

**ORIGINAL**

15-042

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR PERMIT

**RECEIVED**

AUG 28 2015

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

This Section must be completed for all projects.

**Facility/Project Identification**

Facility Name:	Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis		
Street Address:	1401 Lakewood Drive		
City and Zip Code:	Morris, IL 60450		
County:	Will	Health Service Area	9
		Health Planning Area:	9

**Applicant /Co-Applicant Identification**

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

Exact Legal Name:	Affiliated Dialysis of Joliet, LLC		
Address:	1352 Houbolt Rd Joliet, IL 60431		
Name of Registered Agent:	Curt Anliker		
Name of Chief Executive Officer:	Steven Bucher		
CEO Address:	2462 Washington Rd, Washington, IL 61571		
Telephone Number:	309-698-1800		

**Type of Ownership of Applicant/Co-Applicant**

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

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

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

**Primary Contact**

[Person to receive ALL correspondence or inquiries)

Name:	Steven Bucher
Title:	Chief Executive Officer
Company Name:	Affiliated Dialysis Centers, LLC
Address:	2462 Washington Rd, Washington, IL 61571
Telephone Number:	309-698-1800
E-mail Address:	s.bucher@affiliateddialysis.com
Fax Number:	309-839-0835

**Additional Contact**

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

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

**Post Permit Contact**

[Person to receive all correspondence subsequent to permit issuance-THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960

Name:	Steven Bucher
Title:	Chief Executive Officer
Company Name:	Affiliated Dialysis Centers, LLC
Address:	2462 Washington Rd Washington, IL 61571
Telephone Number:	309-698-1800
E-mail Address:	s.bucher@affiliateddialysis.com
Fax Number:	309-839-0835

**Site Ownership**

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	Revive Enterprises, Inc.
Address of Site Owner:	3709 Village Dr., Hazel Crest IL 60529
Street Address or Legal Description of Site:	1401 Lakewood Dr, Morris, IL Suites B & C
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.	
APPEND DOCUMENTATION AS ATTACHMENT-2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

**Operating Identity/Licensee**

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

Exact Legal Name:	Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis
Address:	2462 Washington Rd, Washington, IL 61571
<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 Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</li> </ul>	
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

**Organizational Relationships**

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

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

**Flood Plain Requirements**

[Refer to application instructions.]

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

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

**Historic Resources Preservation Act Requirements**

[Refer to application instructions.]

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

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

**DESCRIPTION OF PROJECT****1. Project Classification**

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

Part 1110 Classification:

 Substantive Non-substantive

**2. Narrative Description**

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does **NOT** have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

The applicants are proposing to establish a 10 station ESRD facility to be located at 1401 Lakewood Drive, Suite C & D, Morris, IL 60450. The proposed facility is to be placed in a building location which is currently being operated as an ESRD facility but is scheduled to be discontinued as approved by the Board on Project 14-065. The utilization of this existing space will allow the applicants to establish this new facility at a dramatically lower cost than building a new facility in its entirety thereby making a much more effective use of healthcare expenditures.

The applicants believe that this is a substantive project since it constitutes the establishment of a service as defined by Administrative Code.

**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.

<b>Project Costs and Sources of Funds</b>			
<b>USE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	50,000		50,000
Contingencies	5,000		5,000
Architectural/Engineering Fees			
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)	350,000	32,500	382,500
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	267,000		267,000
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
<b>TOTAL USES OF FUNDS</b>	<b>672,000</b>	<b>32,500</b>	<b>704,500</b>
<b>SOURCE OF FUNDS</b>	<b>CLINICAL</b>	<b>NONCLINICAL</b>	<b>TOTAL</b>
Cash and Securities	10,000	32,500	42,500
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	267,000		267,000
Governmental Appropriations			
Grants			
Other Funds and Sources			
Term Loan	395,000		395,000
<b>TOTAL SOURCES OF FUNDS</b>	<b>672,000</b>	<b>32,500</b>	<b>704,500</b>
<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.</b>			

**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 \$ 15,000.

**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>3-31-2017</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 type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input 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** *Not Applicable*

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-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

**Facility Bed Capacity and Utilization**

N/A

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

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

**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.

Affiliated Dialysis of Joliet, LLC

This Application for Permit is filed on the behalf of d/b/a Morris Community Dialysis \* 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

Steven C. Bucher

PRINTED NAME

CEO

PRINTED TITLE

SIGNATURE

Curt Anliker

PRINTED NAME

COO

PRINTED TITLE

Notarization:

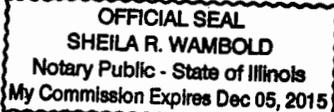
Subscribed and sworn to before me this 26<sup>th</sup> day of August 2015

Notarization:

Subscribed and sworn to before me this 26<sup>th</sup> day of August, 2015

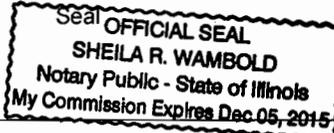
Signature of Notary

Seal



\*Insert EXACT legal name of the applicant

Signature of Notary



**SECTION II. DISCONTINUATION**

This Section is applicable to any project that involves discontinuation of a health care facility or a category of service. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

**Criterion 1110.130 - Discontinuation**

N/A

READ THE REVIEW CRITERION and provide the following information:

**GENERAL INFORMATION REQUIREMENTS**

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued, and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 60 days following the date of discontinuation.

**REASONS FOR DISCONTINUATION**

The applicant shall state the reasons for discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

**IMPACT ON ACCESS**

1. Document that the discontinuation of each service or of the entire facility will not have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.
3. Provide copies of impact statements received from other resources or health care facilities located within 45 minutes travel time, that indicate the extent to which the applicant's workload will be absorbed without conditions, limitations or discrimination.

**APPEND DOCUMENTATION AS ATTACHMENT-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

### SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

#### Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

READ THE REVIEW CRITERION and provide the following required information:

##### BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

**APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.**

##### PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded if any. For facility projects, include statements of age and condition and regulatory citations if any. For equipment being replaced, include repair and maintenance records.

**NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Report.**

**APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.**

**ALTERNATIVES**

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

Alternative options **must** include:

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

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

**G. Criterion 1110.1430 - In-Center Hemodialysis**

1. Applicants proposing to establish, expand and/or modernize In-Center Hemodialysis must submit the following information:
2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	10

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities			X
1110.1430(d)(2) - Documentation			X
1110.1430(d)(3) - Documentation Related to Cited Problems			X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X

**APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

4. Projects for relocation of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1110.130 - "Discontinuation" and subsection 1110.1430(i) - "Relocation of Facilities".

The following Sections **DO NOT** need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

- Section 1120.120 Availability of Funds – Review Criteria
- Section 1120.130 Financial Viability – Review Criteria
- Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)

**VIII. - 1120.120 - Availability of Funds**

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable: **Indicate the dollar amount to be provided from the following sources:**

42,500		a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
		1)	the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
		2)	interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
		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.
		c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
662,000		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:
		1)	For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated;
		2)	For revenue bonds, proof of the feasibility of securing the specified amount and interest rate;
		3)	For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.;
		4)	For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment;
		5)	For any option to lease, a copy of the option, including all terms and conditions.
		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;
		f)	Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
		g)	All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
704,500		<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.

<b>Provide Data for Projects Classified as:</b>	<b>Category A or Category B (last three years)</b>			<b>Category B (Projected)</b>
<b>Enter Historical and/or Projected Years:</b>				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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

**APPEND DOCUMENTATION AS ATTACHMENT-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 43.**

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

**XII. Charity Care Information**

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

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

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

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

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

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

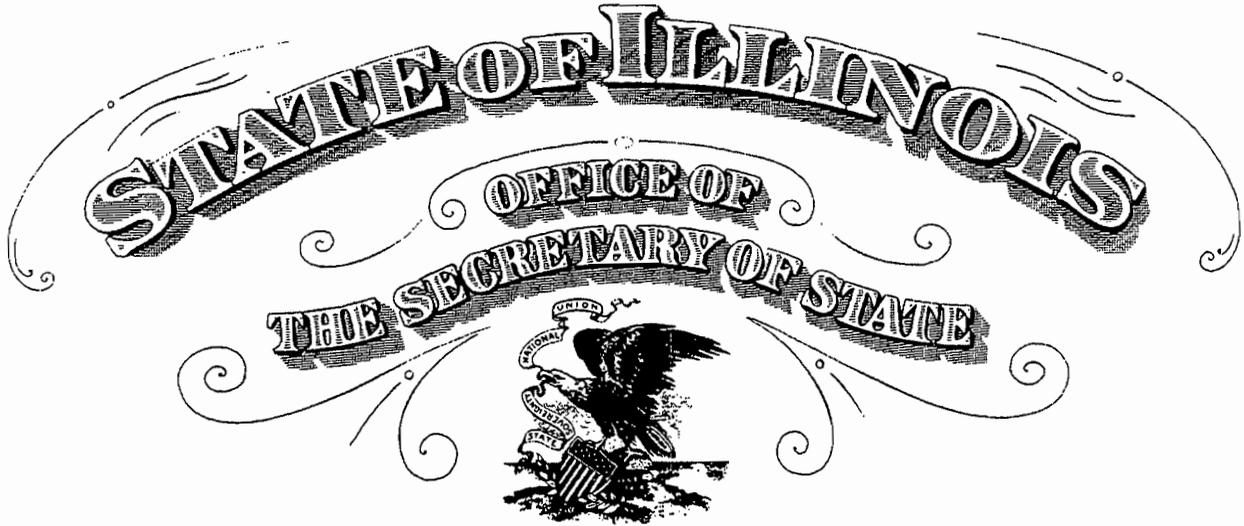
Section I Identification, General Information and Certification

Applicants

Since the applicant, Affiliated Dialysis of Joliet, LLC is an Illinois LLC a Certificate of Good Standing from the State of Illinois is provided.

