

Original

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

**RECEIVED**

JAN 23 2015

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

ILLINOIS HEALTH FACILITIES &  
SERVICES REVIEW BOARD

This Section must be completed for all projects.

**Facility/Project Identification**

Facility Name: <i>Fresenius Medical Care Steger</i>		
Street Address <i>219 E. 34<sup>th</sup> Street</i>		
City and Zip Code: <i>Steger 60475</i>		
County: <i>Cook</i>	Health Service Area <i>7</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 Steger</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
- o 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

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

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

**Primary Contact**

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>630-960-6812</i>

**Additional Contact**

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

Name: <i>Richard Stotz</i>
Title: <i>Regional Vice President</i>
Company Name: <i>Fresenius Medical Care</i>
Address: <i>3500 Lacey Road, Suite 900, Downers Grove, IL 60515</i>
Telephone Number: <i>630-960-6709</i>
E-mail Address: <i>richard.stotz@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>630-960-6812</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 &amp; 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>Manco Property Management</i>
Address of Site Owner: <i>25 E. 34<sup>th</sup> Street, South Chicago Heights, IL 60411</i>
Street Address or Legal Description of Site: <i>219 E. 34<sup>th</sup> Street, Steger, IL 60475</i>
<b>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.</b>
<b>APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**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 Steger</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"> <li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li> <li>o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.</li> <li>o <b>Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</b></li> </ul>
<b>APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**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** **NOT APPLICABLE – EXPANSION ONLY**

[Refer to application instructions.]

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

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

**Historic Resources Preservation Act Requirements** **NOT APPLICABLE – EXPANSION ONLY**

[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, proposes to expand its current 12-station in-center ESRD facility by 6 stations. The current utilization is above 80% and has been for the past year. The result will be an 18-station facility at the current site, 219 E. 34<sup>th</sup> Street, Steger. Additional adjacent space will be leased at the current site to be built out by the applicant.*

*Fresenius Medical Care Steger is in HSA 7. As of the December 2014 station inventory there is a determined need for 32 additional stations in this HSA.*

*This project is "substantive" under Planning Board rule 1110.40(b) as it entails the addition of stations totaling more than 10% of its current station count.*

### 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	225,500	N/A	225,500
Contingencies	10,000	N/A	10,000
Architectural/Engineering Fees	26,000	N/A	26,000
Consulting and Other Fees	N/A	N/A	N/A
Movable or Other Equipment (not in construction contracts)	180,000	N/A	180,000
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	327,098	N/A	327,098
Other Costs To Be Capitalized	N/A	N/A	N/A
Acquisition of Building or Other Property (excluding land)	N/A	N/A	N/A
<b>TOTAL USES OF FUNDS</b>	<b>\$768,598</b>	<b>N/A</b>	<b>\$768,598</b>
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	441,500	N/A	441,500
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)	327,098	N/A	327,098
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
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$768,598</b>	<b>N/A</b>	<b>\$768,598</b>

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

**Related Project Costs**

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

Land acquisition is related to project	<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  
 Yes  No

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

Estimated start-up costs and operating deficit cost is \$ N/A.

**Project Status and Completion Schedules**

<b>For facilities in which prior permits have been issued please provide the permit numbers.</b>
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>December 31, 2016</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.
<b>APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>

**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
<b>Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.</b>

**Cost Space Requirements**

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

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

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

**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 manager 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

Bryan Mello  
Assistant Treasurer  
PRINTED NAME

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 14 day of October 2014

  
Signature of Notary

 JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

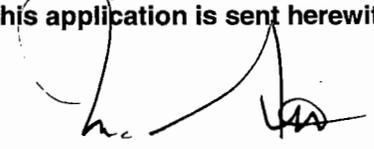
\*Insert EXACT legal name of the applicant

**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.

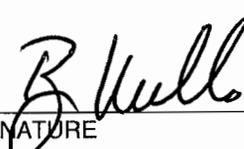
This Application for Permit is filed on the behalf of Fresenius Medical Care Holdings, Inc. \* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit 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

Mark Fawcett  
Vice President & Treasurer

PRINTED TITLE



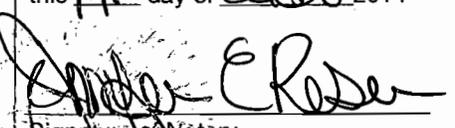
SIGNATURE

Bryan Mello  
Assistant Treasurer

PRINTED TITLE

Notarization:  
Subscribed and sworn to before me  
this 14<sup>th</sup> day of October 2014

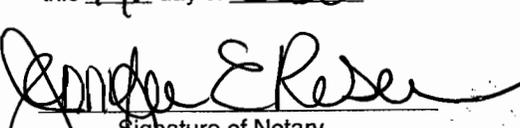
Notarization:  
Subscribed and sworn to before me  
this 14<sup>th</sup> day of October 2014



Signature of Notary

JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

Seal



Signature of Notary

JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

Seal

\*Insert EXACT legal name of the applicant

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

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

**ASSURANCES: NOT APPLICABLE – 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	12	18

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:**

<u>441,500</u>	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> <li>1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and</li> <li>2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;</li> </ol>
<u>N/A</u>	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
<u>N/A</u>	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
<u>327,098</u>	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> <li>1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;</li> <li>2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;</li> <li>3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;</li> <li>4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;</li> <li>5) For any option to lease, a copy of the option, including all terms and conditions.</li> </ol>
<u>N/A</u>	<p>e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;</p>
<u>N/A</u>	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
<u>          </u>	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.</p>
<b><u>\$768,598</u></b>	<b>TOTAL FUNDS AVAILABLE</b>

APPEND DOCUMENTATION AS ATTACHMENT-36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

**IX. 1120.130 - Financial Viability**

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

**Financial Viability Waiver**

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	<b>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.</b>			
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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

**APPEND DOCUMENTATION AS ATTACHMENT 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**

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									
<b>TOTALS</b>									

\* 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 40.**

Safety Net Information per PA 96-0031			
CHARITY CARE			
Net Revenue	\$362,977,407	\$387,393,758	\$398,570,288
	2011	2012	2013
Charity * (# of self-pay patients)	93	203	642
Charity (cost in dollars)	\$642,947	\$1,536,372	\$5,346,976
Ratio Charity Care Cost to Net Patient Revenue	0.18%	.40%	1.34%
MEDICAID			
	2011	2012	2013
Medicaid (# of patients)	1,865	1,705	1,660
Medicaid (revenue)	\$42,367,328	\$36,254,633	\$31,373,534
Ratio Medicaid to Net Patient Revenue	12%	12.99%	7.87%

**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 41.

CHARITY CARE			
	2011	2012	2013
Net Patient Revenue	\$362,977,407	\$387,393,758	\$398,570,288
Amount of Charity Care (charges)	\$642,947	\$1,566,380	\$5,346,976
Cost of Charity Care	\$642,947	\$1,566,380	\$5,346,976
	0.18%	.40%	1.34%

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:

<b>INDEX OF ATTACHMENTS</b>		
<b>ATTACHMENT NO.</b>		<b>PAGES</b>
1	Applicant/Co-applicant Identification including Certificate of Good Standing	22-23
2	Site Ownership	24-27
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	28
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	29
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	30
8	Obligation Document if required	31
9	Cost Space Requirements	32
10	Discontinuation	
11	Background of the Applicant	33-36
12	Purpose of the Project	37
13	Alternatives to the Project	38-39
14	Size of the Project	40
15	Project Service Utilization	41
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	<b>Service Specific:</b>	
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	42-56
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	
	<b>Financial and Economic Feasibility:</b>	
36	Availability of Funds	57-59
37	Financial Waiver	60-61
38	Financial Viability	
39	Economic Feasibility	62-66
40	Safety Net Impact Statement	67-68
41	Charity Care Information	69-71
	Appendix 1 – Physician Referral Letter	72-79

**Applicant Identification**

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

Exact Legal Name: *Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Steger\**

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

Name of Registered Agent: *CT Systems*

Name of Chief Executive Officer: *Ron Kuerbitz*

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

Telephone Number: *800-662-1237*

**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.

\*Certificate of Good Standing for Fresenius Medical Care of Illinois, LLC on following page.

**Co - Applicant Identification**

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

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

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

Name of Registered Agent: *CT Systems*

Name of Chief Executive Officer: *Ron Kuerbitz*

CEO Address: *920 Winter Street, Waltham, MA 02541*

Telephone Number: *781-669-9000*

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

**Type of Ownership – 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               |

- 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.



**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*

Authentication #: 1401601582

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

SECRETARY OF STATE

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: <i>Manco Property Management</i>
Address of Site Owner: <i>25 E. 34<sup>th</sup> Street, South Chicago Heights, IL 60411</i>
Street Address or Legal Description of Site: <i>219 E. 34<sup>th</sup> St. Steger, IL 60475</i>

**FIRST AMENDMENT TO LEASE AGREEMENT**

This First Amendment to Lease Agreement (this "First Amendment") is entered into as of this 21<sup>st</sup> day of JANUARY 2015 by and between Manco Property Management, LLC as successor-in-interest to Manco, LLC ("Landlord") and Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Steger ("Tenant").

