-of-way commonly known as Old Skokie Road (hereinafter referred to as "Right-of-way"); and

WHEREAS, Peterson wishes to utilize the Right-of-way to provide at least 29 off-site parking spaces in connection with the construction on the Subject Property of a commercial structure;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Peterson and the City agree as follows:

1. Peterson will pave and otherwise improve the Right-of-way with a parking lot containing at least twenty-nine (29) automobile parking spaces (hereinafter referred to as "Project") in conformance with the plans and specifications attached hereto and hereby made a part hereof as Exhibit A.
2. On a year-to-year basis, the City will designate twenty-four (24) of the said twenty-nine (29) automobile parking spaces located in the Project as "A" Commercial Permit automobile parking spaces; with the understanding that the City will sell to Peterson, and Peterson will purchase from the City, all twenty-four (24) "A" Commercial Parking Permits at the total cost of \$432 per year.

RETURN TO:
CITY OF HIGHLAND PARK
DEPT. OF COMMUNITY DEV.
1150 HALF DAY ROAD

DOC# 5927486 PAGE 2 OF 4

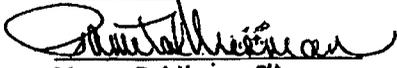
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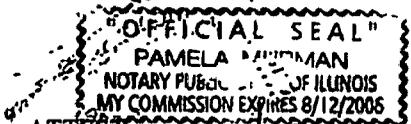
3. Peterson will guarantee the public a turnaround through the Subject Property in conformance with the plans and specifications attached hereto and hereby made a part hereof as Exhibit A.
4. Peterson shall defend, protect, indemnify and hold harmless the City and any of its agents, representatives, assigns, and/or employees from any and all liability arising in any manner out of the use, construction, maintenance, operation, or existence of the Project. In addition, Peterson shall, at his own and sole cost and expense, not less than thirty (30) days prior to the end of each calendar year hereafter, procure and deliver to the City Clerk of the City an insurance policy issued by an insurance carrier acceptable to the City, naming Peterson as the insured, having limits of coverage for public liability in the amount of not less than \$500,000 per person and not less than \$1,000,000 per occurrence, and having limits of coverage for property damage in the amount of not less than \$100,000—all as approved by the Corporation Counsel of the City. The delivery of such policy shall be made prior to starting construction of the Project and thereafter not later than November 30 of each year commencing with November 30, 1997.
5. The Project shall be constructed and thereafter maintained at the sole cost and expense of Peterson and in a good and workmanlike manner, satisfactory to the Department of Community Development of the City.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 15 day of December, 2005


 ARLEN L. PETERSON

Subscribed and sworn to
 Before me this 16 day of
December, 2005.


 Notary Public



ATTEST:

 City Clerk


 CITY OF HIGHLAND PARK
 City Manager

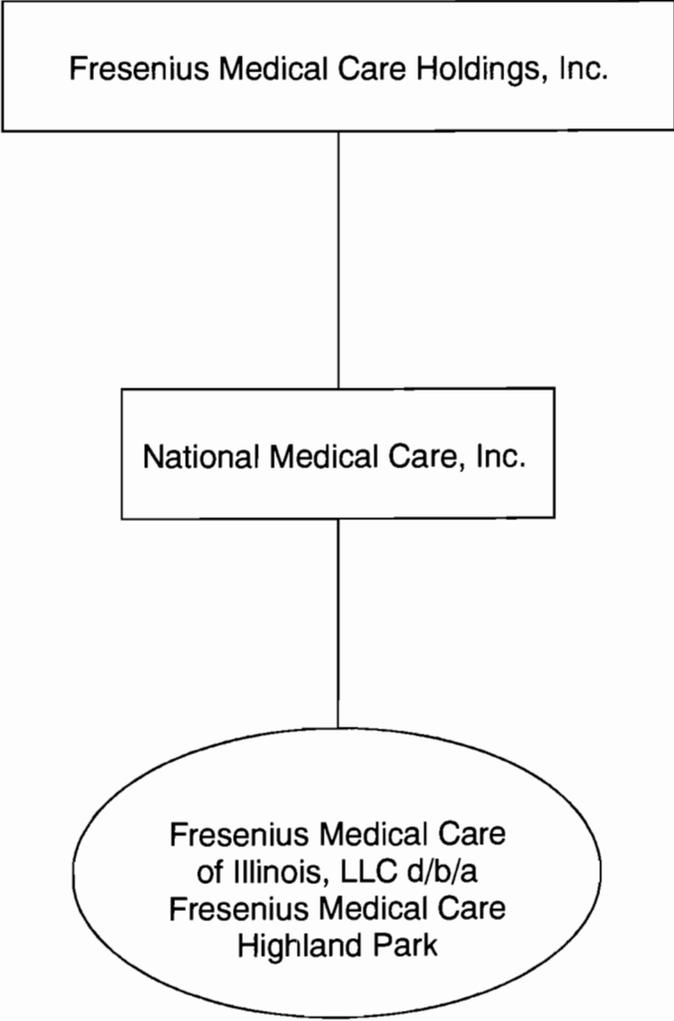
3

Operating Identity/Licensee

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

Exact Legal Name: <i>Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Highland Park</i>			
Address: <i>920 Winter Street, Waltham, MA 02451</i>			
<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
<ul style="list-style-type: none">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.o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.			

Certificate of Good Standing at Attachment – 1.



The project is not new construction and is a build out of the interior of existing leased space, therefore this criterion is not applicable.



**Illinois Historic
Preservation Agency**

1 Old State Capitol Plaza, Springfield, IL 62701-1512

FAX (217) 524-7525

www.illinoishistory.gov

Lake County
Highland Park
CON - Establish a 20-Station Dialysis Facility
1657-1671 Old Skokie Road
IHPA Log #006011014

January 22, 2014

Lori Wright
Fresenius Medical Care
3500 Lacey Road
Downers Grove, IL 60515

Dear Ms. Wright:

This letter is to inform you that we have reviewed the 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

SUMMARY OF PROJECT COSTS

Modernization Contracts

General Conditions	100,248
Temp Facilities, Controls, Cleaning, Waste Management	5,000
Concrete	25,800
Masonry	31,000
Metal Fabrications	15,000
Carpentry	178,000
Thermal, Moisture & Fire Protection	36,000
Doors, Frames, Hardware, Glass & Glazing	138,600
Walls, Ceilings, Floors, Painting	327,000
Specialities	25,300
Casework, FI Mats & Window Treatments	12,000
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	647,500
Wiring, Fire Alarm System, Lighting	390,000
Miscellaneous Construction Costs	92,000
Total	\$2,023,448

Contingencies

Contingencies **\$201,088**

Architectural/Engineering

Architecture/Engineering Fees **\$200,208**

Movable or Other Equipment

Dialysis Chairs	50,000
Misc. Clinical Equipment	38,000
Clinical Furniture & Equipment	45,000
Office Equipment & Other Furniture	64,000
Water Treatment	212,800
TVs & Accessories	106,500
Telephones	25,500
Generator	63,800
Facility Automation	18,000
Other miscellaneous	6,400
Total	\$630,000

Fair Market Value Leased Space & Equipment

FMV Leased Space (12,568 GSF)	\$3,022,409
FMV Leased Dialysis Machines	315,150
FMV Leased Computers	5,850
Total	\$3,343,409

Other Costs to be Capitalized

Tangible Assets (Furniture/Equipment)*	500,000
Goodwill	7,500,000
	<u>\$8,000,000</u>

*Tangible assets of furniture and equipment were not incorporated into the movable equipment costs of the project. Tangible assets being purchased are not going to be used at the Fresenius Highland Park facility.

Project Status and Completion Schedules

- Anticipated completion date is November 30, 2015.
See following page for project timeline.
- Project obligation will occur after permit issuance.
- **List of Current CON Permits**

Project Number	Name	Project Type	Completion Date
#10-063	Fresenius Lakeview	Expansion	04/15/2015
#10-067	Fresenius Des Plaines	Establishment	08/15/2014
#11-054	Fresenius Northfield	Establishment	05/31/2014
#11-086	Fresenius Chicagoland	Change Ownership	04/15/2014
#12-046	Fresenius Spoon River	Relocation/Expansion	12/31/2014
#12-029	Fresenius SW Illinois	Relocation	08/01/2014
#12-067	Fresenius Normal	Establishment	10/31/2014
#12-069	Fresenius Pekin	Relocation/Expansion	10/31/2014
#12-091	Fresenius Carbondale	Relocation	12/31/2014
#12-095	Fresenius Waterloo	Establishment	02/28/2015
#12-098	Fresenius Monmouth	Establishment	02/28/2015
#E-010-13	Fresenius Naperville North	Expansion	04/30/2015
#13-008	Fresenius Chicago Kidney Center	Relocation	12/31/2014
#13-061	Fresenius Naperville	Discontinuation	07/15/2014
#13-053	Fresenius Evanston	Expansion	11/15/2015

Project Timeline

Application is submitted with estimated completion date.		
<i>Project is for establishment of facility on vacant land.</i>	Least # Months	Maximum # Months
CON Process Only	3	18

PLUS

Lease execution	1	1
Architect Plans	1.5	2
Building Permits, bidding, contract	2	4
Construction of Shell	3	4
Interior Build-out	3	3
Facility Start-up to open	1	1
Wait for CMS Cert. Inspection	3	5
Wait for CMS Cert. Letter	3	4
Total Months	17.5	24

Prior to CON submittal, a project completion date is chosen based on type of project (establishment/expansion) and whether or not a building needs to be constructed. Consideration is also given to what time of year it will be upon approval if a new building is to be built.

Once submitted, the CON process can take from 3 to 12 months depending on whether or not a project is deferred (it can be deferred up to 6 months) and whether or not a project receives an intent to deny (it can be up to twelve months before it is reheard).

Application is submitted with estimated completion date.		
<i>Project is for establishment of facility in existing building. Interior build-out only</i>	Least # Months	Maximum # Months
CON Process	3	18

PLUS

Lease execution	1	1
Architect Plans	1.5	2
Building Permits, bidding, contract	2	4
Interior Build-out	3	3
Facility Start-up to open	1	1
Wait for CMS Cert. Inspection	3	5
Wait for CMS Cert. Letter	3	4
Total Months	14.5	20

In the examples to the left, the first is for establishment of a facility on vacant land. This project requires a longer timeline than the second example which is in an existing building. (Fresenius Medical Care does not begin plans on a project until it receives CON approval.) The timeframe estimates are best case scenario and do not take into

account things like the difficulty it often takes to get building permits, especially in the City of Chicago. Not considered also, is any unforeseen problems with the physical structure of an existing building or additional time involved in the survey process to receive CMS certification.

Once a new clinic has been inspected it is required to wait until receipt of the Certification Letter prior to admitting and treating any Medicare patients (a relocated clinic can begin treating relocated patients prior to being inspected). Per Board rules a project cannot be considered complete until the certification letter has been received from CMS. At this point the final cost report is prepared to close the permit with The Board.

Cost Space Requirements

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

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
In-Center Hemodialysis	14,398,153		12,568				
Total Clinical	14,398,153		12,568				
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	14,598,153		12,568				

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

Fresenius Medical Care

Fresenius Medical Care is the leading provider of dialysis products and services in the world and as such has a long-standing commitment to adhere to high quality standards, to provide compassionate patient centered care, educate patients to become in charge of their health decisions, implement programs to improve clinical outcomes while reducing mortality & hospitalizations and to stay on the cutting edge of technology in development of dialysis related products.

The size of the company and range of services provides healthcare partners/employees and patients with an expansive range of resources from which to draw experience, knowledge and best practices. It has also allowed it to establish an unrivaled emergency preparedness and disaster relief program that's designed to provide life sustaining dialysis care to dialysis patients whose access to clinics are disrupted in areas of the U.S. that are compromised by disaster (e.g. hurricanes, tornadoes, earthquakes). Through this program we also provide clinics, employees and others with essential supplies such as generators, gasoline and water.

Quality Measures – Fresenius Medical Care continually tracks five quality measures on all patients. These are:

- eKdrt/V – tells us if the patient is getting an adequate treatment
- Hemoglobin – monitors patients for anemia
- Albumin – monitors the patient's nutrition intake
- Phosphorus – monitors patient's bone health and mineral metabolism
- Catheters – tracks patients access for treatment, the goal is no catheters which leads to better outcomes

The above measures as well as other clinic operations are discussed each month with the Medical Directors, Clinic Managers, Social Workers, Dietitians, Area Managers and referring nephrologists at each clinic's Quality Assessment Performance Improvement (QAI) meeting to ensure the provision of high quality care, patient safety, and regulatory compliance.

Initiatives that Fresenius has implemented to bring about better outcomes and increase the patient's quality of life are the TOPS program, Right Start Program and The Catheter Reduction Program.

TOPs Program (Treatment Options) – This is a company-wide program designed to reach the pre-ESRD patient (also known as CKD – Chronic Kidney Disease) to educate them about available treatment options when they enter end stage renal disease. TOPs programs are held routinely at local hospitals and physician offices. Treatment options include transplantation, in-center hemodialysis, home hemodialysis, peritoneal dialysis and nocturnal dialysis.

Right Start Program – This is an intensive 90-day intervention program for the new dialysis patient centering on education, anemia management, adequate dialysis dose, nutrition, reduction of catheter use, review of medications and logistical and psychosocial support. The Right Start Program results in improved morbidity and mortality in the long term but also notably in the first 90 days of the start of dialysis.

Catheter Reduction Program – This is a key strategic clinical initiative to support nephrologists and clinical staff with increasing the number of patients dialyzed with a permanent access, preferably a venous fistula (AVF) versus a central venous catheter (CVC) venous fistula). Starting dialysis with or converting patients to an AVF can significantly lower serious complications, hospitalizations and mortality rates. Overall adequacy of dialysis treatment also increases with the use of the AVF.

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

Clinic	Provider #	Address	City	Zip	Fac > 10% Medicaid Patients
Alsip	14-2630	12250 S. Cicero Ave Ste. #105	Alsip	60803	
Antioch	14-2673	311 Depot St., Ste. H	Antioch	60002	
Aurora	14-2515	455 Mercy Lane	Aurora	60506	
Austin Community	14-2653	4800 W. Chicago Ave., 2nd Fl.	Chicago	60651	17%
Berwyn	14-2533	2601 S. Harlem Avenue, 1st Fl.	Berwyn	60402	17%
Blue Island	14-2539	12200 S. Western Avenue	Blue Island	60406	
Bolingbrook	14-2605	329 Remington	Boilingbrook	60440	
Breese	14-2637	160 N. Main Street	Breese	62230	
Bridgeport	14-2524	825 W. 35th Street	Chicago	60609	26%
Burbank	14-2641	4811 W. 77th Street	Burbank	60459	15%
Carbondale	14-2514	1425 Main Street	Carbondale	62901	
Centre West Springfield	14-2546	1112 Centre West Drive	Springfield	62704	
Champaign	14-2588	1405 W. Park Street	Champaign	61801	
Chatham	14-2744	333 W. 87th Street	Chicago	60620	
Chicago Dialysis	14-2506	1806 W. Hubbard Street	Chicago	60622	35%
Chicago Westside	14-2681	1340 S. Damen	Chicago	60608	38%
Cicero	14-2754	3000 S. Cicero	Chicago	60804	28%
Congress Parkway	14-2631	3410 W. Van Buren Street	Chicago	60624	23%
Crestwood	14-2538	4861W. Cal Sag Road	Crestwood	60445	
Decatur East	14-2603	1830 S. 44th St.	Decatur	62521	
Deerfield	14-2710	405 Lake Cook Road	Deerfield	60015	
Des Plaines		1625 Oakton Place	Des Plaines	60018	
Downers Grove	14-2503	3825 Highland Ave., Ste. 102	Downers Grove	60515	
DuPage West	14-2509	450 E. Roosevelt Rd., Ste. 101	West Chicago	60185	18%
DuQuoin	14-2595	825 Sunset Avenue	DuQuoin	62832	
East Peoria	14-2562	3300 North Main Street	East Peoria	61611	
Elgin	14-2726	2130 Point Boulevard	Elgin	60123	18%
Elk Grove	14-2507	901 Biesterfield Road, Ste. 400	Elk Grove	60007	
Elmhurst	14-2612	133 E. Brush Hill Road, Suite 4	Elmhurst	60126	
Evanston	14-2621	2953 Central Street, 1st Floor	Evanston	60201	11%
Evergreen Park	14-2545	9730 S. Western Avenue	Evergreen Park	60805	
Garfield	14-2555	5401 S. Wentworth Ave.	Chicago	60609	16%
Glendale Heights	14-2617	130 E. Army Trail Road	Glendale Heights	60139	13%
Glenview	14-2551	4248 Commercial Way	Glenview	60025	11%
Greenwood	14-2601	1111 East 87th St., Ste. 700	Chicago	60619	19%
Gurnee	14-2549	101 Greenleaf	Gurnee	60031	21%
Hazel Crest	14-2607	17524 E. Carriageway Dr.	Hazel Crest	60429	
Hoffman Estates	14-2547	3150 W. Higgins, Ste. 190	Hoffman Estates	60195	14%
Jackson Park	14-2516	7531 South Stony Island Ave.	Chicago	60649	26%
Joliet	14-2739	721 E. Jackson Street	Joliet	60432	
Kewanee	14-2578	230 W. South Street	Kewanee	61443	
Lake Bluff	14-2669	101 Waukegan Rd., Ste. 700	Lake Bluff	60044	11%
Lakeview	14-2679	4008 N. Broadway, St. 1200	Chicago	60613	13%
Logan Square	14-2766	2721 N. Spalding	Chicago	60647	
Lombard	14-2722	1940 Springer Drive	Lombard	60148	
Macomb	14-2591	523 E. Grant Street	Macomb	61455	
Marquette Park	14-2566	6515 S. Western	Chicago	60636	14%
McHenry	14-2672	4312 W. Elm St.	McHenry	60050	
McLean Co	14-2563	1505 Eastland Medical Plaza	Bloomington	61704	
Melrose Park	14-2554	1111 Superior St., Ste. 204	Melrose Park	60160	21%
Merrionette Park	14-2667	11630 S. Kedzie Ave.	Merrionette Park	60803	
Metropolis	14-2705	20 Hospital Drive	Metropolis	62960	15%
Midway	14-2713	6201 W. 63rd Street	Chicago	60638	11%
Mokena	14-2689	8910 W. 192nd Street	Mokena	60448	
Morris	14-2596	1401 Lakewood Dr., Ste. B	Morris	60450	
Mundelein	14-2731	1400 Townline Road	Mundelein	60060	
Naperbrook	14-2765	2451 S Washington	Naperville	60565	
Naperville	14-2543	100 Spalding Drive Ste. 108	Naperville	60566	
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563	
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714	

Clinic	Provider #	Address	City	Zip	Fac > 10% Medicaid Patients
Normal		1531 E. College Avenue	Normal	61761	
Norridge	14-2521	4701 N. Cumberland	Norridge	60656	13%
North Avenue	14-2602	911 W. North Avenue	Melrose Park	60160	
North Kilpatrick	14-2501	4800 N. Kilpatrick	Chicago	60630	18%
Northcenter	14-2531	2620 W. Addison	Chicago	60618	27%
Northfield		480 Central Avenue	Northfield	60093	11%
Northwestern University	14-2597	710 N. Fairbanks Court	Chicago	60611	
Oak Forest	14-2764	5340A West 159th Street	Oak Forest	60452	
Oak Park	14-2504	773 W. Madison Street	Oak Park	60302	
Orland Park	14-2550	9160 W. 159th St.	Orland Park	60462	
Oswego	14-2677	1051 Station Drive	Oswego	60543	
Ottawa	14-2576	1601 Mercury Circle Drive, Ste. 3	Ottawa	61350	
Palatine	14-2723	691 E. Dundee Road	Palatine	60074	
Pekin	14-2571	3521 Veteran's Drive	Pekin	61554	
Peoria Downtown	14-2574	410 W Romeo B. Garrett Ave.	Peoria	61605	
Peoria North	14-2613	10405 N. Juliet Court	Peoria	61615	
Plainfield	14-2707	2320 Michas Drive	Plainfield	60544	
Polk	14-2502	557 W. Polk St.	Chicago	60607	19%
Pontiac	14-2611	804 W. Madison St.	Pontiac	61764	
Prairie	14-2569	1717 S. Wabash	Chicago	60616	
Randolph County	14-2589	102 Memorial Drive	Chester	62233	
Regency Park	14-2558	124 Regency Park Dr., Suite 1	O'Fallon	62269	
River Forest	14-2735	103 Forest Avenue	River Forest	60305	
Rogers Park	14-2522	2277 W. Howard St.	Chicago	60645	19%
Rolling Meadows	14-2525	4180 Winnetka Avenue	Rolling Meadows	60008	12%
Roseland	14-2690	135 W. 111th Street	Chicago	60628	27%
Ross-Englewood	14-2670	6333 S. Green Street	Chicago	60621	22%
Round Lake	14-2616	401 Nippersink	Round Lake	60073	11%
Saline County	14-2573	275 Small Street, Ste. 200	Harrisburg	62946	
Sandwich	14-2700	1310 Main Street	Sandwich	60548	
Skokie	14-2618	9801 Wood Dr.	Skokie	60077	
South Chicago	14-2519	9200 S. Chicago Ave.	Chicago	60617	15%
South Deering	14-2756	10559 S. Torrence Ave.	Chicago	60617	
South Holland	14-2542	17225 S. Paxton	South Holland	60473	
South Shore	14-2572	2420 E. 79th Street	Chicago	60649	10%
Southside	14-2508	3134 W. 76th St.	Chicago	60652	19%
South Suburban	14-2517	2609 W. Lincoln Highway	Olympia Fields	60461	
Southwestern Illinois	14-2535	7 Professional Drive	Alton	62002	
Spoon River	14-2565	340 S. Avenue B	Canton	61520	
Spring Valley	14-2564	12 Wolfer Industrial Drive	Spring Valley	61362	
Steger	14-2725	219 E. 34th Street	Steger	60475	
Streator	14-2695	2356 N. Bloomington Street	Streator	61364	
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640	24%
Waukegan Harbor	14-2727	101 North West Street	Waukegan	60085	
West Batavia	14-2729	2580 W. Fabyan Parkway	Batavia	60510	
West Belmont	14-2523	4943 W. Belmont	Chicago	60641	35%
West Chicago	14-2702	1859 N. Neltnor	West Chicago	60185	11%
West Metro	14-2536	1044 North Mozart Street	Chicago	60622	25%
West Suburban	14-2530	518 N. Austin Blvd., 5th Floor	Oak Park	60302	13%
West Willow	14-2730	1444 W. Willow	Chicago	60620	
Westchester	14-2520	2400 Wolf Road, Ste. 101A	Westchester	60154	
Williamson County	14-2627	900 Skyline Drive, Ste. 200	Marion	62959	
Willowbrook	14-2632	6300 S. Kingery Hwy, Ste. 408	Willowbrook	60527	

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

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

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

Certification & Authorization

Fresenius Medical Care of Illinois, LLC

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

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

By: [Signature]
ITS: Mark Fawcett
Vice President & Treasurer

By: [Signature]
ITS: Bryan Mello
Assistant Treasurer

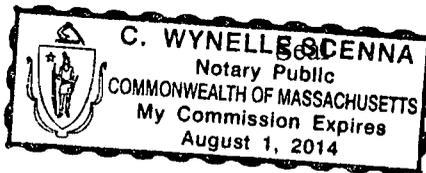
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014

Signature of Notary

C Wynelle Scenna
Signature of Notary

Seal



Certification & Authorization

Fresenius Medical Care Holdings, Inc.