File Number

0458261-6



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

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

AFFILIATED DIALYSIS OF JOLIET, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 28, 2013, 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 DOMESTIC LIMITED LIABILITY COMPANY 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 20TH day of JULY A.D. 2015 .***

*Jesse White*

SECRETARY OF STATE

Authentication #: 1520103040 verifiable until 07/20/2016

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

2014

Grundy County  
 2014 Real Estate Taxes  
 Lori Werden, County Treasurer  
 111 E Washington St  
 PO Box 689  
 Morris, IL 60450

Assessed To: REVIVE ENTERPRISES INC  
 Bill Number: 25464

Property Description		Permanent Index Number	
1401-B LAKEWOOD DR LAKEWOOD COMMONS CONDOMINIUM UNIT B SEC 5-33-7		05-05-228-003	
Sect/Lot Twp Range		Acres	Taxable Value
0.000		0.000	38,070
Taxing Body		Class Code	Tax Code
04-ERIENNA		0060	03052
Prior Rate	Prior Amt	Current Rate	Current Amt
0.00000	3,046.70	0.00000	3,195.87
0.20063	0.01	0.18585	0.01
0.45035	0.03	0.46362	0.03
0.01242	0.00	0.01272	0.00
0.15210	0.01	0.15225	0.01
0.04552	0.00	0.04856	0.00
0.39571	0.03	0.39608	0.03
0.02346	0.00	0.02628	0.00
1.82528	0.11	1.83140	0.11
0.05918	0.00	0.07968	0.00
3.19892	0.20	3.31180	0.21
0.14632	0.00	0.14836	0.00
0.29729	0.02	0.30890	0.02
0.00000	0.00	0.00000	0.00
0.50990	0.03	0.57627	0.03
0.08919	0.01	0.09133	0.01
0.60318	0.04	0.61870	0.04
0.14688	0.01	0.14427	0.01
8.15633	3,047.20	8.39607	3,196.38
Totals			

Formula for Tax Calculation	Amount
Land	6,634
Farm Land	0
Building	31,436
Farm Building	0
B. Of R. Equalized	38,070
State Eq. Factors *	1.00000
State Eq. Value	38,070
Home Improvement	0
Owner Occupied	0
Senior Citizen	0
Veteran	0
Senior Assessment Free	0
Taxable Value	38,070
Tax Rate	8.39607
Real Estate Tax	\$3,196.38
Drainage Tax	\$0.00
* Not to be used for farm land and farm buildings	
Township Multiplier:	1.00000
Total Tax Due	\$3,196.38
1977 Equalized	0
Fair Market	114,210

First Installment Due Date: 06/08/2015 Amount: \$1,598.19  
 Second Installment Due Date: 09/08/2015 Amount: \$1,598.19

21

2014

Grundy County  
 2014 Real Estate Taxes  
 Lori Werden, County Treasurer  
 111 E Washington St  
 PO Box 689  
 Morris, IL 60450

Assessed To: REVIVE ENTERPRISES INC  
 Bill Number: 25463

REVIVE ENTERPRISES INC  
 3709 VILLAGE DR  
 HAZEL CREST, IL 60529

Property Description		Permanent Index Number		
1401-C LAKEWOOD DR LAKEWOOD COMMONS CONDOMINIUM UNIT C SEC 5-33-7		05-05-228-002		
Sect/Lot		Acres	Taxable Value	
Twp		0.000	38,070	
Range		Class Code	Tax Code	
0.000		0060	03052	
Township		04-ERUENNA		
Taxing Body	Prior Rate	Prior Amt	Current Rate	Current Amt
COUNTY	0.60318	0.04	0.61870	0.04
- SOCIAL SECURITY	0.14688	0.01	0.14427	0.01
ERIENNA TWP	0.08919	0.01	0.09133	0.01
ERIENNA TWP ROAD	0.50990	0.03	0.57627	0.03
JOLIET JR COLL 525	0.29729	0.02	0.30890	0.02
- SOCIAL SECURITY	0.00000	0.00	0.00000	0.00
MORRIS GRADE 54	3.19892	0.20	3.31180	0.21
- SOCIAL SECURITY	0.14632	0.00	0.14836	0.00
MORRIS HIGH 101	1.82528	0.11	1.83140	0.11
- SOCIAL SECURITY	0.05918	0.00	0.07968	0.00
MORRIS FIRE & AMBUL	0.39571	0.03	0.39608	0.03
- SOCIAL SECURITY	0.02346	0.00	0.02628	0.00
MORRIS AREA LIBRARY	0.15210	0.01	0.15225	0.01
- SOCIAL SECURITY	0.04552	0.00	0.04856	0.00
ER NC MULTI-TWP	0.01242	0.00	0.01272	0.00
CITY OF MORRIS	0.20063	0.01	0.18585	0.01
- POLICE PENSION	0.45035	0.03	0.46362	0.03
MORRIS TIF DISTRICT	0.00000	3,046.70	0.00000	3,195.87
Totals	8.15633	3,047.20	8.39607	3,196.38

Formula for Tax Calculation	Amount
Land	6,634
Farm Land	0
Building	31,436
Farm Building	0
B. Of R. Equalized	38,070
State Eq. Factors *	1.00000
State Eq. Value	38,070
Home Improvement	0
Owner Occupied	0
Senior Citizen	0
Senior Assessment Free	0
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Tax Rate	8.39607
Real Estate Tax	\$3,196.38
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* Not to be used for farm land and farm buildings	
Township Multiplier:	1.00000
Total Tax Due	\$3,196.38
1977 Equalized	0
Fair Market	114,210

First Installment Due Date: 06/08/2015 Amount \$1,598.19  
 Second Installment Due Date: 09/08/2015 Amount \$1,598.19

22

ATTACHMENT 2

2014

Grundy County  
 2014 Real Estate Taxes  
 Lori Werden, County Treasurer  
 111 E Washington St  
 PO Box 689  
 Morris, IL 60450

Assessed To: REVIVE ENTERPRISES INC  
 Bill Number: 25462

Property Description	Permanent Index Number			
1401-D LAKEWOOD DR LAKEWOOD COMMONS CONDOMINIUM UNIT D SEC 5-33-7	05-05-228-001			
	Acres 0.000 Taxable Value 38,070			
	Class Code 0060 Tax Code 03052			
	Township 04-ERIENNA			
Sect/Lot Twp Range Acres	Prior Rate	Prior Amt	Current Rate	Current Amt
	0.0000	3,046.70	0.0000	3,195.87
MORRIS TIF DISTRICT	0.20063	0.01	0.18585	0.01
CITY OF MORRIS	0.45035	0.03	0.46362	0.03
- POLICE PENSION	0.01242	0.00	0.01272	0.00
ER NC MULTI-TWP	0.15210	0.01	0.15225	0.01
MORRIS AREA LIBRARY	0.04552	0.00	0.04856	0.00
- SOCIAL SECURITY	0.39571	0.03	0.39608	0.03
MORRIS FIRE & AMBUL	0.02346	0.00	0.02628	0.00
- SOCIAL SECURITY	1.82528	0.11	1.83140	0.11
MORRIS HIGH 101	0.05918	0.00	0.07968	0.00
- SOCIAL SECURITY	3.19892	0.20	3.31180	0.21
MORRIS GRADE 54	0.14632	0.00	0.14836	0.00
- SOCIAL SECURITY	0.29729	0.02	0.30890	0.02
JOLIET JR COLL 525	0.00000	0.00	0.00000	0.00
- SOCIAL SECURITY	0.50990	0.03	0.57627	0.03
ERIENNA TWP ROAD	0.08919	0.01	0.09133	0.01
ERIENNA TWP	0.60318	0.04	0.61870	0.04
COUNTY	0.14688	0.01	0.14427	0.01
- SOCIAL SECURITY	8.15633	0.01	8.39607	0.01
Totals		3,047.20		3,196.38

REVIVE ENTERPRISES INC  
 3709 VILLAGE DR  
 HAZEL CREST, IL 60529

Formula for Tax Calculation	
Land	6,634
Farm Land	0
Building	31,436
Farm Building	0
B. Of R. Equalized	38,070
State Eq. Factors *	1.00000
State Eq. Value	38,070
Home Improvement	0
Owner Occupied	0.00
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Real Estate Tax	\$3,196.38
Drainage Tax	\$0.00
* Not to be used for farm land and farm buildings	
Township Multiplier:	1.00000
Total Tax Due	\$3,196.38
1977 Equalized	0
Fair Market	114,210

First Installment 06/08/2015 Amount \$1,598.19  
 Second Installment 09/08/2015 Amount \$1,598.19  
 Due Date:

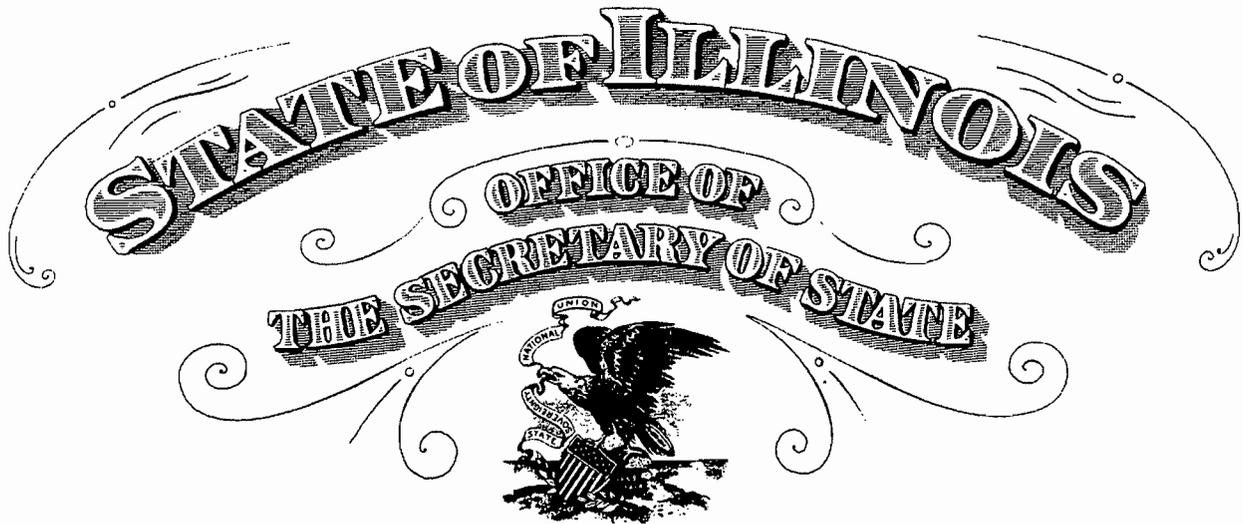
23

Attachment 2

Section I Identification, General Information and Certification

Operating Entity

Since the operating entity will be, Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis and Affiliated Dialysis of Joliet, LLC is an Illinois LLC, a Certificate of Good Standing from the State of Illinois is provided. The d/b/a will not have a separate Certificate of Good Standing