WHEREAS, Landlord and Tenant are parties to a certain Lease Agreement dated December 16, 2009, together with any and all amendments, modifications, extensions, etc. (collectively, the "Lease") for certain property consisting of approximately 6,100 square feet (the "Premises") and situated at 219 E. 34th Street, Steger, Illinois, as more particularly described in the Lease; and

WHEREAS, Landlord and Tenant desire to amend the Lease as contained herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and further good and valuable consideration, the parties agree as follows:

1. No later than thirty (30) days from the full execution of this First Amendment (the "Delivery Date"), Landlord shall deliver to Tenant an additional 1,250 square feet of space more particularly described in Exhibit A attached hereto, to be used exclusively by Tenant (the "Expansion Space"). Landlord shall deliver the Expansion Space in the condition described in Exhibit B attached hereto.

3. As of the Delivery Date, the term "Premises" shall be amended to include the Expansion Space and shall mean that "building and certain improvements containing approximately 7,350 square feet of space on the property located at 219 E. 34th Street, Suite A, Steger, IL (the "Property"), as more particularly described and shown on Exhibit A attached hereto and made a part hereof".

4. Effective six (6) months from the Delivery Date (the "Expansion Space Rent Commencement Date"), Tenant shall pay to Landlord monthly Base Rent for the Expansion Space as follows:

Dates (To/From)	Rent per SF	Monthly Base Rent	Annual Base Rent
Expansion Space Rent Commencement Date - 11/30/2015	\$17.50	\$1,822.92	\$21,875.00
12/01/2015 - 11/30/2016	\$18.00	\$1,875.00	\$22,500.00
12/01/2016 - 11/30/2017	\$18.50	\$1,927.08	\$23,125.00
12/01/2017 - 11/30/2018	\$19.00	\$1,979.17	\$23,750.00
12/01/2018 - 11/30/2019	\$19.50	\$2,031.25	\$24,375.00
12/01/2019 - 11/30/2020	\$20.00	\$2,083.33	\$25,000.00

5. Landlord and Tenant hereby acknowledge and agree that Tenant has three (3) remaining options to extend the term of this Lease (each "Renewal Option") for a period of five (5) years (each an "Option Term"). The lease of the Premises for each Option Term shall be on the same terms and conditions contained in this Lease except that the Base Rent for each Option

Term shall be determined pursuant to the terms and conditions of Section 3.2 of this Lease. Each Renewal Option may be exercised only by written notice delivered by Tenant to Landlord no later than ninety (90) days prior to the expiration of the then current term.

6. Section 3.2 of the Lease is hereby deleted in its entirety, and replaced with the following:

"3.2. Base Rent for Option Terms. Base Rent for each Option Term shall be as follows:

First Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
11	\$20.50	\$150,675	\$12,556.25
12	\$21.00	\$154,350	\$12,862.50
13	\$21.50	\$158,025	\$13,168.75
14	\$22.00	\$161,700	\$13,475.00
15	\$22.50	\$165,375	\$13,781.25

Second Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
16	\$23.00	\$169,050	\$14,087.50
17	\$23.50	\$172,725	\$14,393.75
18	\$24.00	\$176,400	\$14,700.00
19	\$24.50	\$180,075	\$15,006.25
20	\$25.00	\$183,750	\$15,312.50

Third Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
21	\$25.50	\$187,425	\$15,618.75
22	\$26.00	\$191,100	\$15,925.00
23	\$26.50	\$194,775	\$16,231.25
24	\$27.00	\$198,450	\$16,537.50
25	\$27.50	\$202,125	\$16,843.75

7. Landlord shall provide Tenant with copies of any paid invoices or other reasonable supporting documentation to support any expenses the Tenant is responsible to reimburse the Landlord under the terms of the lease.

8. Except as modified herein, all terms of the Lease shall remain unchanged, and are hereby ratified, republished and reaffirmed and are incorporated into this First Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment as of the day and year first above written.

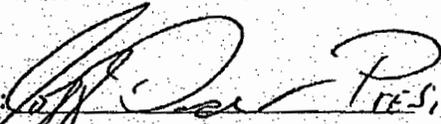
**LANDLORD:**

MANCO PROPERTY MANAGEMENT, LLC

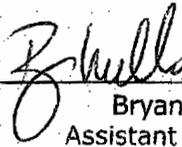
**TENANT:**

FRESENIUS MEDICAL CARE OF ILLINOIS, LLC

By:  
Name:  
Title:

  
PRES.

By:  
Name:  
Title:



Bryan Mello  
Assistant Treasurer

## Operating Identity/Licensee

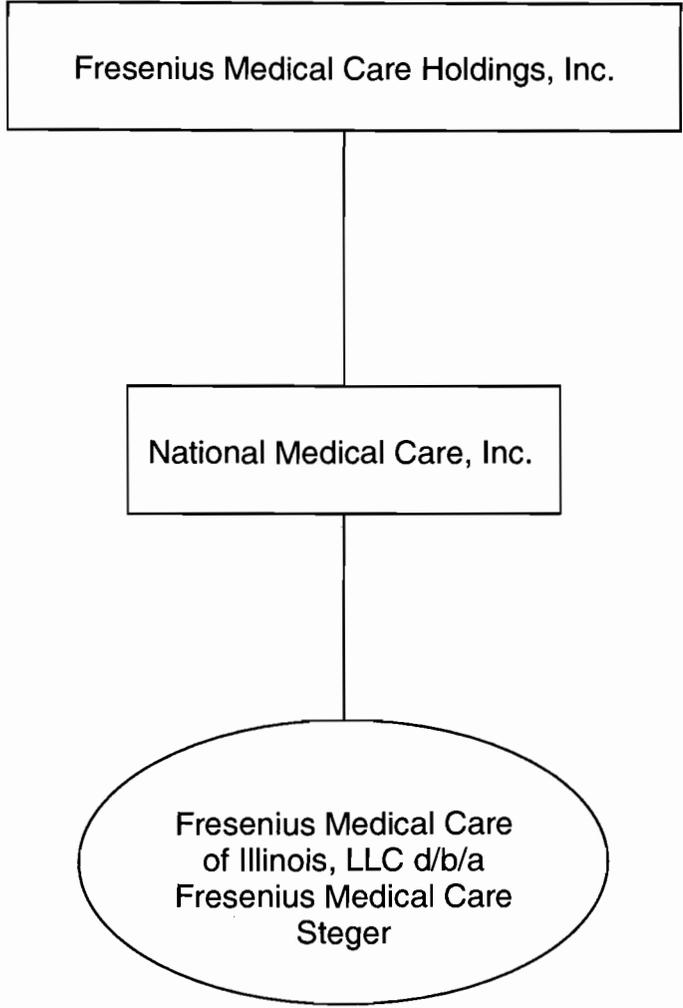
Exact Legal Name: *Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Steger*

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

- |                                     |                           |                          |                     |                                |
|-------------------------------------|---------------------------|--------------------------|---------------------|--------------------------------|
| <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 |

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

**\*Certificate of Good Standing at Attachment – 1.**



**SUMMARY OF PROJECT COSTS**

<b>Modernization</b>	
General Conditions	11,000
Temp Facilities, Controls, Cleaning, Waste Management	2,000
Concrete	5,000
Masonry	5,000
Metal Fabrications	1,700
Carpentry	20,000
Thermal, Moisture & Fire Protection	4,000
Doors, Frames, Hardware, Glass & Glazing	15,500
Walls, Ceilings, Floors, Painting	36,300
Specialities	2,000
Casework, Fl Mats & Window Treatments	2,500
Piping, Sanitary Waste, HVAC, Ductwork, Roof Penetrations	72,000
Wiring, Fire Alarm System, Lighting	42,000
Miscellaneous Construction Costs	6,500
<b>Total</b>	<b>\$225,500</b>
<b>Contingencies</b>	<b>\$10,000</b>
<b>Architecture/Engineering Fees</b>	<b>\$26,000</b>
<b>Moveable or Other Equipment</b>	
Dialysis Chairs	20,000
Clinical Furniture & Equipment	45,000
Water Treatment	30,000
TVs & Accessories	75,000
Other miscellaneous	10,000
	<b>\$180,000</b>
<b>Fair Market Value of Leased Space and Equipment</b>	
FMV Leased Space (1,250 gsf)	226,823
FMV Leased Dialysis Machines	100,275
	<b>\$327,098</b>
<b>Grand Total</b>	<b>\$768,598</b>

Total construction (modernization and contingencies) are \$235,500, which is \$5,900 over allowable costs figured at mid-point of construction. This is due to the fact that there is some extra exterior work to be done that is over and above the general construction on the additional leased space. An exterior door has to be moved to accommodate the addition of stations at a cost of approximately \$10,000