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

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

By: [Signature]

ITS: Mark Fawcett
Vice President & Treasurer

By: [Signature]
Bryan Mello

ITS: Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

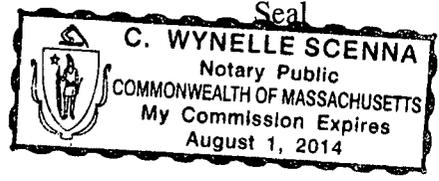
Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014

Signature of Notary

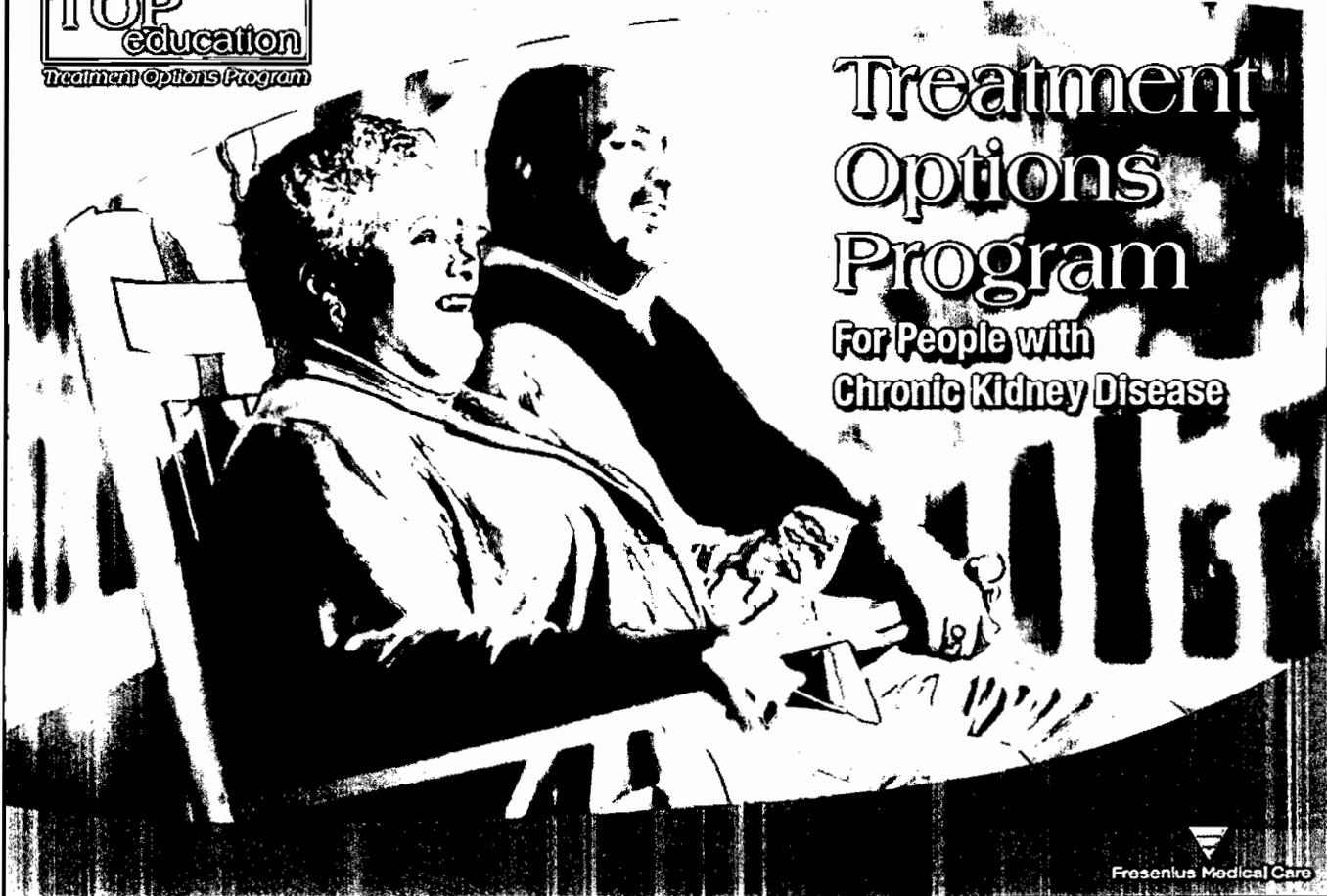
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Treatment Options Program

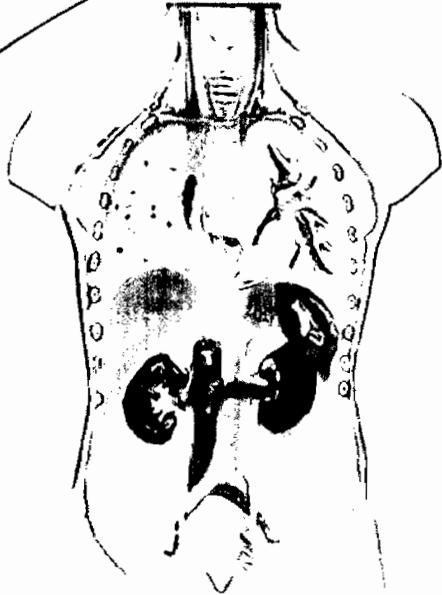
For People with
Chronic Kidney Disease

Welcome to the Treatment Options Program

Over the next hour you will learn:

- What your kidneys do to keep you healthy
- What gradually or suddenly may happen to you if your kidneys stop working properly
- What you need to know if you are diagnosed by your physician with Chronic Kidney Disease (CKD)
- What you need to know if you develop "kidney failure"
- How you can live with "kidney failure" and lead a productive life
- The treatment options available to make living with "kidney failure" a good fit with your lifestyle

Your Kidneys and What They Do



- Kidneys are two bean-shaped organs about the size of your fist.
- They are located on either side of the spine, just below the rib cage.
- Your kidneys perform several important functions:
 - Filter your blood to remove waste and excess fluid;
 - Control the making of red blood cells;
 - Help control blood pressure;
 - Help control the amounts of calcium, potassium, and phosphorus in the body.



What is Chronic Kidney Disease (CKD)?



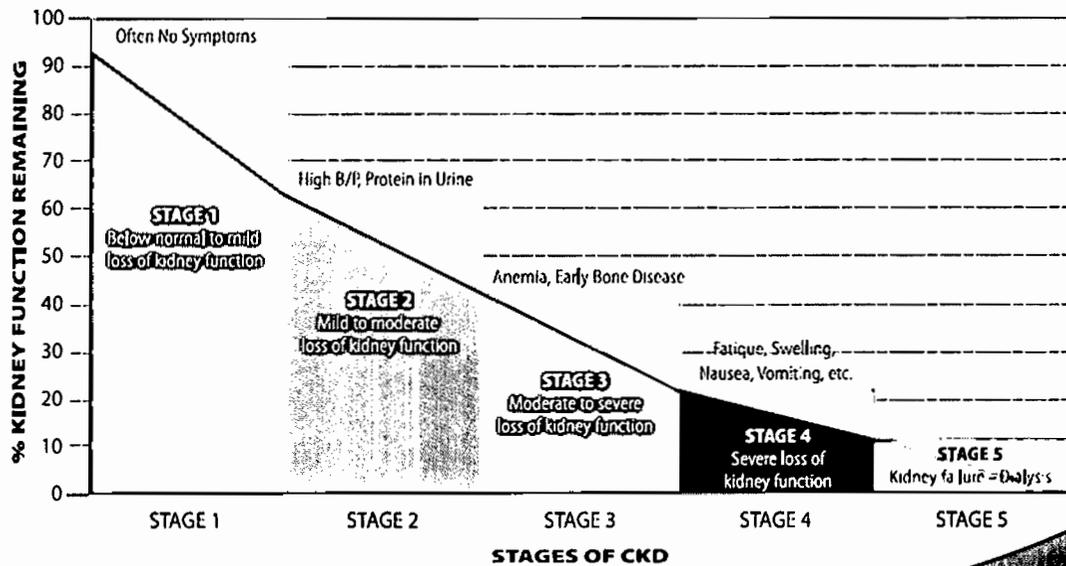
CKD is a progressive disease that advances from Stage I through Stage V.

Stage V CKD or End-Stage Renal Disease (ESRD) is commonly referred to as “kidney failure.”

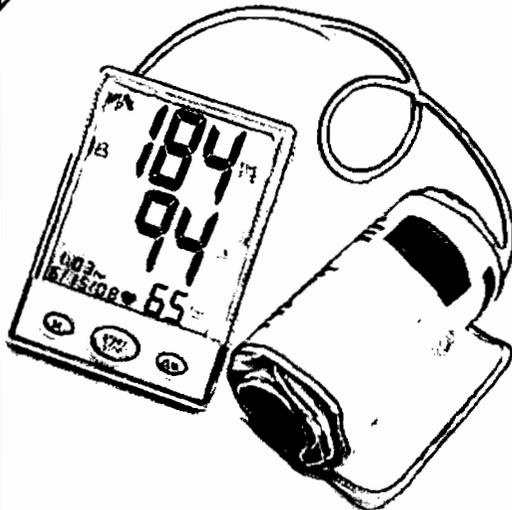
Kidney failure is when your kidneys no longer work well enough to keep you alive, and where death will occur if treatment is not provided.



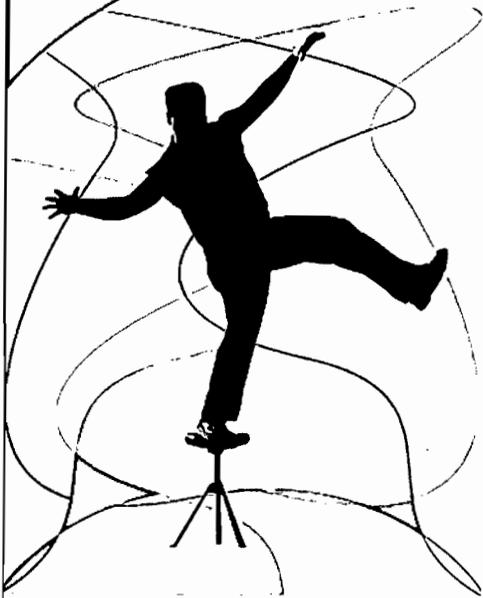
The progression of CKD



Common Causes of Chronic Kidney Disease (CKD):



- A history of diabetes, especially if poorly controlled
- A history of high blood pressure, especially if poorly controlled
- Repeated kidney infections
- Immune diseases of the kidney (like glomerulonephritis)
- Heredity (like polycystic kidneys)
- Others, including unknown



What Happens to Your Body with Chronic Kidney Disease?

- Build up of fluid (water) and waste products in your blood
 - Causes swelling and generally not feeling well
- Chemical imbalances
 - Potassium, sodium, phosphorus and calcium
- Loss of hormone production that helps:
 - Control your blood pressure
 - Build red blood cells
 - Keep your bones strong



Symptoms of Chronic Kidney Disease (CKD)

Common symptoms of CKD include:

- Nausea, poor appetite, and weight loss
- Trouble sleeping
- Loss of concentration
- Dry, itchy skin
- Swelling of face, hands, and feet
- Cramping at night
- Difficulty breathing
- Tiredness and weakness



If Your Doctor has Told You that You Have (CKD), YOU ARE NOT ALONE

- People are often unaware of their kidney disease.
- One in nearly seven adult Americans (13%) have kidney disease*.
- A recent study reported over 358,000 people in the US were on dialysis.
 - Roughly 16,000 (or 5%) of these people received a kidney transplant***
 - The remaining 342,000 people (or 95%) needed to choose one of the types of dialysis treatments that you will learn about in this presentation**

* NHANES (1999-2004)
** USRDS (2006 data report)
*** 2007 OPTN/SRTR Annual Report 1997-2006.
HHS/HRSA/HSE/DOH



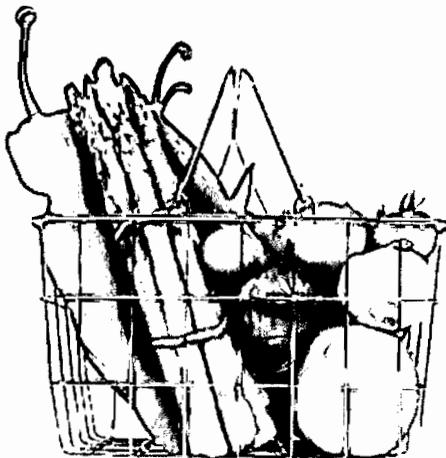
People Like You

- Prior to 1960 people with kidney failure had little hope for survival.
- Today many people have not only survived on dialysis for over 25 years, but continue leading productive lives.
- A growing number of people performing their dialysis treatments at home are finding it possible to continue pursuing their careers and life aspirations.
- Many patients have also received kidney transplants and are alive and well 30 to 40 years later.
- If your kidneys stop working that doesn't mean that you have to; treatment options are available for you.



If You Have CKD You Need to Know:

- Early diagnosis & treatment helps slow the disease process.
- It's important to learn about the available treatments now before therapy is needed.
 - You can take an active role in deciding with your doctor the best choice to meet your medical needs and lifestyle preferences.
 - Managing your disease well helps determine the quality of your life.
 - You have the right not to accept treatment for your kidney failure (ESRD).

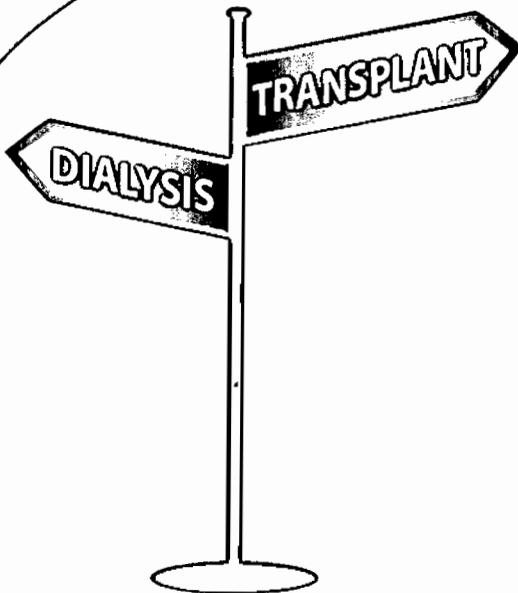


Managing Your CKD

Diet & Medication

- Dietary changes help decrease the fluid and waste build-up that the kidneys can no longer remove.
- Medications replace some of the functions that the kidneys can no longer do:
 - Control blood pressure
 - Make red blood cells
 - Keep bones healthy and strong
- Be prepared, before you become sick, to treat your CKD with one of the methods outlined in this training.

Treatments for Kidney Failure or ESRD



- Kidney Transplant: considered the “Gold Standard”
- Kidney Dialysis
Two types of treatments to remove excess fluid and waste from your blood
 - Peritoneal Dialysis (PD)
 - Hemodialysis (HD)

The Transplant Option

- A kidney transplant is not a cure. It is a treatment option that requires life long commitments (taking medications and being followed by a kidney specialist).
- A transplant is considered the “Gold Standard” because it is the treatment that comes closest to “normal” kidney function.
- A transplant is a major surgical procedure that places a healthy kidney from another person into your lower abdomen.
- Usually it is not necessary to remove your kidneys, however it is the donated kidney that performs the functions yours once did.
- It is possible to have a kidney transplant without going on dialysis.



A Kidney Transplant is Not for Everyone

Several factors determine if a transplant is an option for you:

- General health
- Emotional health
- Health insurance and financial resources
- Treatment compliance

The benefits of a transplant should outweigh the risks associated with surgery and life long medications.



Finding a donor kidney

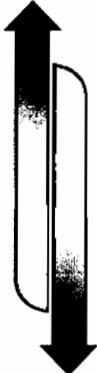
- Your body tissues must “match” the tissues of the donor
 - Living donor:
 - Relatives (usually the closest match)
 - Non-relative (spouse, friend)
 - Non-Living donor:
 - A person that donates their organs when he/she dies
- A non-living donor kidney may not be immediately available
- The waiting list may extend beyond a year or two



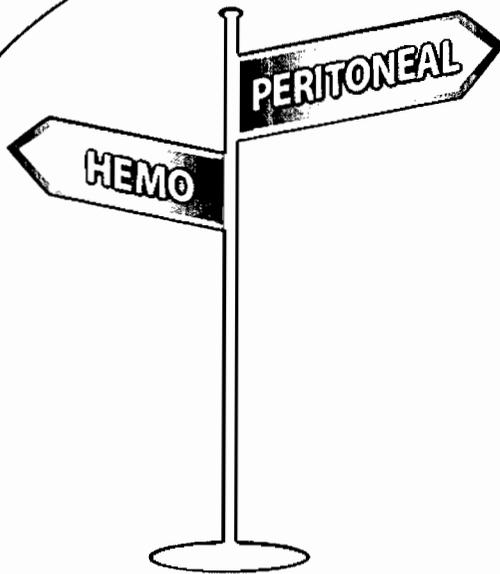
Caring for the Donated Kidney

- Daily, lifelong medication is usually required to prevent rejection.
- Regular follow-up with your physician is required.
- Follow all other physician guidelines:
 - Diet
 - Activity
- Watch for signs of potential problems.

Kidney Transplant Option

- Closest treatment to "normal" kidney function
 - Fewer dietary and fluid restrictions
 - Allows you to maintain your normal schedule & activities
- 
- Risks associated with surgery and kidney rejection
 - Daily medications may have side effects and can be costly
 - Must take medications and follow up with physician for life of the kidney
 - May be placed on a waiting list for an extended period of time

The Dialysis Options



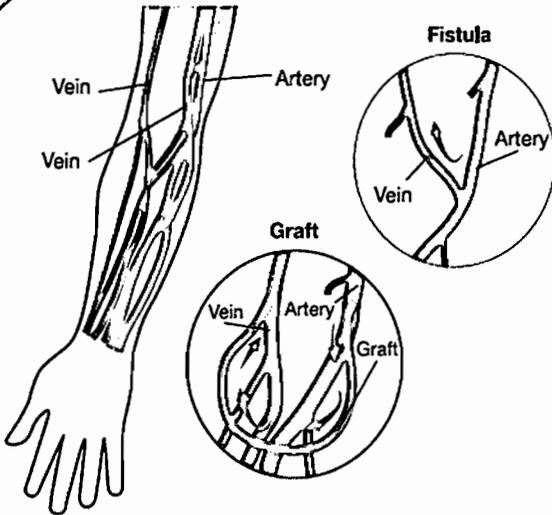
- There are two types of dialysis:
 - Peritoneal dialysis
 - Hemodialysis
- Both remove excess fluid and wastes from the body
- Hemodialysis is routinely done in a dialysis facility, and can be done at home with training.
- Peritoneal Dialysis is typically done at home.

Hemodialysis



- Blood is cleaned by an “artificial kidney” or dialyzer and a machine
- Tubing allows blood to flow from your body to the machine and back to your body
- Two needles are required for each treatment if you have a fistula or graft; one to remove the blood, one to return the blood
- Only a small amount of blood is out of your body at any time

Hemodialysis Access



- Your blood must flow out and back to your body through a blood vessel that can be used repeatedly. This is called an access.
- A **fistula**, the 1st choice, is a surgical connection of your artery and your vein.
- A **graft**, 2nd choice, is a surgical insertion of a special tube which is used like a vein.
- A **catheter** is a temporary tubing inserted through the skin and sutured into place.

In-Center Hemodialysis Option



- Treatments are done by trained dialysis nurses and technicians.
- You are on a fixed schedule for your treatments, and changes may be difficult.
- You must travel to/from the dialysis center.
- Treatments are usually done 3 times each week.
- No equipment or supplies needed at home.
- Opportunity for regular social interaction with other dialysis patients.
- Treatments usually last 3.5-4.0 hours each.



In-Center Nocturnal (night-time) Hemodialysis Option

- Treatments are done by dialysis nurses and technicians
- Treatment occurs during the night while you sleep at the dialysis center; usually 3 times a week for about 8 hours each treatment
- Allows you to work, go to school, or participate in other activities during the day
 - Provides more treatment over a longer period of time
 - Useful when needing to remove large amounts of fluid
 - Helpful when removing fluid is difficult with regular hemodialysis
- You must travel to the dialysis facility for treatment and are away from home 3 nights each week
- May not be offered in your area

In-Center Hemodialysis Considerations

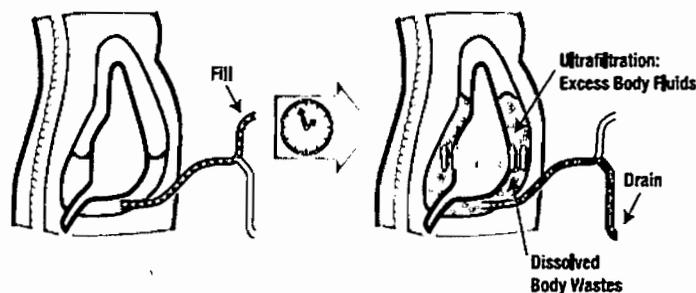
- Therapy performed by trained clinicians
 - No equipment or supplies needed at home
 - Opportunity for more frequent social interaction with other dialysis patients
- 
- Patient must travel to the clinic usually 3 times per week
 - Patients are on a fixed schedule to receive their therapy

Home Hemodialysis Option



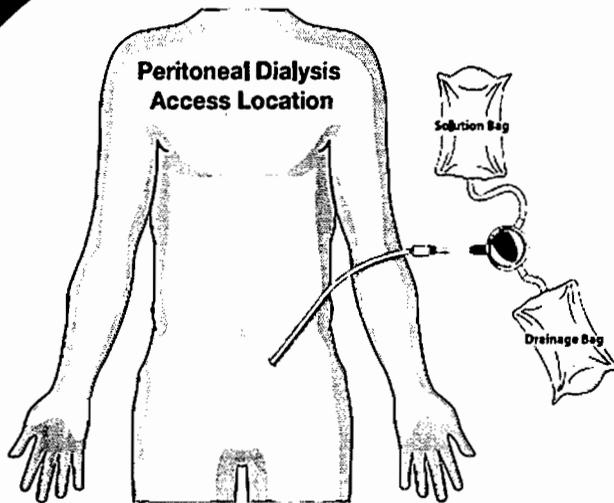
- Easier to fit into your daily or nightly schedule
- No travel to clinic needed
- Comfort and privacy of your own home
- Easier to keep working if you have a job
- Must have a trained helper or partner
- Must have space in home for supplies and equipment
- Home may need changes and plumbing or wiring
- Less social interaction with other dialysis patients than at a dialysis center

Peritoneal Dialysis (PD)



- Blood is cleansed inside the body by using the peritoneum; a filter-like membrane located in the lower abdomen.
- Solution is inserted into the abdomen where it is in contact with the peritoneum.
- Excess fluid and waste products in the nearby blood vessels are filtered through the peritoneum and collect in the solution in the abdomen.
- The solution is allowed to dwell for a period of time, then is drained out of the abdomen and replaced with fresh solution.

Peritoneal Dialysis Access



- PD solution flows in and out of your body through a catheter
- A PD catheter is surgically inserted into the lower abdomen and secured in place
- The catheter extends several inches out of your body
- Your clothes cover the catheter when it is not being used



Two types of PD



1. **Continuous Ambulatory Peritoneal Dialysis (CAPD)**
 - A manual process usually done during the day
 - Can be done in any clean location at home, work or while traveling
 - Average 4 to 5 exchanges each day
 - About 30-45 minutes for each exchange



Two types of PD

2. Continuous Cycling Peritoneal Dialysis (CCPD)

- A machine-controlled process usually done overnight while sleeping, for about 9-10 hours
- Solution remains in the peritoneum during the day until you go to bed and hook up to the machine
- Occasionally some patients require an additional exchange during the daytime



Peritoneal Dialysis Option

- A partner is not required, but may be needed by some
 - More flexible dialysis treatment schedule
 - Allows independence and a more normal (working) lifestyle
 - Gentle treatment more like "normal" kidney function
 - A bloodless form of treatment with no needles required
- 
- Treatment needs to be performed every day
 - Risk of infection
 - External catheter
 - Need storage space in home for supplies
 - Larger people may need to do more exchanges



Dialysis Options Comparison

Advantages	IN-CENTER		HOME		Advantages	IN-CENTER		HOME	
	HD	NHD	HD	PD		HD	NHD	HD	PD
Treatment Time Flexibility			✓	✓	Perform treatments during nightly sleep		✓	✓	✓
Treatment Location Flexibility			✓	✓	Improved availability during work hours		✓	✓	✓
Treatment Duration Flexibility				✓	Bloodless access				✓
Reduced Clinic Visit Time			✓	✓	More Independent Lifestyle			✓	✓
Reduced Clinic Travel Time			✓	✓	Greater treatment supervision	✓	✓		
Reduced Clinic Travel Costs			✓	✓	No supply delivery & storage needs	✓	✓		
No treatment partner needed	✓	✓		✓	No routine needle sticks				✓
Greater Privacy			✓	✓	Greater Travel options				✓
Greater Social Interaction with Other Dialysis Patients	✓				No additional electrical/plumbing	✓	✓		✓

Note: Together with your nephrologist, who will advise you based on your medical condition, you should seek a treatment option which best suits your medical and lifestyle needs.