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

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

AFFILIATED DIALYSIS OF JOLIET, LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 28, 2013, 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 DOMESTIC LIMITED LIABILITY COMPANY 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 20TH day of JULY A.D. 2015 .***



*Jesse White*

SECRETARY OF STATE

Authentication #: 1520103040 verifiable until 07/20/2016

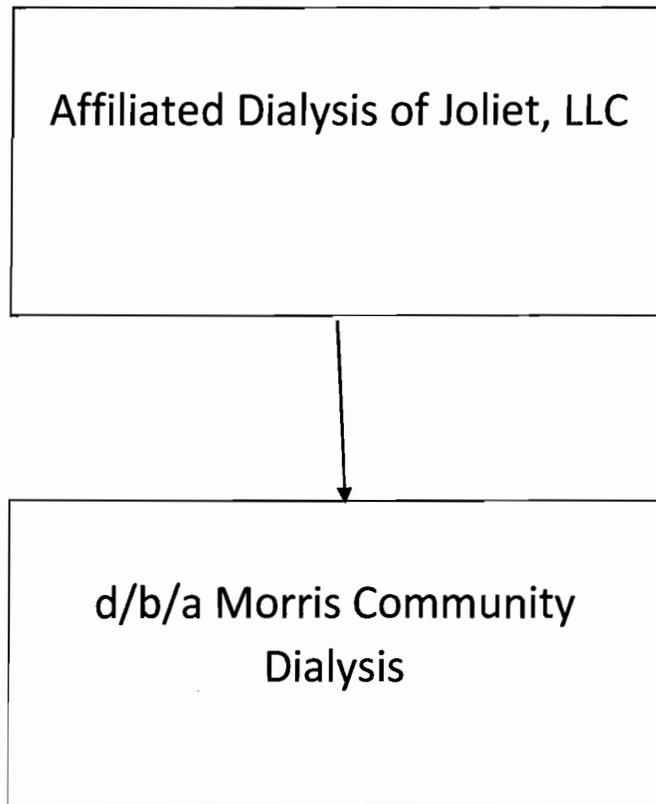
Authenticate at: <http://www.cyberdriveillinois.com>

Section I. Identification, General Information and Certification - Organizational Relationships

The organizational structure of Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis is attached as Attachment 4.

# Affiliated Dialysis of Joliet, LLC

## Organizational Chart

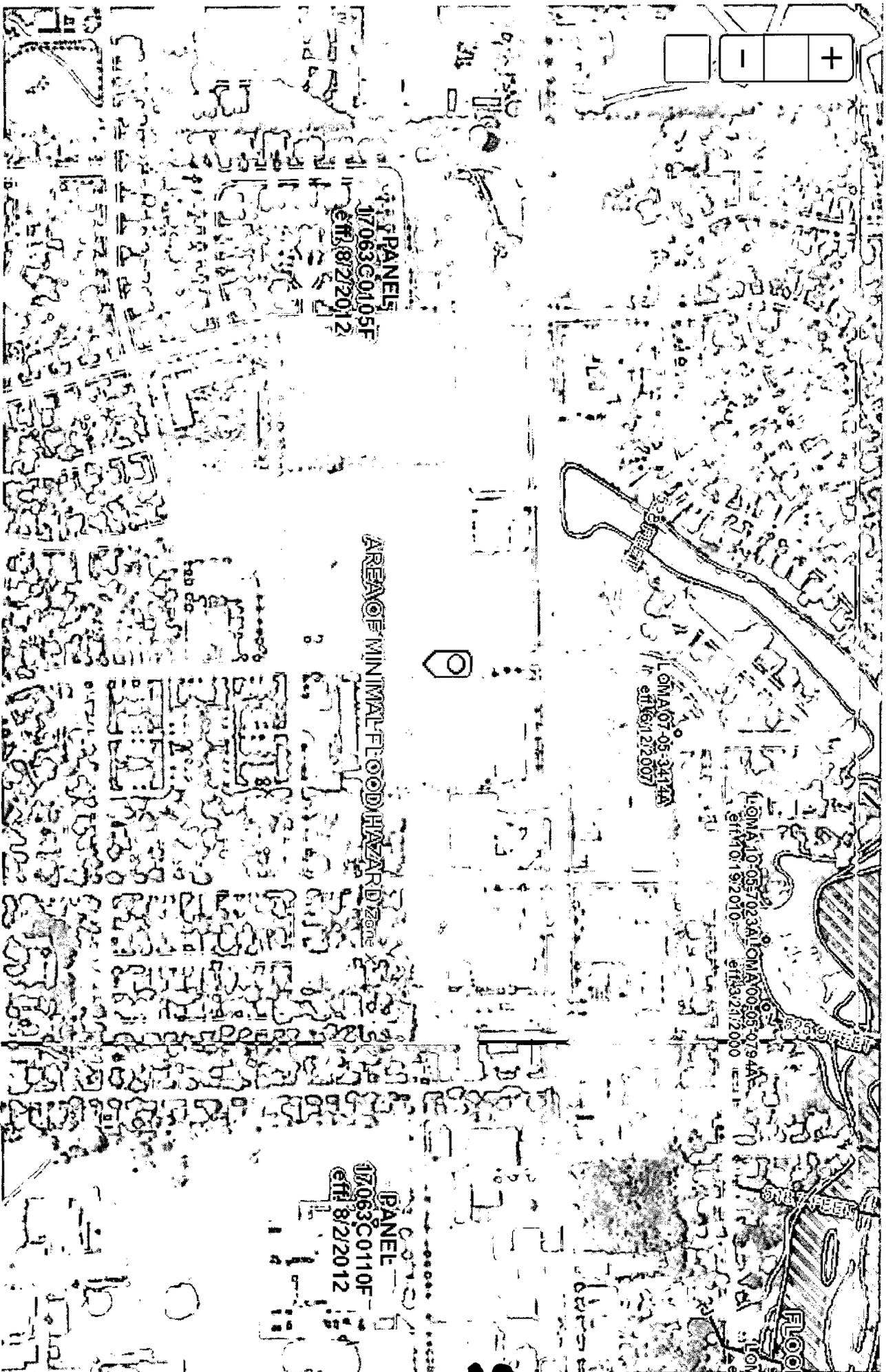


Section I. Identification, General Information and Certification - Flood Plain Requirements

The site of the proposed dialysis facility will be 1401 Lakewood Dr. Morris, IL 60450. The National Flood Insurance Program FIRM map is attached as Attachment 5 and shows that the facility address is located outside of a flood plain.

# HOME FEMA's National Flood Hazard Layer (General Reference)

Details | Basemap



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Section I. Identification, General Information and Certification - Historic Resources Preservation Act Requirements

The site of the proposed dialysis facility at 1401 Lakewood Dr. Morris, IL 60450 is deemed to be free from historic, architectural or archaeological issues per the attached letter – appended as Attachment 6.



**Illinois Historic  
Preservation Agency**

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

FAX (217) 524-7525

[www.illinoishistory.gov](http://www.illinoishistory.gov)

Grundy County

Morris

CON - Lease to Establish a Dialysis Facility

1401 Lakewood Dr.

IHPA Log #013061515

July 1, 2015

Steven Bucher

Affiliated Dialysis Centers

2462 Washington Road

Washington, IL 61571

Dear Mr. Bucher:

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

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

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

If you have any further questions, please contact me at 217/785-5031.

Sincerely,

Rachel Leibowitz, Ph.D.

Deputy State Historic

Preservation Officer

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Section I Identification, General Information and Certification

Project Cost and Sources of Funds

Detailed Schedule of Costs

Clinical:

Modernization - Renovation cost of existing space 50,000

Movable Equipment: Clinical:

Dialysis Machines	192,000
Water System	87,500
Dialysis Chairs	12,000
Staff stools	1,500
Chart Racks	850
Cabinetry	48,500
Miscellaneous	<u>7,650</u>
Total	350,000

Movable Equipment – Non-Clinical:

Office Desks	1,500
Reception furniture	18,750
Storeroom Equipment	<u>12,250</u>
Total	32,500

The applicant has access to commercial bank financing under an arrangement with Heartland Bank & Trust Company. This funding will be accessed at the completion of the project to provide funding of \$395,000.

Revive Enterprises, Inc.  
3709 Village Dr.  
Hazelcrest, IL 60529

Dear Affiliated Dialysis of Joliet, LLC

The attached lease is provided for purposes of filing the Certificate of Need application for an in center dialysis facility at 1401 Lakewood Dr. Morris, IL. We are hereby committing the space to you but will not require a signed lease until the project has been approved by the Health Facility Services & Planning Board. This commitment will be held until 3-31-2016.

Respectfully,

A handwritten signature in black ink, appearing to read "David McJannet". The signature is written in a cursive style with a long, sweeping underline.

LEASE

This Lease made this \_\_\_\_\_ day of \_\_\_\_\_ by and between REVIVE ENTERPRISES, INC. (the "Landlord"), and Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis, (the "Tenant").

WITNESSETH:

LEASED PREMISES: Subject to the following terms and conditions, Landlord hereby Leases to Tenant Suites B & C of the Leased Premises located at 1401 Lakewood Dr., Morris, IL (the "Building") identified as (the "Premises" or "Leased Premises").

LEASE TERM: Tenant shall take the Leased Premises on the terms and conditions contained herein, for [5] year(s) beginning on \_\_\_\_\_, 201\_\_\_\_ and ending on \_\_\_\_\_, unless sooner terminated as herein provided (the "Term"). AS A CONDITION FOR THIS LEASE TO COMMENCE, THE ILLINOIS HEALTH FACILITIES PLANNING BOARD MUST APPROVE THE DIALYSIS PROJECT APPLIED FOR BY TENANT. This Lease will automatically renew for an additional year on each succeeding termination date after the initial term. Should Tenant decide not to renew this Lease, Tenant shall provide notification by registered mail of such intent within ninety days of the expiration of the lease. All notices must be written to be effective.