## Project Status and Completion Schedules

- Anticipated completion date is December 31, 2016.
- Project obligation will occur after permit issuance.
- **List of Current CON Permits**

<b>Project Number</b>	<b>Name</b>	<b>Project Type</b>	<b>Completion Date</b>
#10-063	Fresenius Lakeview	Expansion	04/15/2015
#12-029	Fresenius SW Illinois	Relocation	05/01/2015
#12-069	Fresenius Pekin	Relocation/Expansion	07/01/2015
#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	12/31/2015
#13-053	Fresenius Evanston	Expansion	11/15/2015
#14-010	Fresenius Highland Park	Establishment	11/30/2015
#14-012	Fresenius Gurnee	Relocation/Expansion	12/31/2015
#14-019	Fresenius Summit	Establishment	12/31/2015
#13-040	Fresenius Lemont	Establishment	09/30/2016
#14-041	Fresenius Elgin	Expansion	06/30/2016
#14-026	Fresenius New City	Establishment	06/30/2016

**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
<b>REVIEWABLE</b>							
In-Center Hemodialysis	\$768,598	6,100	7,350		1,250		
Total Clinical	\$768,598	6,100	7,350		1,250		
<b>NON REVIEWABLE</b>							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
<b>TOTAL</b>	\$768,598	6,100	7,350		1,250		
<b>APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>							

## **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.

**Diabetes Care Partnership** - Fresenius Medical Care and Joslin Diabetes Center, the world's preeminent diabetes research, clinical care and education organization, announced an agreement to jointly develop renal care programs in select Joslin Affiliated Centers for patients with diabetic kidney disease (DKD). Fresenius and Joslin will jointly develop clinical guidelines and effective care delivery systems to manage high blood pressure, glucose, and nutrition in patients with DKD. In addition, the organizations will help educate patients as they prepare for the possibility of end stage renal disease (ESRD) and the necessity for dialysis or kidney transplantation. Fresenius Medical Care and Joslin's multidisciplinary and coordinated approach to chronic disease management will seek to improve patient outcomes while reducing unnecessary or lengthy hospitalizations, drug interactions and overall morbidity and mortality associated with uncoordinated care.

**Locally**, in Illinois, Fresenius Medical Care is a predominant supporter of the National Kidney Foundation of Illinois (NKFI), Kidney Walk in downtown Chicago. Fresenius Medical Care employees in Chicago alone raised almost \$15,000 for the foundation. The NKFI is an affiliate of the National Kidney Foundation, which funds medical research improving lives of those with kidney disease, prevention screenings and is a leading educator on kidney disease. Fresenius Medical Care also donates another \$25,000 annually to the NKFI and another \$5,000 in downstate Illinois.

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

<b>Clinic</b>	<b>Provider #</b>	<b>Address</b>	<b>City</b>	<b>Zip</b>	<b>Fac &gt; 10% Medicaid Treatments</b>
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	14-2774	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	
Highland Park		1657 Old Skokie Road	Highland Park	60035	
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%
Lemont		16177 W. 127th Street	Lemont	60439	
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	
Monmouth(Maple City)		1225 N. Main Street	Monmouth	61462	
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	

Clinic	Provider #	Address	City	Zip	Fac > 10% Medicaid Treatments
Naperville North	14-2678	516 W. 5th Ave.	Naperville	60563	
New City	-	4622 S. Bishop Street	Chicago	60609	
Niles	14-2500	7332 N. Milwaukee Ave	Niles	60714	
Normal	14-2778	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	14-2771	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	
Summit		7319-7322 Archer Avenue	Summit	60501	
Uptown	14-2692	4720 N. Marine Dr.	Chicago	60640	24%
Waterloo		513-535 Hamacher Street	Waterloo	62298	
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. Neltor	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.

Certification & Authorization

Fresenius Medical Care of Illinois, LLC

In accordance with Section III, A (2) of the Illinois Health Facilities & Services Review 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 & Services Review Board; and

In regards to section III, A (3) of the Illinois Health Facilities & Services Review 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.

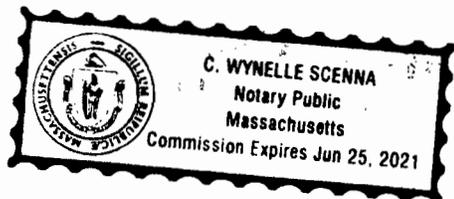
By: *Bryan Mello*  
ITS: Bryan Mello  
Assistant Treasurer

Notarization:

Subscribed and sworn to before me  
this 10 day of Nov, 2014

*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 & Services Review 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 & Services Review Board; and

In regards to section III, A (3) of the Illinois Health Facilities & Services Review 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: *Bryan Mello*  
ITS: Bryan Mello  
Assistant Treasurer

By: *Maria T. C. Notar*  
ITS: Maria T. C. Notar  
Assistant Treasurer

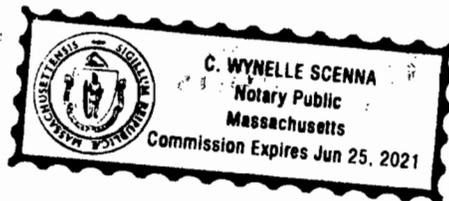
Notarization:  
Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2014

Notarization:  
Subscribed and sworn to before me  
this 16 day of Nov, 2014

Signature of Notary *C Wynelle Scenna* Signature of Notary

Seal

Seal



### Criterion 1110.230 – Purpose of Project

1. The purpose of this project is to address over utilization at the Steger clinic and to maintain life-sustaining dialysis services in Steger in the most cost effective way by leasing additional space adjacent to the current Fresenius Steger facility, operating at 96% utilization with 69 patients, and adding 6 stations.
2. The Fresenius Steger facility is located in far southeast Cook County which is in HSA 7. There is a need for an additional 32 stations in this HSA. The road the Steger facility lies on is the border of Cook and Will Counties which is also the border of HSA 7 and 9 therefore the facility serves both HSAs.
3. The Steger facility began operations as a 12-station ESRD facility three years ago. In a little over a year, the facility was above 80% utilization. The facility is now at 96% utilization requiring additional access. Nearby clinics are also operating above 80% utilization.
4. Not Applicable
5. Increasing the station count at the Fresenius Steger facility will ease over utilization and maintain access to dialysis services in this far southeast area of Cook County. There are no other clinics south of Steger unless one drives nearly 27 miles and over 30 minutes. Closest facilities to Steger are operating above 80% utilization creating a loss of access in the area.
6. The goal of Fresenius Medical Care is to keep dialysis access available to this patient population. 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. It is expected that this facility would continue to have similar quality outcomes after the relocation. Currently the Steger patients have the quality values below:
  - 94% of patients had a URR  $\geq$  65%
  - 93% of patients had a Kt/V  $\geq$  1.2

## Alternatives

### 1) All Alternatives

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

There was only one alternative considered that would entail a lesser scope and cost than the project proposed in this application, however it was not determined to be a feasible option. This was the alternative of adding less than 6 stations. Per Board rules the applicant qualifies to add 2 stations without CON permit, however 2 stations can only accommodate 12 additional patients. This would only bring the facility down to 84% utilization, still requiring additional access. Considering the excessive growth this facility has seen in 3 years, this would not be adequate health care planning.

Additionally, in order to add just the 2 stations, additional space would need to be leased. Leasing additional space would be far too large and expensive of an investment for just 2 stations that would not even address the evidenced need. The cost of adding only the two stations would be similar in cost to the project outlined in this application because of the additional leased space expense.

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

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

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

The option of sending Dr. Cline's Steger area pre-ESRD patients to underutilized facilities in the area as they require dialysis treatment was not considered a reasonable alternative. There are 10 total clinics located in a ten mile radius (all to the north) of Steger. These 10 clinics are operating at an average 81% utilization leaving no additional access or favorable mid-day treatment schedule times. There is no cost to this alternative.

D. The most desirable alternative is to address the need for more stations at the Steger facility in the timeliest and most cost effective manner and to address the need in HSA 7 for 32 stations by expanding the existing facility by 6 stations. The cost of this project is \$768,598.

## 2) Comparison of Alternatives

	Total Cost	Patient Access	Quality	Financial
Adding 2 stations per the 2-year 10% rule.	\$150,000	Two stations will not improve patient access in Steger because clinic utilization will remain above 80%.	Patients would have to travel outside their market for services. Loss of continuity of care.	For patient - higher transportation costs.
Pursue Joint Venture	\$768,598	Same as current proposed project.	Patient clinical quality would remain above standards.	No effect on patients.  Fresenius Medical Care is capable of meeting its financial obligations and does not require assistance in meeting its financial obligations. If this were a JV, Fresenius Medical Care would maintain control of the facility and therefore ultimate financial responsibilities.
Utilize Area Providers	\$0	Loss of access to treatment schedule times would result in transportation problems as patient transportation services do not operate after 4pm.  Would create ripple effect of raising utilization of area providers which are already over utilized.	Loss of continuity of care which would lead to lower patient outcomes.  Unavailability to choose treatment schedule shift could cause transportation problems which leads to missed treatments and lower quality.	No financial cost to Fresenius Medical Care.  Cost of patient's transportation would increase with higher travel times.
Add 6 stations to Fresenius Medical Care Steger	\$768,598	Continued access to dialysis treatment as patient numbers continue to grow.  Improved access to favored treatment schedule times.	Patient clinical quality would remain above standards.	This is an expense to Fresenius Medical Care only and is a minimal cost compared with other CON projects.