People Like You

Shad Ireland's kidneys failed in 1983 at age 10.

On July 25th, 2004 Shad became the first dialysis patient to complete an Ironman triathlon.



Shad continues to compete, and has also created the Shad Ireland Foundation to help people with renal disease improve their lives through physical activity.

Mickey Sledge developed kidney failure in 2000 at age 46. He has developed a passion for taking care of himself as a result of his disease. As a volunteer for treadmill manufacturers he enjoys demonstrating his fitness at major dialysis conferences around the country. "Working helps me stay in tune with reality," says Mickey, who continues his job of 23 years. Apart from routine appointments, Mickey takes pride in never having had to take time off work because of his kidney disease.

Lori Hartwell, a kidney patient since the age of two, founded the Renal Support Network to instill "health, happiness, and hope" into the lives of fellow patients. Lori travels throughout the country educating and inspiring patients and healthcare professionals with her stories, insight, and humor. She was named "2005 Woman of the Year" by California State Senator Jack Scott and continues to be widely recognized for her contributions to improving the lives of people with Chronic Kidney Disease.

Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to allow for continuity of care for the patients currently being treated at the hospital based chronic out-patient ESRD service operated by Highland Park Hospital (HPH).
2. Both NorthShore's HPH based facility and Fresenius Medical Care Highland Park are located in Highland Park, in Lake County in HSA 8. The Fresenius facility will serve the patient population currently being treated at HPH (97 ESRD patients and the pre-ESRD patients being seen by Drs. Nora and Patel), who would otherwise have been admitted there in the future.
3. NorthShore has submitted an application to discontinue its 20-station hospital based chronic ESRD service in HPH for reasons outlined in that application. There are 97 in-center hemodialysis patients being treated by HPH's dialysis department. Fresenius Medical Care's intention, along with NorthShore is for the approval and establishment of the Fresenius facility to occur simultaneously with the approval and discontinuation of the NorthShore service. This will allow for continued access and continuity of care. The physicians who admit to HPH are familiar with Fresenius and have privileges/Medical Director appointments at other Fresenius facilities. Employment opportunities for the staff at NorthShore who provide ESRD services to HPH patients will be offered.
4. Historic and pre-ESRD patient data was obtained from NorthShore Nephrology. Clinic utilization was obtained from IHFSRB quarterly utilization report.
5. It is expected that the Fresenius Highland Park facility will be certified and fully operational by the 3rd or 4th quarter of 2015 and will accept the transfer of patients from the current NorthShore Highland Park Hospital facility. Approximately 30 days after, the NorthShore service will discontinue operations. It is expected that the Fresenius Highland Park patients will experience high quality measures as at the previous location. Overall, Fresenius Medical Care patients in Illinois had the following quality in 2013:
 - 94% of patients had a URR \geq 65%
 - 96% of patients had a Kt/V \geq 1.2

Alternatives

1) All Alternatives

A. Proposing a project of greater or lesser scope and cost.

The only alternative to this project would be to do nothing, however this does not address the discontinuation of the HPH ESRD service and does not provide continuity to its patients, doctors and staff. Highland Park Hospital is discontinuing its chronic out-patient ESRD services and without an alternative clinic in Highland Park for the patients to go to they would end up scattered to various clinics in Lake County where their physicians may or may not do rounds, and where they would not be dialyzing in close proximity to Highland Park Hospital or treated by the same staff members (for the most part, if not entirely). This alternative was not in the patient's best interest so was rejected. There is no monetary cost.

B. Develop the Proposed Facility as a Joint Venture with Physicians.

The preferred Fresenius model of ownership is for our facilities to be wholly owned, however we do enter into joint ventures on occasion. Fresenius Medical Care always maintains control of the governance, assets and operations of a facility even if it is operated as a joint venture. There was no reason for this facility to be a joint venture and the HPH service it is intended to replace is not a joint venture.

C. It is our understanding that Highland Park Hospital preferred to make sure there was a clinic that would (or could) be able to accept all of its patients, work with the same admitting physicians and Medical Director and hire its staff upon its discontinuation. The most desirable alternative to keep access to dialysis services available for current Highland Park Hospital chronic out-patient dialysis patients and to the area market is to establish Fresenius Medical Care Highland Park. The cost of this project is \$14,398,153 (\$8,000,000 is for tangible/intangible assets). While this is the most costly alternative, the expense is to Fresenius Medical Care only, while the patients will benefit from continued access to treatment, treating physicians, and staff.

2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Do Nothing	\$0	Patient access in Highland Park would be eliminated and patients would have to scatter to various clinics throughout Lake County, where they may not be seen by their treating physician.	Patient clinical quality would remain above standards at Fresenius clinics however, individual patient quality and quality of life would suffer with longer travel times and loss of continuity of care.	Patients would experience higher transportation costs.
Form a Joint Venture	\$14,398,153	Patient access would remain the same whether or not the facility was a joint venture.	Patient quality would remain the same whether or not the facility was a joint venture.	Less cost to Fresenius, however Fresenius Medical Care is capable of meeting its financial obligations and does not require assistance.
Establish Fresenius Medical Care Highland Park	\$14,398,153	Continued access to care for Highland Park Hospital dialysis patients with ongoing care by same treating physicians and staff.	Patient clinical quality would remain above standards	The cost is to Fresenius Medical Care only.

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

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

- 94% of patients had a URR \geq 65%
- 96% of patients had a Kt/V \geq 1.2

Criterion 1110.234, Size of Project

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD 450-650 BGSF Per Station	DIFFERENCE	MET STANDARD?
ESRD IN-CENTER HEMODIALYSIS	12,568 (20 Stations)	9,000 – 13,000 BGSF	None	Yes

As seen in the chart above, the State Standard for ESRD is between 450 - 650 BGSF per station or 9,000 – 13,000 BGSF. The proposed 12,568 DGSF falls within this range therefore meeting the State standard.

Criterion 1110.234, Project Services Utilization

UTILIZATION					
	DEPT/SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	N/A		80%	Yes
YEAR 1	IN-CENTER HEMODIALYSIS	Upon Opening w/transfer of HPH Patients	80.83%	80%	Yes

As seen in the chart above, the facility will have already met the State standard utilization target of 80% upon its opening and the anticipated transfer of the current Highland Park Hospital dialysis patients. The physicians supporting this project have identified another 46 pre-ESRD patients who they expect to refer to the Fresenius Highland Park facility in the first two years after it is open. This does not account for those patients who present in an emergency room in kidney failure. The facility is expected to maintain utilization above target.

Planning Area Need – Formula Need Calculation:

The proposed Fresenius Medical Care Highland Park dialysis facility is located in Highland Park in HSA 8. HSA 8 is comprised of Lake, McHenry and Kane Counties. According to the January 2014 Inventory there is an excess of 30 stations in this HSA, however upon approval of the Highland Park Hospital chronic ESRD service discontinuation and this establishment application, there will not be a change to the inventory.

Planning Area Need – Service To Planning Area Residents:

A. The primary purpose of this project is to provide in-center hemodialysis services to the residents of Lake County in HSA 8, more specifically the Highland Park Market area. 85% of the current Highland Park Hospital chronic ESRD patients, who are expected to transfer to the Fresenius Highland Park facility, reside in HSA 8. 100% of pre-ESRD patients identified who will be referred to the facility also reside in HSA 8.

County	HSA	Current Highland Park Hospital Chronic ESRD Patients who are Expected to Transfer to Fresenius Medical Care Highland Park
Lake County	8	82 = 85%
Cook County	6	14 = 14%
Wisconsin	-	1 = 1%

County	HSA	Pre-ESRD Patients Identified who are Expected to be Referred to Fresenius Medical Care Highland Park
Lake County	8	46 = 100%

NANCY A. NORA, M.D.
SHALINI N. PATEL, M.D.
INTERNAL MEDICINE/NEPHROLOGY

March 3, 2014

767 PARK AVENUE WEST, SUITE 260
HIGHLAND PARK, ILLINOIS 60035

TELEPHONE (847) 432-7222
FACSIMILE (847) 432-9360

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

Dear Ms. Avery:

I am a Nephrologist practicing with North Shore Nephrology and am the Medical Director of the Highland Park Hospital (HPH) chronic ESRD service. I have been made aware that HPH intends to discontinue this service contingent upon approval of its discontinuation CON application and approval of the 20-station Fresenius Medical Care Highland Park application. I am told that these two projects are contingent upon the other.

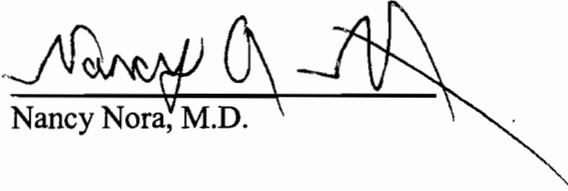
When the HPH service discontinues, I along with HPH, prefer that there is a clinic within close proximity that would be able to accept all of my patients and be able to offer employment to the HPH service staff. This will allow continuity of care to patients, staff and us as treating physicians. The approval and establishment of Fresenius Medical Care Highland Park will allow this to occur.

My partners (Dr. Patel, and Dr. Mehta) and I were treating 165 hemodialysis patients at the end of 2011, 161 at the end of 2012 and 180 patients at the end of 2013, as reported to The Renal Network. In 2013 we referred 35 new ESRD patients for hemodialysis services to Highland Park Hospital, Fresenius Medical Care Deerfield, Lake Bluff, Mundelein, Gurnee, and Round Lake. We have a large practice with over 800 pre-ESRD. There are 46 that live in close proximity to Highland Park that we anticipate would be referred to the Fresenius Highland Park facility in the first two years of its operation, that otherwise would have been referred to the current HPH service. There are 97 patients receiving treatment at the HPH service who are expected to transfer to the Fresenius facility upon its certification and arrangements will be made for all patients to treat at a facility of their choice at this time.

Thank you for your consideration and I respectfully ask you to approve Fresenius Medical Care Highland Park to provide continuity of care for patients of Highland Park Hospital chronic dialysis service.

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

Sincerely,



Nancy Nora, M.D.

Notarization:

Subscribed and sworn to before me
this 4th day of March, 2014



Signature of Notary

Seal



**CURRENT HIGHLAND PARK
HOSPITAL ESRD PATIENTS**

Zip Code	Patients
53142	1
60015	10
60016	1
60022	1
60030	1
60031	2
60035	19
60040	11
60044	1
60045	8
60046	1
60048	1
60060	1
60061	1
60062	3
60064	6
60069	6
60070	1
60077	2
60083	2
60085	7
60089	1
60090	2
60091	1
60099	4
60639	1
60645	1
60712	1
Total	97

**PRE-ESRD PATIENTS
NORTHSHORE NEPHROLOGY
EXPECT TO REFER TO
FRESENIUS MEDICAL CARE
HIGHLAND PARK IN THE
1ST 2 YEARS OF OPERATION**

City	Zip Code	Patients
Deerfield	60015	8
Highland Park	60035	13
Highwood	60040	4
Lake Bluff	60044	4
Lake Forest	60045	5
Northbrook	60062	9
Lincolnshire	60069	3
	Total	46

NEW ESRD REFERRALS OF NORTHSHORE NEPHROLOGY FOR 2013

Highland Park Hospital		Fresenius Medical Care									
		Deerfield		Lake Bluff		Mundelein		Gurnee		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	4	60065	1	60099	1	60067	1	60085	2	60085	1
60048	1	60015	1	60044	1	60099	1				
60040	1	60406	1			60061	1				
60090	2	60044	1			60010	1				
60062	1	60035	1			60064	1				
60022	1	60089	1			60085	1				
60061	1	60062	1			60045	1				
60015	2	60026	1								
60045	1										
60085	1										
Total	15	Total	8	Total	2	Total	7	Total	2	Total	1

Grand Total	35
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- 3 -
74

ESRD PATIENTS OF NORTSHORE NEPHROLOGY AT YEAR END 2011

Highland Park Hospital		DaVita Lake County		Fresenius Medical Care					
Zip Code	Patients	Zip Code	Patients	Deerfield		Lake Bluff		Antioch	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60046	2	60061	1	60045	1	60087	4	60096	1
60035	29			60022	1	60064	4	60099	1
60069	5			60062	5	60085	2		
60064	6			60040	2	60048	2		
60085	7			60047	1	60045	2		
60015	6			60073	1	60099	3		
60050	1			60064	2	60096	1		
60099	5			60035	3	60060	1		
60060	1			60085	2	60061	1		
60091	1			60046	1	60031	1		
60134	1			60048	1	60044	3		
60645	1			60031	2	60083	1		
60169	1			60090	1	60035	1		
60089	3			60015	1	60030	1		
60083	3			60099	1				
60065	1			60015	1				
60090	2								
60062	6								
60045	5								
60048	1								
60712	1								
60061	1								
60047	1								
60022	1								
60096	1								
60031	4								
60040	9								
60044	1								
60625	1								
60070	1								
60010	1								
Total	109	Total	1	Total	26	Total	27	Total	2
Grand Total									165

ESRD PATIENTS OF NORTHSORE NEPHROLOGY AT YEAR END 2012

Highland Park Hospital		Fresenius Medical Care							
		Deerfield		Lake Bluff		Mundelein		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	18	60045	1	60064	7	60061	2	60073	1
60069	5	60089	3	60085	10	60073	2		
60064	6	60022	1	60045	3	60087	1		
60085	7	60040	1	60099	3	60069	1		
60050	1	60064	1	60048	2	60060	3		
60015	7	60062	4	60087	4	60031	1		
60099	5	60015	2	60030	1	60030	1		
60040	8	60085	2	60061	1	60047	1		
60060	1	60026	1	60044	2	60041	1		
60091	1	60046	1	60096	1				
60046	1	60048	1	60064	1				
60645	1	60090	2						
60089	2	60031	2						
60062	3	60022	1						
60030	1	60047	3						
60045	6	60035	2						
60061	1								
60004	1								
60083	2								
60031	3								
60712	1								
60070	1								
60044	1								
60154	1								
Total	84	Total	28	Total	35	Total	13	Total	1

Grand Total	161
--------------------	------------

ESRD PATIENTS OF NORTHSORE NEPHROLOGY AT YEAR END 2013

Highland Park Hospital		Fresenius Medical Care											
		Deerfield		Lake Bluff		Mundelein		Waukegan Harbor		Gurnee		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	20	60045	1	60087	1	60085	2	60085	5	60085	4	60085	1
60069	6	60015	8	60044	3	60030	1	60087	1	60030	1		
60064	7	60089	3	60048	1	60074	1	60047	1				
60085	4	60022	2	60064	5	60046	1						
60099	4	60040	1	60085	2	60061	5						
60040	9	60064	2	60030	1	60064	1						
60060	1	60085	2	60099	4	60010	1						
60091	1	60062	2	60045	2	60099	1						
60046	1	60026	1	60061	1	60060	2						
60645	1	60048	1			60073	2						
60090	2	60090	2			60047	2						
60089	2	60035	2			60069	1						
60062	4	60031	1			60087	1						
60015	7	60065	1			60050	1						
60022	1	60083	1			60089	1						
60030	1					60031	1						
60045	9					60041	1						
60083	2												
60048	1												
60201	1												
60061	1												
60031	4												
60712	1												
60070	1												
60154	1												
Totals	92	Total	30	Total	20	Total	25	Total	7	Total	5	Total	1
Grand Total											180		

Service Accessibility – Service Restrictions

The proposed Fresenius Medical Care Highland Park dialysis facility will be located in HSA 8 in Highland Park in far-east Lake County. According to the January 2014 station inventory there is an excess of 30 stations in this HSA. However, upon the approval of this project and the approval of NorthShore Highland Park Hospital's chronic ESRD service discontinuation application, there will be no effect to the station inventory.

NorthShore has submitted a CON application proposing the discontinuation of its 20-station ESRD service located at Highland Park Hospital, for reasons outlined in that application. The proposed discontinuation of the HPH service and the establishment of the 20-station "replacement" facility addressed in this application are contingent upon one another. As a result, the HPH discontinuation will not take place until the proposed Fresenius facility is completed and available to accept patients. NorthShore and Fresenius have also entered into an agreement through which Fresenius will acquire certain equipment/tangible assets and goodwill/intangible assets from NorthShore. Fresenius and NorthShore's joint goal is to provide continued access to ESRD services to the patient population that has traditionally looked to HPH for those services, and to ensure a high level of continuity of care as services transition from the HPH service to the Fresenius facility. This will be accomplished, to a great degree, by HPH's Medical Director's acceptance of the parallel position at the proposed Fresenius facility, Fresenius' offering of positions to the staff of the HPH service, and Fresenius' selection of a site less than five minutes from HPH.

This transition is especially important to those HPH ESRD patients who receive Medicaid benefits (8%) and may require additional assistance. Fresenius Medical Care accepts all patients regardless of ability to pay.

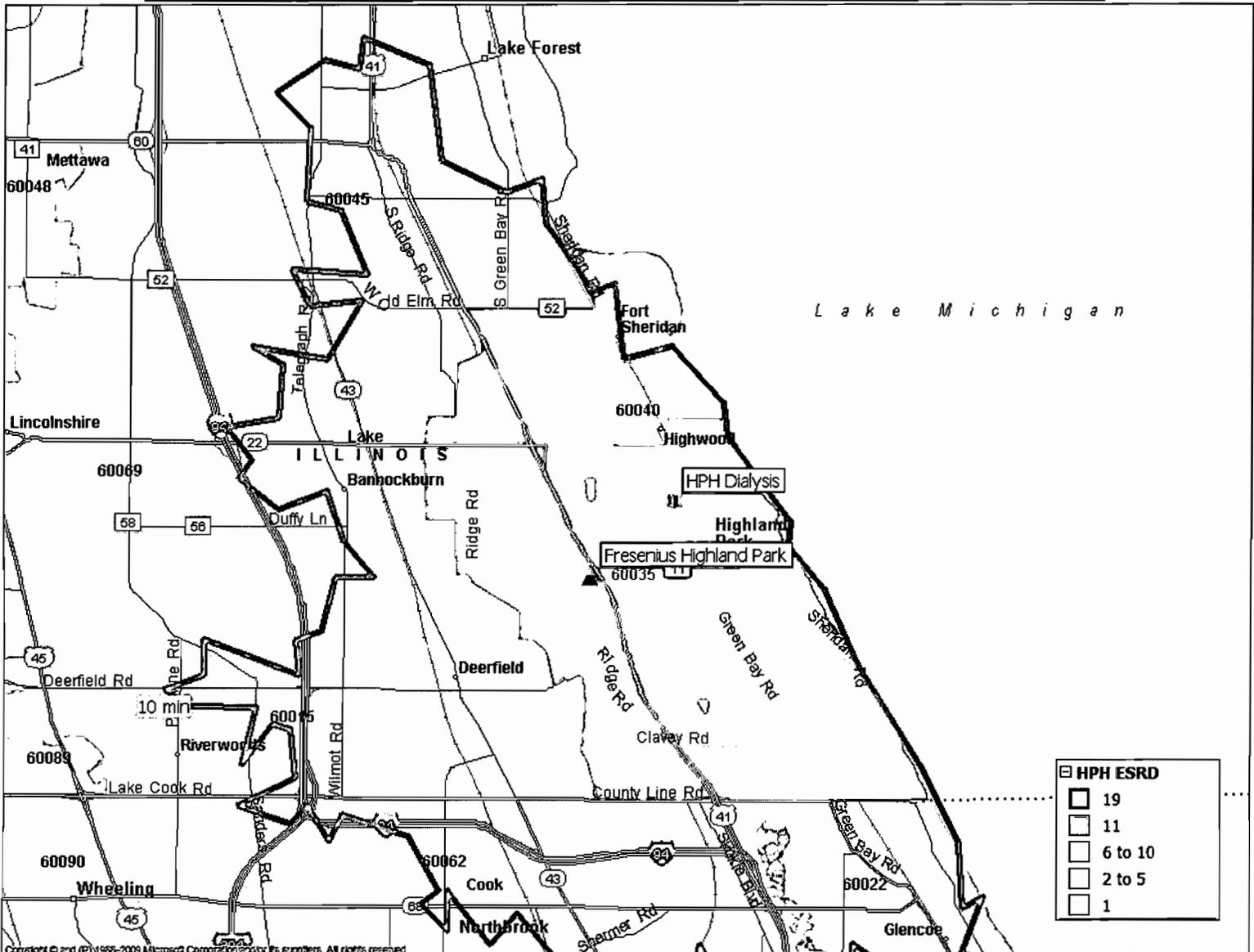
Facilities within 30 Minutes Travel Time of Fresenius Highland Park

Name	Address	City	Zip Code	MapQuest		MapQuest x1.15 Adjusted	12/31/2014		
				Miles	Time		Stations	Patients	Utilization
Highland Park Hospital ¹	718 Glenview Ave	Highland Park	60035	2.1	6	6.9	20	87	72.50%
Fresenius Deerfield	405 Lake Cook Rd	Deerfield	60015	4.78	9	10.35	12	39	54.17%
Fresenius Northfield ²	480 Central Avenue	Northfield	60093	6.09	9	10.35	12	1	1.39%
Fresenius Skokie	9801 Woods Dr	Skokie	60077	9.67	14	16.1	14	60	71.43%
Fresenius Lake Bluff	101 Waukegan Rd	Lake Bluff	60044	8.82	14	16.1	16	76	79.17%
Satellite Glenview	2601 Compass Road	Glenview	60025	8.28	17	19.55	16	85	70.83%
DaVita Lake County	565 Lakeview Pkwy	Vernon Hills	60061	10.48	17	19.55	16	72	75.00%
Fresenius Evanston ³	2953 Central St	Evanston	60201	10.91	18	20.7	20	59	49.17%
Fresenius Big Oaks	5623 W Touhy Ave	Niles	60714	13.96	19	21.85	12	23	31.94%
Fresenius Mundelein	1400 Townline Road	Mundelein	60060	11.64	19	21.85	12	33	45.83%
Center for Renal Replacement	7301 N Lincoln Ave	Lincolnwood	60712	14.29	20	23	16	66	68.75%
Fresenius Gurnee	101 S Greenleaf Ave	Gurnee	60031	14.64	21	24.15	16	79	94.05%
DaVita Buffalo Grove	1291 W Dundee Rd	Buffalo Grove	60089	11.41	23	26.45	16	60	62.50%
Fresenius North Kilpatrick	4800 N Kilpatrick Ave	Chicago	60630	16.48	23	26.45	28	141	83.93%
Fresenius Niles	9371 N Milwaukee Ave	Niles	60714	14.57	23	26.45	32	133	69.27%
DaVita Evanston	1922 Dempster Street	Evanston	60201	14.28	23	26.45	18	58	53.70%
Evanston Hospital	2650 Ridge Ave	Evanston	60201	12.33	23	26.45	5	0	0.00%
DaVita Waukegan	3300 Grand Avenue	Waukegan	60085	15.63	23	26.45	22	103	78.03%
Fresenius Glenview	4248 Commercial Way	Glenview	60025	12.43	25	28.75	31	85	70.83%

1. NorthShore Highland Park Hospital ESRD service (currently with 97 patients and 80.83% utilization) will discontinue contingent on the approval and certification of the Fresenius Highland Park Facility, which is also contingent upon the approval of the NorthShore discontinuation.
2. Fresenius Northfield is not yet certified and per Board rules has 2 years to reach 80% with separate identified patients from those in the Highland Park application. It is expected to be nearing 80% by the time the Fresenius Highland Park facility is operational.
3. Fresenius Evanston was recently approved (#13-053) to add 6 stations due to excess growth over the past year. These stations are expected to be operational by December 2015 and will have two years to reach 80% with patient identified from the Evanston market of a separate physician practice.