RENT: The Lease shall be a triple net lease. Tenant agrees to pay an annual base rental of \$24,000.00 Dollars (Twenty-Four Thousand Dollars) payable by check or money order in equal monthly installments on or before the first day of each month in the amount of \$2,000.00 Dollars (Two Thousand Dollars). Tenant also agrees to pay its pro rata share of the Leased Premises' (i) real estate taxes, (ii) insurance, and (iii) maintenance, (collectively, the Triple Net Expenses). Landlord shall bill Tenant on monthly, quarterly, or annual basis for Triple Net Expenses and Tenant shall pay Landlord within 10 days of receipt of invoice. All payments and notices to Landlord shall be made at 2462 Washington Rd., Washington, IL 61571 or at such other place as Landlord may designate. Notices to Tenant shall be mailed to the Leased Premises. All notices must be mailed by registered mail.

In the event of any breach of this Lease in addition to all other legal remedies, Landlord may declare the entire amount of the rent due on the balance of the Lease immediately due and payable and Tenant agrees to pay same. Said payment shall not constitute a penalty, forfeiture or liquidated damages. The acceptance of such payment by Landlord shall not constitute a waiver of any future breach of the terms, provisions, conditions or covenants of this Lease. Landlord shall have no obligation to mitigate damages or re-lease the Premises.

COLLECTION FEE: Rent not received by the 5th day of the month, shall carry a late fee of \$20.00 per day for each day after the 1st day of the month until the rent is paid in full. Failure to impose said late fee shall not constitute a waiver of Landlord's right to impose said fee later.

SECURITY DEPOSIT: NOT APPLICABLE. Your security deposit in the amount of \$0 Dollars will be returned within 30 days of move-out, provided all conditions of the LEASE have been fulfilled, a forwarding address provided, keys returned and the Leased Premises are left in a clean and undamaged condition, normal wear and tear accepted. If all Lease terms are not fulfilled, in addition to retention of the deposit by Landlord, any previously abated rent must be refunded to Landlord.

LANDLORD AGREES THAT IT SHALL:

- A. Make all normal and necessary repairs to the Leased Premises.
- B. Provide water for drinking, lavatory and toilet purposes in the public area of the building.
- C. Provide a building directory listing your name and suite number and a sign identifying the principal suite door.
- D. Provide and maintain in reasonable condition parking sufficient to meet the normal needs of all tenants.

It is understood that Landlord does not warrant that any of the services which it may supply will be free from interruption.

TENANT AGREES THAT IT SHALL:

- A. Use and occupy the Premises in a safe, proper, and legal manner, not create any disturbance which might annoy other occupants or be detrimental to the buildings reputation, and abide by all building regulations adopted by Landlord from time to time.
- B. Grant Landlord permission, with prior notice, to enter the Leased Premises at any reasonable time for inspection and repair, and at any time for emergency repairs deemed necessary by Landlord. Upon receipt of Tenant's notice to vacate the premises, Landlord reserves the right to show Tenant's space to prospective renters.
- C. Keep the Leased Premises lien free, in good order and condition, and commit no waste.
- D. Upon termination of this Lease, remove Tenant's property, leave Landlord's property (including property leased from Landlord), and deliver the Leased Premises in clean and undamaged condition.
- E. Not place any signs, antennae or satellite dishes on the doors, outside walls, windows or roof of the building without Landlord's specific written approval.
- F. Not do any act or bring or keep anything thereon which may void or make voidable any insurance on the Property.
- G. Not make any alteration of or addition to the Leased Premises without Landlord's advance written approval.
- H. Not place any safes or heavy articles, which might exert unusual stress upon the supporting members of the building.

- I. Prior to applying any wall covering, prepare the walls so that no damage will be caused upon removal. Removal is Tenants' responsibility.
- J. Place protective chair mats between chair wheels and carpeting wherever applicable.
- K. Not smoke in any areas, inside the building.
- L. Pay for all utilities consumed or used in the Leased Premises.
- M. Tenant agrees to promptly make landlord aware of any moisture accumulation in the Premises, to regularly clean and dust the Premises, and not to allow any mold or fungi growth within the Premises.
- N. Not bring animals or pets into the Leased Premises or the Building except in the case of a Service Animal as defined in the Americans with Disabilities Act so long as such Service Animal does not behave in any threatening or aggressive manner.

Tenant's obligations hereunder shall extend to and include its employees, invitees, and agents, as the case may be.

**INSURANCE AND INDEMNIFICATION:** Tenant shall, throughout this Lease, keep in effect insurance policies with casualty (minimum coverage \$100,000.00) and liability (minimum coverage \$1,000,000.00) listing Landlord as additional insured and agree to pay for damage caused by Tenant or persons claiming under Tenant. Tenant shall indemnify and hold Landlord harmless from damages, claims, and costs caused by the acts or omissions of tenant, its' employees, invitees and agents.

**BANKRUPTCY:** In the event that any proceeding in bankruptcy shall be instituted by or against Tenant, Landlord may terminate this Lease by three (3) days' notice in writing, or may accept rent from any receiver, assignee or trustee without affecting or impairing Landlord rights under the Lease.

**SUBLET/ASSIGNMENT:** Tenant shall NOT, without Landlord's advance written consent, assign or sublet this Lease in whole or in part.

**INITIAL OCCUPANCY:** Provided Landlord had approved construction plans and free access to the Leased Premises, or in the case of a newly constructed building, failure to deliver occupancy on or before 14 days after commencement date stated above shall void this Lease at the option of Tenant; however, Landlord shall not be liable for any loss or damage resulting from late delivery of the Leased Premises.

**BINDING EFFECT:** Each provision hereof shall extend to and inure to the benefit of both parties of the Lease and their respective heirs, legal representatives, successors and assigns. Tenant, at Tenant's expense, shall comply with all laws, codes, and other governmental requirements, now in force or which may hereafter be in force with respect to the use, occupancy or alteration of Leased Premises. No oral agreements or representations shall be binding upon the parties.

IN WITNESS WHEREOF, the respective parties hereto have executed this Lease or caused this Lease to be executed and sealed by their duly authorized representatives the day, month, and year first written above.

**LANDLORD**  
**REVIVIE ENTERPRISES, INC.**

**TENANT**  
**Affiliated Dialysis of Joliet, LLC**  
**d/b/a Morris Community Dialysis**

By: \_\_\_\_\_  
Printed: Name & Title

By: \_\_\_\_\_  
Steven C. Bucher, CEO

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES

Criterion 1110.230 Background, Purpose of the Project and Alternatives

3) A) List of all health care facilities owned by the applicant:

Affiliated Dialysis of Joliet, LLC  
 1352 Houbolt Road  
 Joliet, IL 60431  
 Medicare Provider Number – 14-2773

3) B). List of all health care facilities owned by the more than 5% owners of applicant:

Applicants	Steven Bucher	Curt Anliker Trust	Jennifer Vavrinchik Trust	PAH, LLC	Tonya McFadden	Renal Therapies LLC
Health Care Facilities and percentage owned						
Affiliated Dialysis Centers, LLC 614 Lake Street Ste 318 Oak Park, IL 60301 Medicare Provider NO. – 14-2676			12.5%			87.5%
Renal Therapies, LLC 410 S Heinline Dr Shelbyville, IL 62565 Medicare Provider No – 14-2624	33.33%	33.33%		33.33%		
Affiliated Home Dialysis LLC 2624 Washington Rd Washington, IL 61571 Medicare Provider No – 14-2683	25%	25%	25%	25%		
Affiliated Home Partners, LLC 1014 Bonaventure Dr Elk Grove Village, IL 60007 Medicare Provider No – 14-2699	25%	25%	25%	25%		
Affiliated Dialysis of Glen Ellyn, LLC 800 Roosevelt Suite C16 Glen Ellyn, IL 60137 Medicare Provider No – 14-2752	29.167%	29.167%	12.5%	29.167%		

SECTION III – BACKGROUND, PURPOSE OF THE PROJECT AND ALTERNATIVES

Criterion 1110.230 Background, Purpose of the Project and Alternatives

Item 2 - Certification of Adverse Actions

See the attached certifications for the following entities:

Affiliated Dialysis of Joliet, LLC  
Affiliated Dialysis Centers, LLC  
Affiliated Home Dialysis, LLC  
Affiliated Home Dialysis Partners, LLC  
Renal Therapies, LLC  
Affiliated Dialysis of Glen Ellyn, LLC  
Steven Bucher, Partner  
Curt D. Anliker, Trust, Partner  
Jennifer Vavrinchik Trust, Partner  
PAH, LLC, Partner  
Tonya McFadden, Partner



**Affiliated Dialysis Centers  
of Joliet**

2462 Washington Road  
Washington, Illinois 61571

Phone (309) 698-1800  
Fax (309) 698-1811

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis of Joliet, LLC during the last three period prior to filing this application.,

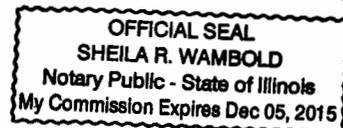
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis of Joliet, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public





Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis Centers, LLC during the last three period prior to filing this application.,

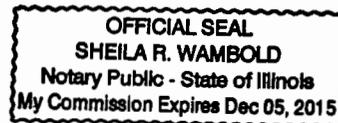
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis Centers, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Sheila R. Wambold  
Notary Public





Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Home Dialysis Centers, LLC during the last three period prior to filing this application.,

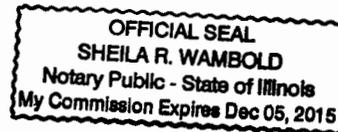
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Home Dialysis Centers, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public



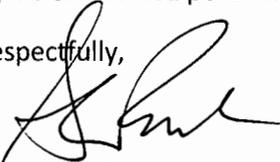
Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Home Dialysis Partners, LLC during the last three period prior to filing this application.,

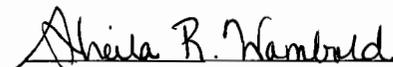
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

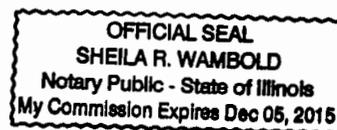
Respectfully,



Steven Bucher, Partner  
Affiliated Home Dialysis Partners, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

  
Notary Public





Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Renal Therapies, LLC during the last three period prior to filing this application.,

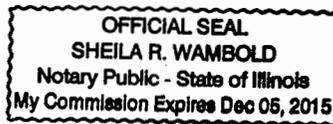
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Renal Therapies, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public