### 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. RCG - Evanston has had the following quality outcomes:

94% of patients had a URR  $\geq$  65%  
93% of patients had a Kt/V  $\geq$  1.2

**Criterion 1110.234, Size of Project**

<b>SIZE OF PROJECT</b>				
<b>DEPARTMENT/SERVICE</b>	<b>PROPOSED BGSF/DGSF</b>	<b>STATE STANDARD 450-650 BGSF Per Station</b>	<b>DIFFERENCE</b>	<b>MET STANDARD?</b>
ESRD IN-CENTER HEMODIALYSIS ADDITIONAL SPACE	1,250 (6 Stations)	2,700 – 3,900 BGSF	Under	Yes
ESRD IN-CENTER TOTAL LEASED SPACE	7,350 (18 Stations)	8,100 – 11,700 BGSF	Under	Yes

As seen in the chart above, the State Standard for ESRD is between 450 - 650 BGSF per station. The proposed additional leased space of 1,250 BGSF falls within this range therefore meeting the State standard as does the proposed total facility BGSF of 7,350.

**Criterion 1110.234, Project Services Utilization**

<b>UTILIZATION</b>					
	<b>DEPT/SERVICE</b>	<b>HISTORICAL UTILIZATION</b>	<b>PROJECTED UTILIZATION</b>	<b>STATE STANDARD</b>	<b>MET STANDARD?</b>
	IN-CENTER HEMODIALYSIS	96% - 12 stations 4th QTR 2014		80%	Yes
<b>YEAR 1</b>	IN-CENTER HEMODIALYSIS	18 stations	75% 12,636 treatments	80%	Yes
<b>YEAR 2</b>	IN-CENTER HEMODIALYSIS	18 stations	100% 16,848 Treatments	80%	Yes

As seen in the chart above, the facility has already surpassed the State standard utilization target of 80%. Over the past three years the facility has had an average utilization rate of 96%. There are currently (as of December 2014) 69 in-center hemodialysis patients receiving treatment at the Steger facility. Dr. Cline has identified 150 pre-ESRD patients from the Steger area that are expected to require dialysis services the first two years the additional stations are operating. It is expected that approximately 63 would actually begin at this time. It cannot be estimated how many of these patients will choose home dialysis services. Taking this into account and attrition of current ESRD patients, the facility will maintain utilization rate above the State target.

## Service Demand – Expansion of In-center Hemodialysis Service

### A. Historical Service Demand

- i) The Steger 12-station facility has been operating at an average utilization rate of 91% for the past 12 months and 89% for the past 24 months. The facility has only been open for three years and the first two were considered “ramp up” years while the clinic increased staff and patients to reach the 80% Board target utilization, which occurred right on schedule.

This facility has seen significant growth that has met Board utilization standards and is now at capacity with 69 patients and a 96% utilization rate warranting the addition of stations to accommodate Steger area ESRD patients.

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

The primary purpose of this project is to provide in-center hemodialysis services to the residents of the Steger area in HSA 7. 61% of the current Steger patients reside in HSA 7 and 74% of pre-ESRD patients also reside in HSA 7. Steger is situated on the road dividing Cook and Will Counties and also HSA 7 & 9 so will serve both HSAs.

**Steger Patients**

Zip Code	Patients
60411	18
60425	2
60475	16
60471	4
60466	9
60449	3
60417	10
60484	3
46373	1
60443	1
60401	1
60476	1
<b>Total</b>	<b>69</b>

HSA	# Current Fresenius Medical Care Steger Patients
<b>7</b>	<b>42 – 61%</b>
<b>9</b>	<b>26 – 38%</b>
<b>Indiana</b>	<b>1 – 1%</b>

**Pre-ESRD PATIENTS**

Zip Code	Total
60401	2
60411	56
60417	7
60423	6
60425	6
60443	21
60449	2
60466	20
60471	12
60475	12
60476	4
60484	2
<b>Total</b>	<b>150</b>

HSA	# Pre-ESRD Patients Who Will Be Referred to Fresenius Medical Care Steger
<b>7</b>	<b>111 – 74%</b>
<b>9</b>	<b>39 – 26%</b>



19550 Governors Highway Suite 2000  
Flossmoor, IL 60422

HEALTHCARE ASSOCIATES, S.C.

FAMILY PRACTICE

Bruce A. Parisi, M.D.  
Dwayne B. Buchanan, M.D.  
Amit D. Patel, M.D.

INTERNAL MEDICINE

Karen N. Whitehorn, M.D.

NEPHROLOGY

Michael R. Peck, M.D.  
Daniel A. Yohay, M.D.  
Kenneth N. Cline, M.D.  
Lourdes R. Terrado, M.D.  
ENDOCRINOLOGY  
Ilene Weintraub Yohay, M.D.

708.957.8750 - P  
708.957.8602 - F

NURSE PRACTITIONERS

Agnes N. Harmon, ACNS-BC, CNN  
*Board Certified Advanced Clinical Nurse Specialist  
Certified Nephrology Nurse*  
Tina M. Murphy, FNP-BC  
*Board Certified Family Nurse Practitioner*

January 19, 2015

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

Dear Ms. Avery:

My name is Kenneth Cline, M.D. and I am the Medical Director of Fresenius Medical Care Steger. I am writing to provide my full support for the addition of 6 stations at this facility. The Steger facility is fairly new, opening approximately 3 years ago. It has seen tremendous growth and is now operating near capacity. Additional space is available adjacent to the clinic and would be optimal for providing continued access for patients who live in the Steger area.

My partners and I at Horizon HealthCare Associates have referred 117 new patients for hemodialysis services over the past twelve months. We were treating 405 hemodialysis patients at the end of 2011, 398 at the end of 2012, 396 at the end of 2013 and 382 as of the most recent quarter. We have 150 Pre-ESRD patients in Stages 3 & 4 of End Stage Renal Disease (ESRD) living in the Steger area that I expect would begin dialysis in the first two years after the new stations are operable. However, because of the natural attrition of patients and the complexities of each patient's disease, I expect that approximately 63 of these patients will begin dialysis during this time at the Fresenius Steger facility. There are also currently 69 ESRD patients receiving dialysis treatment there.

To keep dialysis access available to the growing ESRD population near the far south suburb of Steger, I ask the Board to please vote in favor of the Fresenius Medical Care Steger expansion. Thank you for your consideration.

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

Sincerely,

*Kenneth Cline M.D.*

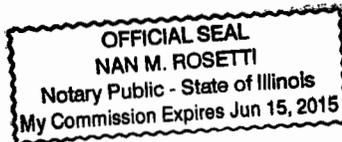
Kenneth Cline, M.D.

Notarization:

Subscribed and sworn to before me  
this 19<sup>th</sup> day of January, 2015

*Nan M. Rosetti*

Signature of Notary  
(Seal)



**CURRENT FRESNIUS MEDICAL CARE  
STEGER ESRD PATIENTS**

<b>Zip Code</b>	<b>Patients</b>
60411	18
60425	2
60475	16
60471	4
60466	9
60449	3
60417	10
60484	3
46373	1
60443	1
60401	1
60476	1
<b>Total</b>	<b>69</b>

**PRE-ESRD PATIENTS EXPECTED  
TO BE REFERRED TO THE STEGER  
FACILITY IN THE 1<sup>ST</sup> 2 YEARS  
AFTER PROJECT COMPLETION**

<b>Zip Code</b>	<b>Total</b>
60401	2
60411	56
60417	7
60423	6
60425	6
60443	21
60449	2
60466	20
60471	12
60475	12
60476	4
60484	2
<b>Total</b>	<b>150</b>

There are 150 patients currently identified who live in the Steger area that would be expected to begin dialysis at the Steger facility. Accounting for patient attrition, I expect approximately 63 to begin dialysis at the Steger facility during the first two years after project completion. Due to each patient's complex physical condition, it is not possible to determine exactly when a patient will require dialysis services this far into the future. A portion of these patients may also choose home dialysis therapies upon initiation of dialysis.