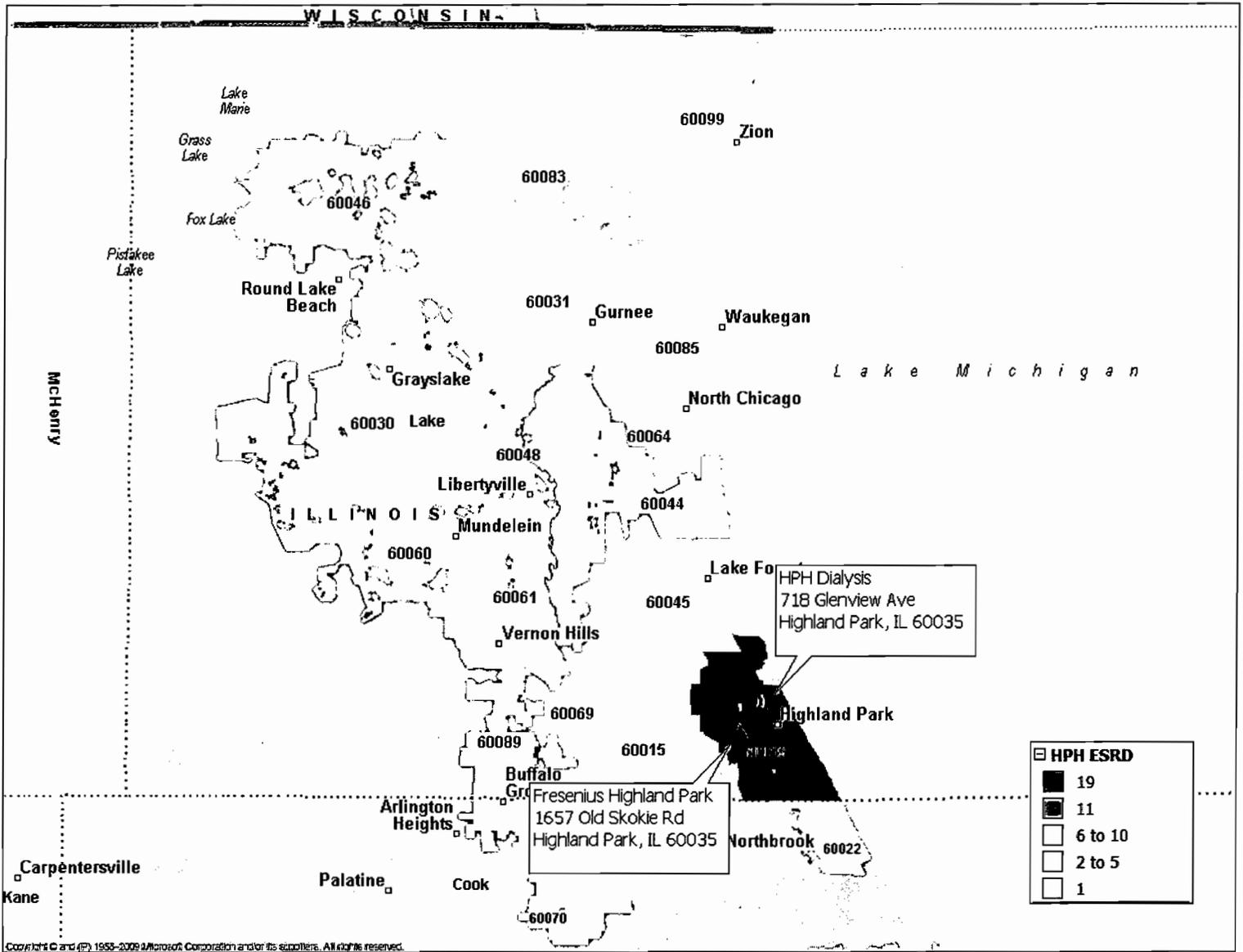
While, as seen in the chart above, there is not an absence of dialysis services in the HSA, if the Fresenius clinic is not established patients will have to be scattered to various clinics throughout Lake County, possibly losing their treating physician and incurring numerous transportation problems with loss of current scheduled treatment time and thus current transportation options. The Fresenius Highland Park facility will allow patients to treat with their physician, the staff they have come to know and trust and on their current treatment schedule in nearly the same location. **Over half** of the current patients reside within 10-minutes travel time of the chosen site allowing the same continued access to dialysis services.

Current Dialysis Patients within 10 Minutes Travel of Fresenius Highland Park



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Demographics of the 97 Patients Dialyzing at the Current Highland Park Hospital Facility



In addition to the 97 patients currently dialyzing at the HPH service, NorthShore Nephrology has identified another 46 pre-ESRD patients who live in the vicinity of the facility who are expected to be referred to the facility. This does not include those patients who present in an emergency room in kidney failure or those who live outside of the immediate area who may choose to treat in Highland Park with Dr. Nora and Dr. Patel.

Pre-ESRD Patients Identified Who Will Be Referred to Fresenius Medical Care Highland Park

City	Zip Code	Patients
Deerfield	60015	8
Highland Park	60035	13
Highwood	60040	4
Lake Bluff	60044	4
Lake Forest	60045	5
Northbrook	60062	9
Lincolnshire	60069	3
	Total	46

Unnecessary Duplication/Maldistribution

Zip Code	Population	Stations	Facility
60004	50,582		
60015	26,800	12	Fresenius Deerfield
60016	59,690		
60018	30,099		
60022	8,153		
60025	39,405	16	Satellite Glenview
60026	13,335		
60029	482		
60030	36,056		
60031	37,947	16	Fresenius Gurnee
60035	29,763	20	Highland Park Hospital
60037	901		
60040	5,431		
60043	2,513		
60044	9,792	16	Fresenius Lake Bluff
60045	20,925		
60047	41,669		
60048	29,095		
60053	23,260		
60056	55,219		
60060	37,189	12	Fresenius Mundelein
60061	25,748	16	DaVita Lake County
60062	39,936		
60064	15,407		
60068	37,475		
60069	8,384		
60070	16,001		
60076	33,415		
60077	26,825	14	Fresenius Skokie
60083	9,838		
60085	71,714	53	Fresenius Waukegan Harbor DaVita Waukegan
60088	15,761		
60089	41,533	16	DaVita Buffalo Grove
60090	37,633		
60091	27,020		
60093	19,570	12	Fresenius Northfield
60201	43,125	43	Fresenius Evanston DaVita Evanston Evanston Hospital
60202	31,361		
60203	4,523		
60630	54,093	28	Fresenius North Kilpatrick
60631	28,641		
60646	27,177		
60712	12,590	16	Center For Renal Replacement
60714	29,931	44	DaVita Big Oaks Fresenius Niles
Total	1,216,007	334	1/3,641

1) The ratio of ESRD stations to population in the zip codes within a 30-minute radius of Fresenius Highland Park is 1 station per 3,641 residents according to the 2010 census (based on 1,216,007 residents and 334 stations). The State ratio is 1 station per 3,132 residents (based on US Census 2010 of 12,830,632 Illinois residents and January 2014 Board station inventory of 4,096).

The establishment of the Fresenius Highland Park facility and the subsequent discontinuation of the NorthShore Highland Park Hospital chronic ESRD service will have no impact on the station inventory or the station to population ratio. Therefore, this facility will not create maldistribution but, will address the need for access and continuity of care for the Highland Park Hospital ESRD patients once that facility discontinues.

2) Although all facilities within thirty minutes travel time are not above the target utilization of 80%, Fresenius Medical Care Highland Park will not create a maldistribution of services in regard to there being excess capacity. The NorthShore Highland Park Hospital ESRD service is currently operating above 80% utilization, as of this writing, with 97 in-center hemodialysis patients and 11 home dialysis patients. Upon certification of the Fresenius facility and transfer of NorthShore patients, the facility will already be above 80% utilization. No patients are being transferred from any other facility nor will the facility be taking patients away from other nearby referral sources. The facility will have zero effect on the market, other than continued access for ESRD patients in Highland Park.

Facilities within 30 Minutes Normal Travel Time of Fresenius Highland Park

Name	Address	City	Zip Code	MapQuest		MapQuest x1.15 Adjusted	12/31/2014		
				Miles	Time		Stations	Patients	Utilization
Highland Park Hospital ¹	718 Glenview Ave	Highland Park	60035	2.1	6	6.9	20	87	72.50%
Fresenius Deerfield	405 Lake Cook Rd	Deerfield	60015	4.78	9	10.35	12	39	54.17%
Fresenius Northfield ²	480 Central Avenue	Northfield	60093	6.09	9	10.35	12	1	1.39%
Fresenius Skokie	9801 Woods Dr	Skokie	60077	9.67	14	16.1	14	60	71.43%
Fresenius Lake Bluff	101 Waukegan Rd	Lake Bluff	60044	8.82	14	16.1	16	76	79.17%
Satellite Glenview	2601 Compass Road	Glenview	60025	8.28	17	19.55	16	85	70.83%
DaVita Lake County	565 Lakeview Pkwy	Vernon Hills	60061	10.48	17	19.55	16	72	75.00%
Fresenius Evanston ³	2953 Central St	Evanston	60201	10.91	18	20.7	20	59	49.17%
Fresenius Big Oaks	5623 W Touhy Ave	Niles	60714	13.96	19	21.85	12	23	31.94%
Fresenius Mundelein	1400 Townline Road	Mundelein	60060	11.64	19	21.85	12	33	45.83%
Center for Renal Replacement	7301 N Lincoln Ave	Lincolnwood	60712	14.29	20	23	16	66	68.75%
Fresenius Gurnee	101 S Greenleaf Ave	Gurnee	60031	14.64	21	24.15	16	79	94.05%
DaVita Buffalo Grove	1291 W Dundee Rd	Buffalo Grove	60089	11.41	23	26.45	16	60	62.50%
Fresenius North Kilpatrick	4800 N Kilpatrick Ave	Chicago	60630	16.48	23	26.45	28	141	83.93%
Fresenius Niles	9371 N Milwaukee Ave	Niles	60714	14.57	23	26.45	32	133	69.27%
DaVita Evanston	1922 Dempster Street	Evanston	60201	14.28	23	26.45	18	58	53.70%
Evanston Hospital	2650 Ridge Ave	Evanston	60201	12.33	23	26.45	5	0	0.00%
DaVita Waukegan	3300 Grand Avenue	Waukegan	60085	15.63	23	26.45	22	103	78.03%
Fresenius Glenview	4248 Commercial Way	Glenview	60025	12.43	25	28.75	31	85	70.83%

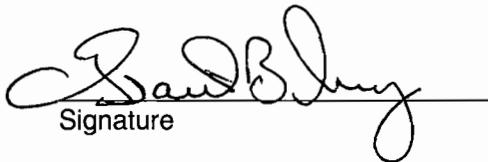
1. NorthShore Highland Park Hospital ESRD service (currently with 97 patients and 80.83% utilization) will discontinue contingent on the approval and certification of the Fresenius Highland Park Facility, which is also contingent upon the approval of the NorthShore discontinuation
2. Fresenius Northfield is not yet certified and per Board rules has 2 years to reach 80% with separate identified patients from those in the Highland Park application. It is expected to be nearing 80% by the time the Fresenius Highland Park facility is operational.
3. Fresenius Evanston was recently approved (#13-053) to add 6 stations due to excess growth over the past year. These stations are expected to be operational by December 2015 and will have two years to reach 80% with patient identified from the Evanston market of a separate physician practice.

2. Not applicable – applicant is not a hospital; however the utilization will not be lowered below target utilization at any other ESRD facility due to the establishment of the facility, except for the NorthShore Highland Park Hospital chronic ESRD service, which in agreement with Fresenius, intends to discontinue upon the certification of the Fresenius Highland Park facility.

Criterion 1110.1430 (e)(5) Medical Staff

I am the Midwest Group Vice President of the North Division of Fresenius Medical Care North America . In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Highland Park, I certify the following:

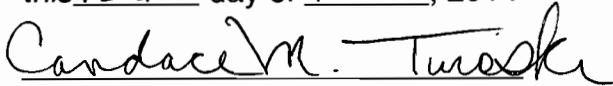
Fresenius Medical Care Highland Park will be an "open" unit with regards to medical staff. Any Board Licensed nephrologist may apply for privileges at the Highland Park facility, just as they currently are able to at all Fresenius Medical Care facilities.


Signature

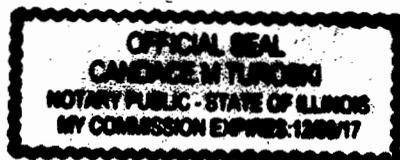
Grant Asay
Printed Name

Group Vice President
Title

Subscribed and sworn to before me
this 13th day of March, 2014


Signature of Notary

Seal



Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Dr. Nancy Nora is the Medical Director of the Highland Park Hospital (HPH) chronic ESRD department and will be the Medical Director for Fresenius Medical Care Highland Park. Attached is her curriculum vitae.

B. All Other Personnel

It is the intention of Fresenius Medical Care to offer similar employment opportunities to the staff of the HPH chronic ESRD service contingent with the discontinuation of service there.

Current HPH chronic ESRD service staff include:

- 1 Clinic Manager who is an Registered Nurse
- 9 FT Registered Nurses
- 3 PT Registered Nurses
- 14 FT Patient Care Technicians
- 1 FT Unit Secretary
- 1 FT Financial Coordinator

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

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

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

NANCY A. NORA, M.D.
750 Homewood Avenue
Suite 250
Highland Park, IL 60035

PERSONAL DATA:

Date of Birth: February 27, 1958
Chicago, Illinois

EDUCATION:

1972 – 1976 Regina Dominican High School
Wilmette, Illinois

1976 – 1979 St. Louis University
St. Louis, Missouri

1979 – 1985 Royal College of Surgeons
Dublin, Ireland
M.D. 1985

1985 – 1988 Resident, Internal Medicine
St. Francis Hospital
Evanston, Illinois

1988 – 1991 Nephrology Fellowship
Northwestern University
Chicago, Illinois

EXAMINATIONS:

FMGEMS – 1984

FLEX – 1986

ABIM Internal Medicine – 1988
Certificate #119058

ABIM Nephrology – 1992
Certificate #119058
Re-certified – 2001
Certificate #119058

MEDICAL LICENSURE:

Illinois State
Medical License
#036-074215

HONORS AND AWARDS:

1973 Academic Scholarship
St. Louis University

1979 – 1985 Honors in several courses;
Graduated top 10% of class
Royal College of Surgeons

HONORS AND AWARDS: (con't)

1985	Intern of the Year St. Francis Hospital
1988	Outstanding Clinical Research paper St. Francis Hospital
1989	Finalist; Clinical Research Fellowship American Kidney Foundation
2001	Chicago Magazine Top Doctors in Chicago (Nephrology)
2003 Summer/Fall	Chicago Consumers Checkbook Chicago Areas Top Doctors
2003	Chicago Magazine Top Doctors in Chicago (Nephrology)

PROFESSIONAL EXPERIENCE:

January 1995 to January 1996	Medical Director Highland Park Hospital Dialysis Unit
1991 to Current	David S. Ginsburg, M.D., FACP, Ltd.

PROFESSIONAL MEMBERSHIPS:

----	American Medical Association
----	Illinois State Medical Society
----	Chicago Medical Society
----	American Society of Nephrology

COMMITTEES SERVED ON THROUGH HIGHLAND PARK AND EVANSTON HOSPITALS:

01/01/93 to Current	Ethics	(as member)
06/01/92 to 12/31/95	CME/Library	(as member)
01/01/94 to 10/2000	Medical Care Evaluation Committee – Medicine	(as officer)
01/01/94 to 2001	Pharmacy & Therapeutics	(as member)
01/01/93 to Current	Renal Dialysis	(as member)
2003 to Current	Medical Executive Committee Evanston Northwestern Healthcare	

PUBLICATIONS:

Principles and clinical uses of diuretic therapy., 167 REFS,
Mujais SK; Nora NA; Levin ML, Prog Cardiovasc Dis 1992
Nov – Dec; 35 (3): 221 – 45.

86

PUBLICATIONS CONT.:

Vasopressin resistance in potassium depletion: role of Na-K pump., Mujais SK; Nora NA; Chen Y, AMJ Physiol 1992 Oct; 263 (4 pt 2): F705 – 10.

Discordant aspects of aldosterone resistance in potassium depletion., Mujais SK; Chen Y; Nora NA, AMJ Physiol 1992 Jun; 262 (6 pt 2): F972 – 9.

Interpretation of hypercalcemia in a patient with end-stage renal disease., Nora NA; Singer I, Arch Intern Med 1992 June; 152 (6): 1321 – 2.

Severe acute peripartum hypernatremia., Nora NA; Hedger R; Battle DC, AMJ Kidney Disease 1992 Apr; 19 (4) 385 – 8.

Uremic goiter: the malevolent iodide (editorial)., Nora NA; Mujais SK, Int. J Artif Organs 1991 Oct; 14 (10): 662 – 4.

Use of iodinated contrast media in patients with chronic renal insufficiency and in end-stage renal disease (editorial)., Nora NA; Krumlovsky FA, Int J Artif Organs 1991 Apr; 14 (4): 196 – 8.

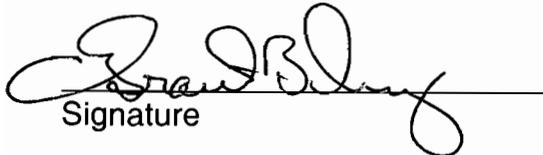
Control of hypertension and reversal of renal failure in undifferentiated connective tissue disease by enalapril (letter; comment)., Levin ML; Ginsburg DS; Nora NA, Arch Intern Med 1990 Apr; 150 (4): 916, 918.

Hypokalemic, hypophosphatemic thyrotoxic periodic paralysis., 12 REFS, Nora NA; Berns AS, AMJ Kidney Dis 1989 Mar; 13 (3): 247 – 9.

Criterion 1110.1430 (f) – Support Services

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

- Fresenius Medical Care utilizes a patient data tracking system in all of its facilities.
- These support services are will be available at Fresenius Medical Care Highland Park during all six shifts:
 - Nutritional Counseling
 - Psychiatric/Social Services
 - Home/self training
 - Clinical Laboratory Services – provided by Spectra Laboratories
- The following services will be provided via referral to Highland Park Hospital, Highland Park:
 - Blood Bank Services
 - Rehabilitation Services
 - Psychiatric Services


Signature

Grant Asay/Group Vice President
Name/Title

Subscribed and sworn to before me
this 13th day of March, 2014


Signature of Notary

Seal



Criterion 1110.1430 (g) – Minimum Number of Stations

Fresenius Medical Care Highland Park is located in the Chicago-Naperville-Joliet, IL-IN-WI Metropolitan Statistical Area (MSA). A minimum of eight dialysis stations is required to establish an in-center hemodialysis center in an MSA. Fresenius Medical Care Highland Park will have 20 dialysis stations thereby meeting this requirement.

TRANSFER AGREEMENT

This TRANSFER AGREEMENT (the "Agreement") is made as of this 25th day of February, 2014 ("Effective Date"), between NorthShore University HealthSystem – Highland Park Hospital ("System") and Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Highland Park ("Center").

WHEREAS, Center desires to assure the availability of the System's facilities for its patients who are in need of treatment at a hospital, in compliance with 42 C.F.R. 405.2160, and the System is equipped and qualified to provide inpatient hospital care.

THEREFORE, the parties wish to enter into the Agreement set forth below as follows:

1. System agrees to make the facilities and personnel of its routine emergency service available for the treatment of acute life-threatening emergencies, which may occur to any of Center's patients. System and its staff shall cooperate with Center's staff to ensure the provision of safe and adequate care to Center's patients who are transferred to System to receive dialysis services in the case of an emergency. If, in the opinion of a member of Center's medical staff, any patient requires emergency hospitalization, System agrees to furnish all necessary medical services at its facility for such patient at the patient's expense. In the event of an emergency at Center, the responsible physician shall notify the patient's physician of record, as indicated in Center's files, and shall promptly notify the Emergency Room physician of the particular emergency. Center shall be responsible for arranging to have the patient transported to the System and shall send appropriate interim medical records. Center shall provide for an interchange, within one working day, of the patient long term program and patient care plan, and of medical and other information necessary or useful in the care and treatment of patients referred to the System from Center, or in determining whether such patients can be adequately cared for otherwise than in either of the facilities. Admission to Hospital, and the continued treatment by Hospital, shall be provided regardless of the patient's race, color, creed, sex, age, disability, or national origin.
2. In the event the patient is transferred directly from Center to System, Center shall provide for the security of, and be accountable for, the patient's personal effects during the transfer.
3. Center shall keep medical records of all treatments rendered to patients by Center. Such medical records shall conform to applicable standards of professional practice. If requested by System, Center shall provide complete copies of all medical records of a patient treated by Center.
4. In addition to the services described above, the System shall make the following services available to patients referred by Center either at the System or at an affiliated hospital:
 - a. Availability of a surgeon capable of vascular access insertion and long-term maintenance;

- b. Inpatient care for any patient who develops complications or renal disease-related conditions that require hospital admission;
 - c. Blood Bank services to be performed by the System.
5. With respect to all work, duties, and obligations hereunder, it is mutually understood and agreed that the parties shall own and operate their individual facilities wholly independent of each other. All patients treated at the facilities of System or Center shall be patients of that facility. Each party shall have the sole responsibility for the treatment and medical care administered to patients in their respective facilities.
 6. Center and System shall each maintain in full force and effect throughout the term of this Agreement, at its own expense, a policy of comprehensive general liability insurance and professional liability insurance covering it and its respective staff and physicians each having a combined single limit of not less than \$1,000,000 per occurrence, \$3,000,000 annual aggregate for bodily injury and property damage to insure against any loss, damage or claim arising out of the performance of each party's respective obligations under this Agreement. Each will provide the other with certificates evidencing said insurance, if and as requested. Either party may provide for the insurance coverage set forth in this Section through self-insurance.
 7. Each party agrees to indemnify and hold harmless the other, their officers, directors, shareholders, agents and employees against all liability, claims, damages, suits, demands, expenses and costs (including but not limited to, court costs and reasonable attorneys' fees) of every kind arising out of or in consequence of the party's breach of this Agreement, and of the negligent errors and omissions or willful misconduct of the indemnifying party, its agents, servants, employees and independent contractors (excluding the other party) in the performance of or conduct related to this Agreement.
 8. The Parties expressly agree to comply with all applicable laws relating to the services provided hereunder or by such party.
 9. Whenever under the terms of this Agreement, written notice is required or permitted to be given by one party to the other, such notice shall be deemed to have been sufficiently given if delivered in hand, overnight delivery, personal delivery or by registered or certified mail, return receipt requested, postage prepaid, to such party at the following address:

To the System:

NorthShore University HealthSystem
Highland Park Hospital
777 Park Avenue West
Highland Park, IL 60035
Attn: President

To Center:

Fresenius Medical Care Highland Park
3500 Lacey Road, Suite 900
Downers Grove, IL 60515
Attn: Lori Wright

With a copy to:

Fresenius Medical Care of Illinois, LLC
c/o Fresenius Medical Care North America
920 Winter Street
Waltham, MA 02451-1457
Attn: Corporate Legal Department

10. If any provisions of this agreement shall, at any time, conflict with any applicable state or federal law, or shall conflict with any regulation or regulatory agency having jurisdiction with respect thereto, this Agreement shall be modified in writing by the parties hereto to conform to such regulation, law, guideline, or standard established by such regulatory agency.
11. This Agreement including any exhibits, schedules, or other attachments which are incorporated herein by reference and made a part hereof may not be amended, modified, or shall be binding unless agreed to in a written instrument signed by both parties.
12. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all negotiations, prior discussions, agreements or understandings, whether written or oral, with respect to the subject matter hereof, as of the Effective Date. This Agreement shall bind and benefit the parties, their respective successors and assigns. This Agreement shall not be assigned by either party without the other party's prior written consent.
13. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Illinois, without respect to its conflicts of law rules.
14. The term of this Agreement is for one (1) year, beginning on the Effective Date, and will automatically renew for successive one year periods unless either party gives the other notice prior to an expiration date. Either party may terminate this Agreement, at any time, with or without cause, upon thirty (30) days written notice to the non-terminating party.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date above written.