**Affiliated Dialysis Centers  
of Glen Ellyn**

2462 Washington Road  
Washington, Illinois 61571

Phone (309) 698-1800  
Fax (309) 698-1811

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis of Glen Ellyn, LLC during the last three period prior to filing this application.,

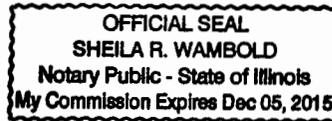
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis of Glen Ellyn, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public



Steven Bucher  
38 Sapphire Pt  
Morton, IL 61550

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Steven Bucher a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, I have not been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that I have not been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against me

I do further certify that I am not in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

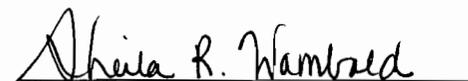
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

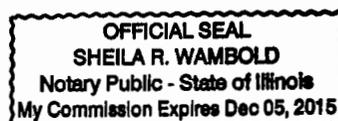
Respectfully,



Steven Bucher, Partner

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

  
Notary Public



Curt D. Anliker Trust  
1209 Foothill Drive  
Wheaton, IL 60189

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Curt D. Anliker, Trustee of the Curt D. Anliker Trust which is a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, neither the Trust nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that neither the Trust nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the Trust or myself

I do further certify that neither the Trust nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

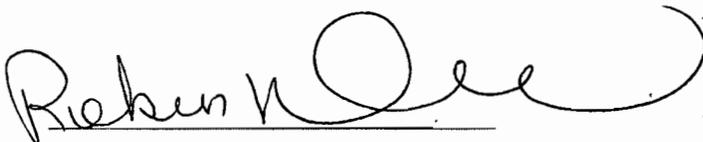
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,

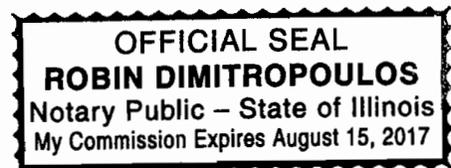


Curt D. Anliker Trust  
Curt D. Anliker, Trustee

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August, 2015



Notary Public



Curt D. Anliker Trust  
1209 Foothill Drive  
Wheaton, IL 60189

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Curt D. Anliker, Trustee of the Curt D. Anliker Trust which is a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, neither the Trust nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that neither the Trust nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the Trust or myself

I do further certify that neither the Trust nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

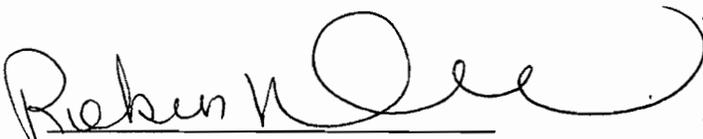
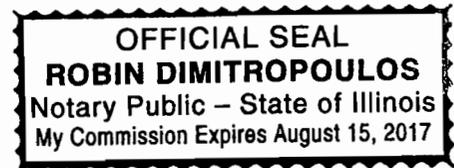
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,



Curt D. Anliker Trust  
Curt D. Anliker, Trustee

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August, 2015

  
Notary Public

PAH, LLC  
1425 East Glen Avenue  
Peoria Heights, IL 61616

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, LeRoy Hagenbuch, Member of PAH, LLC which is a member in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, the LLC nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that neither the LLC nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the LLC or myself

I do further certify that neither the LLC nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

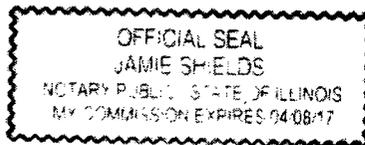
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,



PAH, LLC  
LeRoy Hagenbuch, Member

Subscribed and affirmed before me  
This 26<sup>th</sup> day of August, 2015



Jamie Shields  
Notary Public

Tanya McFadden  
15565 South Mallard Lane  
Homer Glen, IL 60491

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 4<sup>th</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Tanya McFadden a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, I have not been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that I have not been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against me

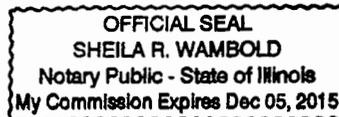
I do further certify that I am not in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

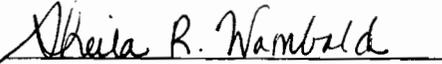
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,

  
Tanya McFadden, Partner

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August 2015



  
Notary Public

## SECTION III – BACKGROUND, PURPOSE OF THE PROJECT AND ALTERNATIVES

### Criterion 1110.230 Background, Purpose of the Project and Alternatives

#### Purpose:

1. The proposed project, to build a ten station dialysis facility at 1401 Lakewood Dr., Morris, IL. Morris is currently served by two dialysis facilities. One of those facilities, (operated by Fresenius) has been approved by the Planning Board to be relocated to Plainfield, IL not later than December, 2016 Project 14-065 approved at the March 10, 2015 HFPSB meeting. Based on testimony at the March 10, 2015 meeting (attached as Attachment 12A) on the relocation application, which was approved, the operator of the second facility (DaVita) stated that their unit did not have adequate capacity to absorb the ESRD patients who would be left without service in Morris, IL. That statement was based on their current patient census and their estimated patient census growth thru 2016. Therefore, based on information submitted with previous projects additional stations are needed in Morris, IL to serve current and anticipated patient demand. In addition, the discontinuation application did not include any reference to the patient referral activity of Dr. David McFadden who is the primary nephrologist in the Morris area. This proposed facility, of which Dr. McFadden is a part, will therefor directly serve the interests and needs of the Morris, IL area. ESRD patients are often limited in their travel capabilities and if they are required to travel outside their area for dialysis service, it can have a very deleterious impact on their well- being.
2. The proposed project would serve the Morris, IL area, including a surrounding area of approximately 20 miles in diameter Attachment 12C). The entire impacted area is within HSA9 planning area. A listing of current dialysis facilities operating within a 30 minute travel time of Morris is shown as Attachment 12B. This listing of seven facilities shows that all alternative facilities for Morris patients are between 20 and 30 minutes distance in normal travel times but most would be significantly longer during inclement weather. A map presented as Attachment 12C shows the service area as defined by the applicant.
3. The source of information on existing facilities was The Renal Network 10 ZIP Code Report dated December 31, 2013,
4. The primary existing problem addressed by this proposed project, is the HFPSB approval of the relocation of the ESRD facility operated in Morris, IL by Fresenius Medical (Project 14-065) and which will result in inadequate capacity in the Morris, IL area to meet the demand for current and expected ESRD services. If ESRD patients cannot be served in Morris, due to inadequate facility capacity, they would then have to travel to one of the surrounding area ESRD facilities which would result in travel times of up to 45 minutes see Attachments 12B 1 – 12B6. Dialysis is generally a three time per week procedure so this excess travel would occur multiple times each week. During times of inclement weather, travel times are likely to be much longer thereby putting these medically vulnerable patients at unnecessary risk.
5. The relocation of the Fresenius Medical facility in Morris was approved by the HFPB on March 10, 2015. The transcript of that meeting contains testimony of DaVita Healthcare representatives that their unit in Morris, IL does not have the capacity to absorb all of the Fresenius patients who would lose their coverage in Morris when the facility is moved to Plainfield, IL. In order to have adequate capacity, DaVita states that they would have to spend a

very significant amount of money to build a new facility in Morris because the building in which their unit is located is not expandable.

6. This proposed project would add back needed stations in Morris, IL to continue to serve the ESRD patients currently served there as well as meet the need for growth that is anticipated. In addition, since the project is proposed to utilize the space which will be vacated by Fresenius when they relocate, this project will have a very low cost and will be a cost effective utilization of health care expenditures. This project would eliminate any additional travel times for current and future ESRD patients thereby avoiding any additional burden on those ESRD patients in receiving needed health care services.
7. It is anticipated that this project could be completed within 45 days of the relocation of the unit currently operated by Fresenius Medical. Based on the pre-dialysis CKD patients served by Dr. David McFadden, analysis attached as Attachment 26-4 and 26-5, it is anticipated that the unit will be at nearly 50% utilized within one year from the date it is opened. With additional patient growth that is anticipated it is expected that 80% utilization would be achieved by the end of the second year of operation. Based on the experience of Dr. McFadden and co-applicants, experienced dialysis providers, the project is expected to meet all Network and CMS outcome requirements for ESRD beneficiaries.
8. The applicant expects that this facility will achieve clinical outcomes that meet all Network and CMS guidelines. The current at home patients served by Affiliated Dialysis of Joliet, LLC are currently meeting clinical goals established by Centers for Medicare and Medicaid Services.

BOARD MEETING - FULL MEETING  
CONDUCTED ON TUESDAY, MARCH 10, 2015

Draft

15

1 MS. MITCHELL: Next up are people speaking on  
2 behalf of Project 14-065, RCG Morris/Fresenius Medical  
3 Care, Plainfield North.

4 And the person is Anne Cooper.

5 MS. COOPER: Good afternoon.

6 "I am here on behalf of Tim Tincknell of  
7 DaVita Health Care Partners to oppose Project No. 14-065,  
8 RCG Morris/Fresenius Plainfield North.

9 "The relocation of the 12 stations from RCG  
10 Morris to Plainfield will adversely impact patients in  
11 the Morris area. DaVita currently operates a  
12 nine-station facility in Morris. As stated in Fresenius'  
13 application, it is one of the facilities the existing  
14 Morris patients are anticipated to transfer to, as it is  
15 the closest facility for those patients living in the  
16 immediate Morris area. DaVita does not have sufficient  
17 capacity to accommodate Fresenius' Morris patients. The  
18 existing Morris facility has no room to expand and would  
19 need to relocate itself to accommodate all of DaVita's  
20 and Fresenius' patients.

21 "Additionally, Fresenius' proposal to  
22 establish a facility in Plainfield North was previously  
23 denied by this Board. As was the case before, approval  
24 of FMC's Plainfield North will result in unnecessary

BOARD MEETING - FULL MEETING  
CONDUCTED ON TUESDAY, MARCH 10, 2015

Draft

16

1 duplication of services, particularly in light of the  
2 Board's approval of FMC Lemont at the November 2014 Board  
3 meeting.