**NEW REFERRALS OF HORIZON HEALTHCARE FOR THE PAST TWELVE MONTHS  
12/01/2014 THROUGH 11/30/2015**

Zip Code	DaVita			Fresenius Medical Care			Total
	Country Hills	Hazel Crest	South Holland	Orland Park	South Sub	Steger	
46321		1					1
46322					1		1
60153				1			1
60409			3		1		4
60411		1			4	5	10
60417						1	1
60419	1		4				5
60422			1		3		4
60425		2			1		3
60426	8	1	5				14
60428	1				3		4
60429	1	1			2		4
60430		1					1
60438			3				3
60443				1	3		4
60445	1						1
60446				1			1
60449					1	1	2
60452		1		1			2
60462				3			3
60466		1	1		7		9
60468					1		1
60471		1	1		3	1	6
60472	1	1					2
60473			5			1	6
60475						2	2
60477				1			1
60478		3			1		4
60484					2		2
60487				2			2
60617	1						1
60619					1		1
60628					2		2
60629			1				1
60636	1						1
60643					1		1
60706						1	1
60803					1		1
60827	1		2				3
60914			1				1
<b>Total</b>	<b>16</b>	<b>14</b>	<b>27</b>	<b>10</b>	<b>38</b>	<b>12</b>	<b>117</b>

**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2011**

Zip Code	Fresenius Medical Care			DaVita			Total
	Orland Park	South Sub	Steger	Country Hills	Hazel Crest	South Holland	
46322		1		1			2
46324						2	2
60401		1					1
60404					1		1
60406				2	2		4
60409		1		2	1	19	23
60411		48	3	3	7	1	62
60417		1	5				6
60419				2		13	15
60422		3			3		6
60423	3	1					4
60425		5			1	1	7
60426		2		22	6	10	40
60428		1		11	4		16
60429	1	2		1	10		14
60430		2			10		12
60431					1		1
60438		1			1	5	7
60441	1						1
60443	1	10		1	1		13
60445		2			1		3
60449		3	1				4
60452	2	2			2		6
60453						1	1
60461		4	1		2		7
60462	4						4
60464						1	1
60466		18	2		6	1	27
60467	1						1
60469				3			3
60471		9			4	2	15
60472				1	2		3
60473		1		1	1	12	15
60475		4	2	1		1	8
60476		1		1		2	4
60477	2			1	1		4
60478		4		1	12		17
60480	1						1
60484		2	1		1		4
60487	1						1
60532						1	1
60615					1	1	2
60617						4	4
60619				1			1
60620					1		1
60621				1			1
60628				2	1	6	9
60629						1	1
60633						2	2
60636		1					1
60643				1			1
60649						1	1
60803				1			1
60827	1			3		9	13
<b>Total</b>	<b>18</b>	<b>130</b>	<b>15</b>	<b>63</b>	<b>83</b>	<b>96</b>	<b>405</b>

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**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2012**

Zip Code	Fresenius Medical Care			DaVita			Total
	Steger	Orland Park	South Sub	Country Hills	Hazel Crest	South Holland	
46322			1	1			2
46324						1	1
46373	1						1
60104			1				1
60401	1		1				2
60404			1				1
60406				2	1		3
60409			1	3	1	15	20
60411	8	1	44	2	9	1	65
60417	3		2				5
60419				3	1	11	15
60422			4		1		5
60423		1	2				3
60425			7		1	1	9
60426			3	23	9	5	40
60428			1	11	3		15
60429		1	3	1	9		14
60430			3		12		15
60431					1		1
60438			1		1	3	5
60443	1		8				9
60445			2				2
60449	2		5				7
60452		1	1		2		4
60453						1	1
60461	1		3		2		6
60462		4					4
60464		1					1
60466	1		16		4	1	22
60469		1		1			2
60471	1		7	1	3	1	13
60472				3	2		5
60473	1		2		2	8	13
60475	8		2			1	11
60476			1	1		1	3
60477		3		1	2		6
60478			4		16		20
60480		1					1
60484	4		2				6
60487		1					1
60532						1	1
60615					1		1
60617						4	4
60619			1	1			2
60620					1		1
60621				1			1
60628	1			2	2	3	8
60633						3	3
60636			1				1
60643				1			1
60651				1			1
60652					1		1
60653					1		1
60803				1			1
60805			1				1
60827				4		6	10
<b>Total</b>	<b>33</b>	<b>15</b>	<b>131</b>	<b>64</b>	<b>88</b>	<b>67</b>	<b>398</b>

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**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2013**

Zip Code	Fresenius Medical Care			DaVita			Total
	Orland Park	South Sub	Steger	Country Hills	Hazel Crest	South Holland	
46322		1		1			2
46324						1	1
46373			1				1
60401		1	1				2
60404		1					1
60406				1	2		3
60409		1		4	2	12	19
60411	1	36	11	2	6	4	60
60417		1	3				4
60419		1		4		15	20
60422		5			3		8
60423	1						1
60425		7	3		2	1	13
60426				29	6	8	43
60428		1		14	3		18
60429	1	2			8		11
60430		3			9		12
60431					1		1
60438					1	5	6
60443		7	1		1		9
60445		2		1			3
60449		2	3				5
60452	1	2			3		6
60453						1	1
60461		5			2	1	8
60462	4						4
60464	1						1
60466		14	5		5		24
60468		1					1
60469				1			1
60471		8	1	1			10
60472				1	3		4
60473		2	1	1		9	13
60475		2	8				10
60476		1	1			1	3
60477	5			1	2		8
60478		1			13		14
60484		1	1		1		3
60487	2						2
60532						1	1
60609				1		1	2
60617						4	4
60619			1	1			2
60620					1		1
60628			2	3		3	8
60633						3	3
60636		1					1
60637						1	1
60643						1	1
60649					1		1
60652					1		1
60803				1		1	2
60827				5	1	6	12
<b>Total</b>	<b>16</b>	<b>109</b>	<b>43</b>	<b>72</b>	<b>77</b>	<b>79</b>	<b>396</b>

**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2014**

Zip Code	DaVita			Fresenius Medical Care			Total
	Country Hills	Hazel Crest	South Holland	Orland Park	South Sub	Steger	
46322	1				1		2
46373						1	1
60153				1			1
60401					1	1	2
60404					1		1
60406	2	3					5
60409	3		11				14
60411		3	1	1	32	14	51
60417						3	3
60419	5	2	14		2		23
60422		5			3		8
60423					1		1
60425		2			5	2	9
60426	29	6	12		2		49
60428	12	2			1		15
60429	2	11			5		18
60430		8			2		10
60438		2	6		1		9
60443		1			8	1	10
60445					2		2
60449					3	2	5
60452		3		1			4
60453			1				1
60461					3		3
60462				5			5
60466		4	1		14	5	24
60471	1		1		7	3	12
60472	1	2					3
60473			10		1		11
60475					1	10	11
60476			1			1	2
60477		2		4			6
60478		14			3		17
60484					1	3	4
60532			1				1
60615		1					1
60617			3				3
60619	1				1		2
60621	1						1
60628	2	1	4			1	8
60633			3				3
60636					1		1
60637			1				1
60643	1		1				2
60649		2					2
60652		1					1
60714			1				1
60803	1						1
60827	2		9				11
60950						1	1
<b>Total</b>	<b>64</b>	<b>75</b>	<b>81</b>	<b>12</b>	<b>102</b>	<b>48</b>	<b>382</b>

Criterion 1110.1430 (e)(1) – Staffing

2) A. Medical Director

Kenneth Cline, M.D. is currently the Medical Director for Fresenius Medical Care Steger and will continue to be the Medical Director. Attached is his curriculum vitae.

B. All Other Personnel

The Steger facility currently employs the following staff:

- Clinic Manager who is a Registered Nurse
- 3 Registered Nurses
- 8 Patient Care Technicians
- 1 Part-time Registered Dietitian
- 1 Part-time Licensed Master level Social Worker
- 1 Part-time Equipment Technician
- Full-time Secretary

After the expansion the facility will hire an additional 2 Registered Nurses and 4 Patient Care Technicians. The Dietitian, Social Worker and Equipment Technician will move to full-time hours.

- 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.

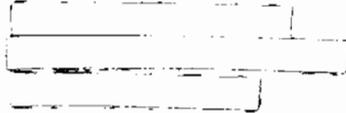
- 4) The above staffing model is required to maintain a 4 to 1 patient-staff ratio at all times on the treatment floor. A RN will be on duty at all times when the facility is in operation.