**NorthShore University HealthSystem –
Highland Park Hospital**

Fresenius Medical Care of Illinois, LLC

By: Jesse Peterson Hall

Name: JESSE PETERSON HALL

Title: PRESIDENT
HIGHLAND PARK HOSPITAL

By: Grant B. Asaj

Name: Grant B. Asaj

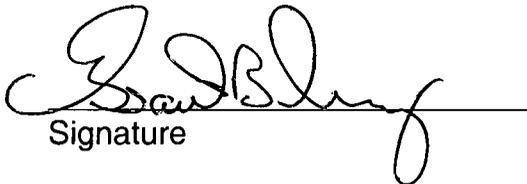
Title: GVP Fresenius Midwest

Criterion 1110.1430 (j) – Assurances

I am the Midwest Group Vice President of the North Division of Fresenius Medical Care North America. In accordance with 77 Il. Admin Code 1110.1430, and with regards to Fresenius Medical Care Highland Park, I certify the following:

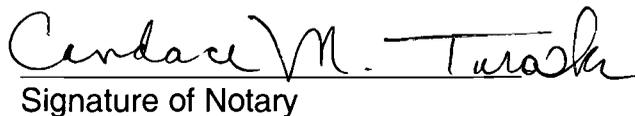
1. As supported in this application through expected referrals to Fresenius Medical Care Highland Park in the first two years of operation, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients in Illinois have achieved adequacy outcomes of:
 - o 92% of patients had a URR \geq 65%
 - o 95% of patients had a Kt/V \geq 1.2

and same is expected for Fresenius Medical Care Highland Park.

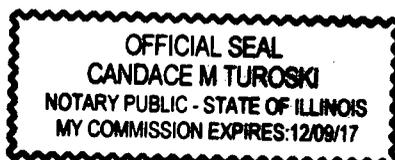

Signature

Grant Asay/Group Vice President
Name/Title

Subscribed and sworn to before me
this 13th day of March 2014


Signature of Notary

Seal





Cushman & Wakefield of
 Illinois, Inc.
 455 N. Cityfront Plaza Drive
 Suite 2800
 Chicago, IL 60611-5555
 (312) 470-1800 Tel
 (312) 470-3800 Fax
 www.cushwake.com

December 11, 2013

Sherwood Blitstein
 Mosaic Properties and Development
 555 Skokie Blvd. Ste. 204
 Northbrook IL, 60062

RE: Fresenius Medical Care, LLC.
Letter of Intent – 1657 Old Skokie LLC

Dear Sherwood,

Fresenius Medical Care is pleased to provide the following Letter of Intent to lease space.

LANDLORD: 1657 Old Skokie LLC
 555 Skokie Blvd. Ste. 204
 Northbrook IL, 60062

TENANT: FRESENIUS MEDICAL CARE of Illinois.

PREMISES: 1657 – 1671 Old Skokie Road, Highland Park, IL, consisting of the entire building and all exterior site improvements located on and serving the subject property, with a current gross leasable area of approximately 12,568 square feet

POSSESSION DATE: Possession Date shall be earlier of: 1) the date that Landlord delivers the Premises to FRESENIUS MEDICAL CARE for completion of the Tenant Improvements provided the Certificate of Need (CON) has been awarded by the state of Illinois; and, 2) nine (9) months from the full execution of the Lease. Notwithstanding the foregoing, if Tenant determines in its reasonable judgment that it cannot obtain a CON, after using all commercially reasonable efforts, at any time prior to the ninth month, then Tenant may terminate the Lease, or enter into the CON Contingency Period Option described below.

CON Contingency Period Option: In the event Tenant requires additional time (more than 9 months) to obtain a CON, and they have not elected to terminate the Lease, Tenant may on a month-to-month basis, for a period of up to six (6) additional months, continue to pursue obtaining the CON provided that: Tenant, commencing at the beginning of the tenth month, and beginning of each successive month thereafter (provided Tenant has not elected to terminate its Lease), pays to Landlord 50% of the total monthly rent due. In the event Tenant is unable to obtain the CON after such six (6) month period, the lease will terminate. If during this Contingency Period tenant obtains the CON Landlord shall promptly thereafter provide Tenant with possession, constituting the Possession Date.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

RENT COMMENCEMENT DATE

Rent Commencement Date shall occur three (3) months after the Possession Date.

PRIMARY TERM:

An initial lease term of fifteen (15) years from the date that Tenant opens for business, and is in receipt of a Certificate of Occupancy. For purposes of establishing the Possession Date, Rent Commencement Date and Primary Term starting date, both parties will execute a Key Date Certificate after store opening has occurred.

OPTIONS TO RENEW:

Three (3), five (5) year options to renew the Lease. FRESENIUS MEDICAL CARE shall provide six months (180) days' prior written notification of its desire to exercise the option.

BASE RENTAL RATE:

Initial Rental Rate (year 1) shall be \$276,000.00 per year, paid in monthly installments. The rent is for the entire Premises. \$21.96 SF

ESCALATION:

Throughout the Primary Term and all extension options, if exercised, the Rental Rate shall escalate at the rate of 2.0% per annum, on the anniversary date of Rent Commencement.

LANDWORK WORK:

Landlord to pay for Landlord Work up to \$350,000.00 toward improving the base building of the property as outlined by Tenant "Landlord Work". Landlord Work will consist of the following removal of the Mezzanine, demo the interior, all parking lot and sidewalks improvements and all utilities upgrades and any other work that the Tenant deems necessary. All costs not spent will be credited to Tenant and paid to Tenant for their tenant improvements.

CONCESSIONS:

As described above, a free rent period of three (3) months shall commence on the Possession Date.

USE:

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

DEMISED PREMISES

SHELL AND SITE:

Landlord shall deliver the Premises as is, except for its commitment to perform (or provide) Landlord Work

CONTRACTOR FOR TENANT IMPROVEMENTS:

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

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

HVAC:

Equipment as-is. Landlord to maintain pursuant to its Landlord Maintenance, described below.

DELIVERIES:

FRESENIUS MEDICAL CARE requires delivery access to the Premises 24 hours per day, 7 days per week.

EMERGENCY GENERATOR:

FRESENIUS MEDICAL CARE shall have the right, at its cost, to install an emergency generator to service the Premises in a location to be mutually agreed upon between the parties.

**SPACE PLANNING/
ARCHITECTURAL AND
MECHANICAL DRAWINGS:**

FRESENIUS MEDICAL CARE will provide all space planning and architectural and mechanical drawings required to build out and demolish existing improvement not needed, the tenant improvements, including construction drawings stamped by a licensed architect and submitted for approvals and permits. All building permits shall be the FRESENIUS MEDICAL CARE's responsibility.

PARKING:

Landlord to permit, subject to local ordinances, designated handicapped spaces plus one ambulance space. Tenant acknowledges that 24 spaces are leased from the city on an annual basis for \$432 per year. Per agreement dated December 2005 attached.

BUILDING CODES:

FRESENIUS MEDICAL CARE has or will, perform its own building code analysis and acknowledges the demised premises will be delivered by the Landlord as described herein, without any repos or warranties regarding current or future codes.

**CORPORATE
IDENTIFICATION:**

Tenant shall have signage rights in accordance with local code.

**COMMON AREA EXPENSES
AND REAL ESTATE TAXES:**

Concurrent with Rent Commencement, Tenant shall be responsible for all Real Estate Taxes and Operating Expenses associated with its Premises.

**ASSIGNMENT/
SUBLETTING:**

FRESENIUS MEDICAL CARE requires the right to assign or sublet all or a portion of the demised premises to any subsidiary or affiliate without Landlord's consent, provided guarantor remains fully liable under its guaranty. Any other assignment or subletting will be subject to Landlord's prior consent, which shall not be unreasonably withheld or delayed.

LANDLORD MAINTENANCE:

Landlord shall, without expense to Tenant, maintain and make all necessary repairs to the structural portions of the Building to keep the building structurally sound including, without limitation: foundations, structure, load bearing walls, exterior walls, roof supports, columns, retaining walls, footings as well as water mains, gas and sewer lines serving the Premises.

With respect to the parking and other exterior areas of the Premises and subject to reasonable reimbursement by Tenant, Landlord shall perform the following, pursuant to good and accepted business practices and reasonable management and administrative fees throughout the term: repainting or

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routine tuck-pointing the exterior surfaces of the building when necessary; repairing, resurfacing, repaving, re-striping, and resealing of the parking areas; repairing and maintaining the roof (other than its structure, which is Landlord's responsibility); repairing, maintaining and replacing the HVAC equipment; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business.

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

UTILITIES:

Tenant shall pay all charges for water, electricity, gas, telephone and other utility services furnished to the Premises. Tenant shall receive all savings, credits, allowances, rebates or other incentives granted or awarded by any third party as a result of any of Tenant's utility specifications in the Premises. Landlord agrees water, electricity, gas and sanitary sewer currently serves the Premises.

SURRENDER:

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

ZONING AND RESTRICTIVE COVENANTS:

Landlord confirms that the current property zoning is acceptable for the proposed use as an outpatient kidney dialysis clinic. There are no restrictive covenants imposed by the development, owner, and/or municipality that would in any way limit or restrict the operation of FRESENIUS MEDICAL CARE's dialysis clinic

FLOOD PLAIN:

Landlord confirms that the property and premises is not in a Flood Plain, but it is in a flood zone.

CAPITALIZATION TEST:

Landlord will complete the attached Accounting Classification Form to ensure FRESENIUS MEDICAL CARE is not entering into a capitalized lease arrangement.

FINANCING:

Landlord will use its best efforts to cause its lender to provide a non-disturbance agreement.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

EXCLUSIVITY

Landlord will not, during the term of the Lease and any option terms, lease space in a 5 mile radius to any other provider of hemodialysis services.

ENVIRONMENTAL:

A Phase One Environmental Study may be conducted.

DRAFT LEASE:

FRESENIUS MEDICAL CARE requires the use of its Standard Form Lease, which shall be conformed to terms described herein.

LEASE EXECUTION:

Both parties agree that they will make best efforts to reach a fully executed lease document within thirty days of the execution of this letter of intent.

EXCLUSIVITY:

Landlord agrees not to seek an alternate tenant for the Premises, unless Tenant terminates its Lease. Tenant agrees that it will not seek another location for this planned Highland Park store. This paragraph shall be **BINDING UPON THE PARTIES** for a period of twelve (12) months upon the full execution of this proposal.

**LEASE TERMINATION
INDEMNIFICATION PAYMENT:**

In lieu of an indemnification of costs incurred by Landlord in pursuit of the Premises for Tenant and holding period costs incurred while Landlord waits for Tenant to take possession, Tenant agrees to pay Landlord \$60,000 in the event Landlord acquires the Premises, and Tenant fails to obtain a CON and take possession. This paragraph shall be **BINDING UPON THE PARTIES** upon the full execution of this proposal.

LEASE SECURITY:

Fresenius Medical Holdings Corp. shall fully guarantee the lease. No security deposit shall be required.

CONFIDENTIAL:

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

NON-BINDING NATURE:

This proposal is intended solely as a preliminary expression of general intentions and is to be used for discussion purposes only, except for matters pertaining to the EXCLUSIVITY and INDEMNIFICATION sections above. The parties intend that neither shall have any contractual obligations to the other with respect to the matters referred to herein, except for matters pertaining to the EXCLUSIVITY and INDEMNIFICATION sections above, unless and until a definitive Lease agreement has been fully executed and delivered by the parties. Once this proposal has been fully executed the EXCLUSIVITY and INDEMNIFICATION sections as described above shall be legally binding on the parties.

If you are in agreement with these terms, please execute the document below and return a copy for our records.

You may email the proposal to loren.guzik@cushwake.com. Thank you for your time and cooperation in this matter, should you have any questions please call me at 312.470.1897.

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

Loren Guzik
Senior Director
Office Group
Phone: 312-470-1897
Fax: 312-470-3800
e-mail: loren_guzik@cushwake.com

AGREED AND ACCEPTED this 11 day of December, 2013

By William Pappas

Title: Senior Real Estate Manager, Frosenius Medical Care

AGREED AND ACCEPTED this 12 day of December, 2013

By Wanda

Title: MANAGER

No warranty or representation, express or implied, is made as to the accuracy of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions, imposed by our principals.

-6-

AGREEMENT

THIS AGREEMENT is made and entered into as of the 15 day of DECEMBER, 2005, by and between ARLEN L. PETERSON (hereinafter referred to as "Peterson") and the CITY OF HIGHLAND PARK, LAKE COUNTY, ILLINOIS (hereinafter referred to as "City"), a home rule municipal corporation.

WITNESSETH

WHEREAS, Peterson is the owner of certain real property legally described as follows:

Lot 1 in Peterson's Resubdivision, being a subdivision of part of the South East ¼ of the South West ¼ of Section 22, Township 43 North, Range 12, East of the Third Principal Meridian, in Lake County, Illinois (hereinafter referred to as "Subject Property"); and

WHEREAS, the Subject Property is adjacent to and abuts a portion of a public Right-of-way commonly known as Old Skokie Road (hereinafter referred to as "Right-of-way"); and

WHEREAS, Peterson wishes to utilize the Right-of-way to provide at least 29 off-site parking spaces in connection with the construction on the Subject Property of a commercial structure;

NOW, THEREFORE, in consideration of the mutual agreements herein contained, Peterson and the City agree as follows:

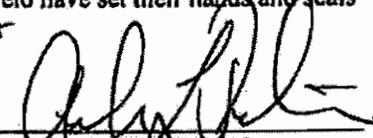
1. Peterson will pave and otherwise improve the Right-of-way with a parking lot containing at least twenty-nine (29) automobile parking spaces (hereinafter referred to as "Project") in conformance with the plans and specifications attached hereto and hereby made a part hereof as Exhibit A.
2. On a year-to-year basis, the City will designate twenty-four (24) of the said twenty-nine (29) automobile parking spaces located in the Project as "A" Commercial Permit automobile parking spaces; with the understanding that the City will sell to Peterson, and Peterson will purchase from the City, all twenty-four (24) "A" Commercial Parking Permits at the total cost of \$432 per year.

2

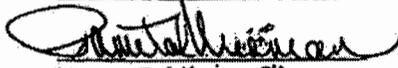
RETURN TO:
CITY OF HIGHLAND PARK
DEPT. OF COMMUNITY DEV.
1150 HALF DAY ROAD

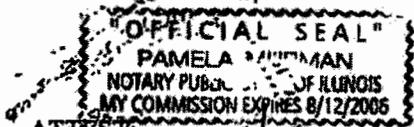
3. Peterson will guarantee the public a turnaround through the Subject Property in conformance with the plans and specifications attached hereto and hereby made a part hereof as Exhibit A.
4. Peterson shall defend, protect, indemnify and hold harmless the City and any of its agents, representatives, assigns, and/or employees from any and all liability arising in any manner out of the use, construction, maintenance, operation, or existence of the Project. In addition, Peterson shall, at his own and sole cost and expense, not less than thirty (30) days prior to the end of each calendar year hereafter, procure and deliver to the City Clerk of the City an insurance policy issued by an insurance carrier acceptable to the City, naming Peterson as the insured, having limits of coverage for public liability in the amount of not less than \$500,000 per person and not less than \$1,000,000 per occurrence, and having limits of coverage for property damage in the amount of not less than \$100,000—all as approved by the Corporation Counsel of the City. The delivery of such policy shall be made prior to starting construction of the Project and thereafter not later than November 30 of each year commencing with November 30, 1997.
5. The Project shall be constructed and thereafter maintained at the sole cost and expense of Peterson and in a good and workmanlike manner, satisfactory to the Department of Community Development of the City.

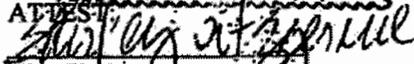
IN WITNESS WHEREOF, the parties hereto have set their hands and seals this 15 day of December, 2005


 ARLEN L. PETERSON

Subscribed and sworn to
 Before me this 16 day of
December, 2005.


 Notary Public



ATTEST:

 City Clerk


 CITY OF HIGHLAND PARK
 City Manager

3

Criterion 1120.310 Financial Viability

Financial Viability Waiver

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

2012 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #13-040, Fresenius Medical Care Lemont and are the same financials that pertain to this application. In order to reduce bulk these financials can be referred to if necessary.

Criterion 1120.310 (c) Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New Mod.		Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
ESRD		161.00				12,568		2,023,448	2,023,448
Contingency		16.00				12,568		201,088	201,088
TOTALS		177.00				12,568		2,224,536	2,224,536

* Include the percentage (%) of space for circulation

Criterion 1120.310 (d) – Projected Operating Costs

Year 2017

Personnel	1,791,172
Medical Supplies	114,371
Other (Exc. Dep/Amort)	<u>1,819,108</u>
Total	\$3,724,651

Annual Treatments 14,976

Cost Per Treatment \$248.71

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

Year 2017

Depreciation/Amortization	\$244,415
Interest	<u>0</u>
CAPITAL COSTS	\$244,415

Treatments: 14,976

Capital Cost per treatment \$16.32

Criterion 1120.310(b) Conditions of Debt Financing

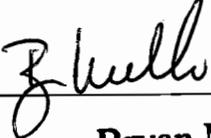
Fresenius Medical Care of Illinois, LLC

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

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

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

By: 
ITS: Mark Fawcett
Vice President & Treasurer

By: 
ITS: Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

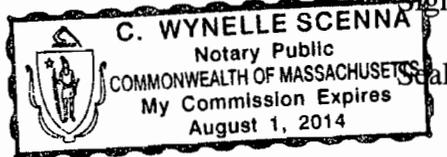
Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014

Signature of Notary

C Wynelle Scenna

Signature of Notary

Seal



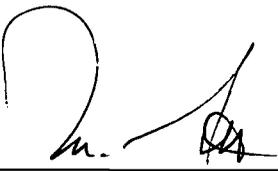
Criterion 1120.310(b) Conditions of Debt Financing

Fresenius Medical Care Holdings, Inc.

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

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

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

By: 

ITS: _____
Mark Fawcett
Vice President & Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

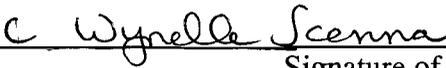
Signature of Notary

Seal

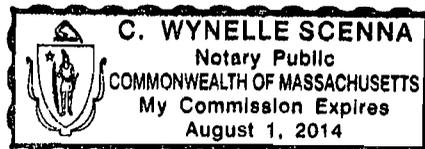
By: 

ITS: _____
Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014


Signature of Notary

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care of Illinois, LLC

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

By: 
Title: _____

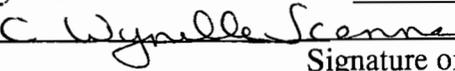
Mark Fawcett
Vice President & Treasurer

By: 
Title: **Bryan Mello**
Assistant Treasurer

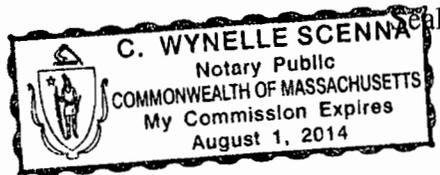
Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

Signature of Notary

Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014


Signature of Notary

Seal



Criterion 1120.310(a) Reasonableness of Financing Arrangements

Fresenius Medical Care Holdings, Inc.

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

By: [Signature]
Title: _____
Mark Fawcett
Vice President & Treasurer

By: [Signature]
Title: _____
Bryan Mello
Assistant Treasurer

Notarization:
Subscribed and sworn to before me
this _____ day of _____, 2014

Notarization:
Subscribed and sworn to before me
this 10 day of Feb, 2014

Signature of Notary C Wynelle Scenna Signature of Notary

Seal

Seal



Safety Net Impact Statement

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

This particular application will not have an impact on any other safety net provider in the area, as no hospital within the area provides dialysis services on an outpatient basis.

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

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

Safety Net Information per PA 96-0031			
CHARITY CARE			
Net Revenue	\$397,467,778	\$353,355,908	\$387,393,758
	2010	2011	2012
Charity * (# of self-pay patients)	146	93	203
Charity (cost in dollars)	\$1,307,966	\$632,154	\$1,536,372
Ratio Charity Care Cost to Net Patient Revenue	.33%	0.18%	.40%
MEDICAID			
	2010	2011	2012
Medicaid (# of patients)	1,828	1,865	1,705
Medicaid (revenue)	\$44,001,539	\$42,367,328	\$36,254,633
Ratio Medicaid to Net Patient Revenue	11.07%	12%	12.99%

2011 & 2012 data accounts for in-center hemodialysis only. 2010 data included some home dialysis patients and we were unable to remove them from the above numbers.

*Patients with Medicaid pending for 2012 were considered under self-pay only. 2010-2011 Medicaid pending were considered Medicaid.

Charity Care Information

The applicant(s) do not provide charity care at any of their facilities per the Board's definition of charity care because self-pay patients are billed and their accounts are written off as bad debt. Fresenius takes Medicaid patients without limitations or exception. The applicant(s) are for profit corporations and do not receive the benefits of not for profit entities, such as sales tax and/or real estate exemptions, or charitable donations. The applicants are not required, by any State or Federal law, including the Illinois Healthcare Facilities Planning Act, to provide charity care. The applicant(s) are prohibited by Federal law from advising patients that they will not be invoiced for care, as this type of representation could be an inducement for patients to seek care prior to qualifying for Medicaid, Medicare or other available benefits. This is why self-pay patients are invoiced and then the accounts written off as bad debt.

The applicants do provide access to care at all of its clinics regardless of payer source or whether a patient is likely to receive treatments for which the applicants are not compensated. Uncompensated care occurs when a patient is not eligible for any type of insurance coverage (whether private or governmental) and receives treatment at our facilities. It is rare in Illinois for patients to have no coverage as patients who are not Medicare eligible are Medicaid eligible. This represents a small number of patients, as Medicare covers all dialysis services as long as an individual is entitled to receive Medicare benefits (i.e. has worked and paid into the social security system as a result) regardless of age. In addition, in Illinois Medicaid covers patients who are undocumented and/or who do not qualify for Medicare, and who otherwise qualify for public assistance. Also, the American Kidney Fund provides low cost insurance coverage for patients who meet the AKF's financial parameters and who suffer from end stage renal disease (see uncompensated care attachment). The applicants work with patients to procure coverage for them as possible whether it be Medicaid, Medicare and/or coverage through the AKF. The applicants donate to the AKF to support its initiatives.

If a patient has no available insurance coverage, they are billed for services rendered, and after three statement reminders the charges are written off as bad debt. Collection actions are not initiated unless the applicants are aware that the patient has substantial financial resources available and/or the patient has received reimbursement from an insurer for services we have rendered, and has not submitted the payment for same to the applicants

Nearly all dialysis patients in Illinois will qualify for some type of coverage and Fresenius works aggressively to obtain insurance coverage for each patient.