4 "FMC Lemont, which is projected to open in  
5 September 2016, is approximately 20 minutes from the  
6 proposed FMC Plainfield North and is within 30 minutes of  
7 95 percent of the projected FMC Plainfield North  
8 patients. Both FMC Lemont and FMC Plainfield North will  
9 serve the same patient base. There is no reason why the  
10 projected FMC Plainfield North patients cannot use the  
11 oncoming FMC Lemont facility.

12 "Accordingly, another facility in this area is  
13 not warranted at this time.

14 "Thank you for your time."

15 CHAIRPERSON OLSON: Thank you.

16 - - -

End Stage Renal Disease Facility	Address	City	Distance	Drive		Stations	03/31/15	
				Time	Stations		Patient Census	Utilization %
Renal Care Group - Ottawa	1601 Mercury Court	Ottawa	23	29	12	31	43.06%	
Silver Cross Renal Center - Morris	1547 Creek Drive	Morris	1	2	9	36	66.67%	
Fresenius Medical Care of Plainfield	2320 Michas Drive	Plainfield	23	28	16	74	77.08%	
Silver Cross Renal Center - West	1051 Essington Road, Ste 140	Joliet	21	25	29	127	72.99%	
Fresenius Medical Care of Plainfield North	24020 Riverwalk Court	Plainfield	25	32	10 not opened as of 3/31/15	56	54.90%	
Sun Health (1)	2121 Oneida St, Ste 104	Joliet	22	25	17	66	68.75%	
Fresenius Medical Care - Joliet	721 East Jackson Street	Joliet	25	30	16	66	68.75%	

(1) This is a closed unit and not available for outside referrals

99 390

53

Attachment 12 B

(http://www.randmcnally.com) **Start Download Now**

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# Directions

**A** 1401 Lakewood Dr, Morris, IL

Save Address

Add a Stop

**Distance** 21.5 Miles | 26 min

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn left onto US-6. 5.9 Miles
3. Turn right onto Seneca Rd. 0.6 Miles
4. Merge onto I-80 W via the ramp on the left. 11.2 Miles
5. Take the IL-71 exit, EXIT 93, toward Ottawa/Oswego. 0.2 Miles
6. Turn left onto IL-71/Illinois Rte 71. Continue to follow IL-71. 3.1 Miles
7. Turn right onto Starfire Dr. 0.2 Miles
8. Turn left onto Mercury Ct. 0.0 Miles

**B** 1601 Mercury Ct, Ottawa, IL

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Return

Round Trip

Trip

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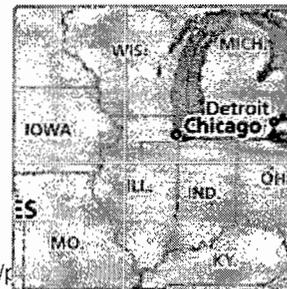
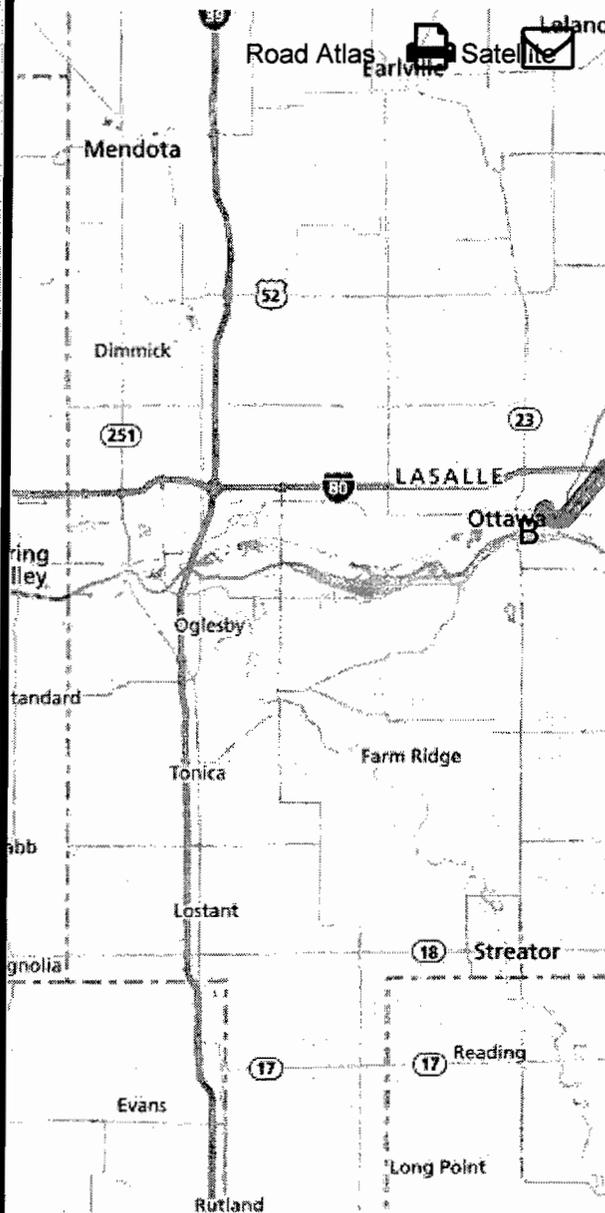
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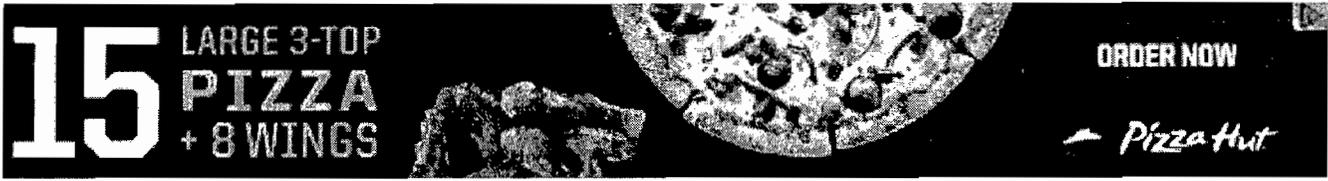
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54

ATTACHMENT 12B-1



# Directions



Street, City, State, or Zip



**A** 1401 Lakewood Dr, Morris, IL.

Save Address

Add a Stop

**Distance**

23.6 Miles | 30 min

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn right onto US-6. 1.1 Miles
3. Turn left onto US-6/IL-47/Division St. Continue to follow IL-47/Division St. 0.9 Miles
4. Merge onto I-80 E. 14.3 Miles
5. Merge onto I-55 N via EXIT 126B toward Chicago. 1.2 Miles
6. Take the IL-59 exit, EXIT 251, toward Shorewood/Plainfield. 0.7 Miles
7. Stay straight to go onto IL-59/Cottage St. Continue to follow IL-59. 4.0 Miles
8. Turn left onto Caton Farm Rd. 1.1 Miles
9. Turn left. 0.1 Miles

**B** 2320 Michas Dr, Plainfield, IL.

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Round Trip

Trip

Reverse

Optimize



Home

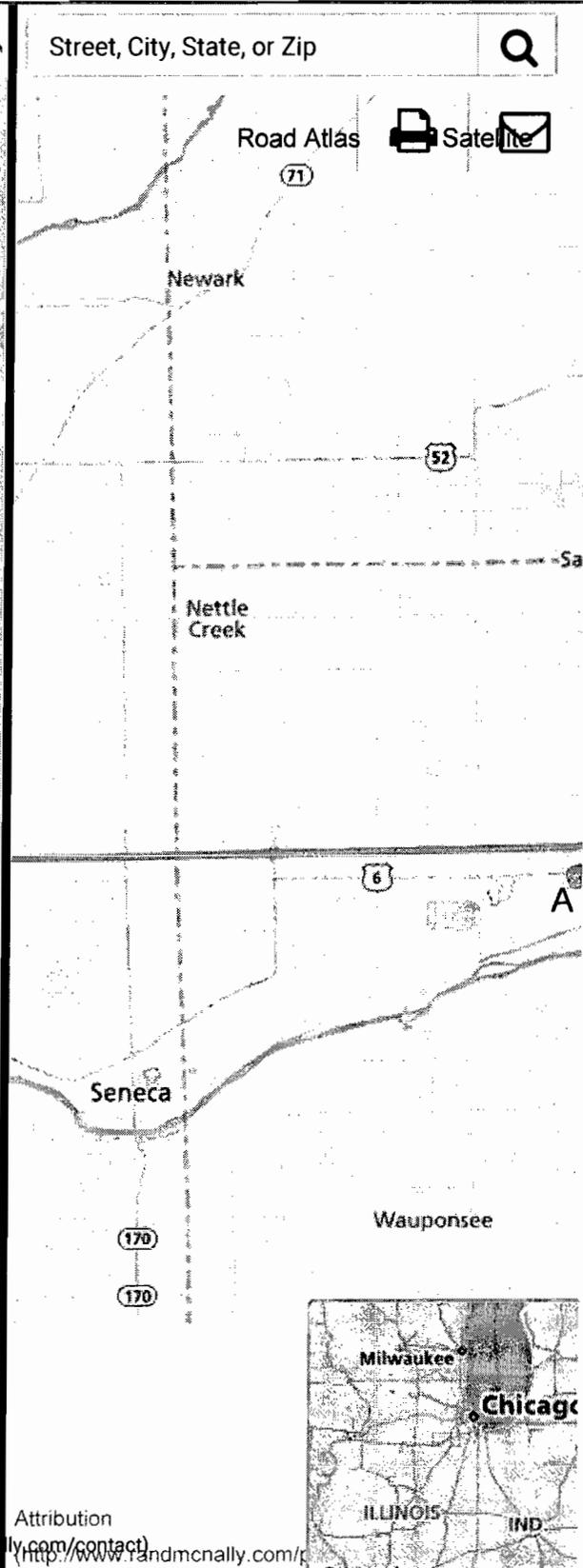
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Attachment 12B-2

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## A Directions

A 1401 Lakewood Dr, Morris, IL.

Save Address    Add a Stop

**Distance**                      24.9 Miles | 27 min

---

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn right onto US-6. 1.1 Miles
3. Turn left onto US-6/IL-47/Division St. Continue to follow IL-47/Division St. 0.9 Miles
4. Merge onto I-80 E. 20.9 Miles
5. Merge onto IL-53 N via EXIT 132B. 1.1 Miles
6. Turn right onto US-6/IL-53/Washington St. Continue to follow IL-53. 0.3 Miles
7. Turn left onto US-6/US-30/Cass St. 0.2 Miles
8. Turn left onto US-6/IL-53/Ottawa St. 0.2 Miles

B *1051 Essington Rd*  
Joliet, IL.