**KENNETH N. CLINE, M.D.**  
**CURRICULUM VITAE**

**PERSONAL DATA:**

Born: October 7, 1963  
Chicago, Illinois

Home Address:



**EDUCATION:**

1985 - 1989 M.D. - University of Illinois College of Medicine  
Chicago, Illinois

1981 - 1985 B.A. - Princeton University  
Princeton, New Jersey

**TRAINING:**

7/96 - 6/98 Fellowship - Nephrology  
Rush-Presbyterian-St. Luke's Medical Center  
Chicago, Illinois

7/92 - 6/93 Chief Resident - Internal Medicine  
Rush-Presbyterian-St. Luke's Medical Center  
Chicago, Illinois

7/89 - 6/92 Internship/Residency - Internal Medicine  
Rush-Presbyterian-St. Luke's Medical Center  
Chicago, Illinois

**CERTIFICATION:**

1992/2002 American Board of Internal Medicine  
1998/2011 American Board of Internal Medicine/Nephrology

**LICENSURE:**

State of Illinois #036-082816

PRESENT POSITION:

7/98 - Present      Private Practice  
Horizon Healthcare Associates, S.C.  
19550 S Governors Highway - Suite 2000  
Flossmoor, Illinois 60422

PROFESSIONAL EXPERIENCE:

7/01 - Present      Medical Director  
Markham Dialysis Unit  
DSI / DaVita, Inc.

7/93 - 6/96      Attending Physician - Internal Medicine  
Cook County Hospital  
Chicago, Illinois

7/92 - 6/93      Adjunct Attending - Internal Medicine  
Rush-Presbyterian-St. Luke's Medical Center  
Chicago, Illinois

CLINICAL TRIALS:

2001 - Present      Primary Investigator for Phase III - Phase IV clinical research (open label mid cross over randomized studies): PI for three studies involving phosphate binder therapy; Sub-Investigator for double-blinded, randomized anemia management study.

MEMBERSHIPS:      American Society of Nephrology  
National Kidney Foundation

AWARDS:              National Medical Fellowship, 1985  
General Assembly Scholarship Award, 1985  
Illinois Department of Public Health (Scholarship) 1986-89

PUBLICATIONS/PRESENTATIONS:

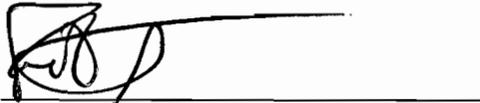
Abstract: C.R. Thomas, Jr., K. Cline, A.A. Budayr, □A Primary Gastrointestinal Tract Tumor as an Etiology of Humoral Hypercalcemia of Malignancy.: American Gastroenterological Association, 19-22, May, 1991.

Comparison of Morbidity and Mortality between Hemodialysis and Peritoneal Dialysis in an Inner city Population, 1997.

Criterion 1110.1430 (f) – Support Services

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

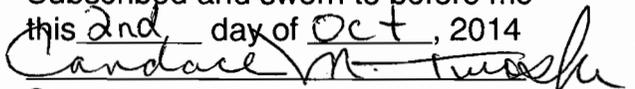
- Fresenius Medical Care utilizes a patient data tracking system in all of its facilities.
- These support services are available at Fresenius Medical Care Steger during all six shifts:
  - Nutritional Counseling
  - Psychiatric/Social Services
  - Home/self training
  - Clinical Laboratory Services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



Signature

Richard Stotz/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 2nd day of Oct, 2014



Signature of Notary

Seal



Criterion 1110.1430 (j) – Assurances

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

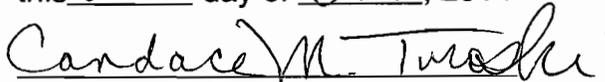
1. As supported in this application through expected referrals to Fresenius Medical Care Steger in the first two years of operation of the 6 additional stations, the facility is expected to achieve and maintain the utilization standard, specified in 77 Ill. Adm. Code 1100, of 80% and;
2. Fresenius Medical Care hemodialysis patients at the Steger facility have achieved adequacy outcomes of:
  - o 94% of patients had a URR  $\geq$  65%
  - o 93% of patients had a Kt/V  $\geq$  1.2



Signature

Richard Stotz/Regional Vice President  
Name/Title

Subscribed and sworn to before me  
this 2nd day of Oct, 2014



Signature of Notary

Seal



**FIRST AMENDMENT TO LEASE AGREEMENT**

This First Amendment to Lease Agreement (this "First Amendment") is entered into as of this 21<sup>st</sup> day of JANUARY, 2015 by and between Manco Property Management, LLC as successor-in-interest to Manco, LLC ("Landlord") and Fresenius Medical Care of Illinois, LLC d/b/a Fresenius Medical Care Steger ("Tenant").

WHEREAS, Landlord and Tenant are parties to a certain Lease Agreement dated December 16, 2009, together with any and all amendments, modifications, extensions, etc. (collectively, the "Lease") for certain property consisting of approximately 6,100 square feet (the "Premises") and situated at 219 E. 34th Street, Steger, Illinois, as more particularly described in the Lease; and

WHEREAS, Landlord and Tenant desire to amend the Lease as contained herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and further good and valuable consideration, the parties agree as follows:

1. No later than thirty (30) days from the full execution of this First Amendment (the "Delivery Date"), Landlord shall deliver to Tenant an additional 1,250 square feet of space more particularly described in Exhibit A attached hereto, to be used exclusively by Tenant (the "Expansion Space"). Landlord shall deliver the Expansion Space in the condition described in Exhibit B attached hereto.

3. As of the Delivery Date, the term "Premises" shall be amended to include the Expansion Space and shall mean that "building and certain improvements containing approximately 7,350 square feet of space on the property located at 219 E. 34th Street, Suite A, Steger, IL (the "Property"), as more particularly described and shown on Exhibit A attached hereto and made a part hereof".

4. Effective six (6) months from the Delivery Date (the "Expansion Space Rent Commencement Date"), Tenant shall pay to Landlord monthly Base Rent for the Expansion Space as follows:

Dates (To/From)	Rent per SF	Monthly Base Rent	Annual Base Rent
Expansion Space Rent Commencement Date - 11/30/2015	\$17.50	\$1,822.92	\$21,875.00
12/01/2015 - 11/30/2016	\$18.00	\$1,875.00	\$22,500.00
12/01/2016 - 11/30/2017	\$18.50	\$1,927.08	\$23,125.00
12/01/2017 - 11/30/2018	\$19.00	\$1,979.17	\$23,750.00
12/01/2018 - 11/30/2019	\$19.50	\$2,031.25	\$24,375.00
12/01/2019 - 11/30/2020	\$20.00	\$2,083.33	\$25,000.00

5. Landlord and Tenant hereby acknowledge and agree that Tenant has three (3) remaining options to extend the term of this Lease (each "Renewal Option") for a period of five (5) years (each an "Option Term"). The lease of the Premises for each Option Term shall be on the same terms and conditions contained in this Lease except that the Base Rent for each Option

Term shall be determined pursuant to the terms and conditions of Section 3.2 of this Lease. Each Renewal Option may be exercised only by written notice delivered by Tenant to Landlord no later than ninety (90) days prior to the expiration of the then current term.

6. Section 3.2 of the Lease is hereby deleted in its entirety, and replaced with the following:

“3.2. Base Rent for Option Terms. Base Rent for each Option Term shall be as follows:

First Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
11	\$20.50	\$150,675	\$12,556.25
12	\$21.00	\$154,350	\$12,862.50
13	\$21.50	\$158,025	\$13,168.75
14	\$22.00	\$161,700	\$13,475.00
15	\$22.50	\$165,375	\$13,781.25

Second Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
16	\$23.00	\$169,050	\$14,087.50
17	\$23.50	\$172,725	\$14,393.75
18	\$24.00	\$176,400	\$14,700.00
19	\$24.50	\$180,075	\$15,006.25
20	\$25.00	\$183,750	\$15,312.50

Third Option Term			
Year	Rent per Square Foot	Annual Base Rent	Monthly Base Rent
21	\$25.50	\$187,425	\$15,618.75
22	\$26.00	\$191,100	\$15,925.00
23	\$26.50	\$194,775	\$16,231.25
24	\$27.00	\$198,450	\$16,537.50
25	\$27.50	\$202,125	\$16,843.75

7. Landlord shall provide Tenant with copies of any paid invoices or other reasonable supporting documentation to support any expenses the Tenant is responsible to reimburse the Landlord under the terms of the lease.

8. Except as modified herein, all terms of the Lease shall remain unchanged, and are hereby ratified, republished and reaffirmed and are incorporated into this First Amendment.

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment as of the day and year first above written.

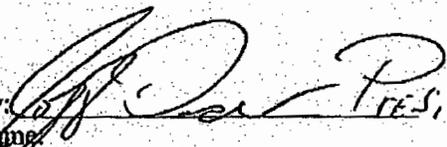
**LANDLORD:**

MANCO PROPERTY MANAGEMENT, LLC

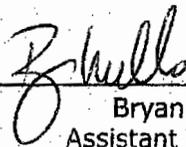
**TENANT:**

PRESENIUS MEDICAL CARE OF ILLINOIS, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



Bryan Mello  
Assistant Treasurer

**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.

2013 Financial Statements for Fresenius Medical Care Holdings, Inc. were submitted previously to the Board with #14-029, Fresenius Medical Care Grayslake 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		180.40			1,250			\$225,500	\$225,500
Contingency		8.00			1,250			\$10,000	\$10,000
<b>TOTALS</b>		<b>\$188.40</b>			<b>1,250</b>			<b>\$235,500</b>	<b>\$235,500</b>

\* Include the percentage (%) of space for circulation  
 \*\*numbers have been rounded.