Uncompensated Care For All Fresenius Facilities in Illinois

CHARITY CARE			
	2010	2011	2012
Net Patient Revenue	\$397,467,778	\$353,355,908	\$387,393,758
Amount of Charity Care (charges)	\$1,307,966	\$632,154	\$1,536,372
Cost of Charity Care	\$1,307,966	\$632,154	\$1,536,372
Ratio Charity Care Cost to Net Patient Revenue	0.33%	0.18%	0.40%

Fresenius Medical Care North America Community Care

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

American Kidney Fund

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

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

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

Indigent Waiver Program

FMCNA has established an indigent waiver program to assist patients who are unable to obtain insurance coverage or who lack the financial resources to pay for medical services. In order to qualify for an indigent waiver, a patient must satisfy eligibility criteria for both annual income and net worth.

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

Net Worth: A patient (including immediate family members who reside with, or are legally responsible for, the patient) may not have a net worth in excess of \$75,000 (or such other amount as may be established by the Office of Business Practices and Corporate Compliance based on changes in the Consumer Price Index

The Company recognizes the financial burdens associated with ESRD and wishes to ensure that patients are not denied access to medically necessary care for financial reasons. At the same time, the Company also recognizes the limitations imposed by federal law on offering “free” or “discounted” medical items or services to Medicare and other government supported patients for the purpose of inducing such patients to receive ESRD-related items and services from FMCNA. An indigent waiver excuses a patient’s obligation to pay for items and services furnished by FMCNA. Patients may have dual coverage of AKF assistance and an Indigent Waiver if their financial status qualifies them for both programs.

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

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

IL Medicaid and Undocumented patients

FMCNA has a bi-lingual Regional Insurance Coordinator who works directly with Illinois Medicaid to assist patients with Medicaid applications. An immigrant who is unable to produce proper documentation will not be eligible for Medicaid unless there is a medical emergency. ESRD is considered a medical emergency.

The Regional Insurance Coordinator will petition Medicaid if patients are denied and assist undocumented patients through the application process to get them Illinois Medicaid coverage. This role is actively involved with the Medicaid offices and attends appeals to help patients secure and maintain their Medicaid coverage for all of their healthcare needs, including transportation to their appointments.

FMCNA Collection policy

FMCNA’s collection policy is designed to comply with federal law while not penalizing patients who are unable to pay for services.

FMCNA does not use a collection agency for patient collections unless the patient receives direct insurance payment and does not forward the payment to FMCNA.

Medicare and Medicaid Eligibility

Medicare: Patients are eligible for Medicare when they meet the following criteria: age 65 or older, under age 65 with certain disabilities, and people of all ages with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a kidney transplant).

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

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

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

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

Self-Pay

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

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



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Highland Park, IL 60035-2432
2.10 miles / 6 minutes

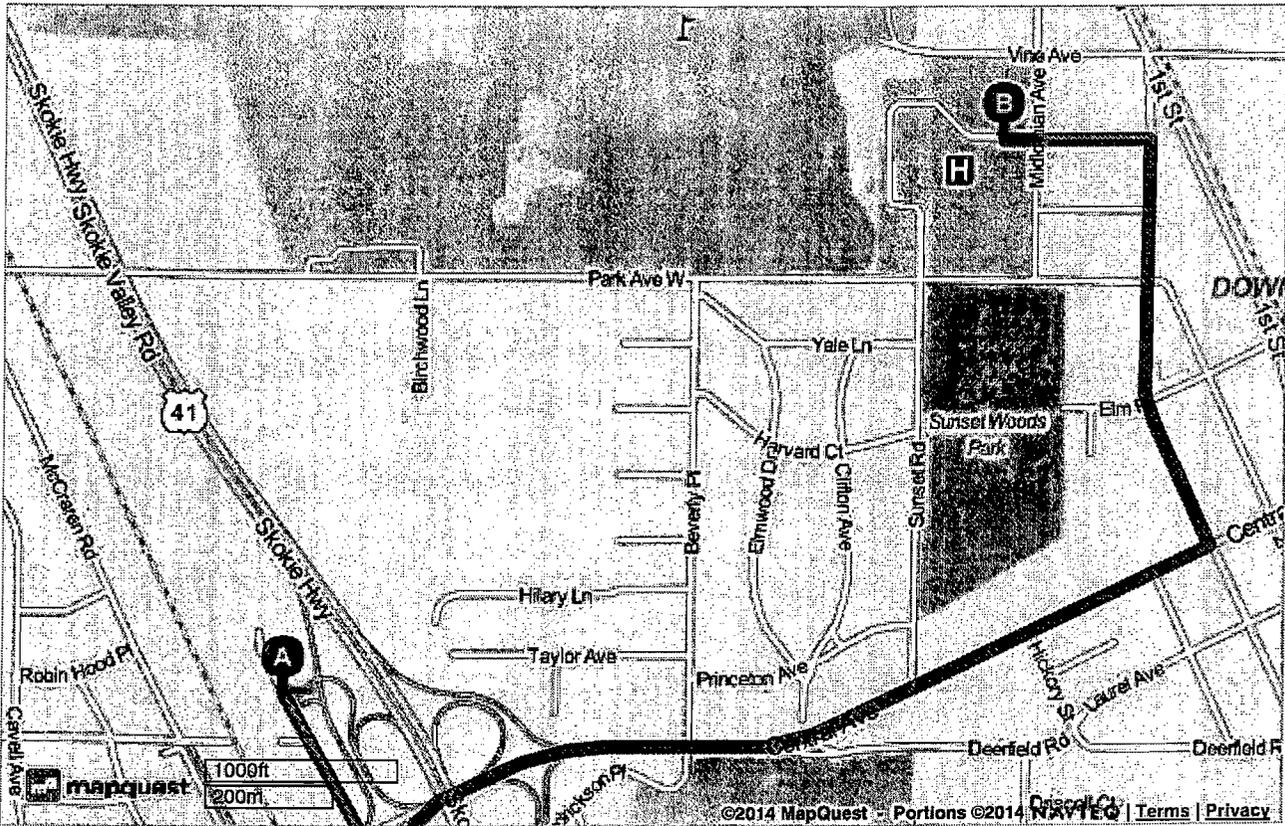
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116



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Deerfield, IL 60015-4993
4.78 miles / 9 minutes

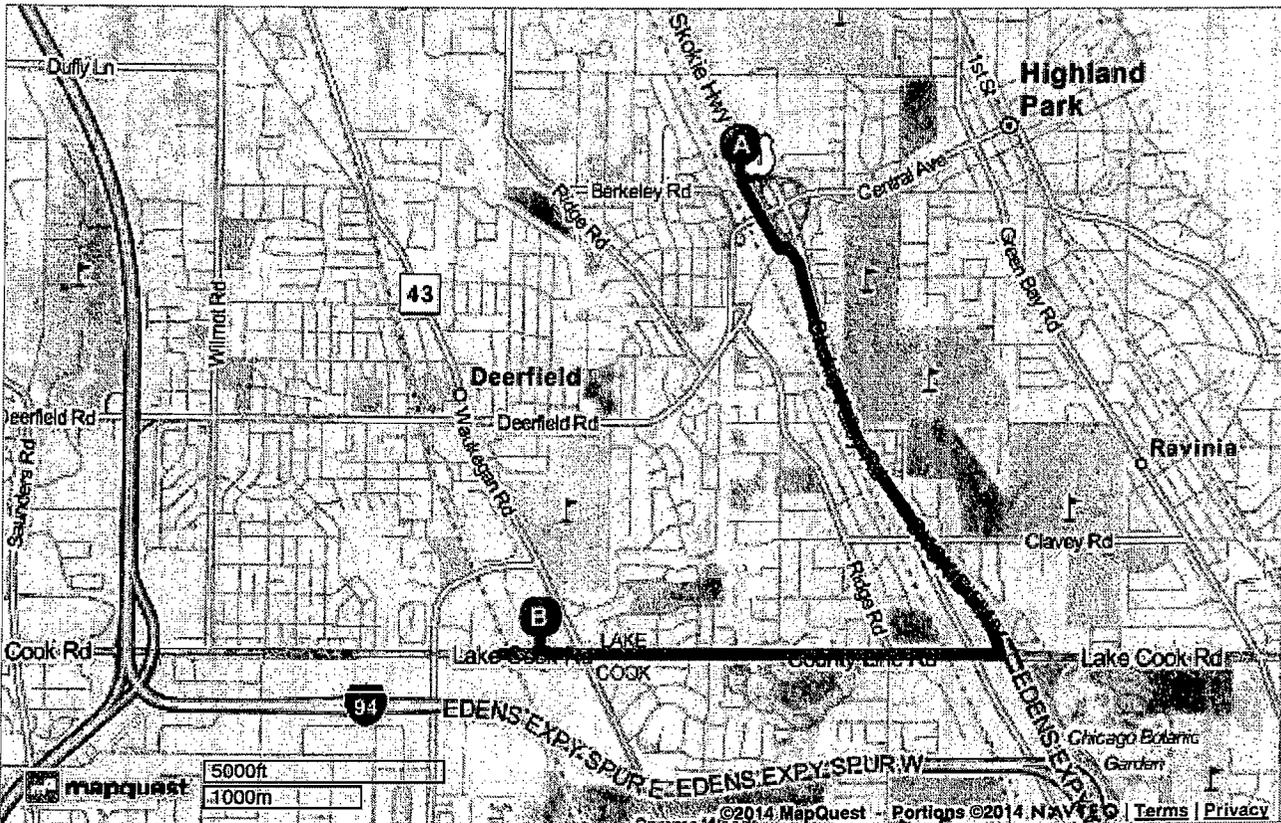
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Trip to:
480 Central Ave
Northfield, IL 60093-3016
6.09 miles / 9 minutes

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118



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9.67 miles / 14 minutes

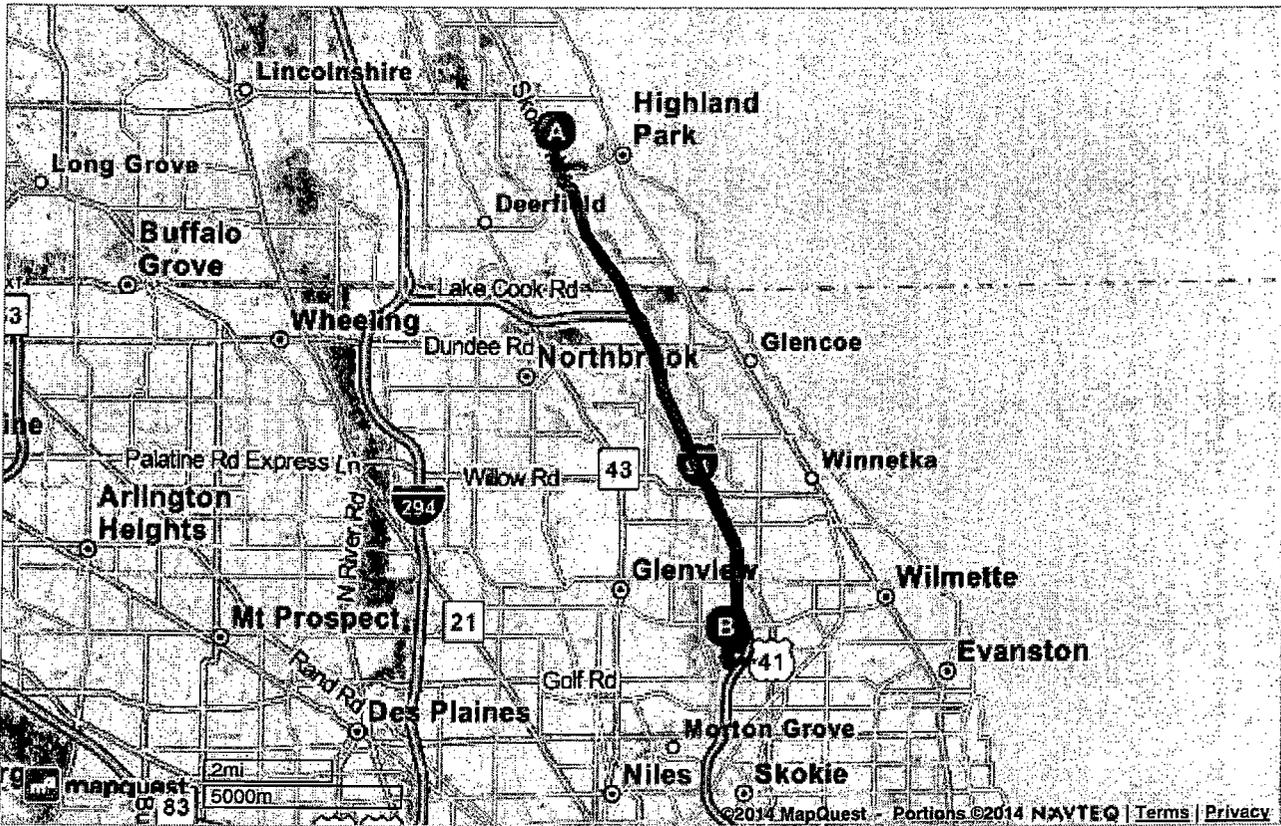
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119



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Lake Bluff, IL 60044
8.82 miles / 14 minutes

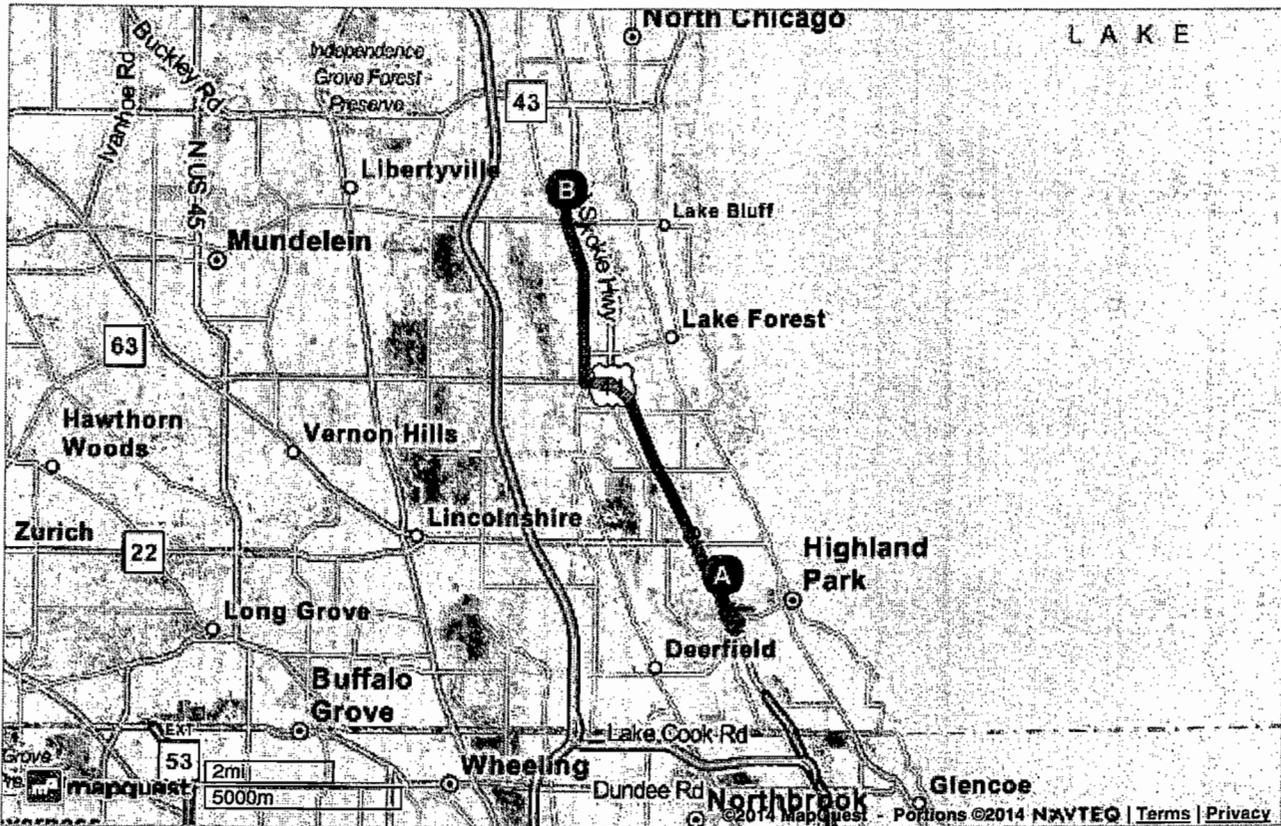
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120



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8.28 miles / 17 minutes

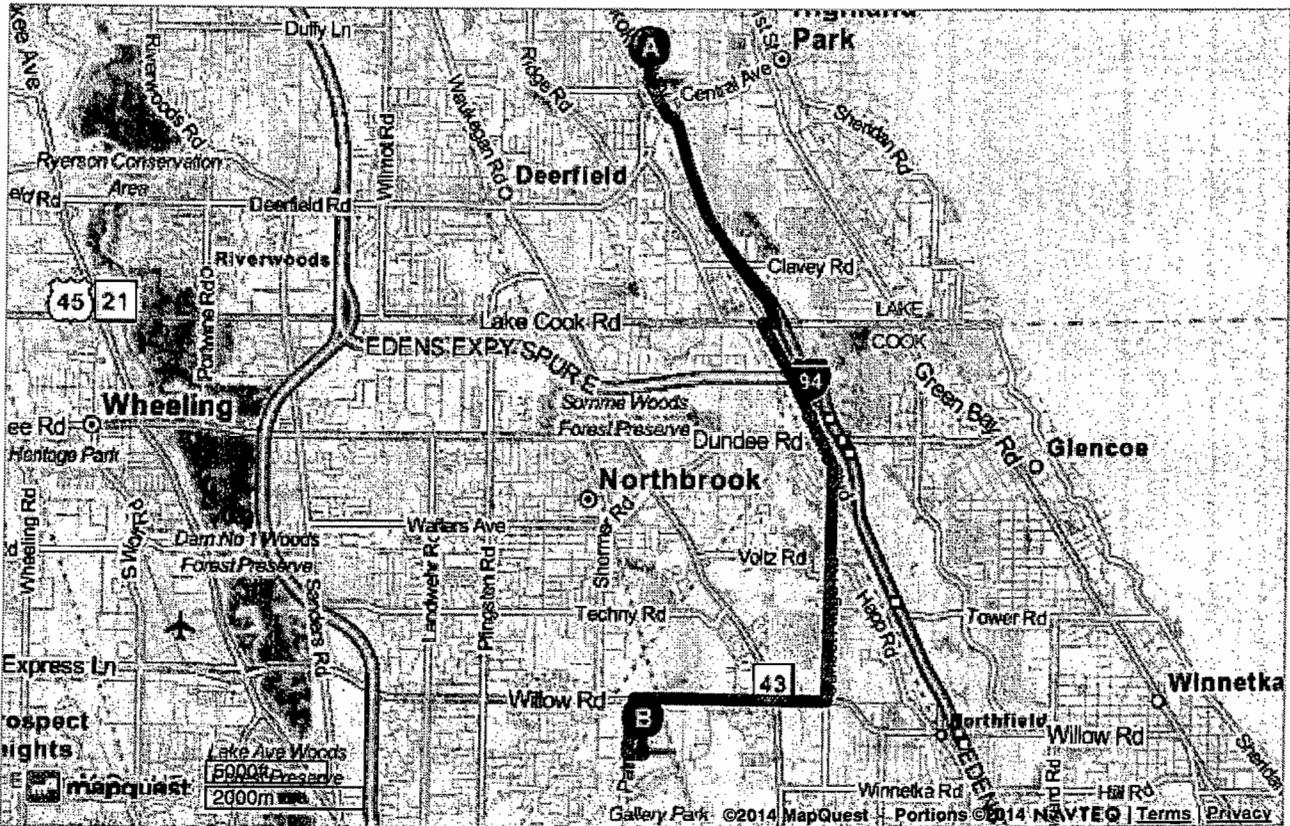
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121



Trip to:
101 S Greenleaf St
Gurnee, IL 60031-3369
14.64 miles / 21 minutes

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TO FRESENIUS MEDICAL CARE GURNEE

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122



Notes

TO DAVITA BUFFALO GROVE

Trip to:

1291 W Dundee Rd

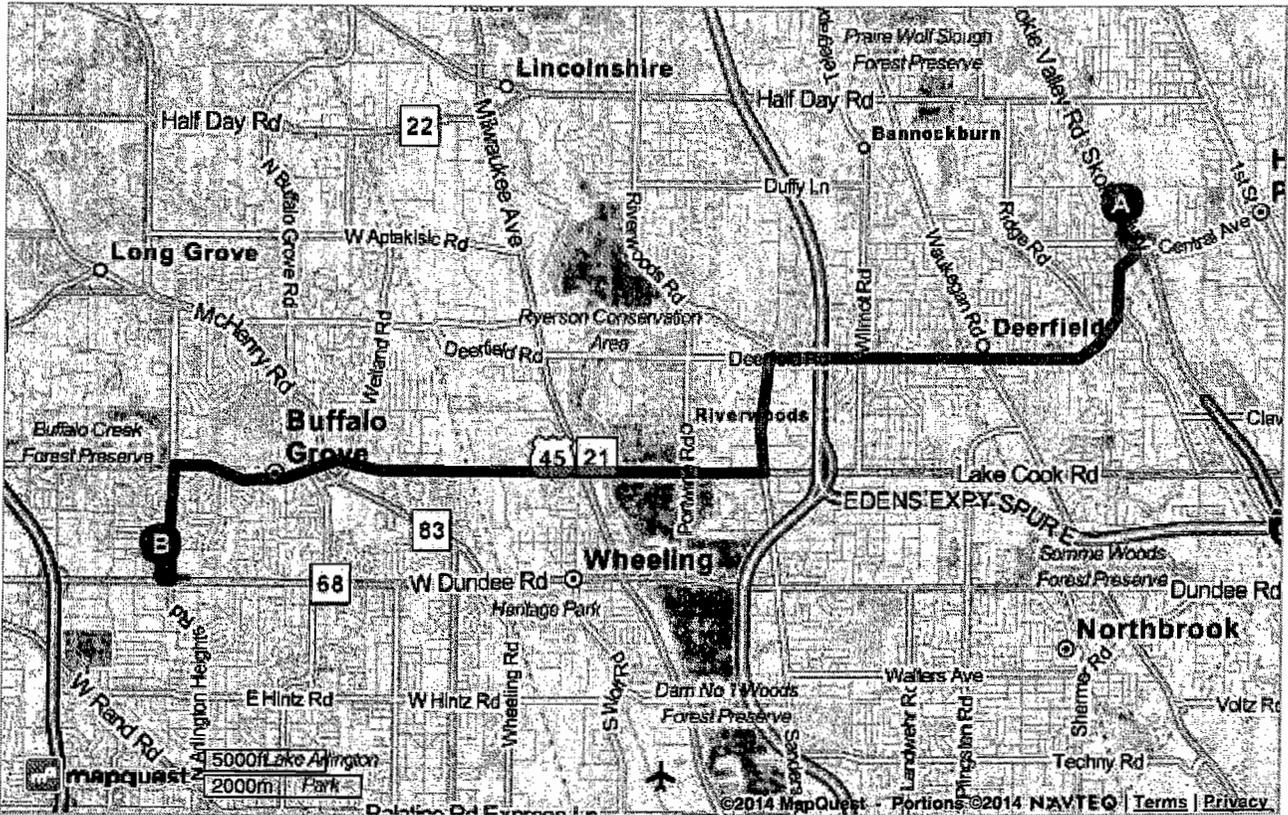
Buffalo Grove, IL 60089-4009

11.41 miles / 23 minutes

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123



Trip to:
4800 N Kilpatrick Ave
Chicago, IL 60630-1725
16.48 miles / 23 minutes

Notes

TO FRESENIUS MEDICAL CARE NORTH
KILPATRICK

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124.