Save Address    Add a Stop

---

Return

Round Trip    Trip    Reverse    Optimize

**A Get Directions**

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Road Atlas
Print
Satellite

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Attachment 123-3

http://maps.randmcnally.com/?loc[]=1401 lakewood dr, morris, il&loc[]=1051 essington r4... 08/22/15

38

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## Directions

A 1401 Lakewood Dr, Morris, IL.

Save Address     Add a Stop

**Distance** 27.6 Miles | 30 min

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn right onto US-6. 1.1 Miles
3. Turn left onto US-6/IL-47/Division St. Continue to follow IL-47/Division St. 0.9 Miles
4. Merge onto I-80 E. 14.3 Miles
5. Merge onto I-55 N via EXIT 126B toward Chicago. 7.3 Miles
6. Take the US-30 exit, EXIT 257, toward Aurora/Joliet. 0.4 Miles
7. Turn left onto US-30/Joliet Rd. 1.4 Miles
8. US-30/Joliet Rd becomes s/S Joliet Rd. 0.5 Miles
9. s/S Joliet Rd becomes US-30/N Joliet Rd. 0.5 Miles
10. Turn slight right onto US-30/IL-59/N Division St. 1.0 Miles
11. Turn left onto Riverwalk Ct. 0.0 Miles

B 24020 Riverwalk Ct, Plainfield, IL.

Street, City, State, or Zip

Road Atlas
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Attachment 12B4

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## A Directions

A
☰
1401 Lakewood Dr, Morris, IL.

Save Address
Add a Stop

**Distance** 22.5 Miles | 24 min

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn right onto US-6. 1.1 Miles
3. Turn left onto US-6/IL-47/Division St. Continue to follow IL-47/Division St. 0.9 Miles
4. Merge onto I-80 E. 18.7 Miles
5. Merge onto IL-7 N/Larkin Ave via EXIT 130B. 1.1 Miles
6. Turn left onto US-52/Jefferson St. 0.3 Miles
7. Turn right onto Hammes Ave. 0.2 Miles
8. Turn left onto Oneida St. 0.0 Miles

B
☰
2121 Oneida St, Joliet, IL.

Save Address
Add a Stop

Round Trip
Return Trip
Reverse
Optimize

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ATTACHMENT 12B-5

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## A Directions

**A** 1401 Lakewood Dr, Morris, IL.

Save Address Add a Stop

**Distance** 25.8 Miles | 28 min

1. Start out going north on Lakewood Dr toward US-6. 0.2 Miles
2. Turn right onto US-6. 1.1 Miles
3. Turn left onto US-6/IL-47/Division St. Continue to follow IL-47/Division St. 0.9 Miles
4. Merge onto I-80 E. 20.9 Miles
5. Merge onto IL-53 N via EXIT 132B. 1.1 Miles
6. Turn right onto US-6/IL-53/Washington St. Continue to follow US-6/IL-53. 0.1 Miles
7. Turn right onto US-6/US-30/Jefferson St. Continue to follow US-6/US-30. 0.6 Miles
8. Stay straight to go onto US-6/Collins St. 0.3 Miles
9. Turn right onto US-6/E Jackson St. Continue to follow US-6. 0.6 Miles

**B** 721 E Jackson St, Joliet, IL.

Save Address Add a Stop

Street, City, State, or Zip

Road Atlas Satellite

Milwaukee Chicago

ILLINOIS IND

59

Attachment 12B-6



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- DRIVING
- DISTANCE
- FLYING
- TIME
- COST
- PLACES

## Other cities, towns, and suburbs near Morris, Illinois:

- |                                |                                |                                 |
|--------------------------------|--------------------------------|---------------------------------|
| <a href="#">Channahon, IL</a>  | <a href="#">Ottawa, IL</a>     | <a href="#">Streator, IL</a>    |
| <a href="#">Shorewood, IL</a>  | <a href="#">Oswego, IL</a>     | <a href="#">Aurora, IL</a>      |
| <a href="#">Joliet, IL</a>     | <a href="#">Lockport, IL</a>   | <a href="#">Bolingbrook, IL</a> |
| <a href="#">Crest Hill, IL</a> | <a href="#">New Lenox, IL</a>  | <a href="#">Mokena, IL</a>      |
| <a href="#">Plainfield, IL</a> | <a href="#">Romeoville, IL</a> | <a href="#">Lemont, IL</a>      |

The center of each city listed is within 31 miles of Morris, IL.

Scroll down the page to find a list of [big cities](#) if you're booking a flight between airports, or a list of smaller [surrounding towns](#) if you're doing a road trip.

City:       Get:

Check-in:       near/in:

Check-out:

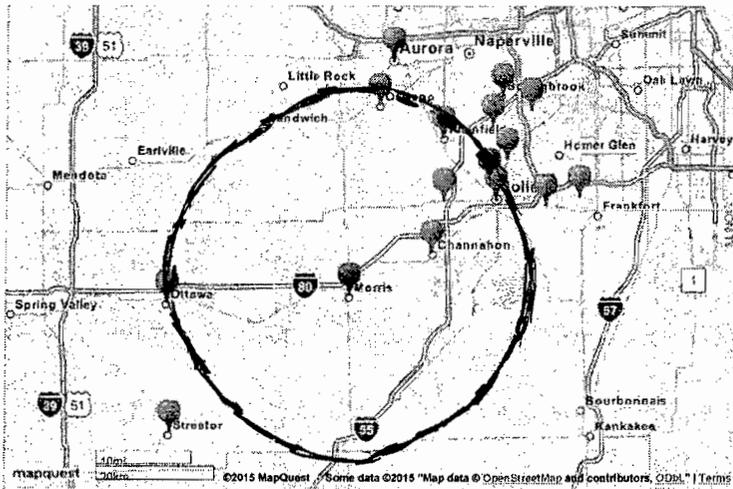
Rooms:     Travelers:     CALCULATE

Get:     SEARCH

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### Map of local cities around Morris, IL



### vacation deals to Morris, IL

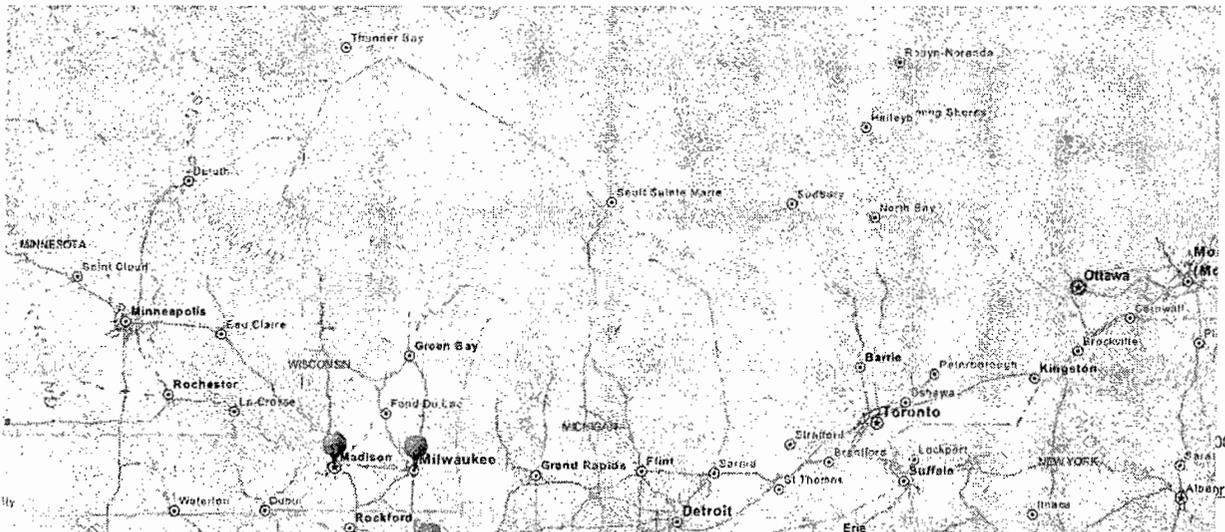
From:     1 traveler

To:

Depart: Jul 22

Return: Jul 28

Get:     SEARCH



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Attachment 12C  
07/21/15

## SECTION III BACKGROUND, PURPOSE OF THE PROJECT AND ALTERNATIVES

### Criterion 1110.230 Background, Purpose of the Project and Alternatives

#### Alternatives:

1. The alternative of doing nothing was considered. This alternative would mean that current and/or future ESRD patients of Dr. David McFadden would not be able to be served in Morris, IL, the closest site of an ESRD facility to where they reside. This alternative would not have had any cost to the co-applicants directly, although it would have resulted in Dr. McFadden having to travel to units where his patients were placed in order to follow his ESRD patients. The cost of this alternative would have been placed on the ESRD patients who would not be able to find placement in an area ESRD facility but would have to travel further to receive care. This burden often results in patients delaying dialysis care beyond the time when they should begin due to the inconvenience of added travel times. Also when an ESRD facility is highly utilized, patients new to dialysis are often offered treatment times on third shift which is typically a 4pm to 9:30 pm shift. Again, patients sometimes delay seeking dialysis treatment due to the schedule of the dialysis facility not meeting the patient's needs. This delay almost always has a negative impact on patient well-being and outcomes. The alternative of doing nothing was rejected due to the expected negative impact on patient care. There would be no cost to the applicant of doing nothing.
2. Joint venturing with the only other dialysis provider in Morris, IL. This alternative would have resulted in one of two options. DaVita Healthcare stated in their testimony on Project 14-065 that with the relocation of the Fresenius Medical chairs to Plainfield, IL and the discontinuation of the unity in Morris. The DaVita facility would not have adequate capacity to absorb the displaced Fresenius patients and accommodate expected DaVita patient growth. They stated that the discontinuation of the Fresenius facility would mean that DaVita would have to build a new dialysis facility in Morris in order to have enough capacity to serve all patients. That new facility is likely to cost \$2,500,000 to \$3,000,000 to develop. Since DaVita already operates a facility in Morris, the idea of joint venturing with them in a new facility was not pursued due to the amount of money that buying into the existing facility would cost. DaVita adding a second facility in Morris under a joint venture arrangement would present very big issues in terms of patient referrals since Dr. David McFadden is the primary Nephrologist in Morris.
3. The size of the proposed project is based on the expected need for dialysis services over the next several years, primarily from Dr. David McFadden's pre-dialysis Chronic Kidney Failure (CKD) patient base. A facility of larger size would result in the applicants being unable to achieve utilization targets in the allotted timeframe. A facility of smaller size would result in a need to come back to the HFPB seeking additional stations within two to three years resulting in added expense and patient inconvenience when the facility experienced high utilization. In addition, an 8 station facility provides for highly efficient staffing of the ongoing service thereby holding down the cost of providing dialysis service. A smaller facility would be less efficient to operate, less efficient to staff and result in higher costs per treatment.
4. Utilizing other health care resources as an option was considered but DaVita Healthcare Partners, as the only other dialysis provider in Morris, IL greatly limited consideration of this alternative. The issues of this alternative as discussed in item 2 above.
5. The proposed alternative was selected for the following reasons:

