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OCT 20 2014

**HEALTH FACILITIES &  
SERVICES REVIEW BOARD**

October 17, 2014

Via Fed Ex

Ms. Kathryn Olson  
Chair  
Illinois Health Facilities and Services Review  
Board  
525 West Jefferson Street, Second Floor  
Springfield, IL 62761

**Re: Fresenius Medical Care Grayslake (Proj. No. 14-029)**

Dear Ms. Olson:

I am a Vice President with DaVita HealthCare Partners and I oppose the proposed Fresenius Medical Care Grayslake dialysis facility. There is currently an excess of stations in the area and capacity among existing providers. There is no need for the proposed 12-station dialysis facility at this time.

According to the State Board's most current data, there is an excess of 32 stations in the planning area where the proposed Grayslake facility will be located, and only two of the thirteen facilities within 30 minutes of the proposed facility are operating at or above the State Board's 80% utilization standard. When applying JUN 30 utilization data from the State, overall utilization of in-center hemodialysis facilities within 30 minutes of the proposed facility is only 66.24%. DaVita agrees with Fresenius, in that patients should not have to travel past existing dialysis facilities to find one that has capacity. Existing providers have sufficient capacity to accommodate the projected referrals to the proposed Grayslake facility. Collectively, the dialysis facilities within the proposed service area can accommodate 399 additional end-stage renal disease (or "ESRD") patients. In fact, many of these facilities are closer to the projected

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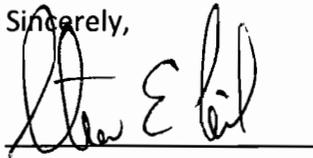
patient base than the proposed Grayslake facility. (See Attachments – 1 & 2). It does not make sense to require patients to travel to Grayslake for dialysis when there are existing facilities with capacity closer to where they live. Specifically, Lake Villa Dialysis, which can accommodate 33 additional patients, is closer than the proposed Grayslake facility for patients residing in Lindenhurst and Round Lake. Further, Fresenius' own dialysis facilities in Mundelein and Antioch, which are closer for patients in Mundelein and Antioch, can accommodate 29 and 25 additional patients, respectively.

Further, growth of ESRD in the 30-minute travel area around Grayslake has not caused concern for a new facility. For the period June 30, 2013 to June 30, 2014, 44 additional patients are dialyzing in the Grayslake area and 14 additional dialysis stations have been added. While patient growth was 6% over this time period, the concurrent additional station growth of 7.7% is more than sufficient. As stated previously, existing providers in the area have capacity for additional patients and approval of the proposed Grayslake facility will result in unnecessary duplication of services and further underutilization of existing providers.

Given existing facilities have capacity to accommodate the projected referrals, the State Board should deny Fresenius' application for the proposed Grayslake dialysis facility.

Thank you for your time and consideration of my comments on this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven E. Lieb", written over a horizontal line.

Steven E. Lieb, Vice President  
Group Administration & Strategy Development  
DaVita HealthCare Partners Inc.

Travel Time from Patient Zip Code of Residence to Existing Facilities

	Pre ESRD Patients	FMC Grayslake		FMC Round Lake		FMC Gurnee		DaVita Lake Villa		DaVita Waukegan		DaVita Lake County		FMC Mundelein	
		Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance
Grayslake	29	3.5	1.4	8.1	3.3	17.3	8.7	18.4	9.3	17.3	9.8	16.1	7.6	18.4	9.2
Gurnee	40	15.0	7.8	20.7	10.3	8.1	2.8	20.7	11.0	6.9	3.1	17.3	8.6	21.9	15.4
Lindenhurst	16	15.0	7.2	13.8	6.4	20.7	9.9	8.1	3.8	19.6	10.2	27.6	13.9	28.8	15.0
Libertyville	22	13.8	6.9	20.7	9.4	17.3	7.9	29.9	15.3	18.4	9.3	4.6	1.9	12.7	5.4
Mundelein	11	12.7	6.7	16.1	8.9	24.2	12.8	26.5	14.7	24.2	14.0	11.5	4.8	6.9	3.3
Round Lake	17	10.4	4.8	1.2	0.7	23.0	11.2	10.4	5.6	24.2	13.2	23.0	11.0	23.0	12.4
Wauconda	2	23.0	11.9	16.1	9.3	35.7	19.2	21.9	12.7	35.7	20.3	25.3	12.7	23.0	11.3

Capacity as of 6/30/2014

15

15

33

37

21

29

Travel Time from Patient Zip Code of Residence to Existing Facilities  
(continued)

	Pre ESRD Patients	FMC Lake Bluff		FMC Waukegan Harbor		FMC Antioch		FMC McHenry		ARA McHenry		FMC Buffalo Grove		FMC Deerfield	
		Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance	Adj Time	Distance
Grayslake	29	19.6	11.1	21.9	11.1	24.2	11.3	25.3	13.5	27.6	14.8	29.9	15.6	32.2	22.8
Gurnee	40	13.8	8.8	15.0	5.9	23.0	14.9	39.1	21.1	40.3	22.4	33.4	24.4	24.2	20.4
Lindenhurst	16	25.3	15.3	27.6	13.1	12.7	6.0	29.9	15.6	31.1	16.9	41.4	21.6	35.7	27.0
Libertyville	22	10.4	4.6	23.0	10.6	34.5	20.8	35.7	19.8	38.0	21.1	27.6	13.3	21.9	15.5
Mundelein	11	18.4	8.1	28.8	15.2	34.5	17.1	27.6	15.9	29.9	17.2	19.6	9.7	27.6	14.2
Round Lake	17	27.6	14.5	28.8	14.5	19.6	9.9	20.7	11.3	23.0	12.6	34.5	18.8	39.1	26.2
Wauconda	2	32.2	15.6	40.3	21.5	31.1	17.3	19.6	10.9	21.9	12.2	28.8	15.7	41.4	21.7

Capacity as of 6/30/2014

24

35

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		Time to FMC Grayslake	Closest Facility	Time to Closest Facility	Capacity	Next Closest Facility	Time to Next Closest Facility	Capacity
Grayslake	60030	29	FMC Round Lake	8.1 min	15	DaVita Lake County	16.1 min	21
Gurnee	60031	40	DaVita Waukegan	6.9 min	37	FMC Gurnee	8.1 min	15
Lindenhurst	60046	16	DaVita Lake Villa	8.1 min	33	FMC Antioch	12.7 min	25
Libertyville	60048	22	DaVita Lake County	4.6 min	21	FMC Lake Bluff	10.4 min	24
Mundelein	60060	11	FMC Mundelein	6.9 min	29	DaVita Lake County	11.5 min	21
Round Lake	60073	17	FMC Round Lake	1.2 min	15	DaVita Lake Villa	10.4 min	33
Wauconda	60084	2	FMC Round Lake	16.1 min	15	FMC McHenry	19.6 min	42