Trip to:

565 Lakeview Pkwy

Vernon Hills, IL 60061-1822

10.48 miles / 17 minutes

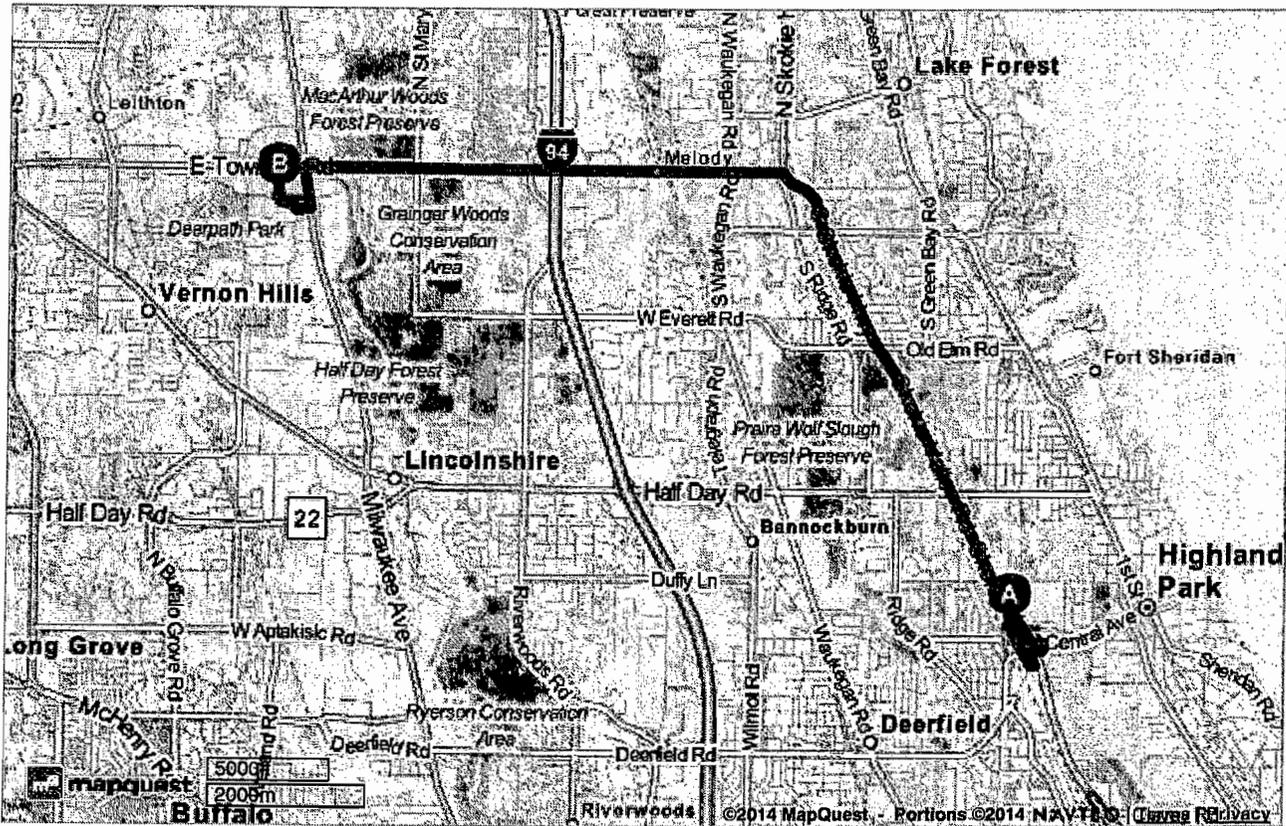
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125



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Evanston, IL 60201-1245
10.91 miles / 18 minutes

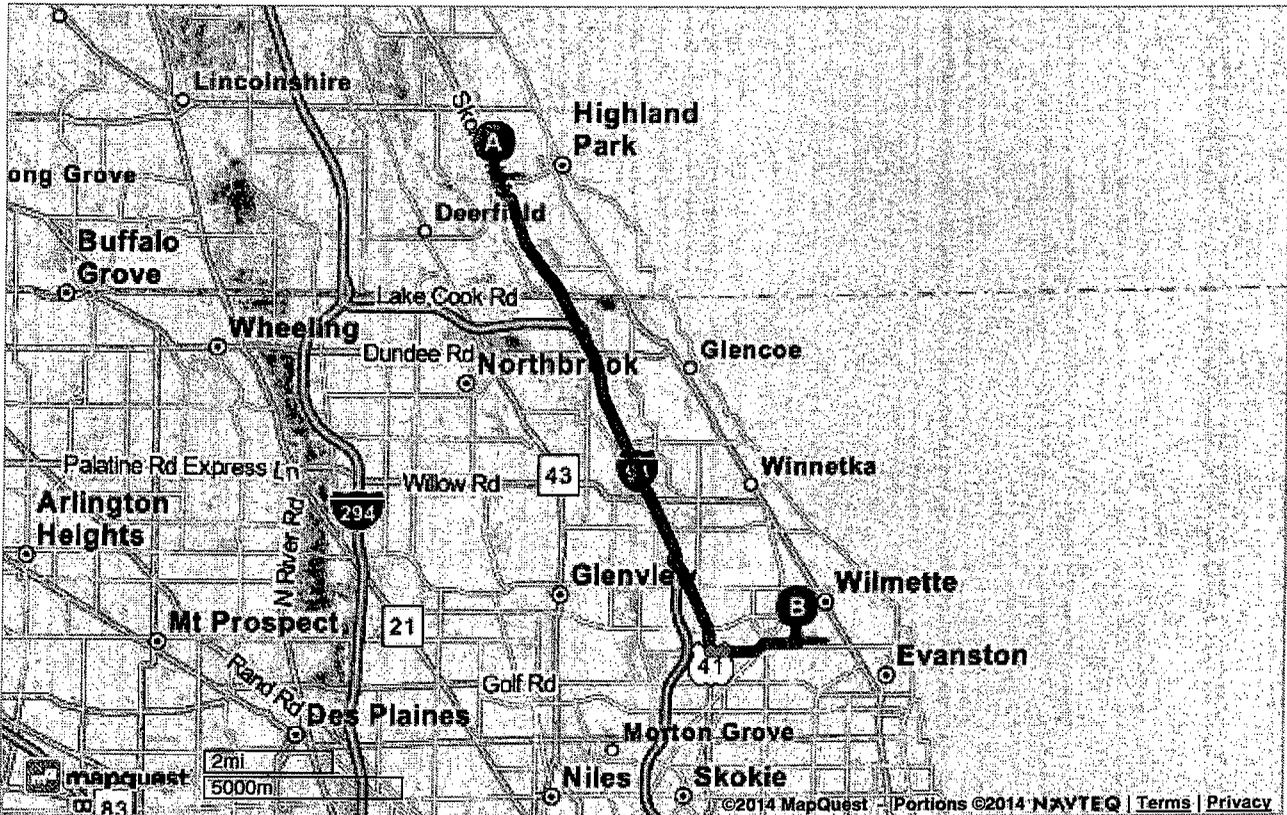
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126



Notes

TO DAVITA BIG OAKS

Trip to:

5623 W Touhy Ave

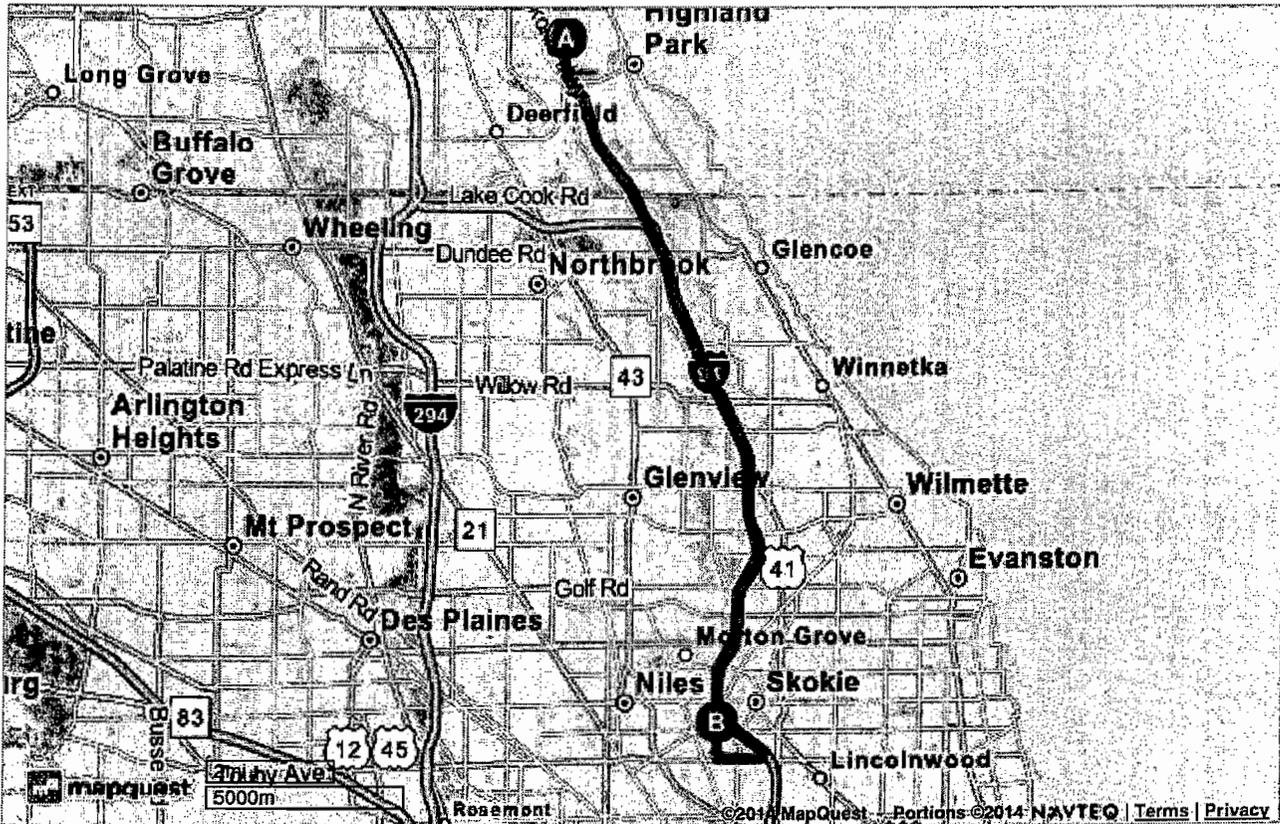
Niles, IL 60714-4019

13.96 miles / 19 minutes

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127



Trip to:
1400 Townline Rd
Mundelein, IL 60060-4433
11.64 miles / 19 minutes

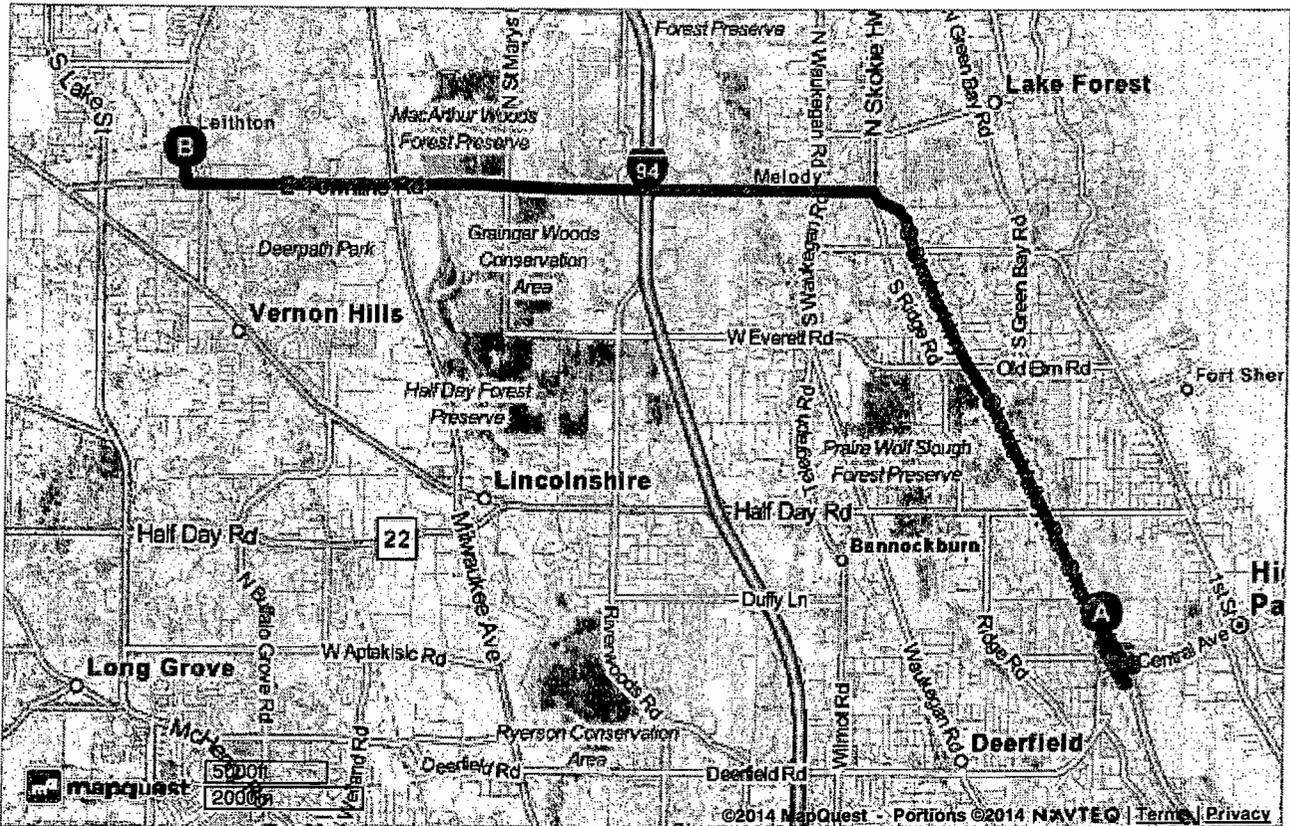
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MUNDELEIN

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128



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7301 N Lincoln Ave
Lincolnwood, IL 60712-1709
14.29 miles / 20 minutes

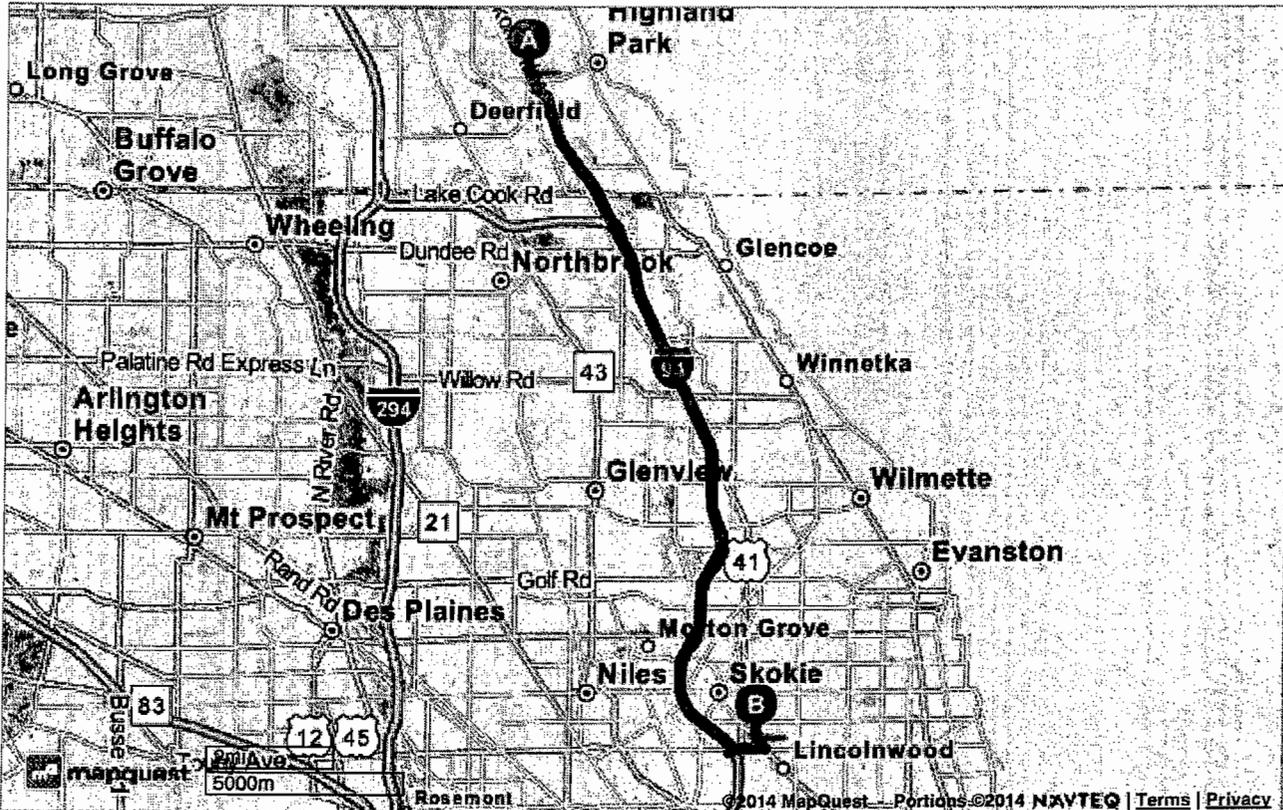
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129



Trip to:
9371 N Milwaukee Ave
Niles, IL 60714-1303
14.57 miles / 23 minutes

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130



Trip to:
1922 Dempster St
Evanston, IL 60202-1016
14.28 miles / 23 minutes

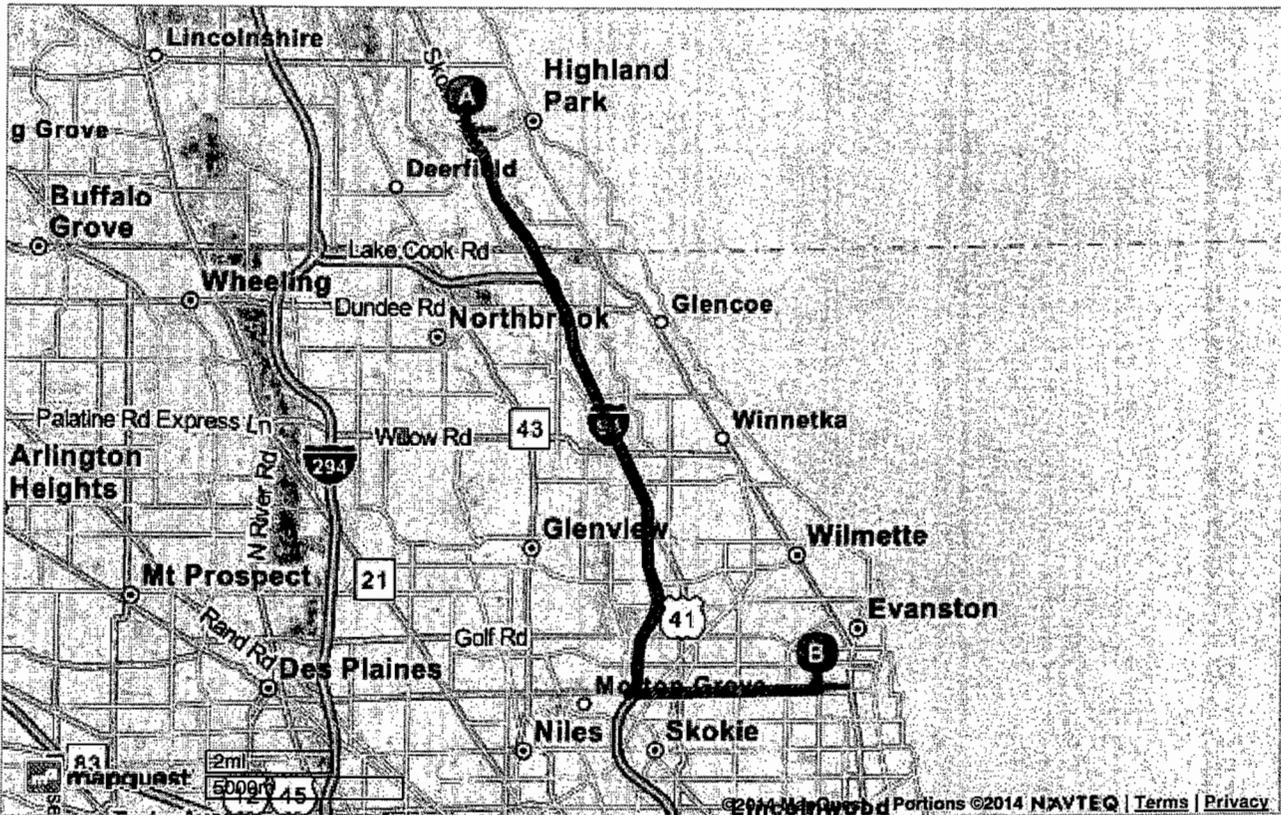
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131



Trip to:
2650 Ridge Ave
Evanston, IL 60201-1718
12.33 miles / 23 minutes

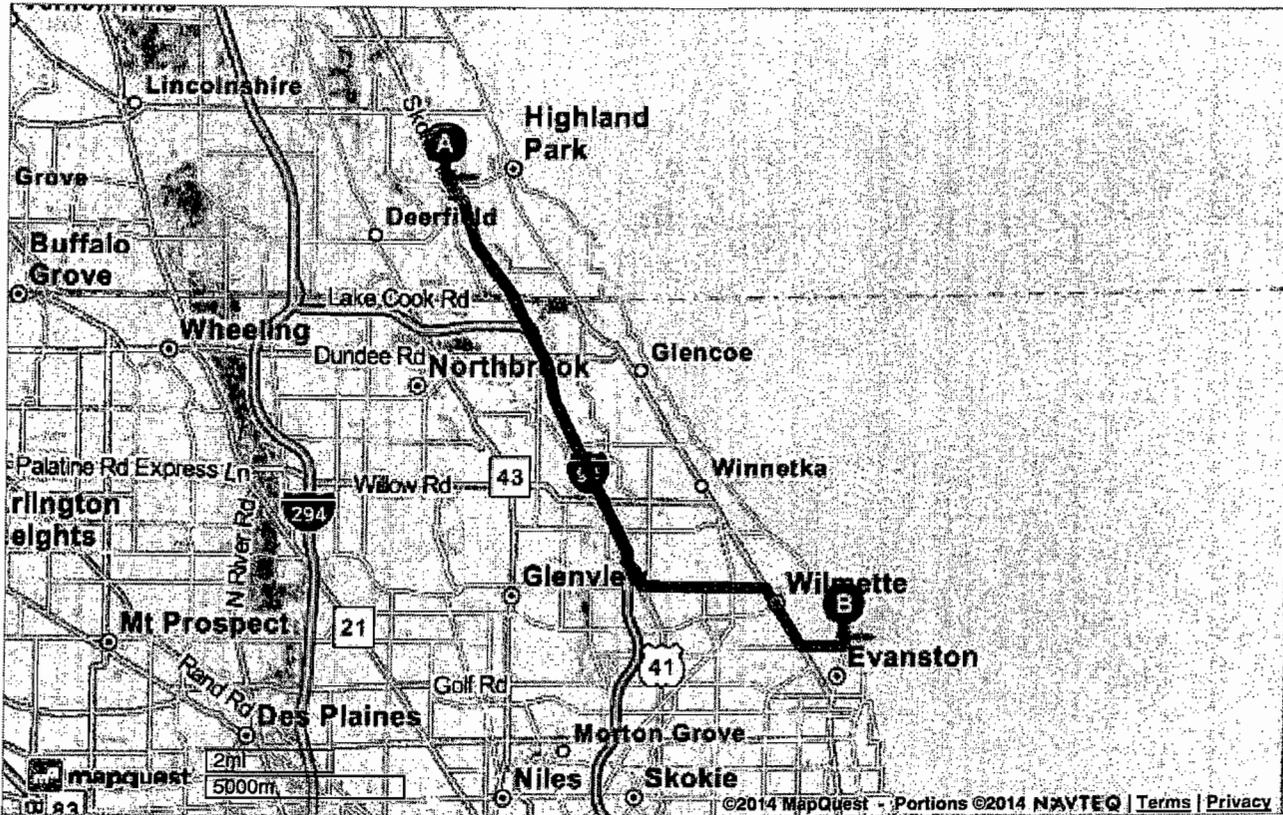
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TO EVANSTON HOSPITAL DIALYSIS