Total construction (modernization and contingencies) are \$235,500, which is \$5,900 over allowable costs figured at mid-point of construction. This is due to the fact that there is some extra exterior work to be done that is over and above the general build-out of the additional leased space. An exterior door has to be moved to accommodate the addition of stations at a cost of approximately \$10,000.

**Criterion 1120.310 (d) – Projected Operating Costs**

**Year 2016**

Estimated Personnel Expense:	861,401
Estimated Medical Supplies:	215,350
Estimated Other Supplies (Exc. Dep/Amort):	209,443
	<u>\$1,286,194</u>

Estimated Annual Treatments: 13,479

Cost Per Treatment: \$95.42

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

**Year 2016**

Dep/Amort:	131,727
Interest:	0
Capital Costs:	<u>\$131,727</u>

Estimated Annual Treatments: 13,479

Capital Cost Per Treatment: \$9.77

62

**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

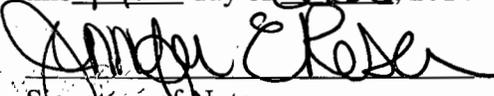
Fresenius Medical Care of Illinois, LLC

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: Bryan Mello  
Assistant Treasurer

**Notarization:**

Subscribed and sworn to before me  
this 14<sup>th</sup> day of October, 2014

  
Signature of Notary

Seal

JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

**Criterion 1120.310(a) Reasonableness of Financing Arrangements**

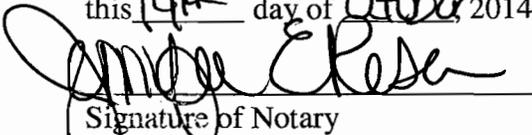
Fresenius Medical Care Holdings, Inc.

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:   
Title: Mark Fawcett  
Vice President & Treasurer

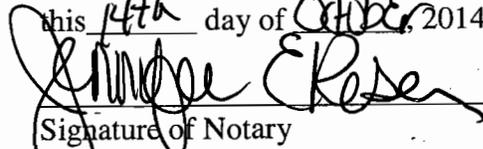
By:   
Title: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this 14th day of October 2014

  
Signature of Notary

Seal  
JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

Notarization:  
Subscribed and sworn to before me  
this 14th day of October 2014

  
Signature of Notary

Seal  
JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016

**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:

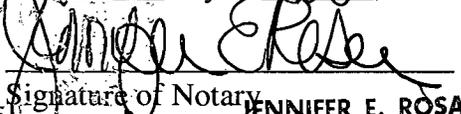
There is no debt financing. The project will be funded with cash and leasing arrangements; and

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:   
Bryan Mello  
Assistant Treasurer  
ITS: \_\_\_\_\_

**Notarization:**

Subscribed and sworn to before me  
this 14th day of October, 2014

  
Signature of Notary

**JENNIFER E. ROSA**  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 21, 2016



**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:

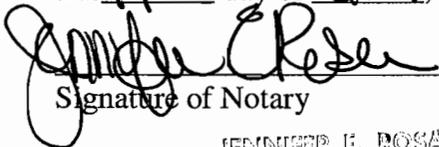
There is no debt financing. The project will be funded with cash and leasing arrangements; and

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

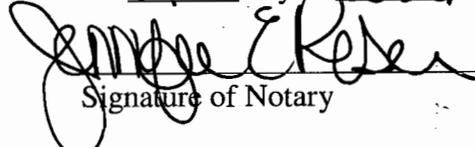
By:   
ITS: Bryan Mello  
Assistant Treasurer

Notarization:  
Subscribed and sworn to before me  
this 14<sup>th</sup> day of October, 2014

  
Signature of Notary

Seal  JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 31, 2016

Notarization:  
Subscribed and sworn to before me  
this 14<sup>th</sup> day of October, 2014

  
Signature of Notary

Seal  JENNIFER E. ROSA  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
January 31, 2016

## **Safety Net Impact Statement**

The addition of stations at Fresenius Medical Care Steger dialysis facility will not have any impact on safety net services in the Steger area of Cook County. 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 pursuant to an Indigent Waiver policy. 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 patients who do not qualify for any type of coverage for dialysis services. These patients are considered "self-pay" patients. 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. 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.

<b>Safety Net Information per PA 96-0031</b>			
<b>CHARITY CARE</b>			
<b>Net Revenue</b>	<b>\$362,977,407</b>	<b>\$387,393,758</b>	<b>\$398,570,288</b>
	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Charity * (# of self-pay patients)</b>	<b>93</b>	<b>203</b>	<b>642</b>
<b>Charity (cost in dollars)</b>	<b>\$642,947</b>	<b>\$1,536,372</b>	<b>\$5,346,976</b>
<b>Ratio Charity Care Cost to Net Patient Revenue</b>	<b>0.18%</b>	<b>.40%</b>	<b>1.34%</b>
<b>MEDICAID</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Medicaid (# of patients)</b>	<b>1,865</b>	<b>1,705</b>	<b>1,660</b>
<b>Medicaid (revenue)</b>	<b>\$42,367,328</b>	<b>\$36,254,633</b>	<b>\$31,373,534</b>
<b>Ratio Medicaid to Net Patient Revenue</b>	<b>12%</b>	<b>9.36%</b>	<b>7.87%</b>

Note:

A new billing procedure was put into place in late 2012 to reduce the amount of voids and rebilling. Previously patients with Medicaid pending were considered only under Medicaid and after the procedure change, Medicaid pending patients are considered under self-pay. This has resulted in the increase in "charity" (self-pay) patients and costs.

Medicaid number of patients appears to be going down, however this is due to the reassignment of the "charity" (self-pay) patients associated with the billing change.

## 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. Self-pay patients are invoiced and then the accounts written off as bad debt.

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

<b>CHARITY CARE</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Net Patient Revenue</b>	<b>\$362,977,407</b>	<b>\$387,393,758</b>	<b>\$398,570,288</b>
<b>Amount of Charity Care (charges)</b>	\$642,947	\$1,566,380	\$5,346,976
<b>Cost of Charity Care</b>	\$642,947	\$1,566,380	\$5,346,976
<b>Ratio Charity Care Cost to Net Patient Revenue</b>	0.18%	.40%	1.34%

## **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.

### **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. The benefit of working with the AKF is that the insurance coverage which AKF facilitates 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.

### **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.



19550 Governors Highway Suite 2000  
Flossmoor, IL 60422

HEALTHCARE ASSOCIATES, S.C.

708.957.8750 - P  
708.957.8602 - F

FAMILY PRACTICE

Bruce A. Parisi, M.D.  
Dwayne B. Buchanan, M.D.  
Amit D. Patel, M.D.

INTERNAL MEDICINE

Karen N. Whitehorn, M.D.

NEPHROLOGY

Michael R. Peck, M.D.  
Daniel A. Yohay, M.D.  
Kenneth N. Cline, M.D.  
Lourdes R. Terrado, M.D.  
ENDOCRINOLOGY  
Ilene Weintraub Yohay, M.D.

NURSE PRACTITIONERS

Agnes N. Harmon, ACNS-BC, CNN  
*Board Certified Advanced Clinical Nurse Specialist  
Certified Nephrology Nurse*  
Tina M. Murphy, FNP-BC  
*Board Certified Family Nurse Practitioner*

January 19, 2015

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

Dear Ms. Avery:

My name is Kenneth Cline, M.D. and I am the Medical Director of Fresenius Medical Care Steger. I am writing to provide my full support for the addition of 6 stations at this facility. The Steger facility is fairly new, opening approximately 3 years ago. It has seen tremendous growth and is now operating near capacity. Additional space is available adjacent to the clinic and would be optimal for providing continued access for patients who live in the Steger area.

My partners and I at Horizon HealthCare Associates have referred 117 new patients for hemodialysis services over the past twelve months. We were treating 405 hemodialysis patients at the end of 2011, 398 at the end of 2012, 396 at the end of 2013 and 382 as of the most recent quarter. We have 150 Pre-ESRD patients in Stages 3 & 4 of End Stage Renal Disease (ESRD) living in the Steger area that I expect would begin dialysis in the first two years after the new stations are operable. However, because of the natural attrition of patients and the complexities of each patient's disease, I expect that approximately 63 of these patients will begin dialysis during this time at the Fresenius Steger facility. There are also currently 69 ESRD patients receiving dialysis treatment there.

To keep dialysis access available to the growing ESRD population near the far south suburb of Steger, I ask the Board to please vote in favor of the Fresenius Medical Care Steger expansion. Thank you for your consideration.

72

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

Sincerely,

*Kenneth Cline M.D.*

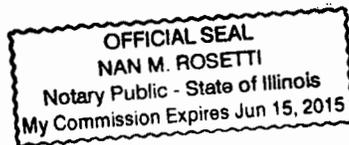
Kenneth Cline, M.D.