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132



Trip to:
3300 Grand Ave
Waukegan, IL 60085-2206
15.63 miles / 23 minutes

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133



Trip to:
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Glenview, IL 60025-3573
12.43 miles / 25 minutes

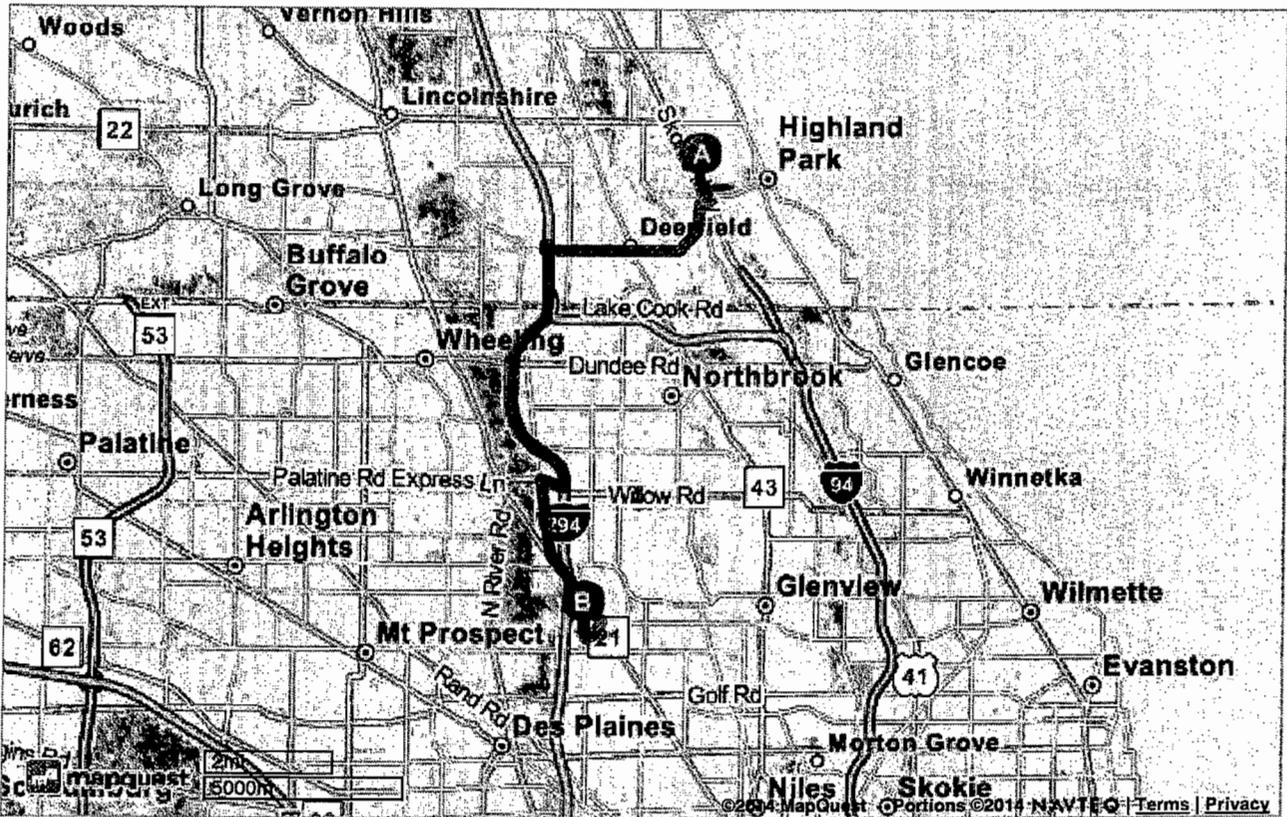
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134



Trip to:
691 E Dundee Rd
Palatine, IL 60074-2817
13.98 miles / 27 minutes

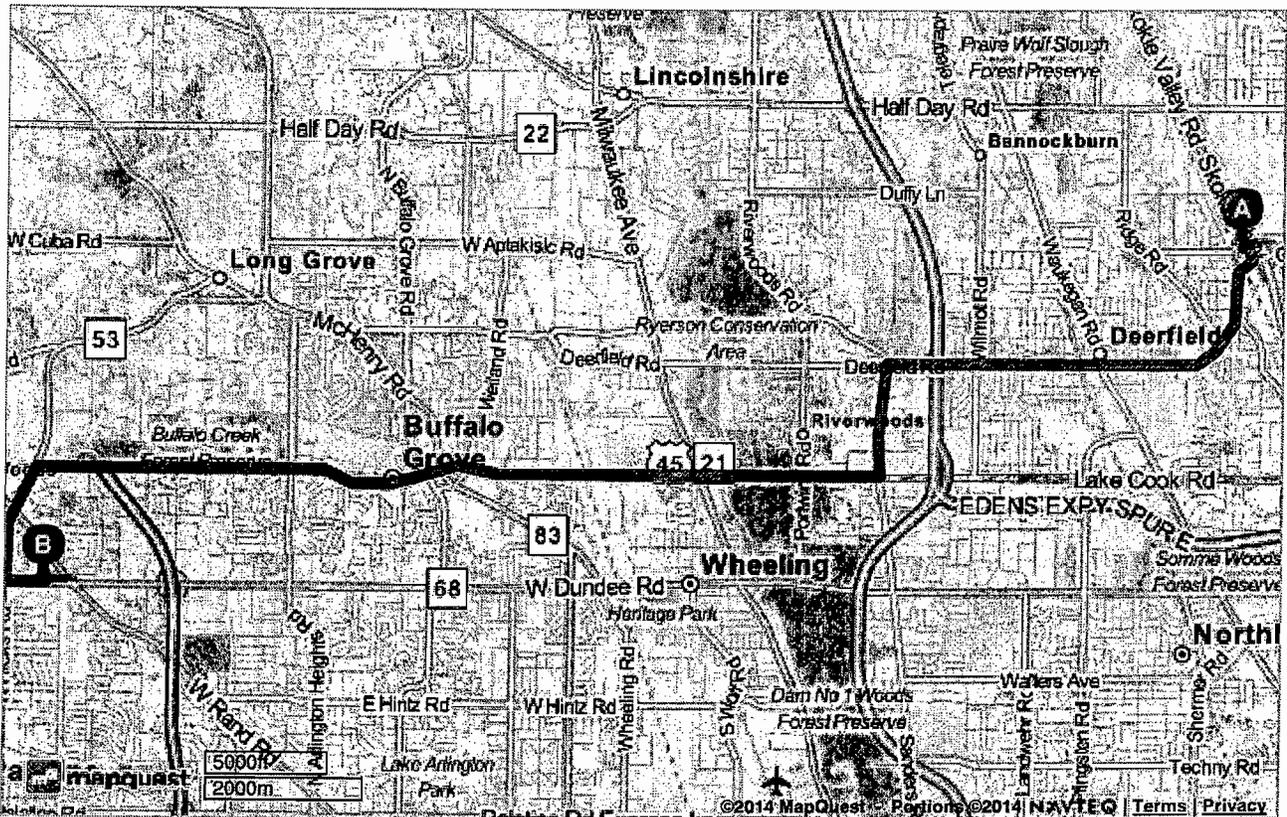
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TO FRESINIUS MEDICAL CARE PALATINE

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Over 30 Minutes

135



Trip to:
4935 W Belmont Ave
Chicago, IL 60641-4332
18.60 miles / 27 minutes

Notes

TO FRESENIUS MEDICAL CARE WEST
BELMONT

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Over 30 Minutes

136



Trip to:
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Chicago, IL 60645-1922
16.45 miles / 27 minutes

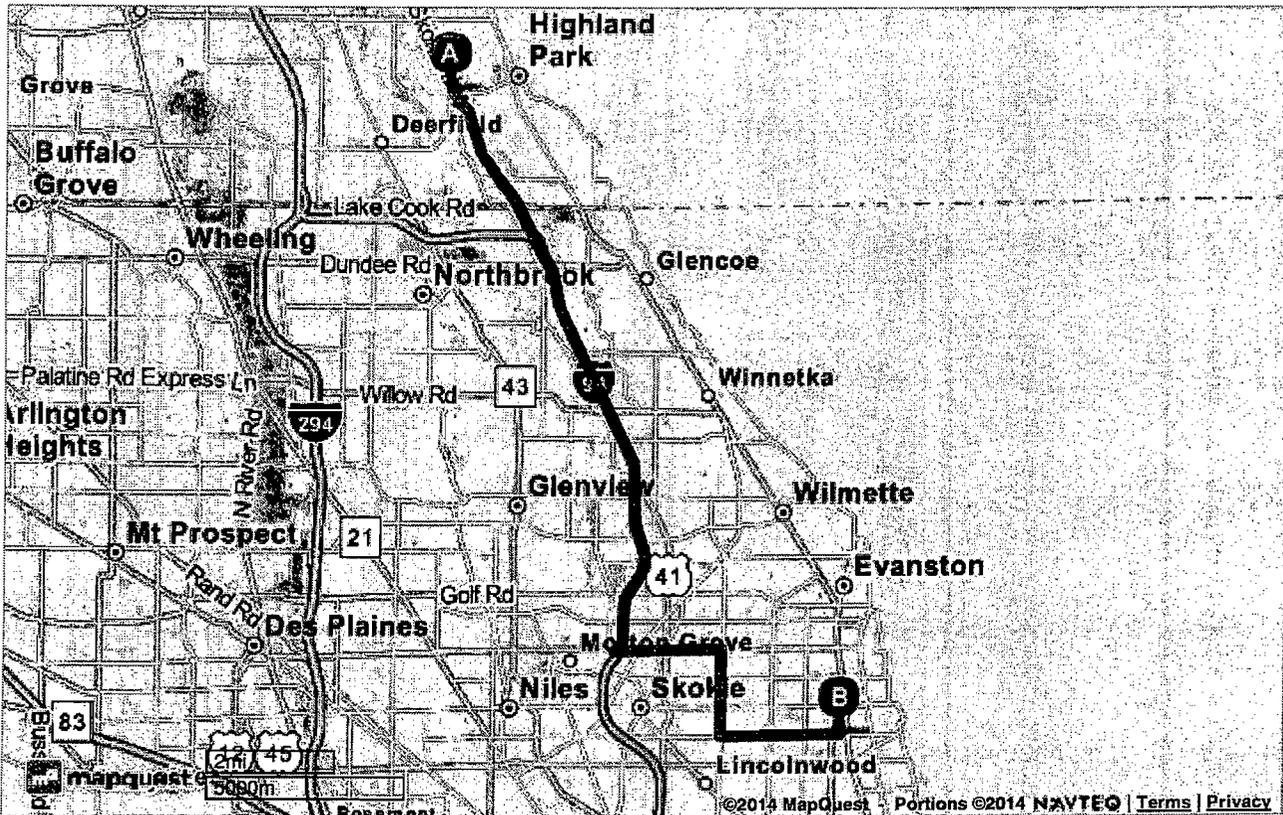
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Over 30 Minutes

137



Trip to:
2816 N Kimball Ave
Chicago, IL 60618-7524
19.65 miles / 27 minutes

Notes

TO DAVITA LOGAN SQUARE

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Over 30 Minutes

138



Trip to:

2721 N Spaulding Ave

Chicago, IL 60647-1338

19.82 miles / 28 minutes

Notes

TO FRESINIUS MEDICAL CARE LOGAN SQUARE

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Over 30 Minutes

139



Trip to:
2620 W Addison St
Chicago, IL 60618-5905
19.83 miles / 28 minutes

Notes

TO FRESENIUS MEDICAL CARE
NORTHCENTER

FREE NAVIGATION APP

Enter your mobile number

SELECT: IPHONE ANDROID



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Over 30 Minutes

140

MapQuest Travel Times
APPENDIX - 1



Trip to:
110 N West St
Waukegan, IL 60085-4330
16.92 miles / 28 minutes

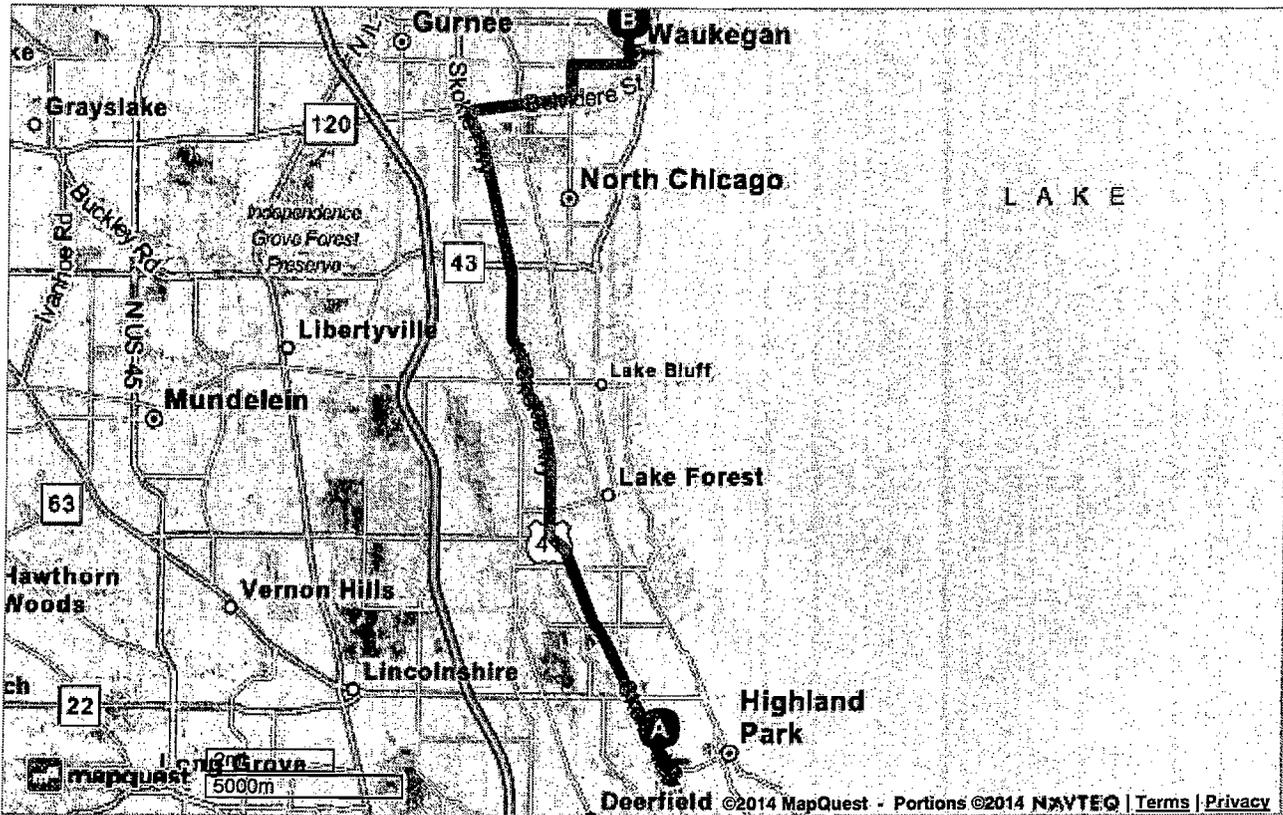
Notes

TO FRESENIUS MEDICAL CARE
WAUKEGAN

FREE NAVIGATION APP

Enter your mobile number

SELECT: IPHONE ANDROID



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Over 30 Minutes

141



Trip to:
7435 W Talcott Ave
Chicago, IL 60631-3707
20.15 miles / 29 minutes

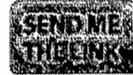
Notes

TO DAVITA RESURRECTION DIALYSIS

FREE NAVIGATION APP

Enter your mobile number

SELECT: IPHONE ANDROID



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Over 30 Minutes

142



Trip to:

5140 N California Ave

Chicago, IL 60625-3645

17.59 miles / 29 minutes

Notes

TO NEPHRON DIALYSIS CENTER

FREE NAVIGATION APP

Enter your mobile number

SELECT: IPHONE ANDROID



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Over 30 Minutes

143



Notes

TO FRESENIUS MEDICAL CARE WEST WILLOW

Trip to:

1444 W Willow St
Chicago, IL 60642-1524
22.35 miles / 30 minutes

FREE NAVIGATION APP

Enter your mobile number

SELECT: IPHONE ANDROID



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Over 30 Minutes

144

NANCY A. NORA, M.D.
SHALINI N. PATEL, M.D.
INTERNAL MEDICINE/NEPHROLOGY

March 3, 2014

767 PARK AVENUE WEST, SUITE 260
HIGHLAND PARK, ILLINOIS 60035

TELEPHONE (847) 432-7222
FACSIMILE (847) 432-9360

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

Dear Ms. Avery:

I am a Nephrologist practicing with North Shore Nephrology and am the Medical Director of the Highland Park Hospital (HPH) chronic ESRD service. I have been made aware that HPH intends to discontinue this service contingent upon approval of its discontinuation CON application and approval of the 20-station Fresenius Medical Care Highland Park application. I am told that these two projects are contingent upon the other.

When the HPH service discontinues, I along with HPH, prefer that there is a clinic within close proximity that would be able to accept all of my patients and be able to offer employment to the HPH service staff. This will allow continuity of care to patients, staff and us as treating physicians. The approval and establishment of Fresenius Medical Care Highland Park will allow this to occur.

My partners (Dr. Patel, and Dr. Mehta) and I were treating 165 hemodialysis patients at the end of 2011, 161 at the end of 2012 and 180 patients at the end of 2013, as reported to The Renal Network. In 2013 we referred 35 new ESRD patients for hemodialysis services to Highland Park Hospital, Fresenius Medical Care Deerfield, Lake Bluff, Mundelein, Gurnee, and Round Lake. We have a large practice with over 800 pre-ESRD. There are 46 that live in close proximity to Highland Park that we anticipate would be referred to the Fresenius Highland Park facility in the first two years of its operation, that otherwise would have been referred to the current HPH service. There are 97 patients receiving treatment at the HPH service who are expected to transfer to the Fresenius facility upon its certification and arrangements will be made for all patients to treat at a facility of their choice at this time.

Thank you for your consideration and I respectfully ask you to approve Fresenius Medical Care Highland Park to provide continuity of care for patients of Highland Park Hospital chronic dialysis service.

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

Sincerely,



Nancy Nora, M.D.

Notarization:

Subscribed and sworn to before me
this 4th day of March, 2014



Signature of Notary

Seal



**CURRENT HIGHLAND PARK
HOSPITAL ESRD PATIENTS**

Zip Code	Patients
53142	1
60015	10
60016	1
60022	1
60030	1
60031	2
60035	19
60040	11
60044	1
60045	8
60046	1
60048	1
60060	1
60061	1
60062	3
60064	6
60069	6
60070	1
60077	2
60083	2
60085	7
60089	1
60090	2
60091	1
60099	4
60639	1
60645	1
60712	1
Total	97

**PRE-ESRD PATIENTS
NORTHSHORE NEPHROLOGY
EXPECT TO REFER TO
FRESENIUS MEDICAL CARE
HIGHLAND PARK IN THE
1ST 2 YEARS OF OPERATION**

City	Zip Code	Patients
Deerfield	60015	8
Highland Park	60035	13
Highwood	60040	4
Lake Bluff	60044	4
Lake Forest	60045	5
Northbrook	60062	9
Lincolnshire	60069	3
	Total	46

NEW ESRD REFERRALS OF NORTHSHORE NEPHROLOGY FOR 2013

Highland Park Hospital		Fresenius Medical Care									
Zip Code	Patients	Deerfield		Lake Bluff		Mundelein		Gurnee		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	4	60065	1	60099	1	60067	1	60085	2	60085	1
60048	1	60015	1	60044	1	60099	1				
60040	1	60406	1			60061	1				
60090	2	60044	1			60010	1				
60062	1	60035	1			60064	1				
60022	1	60089	1			60085	1				
60061	1	60062	1			60045	1				
60015	2	60026	1								
60045	1										
60085	1										
Total	15	Total	8	Total	2	Total	7	Total	2	Total	1

Grand Total	35
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- 3 -
147

ESRD PATIENTS OF NORTHSORE NEPHROLOGY AT YEAR END 2011

Highland Park Hospital		DaVita Lake County		Fresenius Medical Care					
Zip Code	Patients	Zip Code	Patients	Deerfield		Lake Bluff		Antioch	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60046	2	60061	1	60045	1	60087	4	60096	1
60035	29			60022	1	60064	4	60099	1
60069	5			60062	5	60085	2		
60064	6			60040	2	60048	2		
60085	7			60047	1	60045	2		
60015	6			60073	1	60099	3		
60050	1			60064	2	60096	1		
60099	5			60035	3	60060	1		
60060	1			60085	2	60061	1		
60091	1			60046	1	60031	1		
60134	1			60048	1	60044	3		
60645	1			60031	2	60083	1		
60169	1			60090	1	60035	1		
60089	3			60015	1	60030	1		
60083	3			60099	1				
60065	1			60015	1				
60090	2								
60062	6								
60045	5								
60048	1								
60712	1								
60061	1								
60047	1								
60022	1								
60096	1								
60031	4								
60040	9								
60044	1								
60625	1								
60070	1								
60010	1								
Total	109	Total	1	Total	26	Total	27	Total	2

Grand Total	165
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ESRD PATIENTS OF NORTHSORE NEPHROLOGY AT YEAR END 2012

Highland Park Hospital		Fresenius Medical Care							
		Deerfield		Lake Bluff		Mundelein		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	18	60045	1	60064	7	60061	2	60073	1
60069	5	60089	3	60085	10	60073	2		
60064	6	60022	1	60045	3	60087	1		
60085	7	60040	1	60099	3	60069	1		
60050	1	60064	1	60048	2	60060	3		
60015	7	60062	4	60087	4	60031	1		
60099	5	60015	2	60030	1	60030	1		
60040	8	60085	2	60061	1	60047	1		
60060	1	60026	1	60044	2	60041	1		
60091	1	60046	1	60096	1				
60046	1	60048	1	60064	1				
60645	1	60090	2						
60089	2	60031	2						
60062	3	60022	1						
60030	1	60047	3						
60045	6	60035	2						
60061	1								
60004	1								
60083	2								
60031	3								
60712	1								
60070	1								
60044	1								
60154	1								
Total	84	Total	28	Total	35	Total	13	Total	1
Grand Total								161	

ESRD PATIENTS OF NORTHSORE NEPHROLOGY AT YEAR END 2013

Highland Park Hospital		Fresenius Medical Care											
		Deerfield		Lake Bluff		Mundelein		Waukegan Harbor		Gurnee		Round Lake	
Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients	Zip Code	Patients
60035	20	60045	1	60087	1	60085	2	60085	5	60085	4	60085	1
60069	6	60015	8	60044	3	60030	1	60087	1	60030	1		
60064	7	60089	3	60048	1	60074	1	60047	1				
60085	4	60022	2	60064	5	60046	1						
60099	4	60040	1	60085	2	60061	5						
60040	9	60064	2	60030	1	60064	1						
60060	1	60085	2	60099	4	60010	1						
60091	1	60062	2	60045	2	60099	1						
60046	1	60026	1	60061	1	60060	2						
60645	1	60048	1			60073	2						
60090	2	60090	2			60047	2						
60089	2	60035	2			60069	1						
60062	4	60031	1			60087	1						
60015	7	60065	1			60050	1						
60022	1	60083	1			60089	1						
60030	1					60031	1						
60045	9					60041	1						
60083	2												
60048	1												
60201	1												
60061	1												
60031	4												
60712	1												
60070	1												
60154	1												
Totals	92	Total	30	Total	20	Total	25	Total	7	Total	5	Total	1

Grand Total	180
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150