Notarization:

Subscribed and sworn to before me  
this 19<sup>th</sup> day of January, 2015

*Nan M. Rosetti*

Signature of Notary  
(Seal)



**CURRENT FRESENIUS MEDICAL CARE  
STEGER ESRD PATIENTS**

Zip Code	Patients
60411	18
60425	2
60475	16
60471	4
60466	9
60449	3
60417	10
60484	3
46373	1
60443	1
60401	1
60476	1
<b>Total</b>	<b>69</b>

**PRE-ESRD PATIENTS EXPECTED  
TO BE REFERRED TO THE STEGER  
FACILITY IN THE 1<sup>ST</sup> 2 YEARS  
AFTER PROJECT COMPLETION**

Zip Code	Total
60401	2
60411	56
60417	7
60423	6
60425	6
60443	21
60449	2
60466	20
60471	12
60475	12
60476	4
60484	2
<b>Total</b>	<b>150</b>

There are 150 patients currently identified who live in the Steger area that would be expected to begin dialysis at the Steger facility. Accounting for patient attrition, I expect approximately 63 to begin dialysis at the Steger facility during the first two years after project completion. Due to each patient's complex physical condition, it is not possible to determine exactly when a patient will require dialysis services this far into the future. A portion of these patients may also choose home dialysis therapies upon initiation of dialysis.

**NEW REFERRALS OF HORIZON HEALTHCARE FOR THE PAST TWELVE MONTHS**  
**12/01/2014 THROUGH 11/30/2015**

Zip Code	DaVita			Fresenius Medical Care			Total
	Country Hills	Hazel Crest	South Holland	Orland Park	South Sub	Steger	
46321		1					1
46322					1		1
60153				1			1
60409			3		1		4
60411		1			4	5	10
60417						1	1
60419	1		4				5
60422			1		3		4
60425		2			1		3
60426	8	1	5				14
60428	1				3		4
60429	1	1			2		4
60430		1					1
60438			3				3
60443				1	3		4
60445	1						1
60446				1			1
60449					1	1	2
60452		1		1			2
60462				3			3
60466		1	1		7		9
60468					1		1
60471		1	1		3	1	6
60472	1	1					2
60473			5			1	6
60475						2	2
60477				1			1
60478		3			1		4
60484					2		2
60487				2			2
60617	1						1
60619					1		1
60628					2		2
60629			1				1
60636	1						1
60643					1		1
60706						1	1
60803					1		1
60827	1		2				3
60914			1				1
<b>Total</b>	<b>16</b>	<b>14</b>	<b>27</b>	<b>10</b>	<b>38</b>	<b>12</b>	<b>117</b>

**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2011**

Zip Code	Fresenius Medical Care			DaVita			Total
	Orland Park	South Sub	Steger	Country Hills	Hazel Crest	South Holland	
46322		1		1			2
46324						2	2
60401		1					1
60404					1		1
60406				2	2		4
60409		1		2	1	19	23
60411		48	2	2	7	1	62
60417		1	5				6
60419				2		13	15
60422		2			2		6
60423	2	1					4
60425		5			1	1	7
60426		2		22	6	10	40
60428		1		11	4		16
60429	1	2		1	10		14
60430		2			10		12
60431					1		1
60438		1			1	5	7
60441	1						1
60443	1	10		1	1		13
60445		2			1		3
60449		2	1				4
60452	2	2			2		6
60453						1	1
60461		4	1		2		7
60462	4						4
60464						1	1
60466		18	2		6	1	27
60467	1						1
60469				2			3
60471		9			4	2	15
60472				1	2		3
60473		1		1	1	12	15
60475		4	2	1		1	8
60476		1		1		2	4
60477	2			1	1		4
60478		4		1	12		17
60480	1						1
60484		2	1		1		4
60487	1						1
60532						1	1
60615					1	1	2
60617						4	4
60619				1			1
60620					1		1
60621				1			1
60628				2	1	6	9
60629						1	1
60633						2	2
60636		1					1
60643				1			1
60649						1	1
60803				1			1
60827	1			2		9	13
<b>Total</b>	<b>18</b>	<b>130</b>	<b>15</b>	<b>63</b>	<b>83</b>	<b>96</b>	<b>405</b>

**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2012**

Zip Code	Fresenius Medical Care			DaVita			Total
	Steger	Orland Park	South Sub	Country Hills	Hazel Crest	South Holland	
46322			1	1			2
46324						1	1
46373	1						1
60104			1				1
60401	1		1				2
60404			1				1
60406				2	1		3
60409			1	3	1	15	20
60411	8	1	44	2	9	1	65
60417	3		2				5
60419				3	1	11	15
60422			4		1		5
60423		1	2				3
60425			7		1	1	9
60426			3	23	9	5	40
60428			1	11	3		15
60429		1	3	1	9		14
60430			3		12		15
60431					1		1
60438			1		1	3	5
60443	1		8				9
60445			2				2
60449	2		5				7
60452		1	1		2		4
60453						1	1
60461	1		3		2		6
60462		4					4
60464		1					1
60466	1		16		4	1	22
60469		1		1			2
60471	1		7	1	3	1	13
60472				3	2		5
60473	1		2		2	8	13
60475	8		2			1	11
60476			1	1		1	3
60477		3		1	2		6
60478			4		16		20
60480		1					1
60484	4		2				6
60487		1					1
60532						1	1
60615					1		1
60617						4	4
60619			1	1			2
60620					1		1
60621				1			1
60628	1			2	2	3	8
60633						3	3
60636			1				1
60643				1			1
60651				1			1
60652					1		1
60653					1		1
60803				1			1
60805			1				1
60827				4		6	10
<b>Total</b>	<b>33</b>	<b>15</b>	<b>131</b>	<b>64</b>	<b>88</b>	<b>67</b>	<b>398</b>

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**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2013**

Zip Code	Fresenius Medical Care			DaVita			Total
	Orland Park	South Sub	Steger	Country Hills	Hazel Crest	South Holland	
46322		1		1			2
46324						1	1
46373			1				1
60401		1	1				2
60404		1					1
60406				1	2		3
60409		1		4	2	12	19
60411	1	36	11	2	6	4	60
60417		1	3				4
60419		1		4		15	20
60422		5			3		8
60423	1						1
60425		7	3		2	1	13
60426				29	6	8	43
60428		1		14	3		18
60429	1	2			8		11
60430		3			9		12
60431					1		1
60438					1	5	6
60443		7	1		1		9
60445		2		1			3
60449		2	3				5
60452	1	2			3		6
60453						1	1
60461		5			2	1	8
60462	4						4
60464	1						1
60466		14	5		5		24
60468		1					1
60469				1			1
60471		8	1	1			10
60472				1	3		4
60473		2	1	1		9	13
60475		2	8				10
60476		1	1			1	3
60477	5			1	2		8
60478		1			13		14
60484		1	1		1		3
60487	2						2
60532						1	1
60609				1		1	2
60617						4	4
60619			1	1			2
60620					1		1
60628			2	3		3	8
60633						3	3
60636		1					1
60637						1	1
60643						1	1
60649					1		1
60652					1		1
60803				1		1	2
60827				5	1	6	12
<b>Total</b>	<b>16</b>	<b>109</b>	<b>43</b>	<b>72</b>	<b>77</b>	<b>79</b>	<b>396</b>

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**PATIENTS OF HORIZON HEALTHCARE AS OF DECEMBER 31, 2014**

Zip Code	DaVita			Fresenius Medical Care			Total
	Country Hills	Hazel Crest	South Holland	Orland Park	South Sub	Steger	
46322	1				1		2
46373						1	1
60153				1			1
60401					1	1	2
60404					1		1
60406	2	3					5
60409	3		11				14
60411		3	1	1	32	14	51
60417						3	3
60419	5	2	14		2		23
60422		5			3		8
60423					1		1
60425		2			5	2	9
60426	29	6	12		2		49
60428	12	2			1		15
60429	2	11			5		18
60430		8			2		10
60438		2	6		1		9
60443		1			8	1	10
60445					2		2
60449					3	2	5
60452		3		1			4
60453			1				1
60461					3		3
60462				5			5
60466		4	1		14	5	24
60471	1		1		7	3	12
60472	1	2					3
60473			10		1		11
60475					1	10	11
60476			1			1	2
60477		2		4			6
60478		14			3		17
60484					1	3	4
60532			1				1
60615		1					1
60617			3				3
60619	1				1		2
60621	1						1
60628	2	1	4			1	8
60633			3				3
60636					1		1
60637			1				1
60643	1		1				2
60649		2					2
60652		1					1
60714			1				1
60803	1						1
60827	2		9				11
60950						1	1
<b>Total</b>	<b>64</b>	<b>75</b>	<b>81</b>	<b>12</b>	<b>102</b>	<b>48</b>	<b>382</b>

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