- a) The project utilizes space that is currently providing dialysis services that is expected to be discontinued and thereby underutilized.
- b) Because the use of the space would continue to be for the same service, the cost of the proposed project is a fraction of the cost of developing a new facility. The co-applicants expect to spend less than \$50,000 in renovation cost on a space of 3000 sq ft. Beyond that, the only additional cost would to provide the equipment needed to provide dialysis services. We believe that this is by a wide margin the most cost effective alternative possible that meets the need. The total cost of the proposed project is \$539,500 including the value of the leased space.
- c) Dialysis patients need to be able to be served close to home. They generally require three time per week dialysis and often are extremely fatigued after a dialysis treatment. This makes extended travel times an especially great burden on this patient population. Patients in generally rural settings have an added burden in inclement weather when road maintenance and road conditions add significant risk to traveling extended distances.
- d) The co-applicants believe that the proposed project meets the HFPB goals of providing health care services in the most cost effective manner.

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430b)1) Background of Applicant

The applicant is fit, willing and able to establish and operate an in center hemodialysis facility.

This position is demonstrated by the following facts:

- 1) Affiliated Dialysis of Joliet, LLC , the applicant, currently operates a Medicare certified home dialysis training and support facility in Joliet, Illinois (see attached schedule)
- 2) The owners of Affiliated Dialysis of Joliet, LLC have many years of experience in operating in center hemodialysis and home dialysis facilities. In particular, David McFadden MD, a board certified nephrologist and husband of Tonya McFadden, a member of Affiliated Dialysis of Joliet, LLC has over 25 years of experience in serving hemodialysis patients in the Morris community as a nephrologist, Medical Director and consulting physician. Dr. McFadden will serve as the Medical Director of Morris Community Dialysis facility. Dr. McFadden, as a minority physician, began to serve the Morris community in 1997 when no other Nephrologists were willing to establish a regular office and consultation service in the community. Thru the subsequent years he has developed the largest CKD and pre-dialysis patient base in the Morris community. Steven Bucher CPA, MBA, also a member of Affiliated Dialysis of Joliet, LLC has functioned as a corporate level manager of dialysis operations since 1993. In 1993 he became the first Chief Executive Officer of Midwest Kidney Centers, LLC in Peoria, Illinois. Since 2002, Mr. Bucher has been involved in an ownership and management role in various dialysis ventures as listed on the schedule of affiliated entities which follows this narrative.
- 3) Thru Affiliated Dialysis of Joliet, LLC the applicant has in place all of the requisite skill sets needed to serve a dialysis facility including, nurses, technicians, dietitians and social workers and is fully prepared to add any additional staffing that may be required when the facility begins operation.

The owner certifications as to adverse actions are included in this application as Attachments 26-29 thru 26-39.

SECTION VII – Service Specific Review Criteria

Criterion 1110.1430 Background of the Applicant

b) 1) List of all health care facilities owned by the applicant:

Affiliated Dialysis of Joliet, LLC  
 1352 Houbolt Road  
 Joliet, IL 60431  
 Medicare Provider Number – 14-2773

3) B). List of all health care facilities owned by the more than 5% owners of applicant:

Applicants	Steven Bucher	Curt Anliker Trust	Jennifer Vavrinchik Trust	PAH, LLC	Tonya McFadden	Renal Therapies LLC
Health Care Facilities and percentage owned						
Affiliated Dialysis Centers, LLC 614 Lake Street Ste 318 Oak Park, IL 60301 Medicare Provider NO. – 14-2676			12.5%			87.5%
Renal Therapies, LLC 410 S Heinline Dr Shelbyville, IL 62565 Medicare Provider No – 14-2624	33.33%	33.33%		33.33%		
Affiliated Home Dialysis LLC 2624 Washington Rd Washington, IL 61571 Medicare Provider No – 14-2683	25%	25%	25%	25%		
Affiliated Home Partners, LLC 1014 Bonaventure Dr Elk Grove Village, IL 60007 Medicare Provider No – 14-2699	25%	25%	25%	25%		
Affiliated Dialysis of Glen Ellyn, LLC 800 Roosevelt Suite C16 Glen Ellyn, IL 60137 Medicare Provider No – 14-2752	29.167%	29.167%	12.5%	29.167%		

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Section 1110.1430 C) 1) Planning Area Need

- A) All of HSA 9 currently shows an excess of stations. Morris, IL is included in HSA 9. Dialysis, unlike many healthcare services is a three time per week treatment regimen, and therefore places an exceptional burden on individuals requiring dialysis and on their families if the service is not accessible in close proximity to the patients residence. There only two existing dialysis units within HSA 9 that are within a year round driving distance of this proposed Morris facility. One is the DaVita dialysis unit located in Morris, which facility is applying to expand the number of stations due to inadequacy of treatment stations when the Fresenius facility closes in 2016, and the Sun Health facility located on the west side of Joliet. The Sun Health facility is a unit which is closed to patient referrals other than the physicians who own the facility. So despite the fact that the HSA data shows an adequate number of stations HSA wide, the distribution of those stations is such that the number currently in Morris will not be adequate to meet the existing plus projected demand for service. Based on the data submitted with this application and the data submitted with the DaVita application we believe that additional stations should be approved in Morris to meet coming demand.

LS

Attachment 26-2  
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Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 C) 2) Service to Planning Area Residents

- A) This application proposes to establish a new category of service so in support of the application we submit the following information.
- 1) A certified listing from David McFadden, MD of his pre-dialysis chronic kidney disease (CKD) patients (Stage III, IV and V) who are expected to require dialysis within the next two years as their renal function deteriorates and they become End Stage Renal Disease (ESRD) patients as defined by CMS . Dr. McFadden is a board certified Nephrologist who has served the Morris, IL community since 1998, providing both acute dialysis professional services at Morris Hospital and providing outpatient office services through his private medical practice in Morris. Dr. McFadden has been the primary Nephrologist in the market and has developed the largest CKD patient base in the area. This information is submitted as Attachment 26-4 and 26-5 to 26-17 .
  - 2) Excerpts from the March 10, 2015 HFSRB meeting. At this meeting the Board approved Project 14-065. This approved application permits Fresenius Medical Care to move their ten station dialysis facility, now located in Morris, to a new location in Plainfield, IL. The excerpts submitted are the objections of DaVita Health Care Partners, the operator of the only other dialysis facility in Morris, indicating that their current facility will not be able to accommodate the patients currently being treated at the Fresenius facility when it closes in 2016. This would effectively cause these patients to be without dialysis service on a local basis and they would have to travel an excessive distance to an alternate facility location. The DaVita testimony also indicates that their current facility in Morris cannot be expanded and they would have to relocate (build a new facility in Morris) in order to accommodate the displaced Fresenius patients as well as their own projected patient growth. Following the approval of Project 14-065, DaVita has filed an application to relocate their existing Morris facility to a new location in Morris and to expand stations Project 15-032. These excerpts are submitted as Attachments 26-18 and 26-19 .
  - 3) This application proposes to utilize the building, currently being utilized by Fresenius Medical, as a continuing dialysis facility when it is vacated by Fresenius in 2016. This will result in a dramatically lower cost of establishing this new facility and serve to efficiently utilize an existing health care facility space thereby lowering the cost of health care services.
  - 4) Letters signed by eight (8) of the existing patients being treated at the Fresenius Morris dialysis facility are attached. These patients are indicating their desire to continue their dialysis treatments in Morris after the Fresenius facility closes and their support of this application. These letters are submitted as Attachments 26-20 to 26-27 .

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 C) 3) Service Demand

Morris, IL is currently served by two dialysis facilities. The first facility is 10 station facility, Fresenius Medical, currently serving 12 ESRD patients and the second is a nine station facility, DaVita Morris, currently serving 38 ESRD patients. The 10 station facility has been approved by the HFSRB to be relocated to Plainfield, IL in 2016 per Attachment 26-18 and 26-19. Once this facility is relocated, the Morris market would be left with 9 stations serving 50 ESRD patients for a utilization rate of 92.6%. This rate is based solely on existing ESRD patients without any consideration of any new patients through the date of relocation or beyond. This is an exceptionally high utilization rate which would result in patients being dialyzed from approximately 6 am to 9 pm, Monday thru Saturday. This would leave very little room to accommodate patient time needs to fit work schedules and for much of the year would result in some number of these patients having to drive home well after dark once treatment is completed. This is much less than an ideal circumstance for ESRD patients whose care is generally three days per week.

The current 9 station facility has submitted an application for relocation within the Morris, IL area and for permission to increase their station number from 9 to 12. The data they submitted in support of their application did not include any patient information from Dr. David McFadden, a board certified Nephrologist with the largest pre-dialysis patient following in the Morris market. The pre-dialysis chronic kidney disease patient analysis of Dr. David McFadden is attached as Attachment 26-5 thru 26-17 in support of this application. Also attached is a certification letter from Dr. David McFadden Attachment 26-4 indicating that he would expect to refer 20 patients to this facility in year one and an additional 25 – 30 patients in subsequent years. In addition, letters are attached from 8 patients currently being served at the facility scheduled to be relocated to Plainfield, IL, indicating their desire to remain in Morris, IL. Attachments 26-20 thru 26-27.

This would result in the following utilization:

Year 1 8 existing patients plus 20 patient referrals = 28 patients in an 10 station facility 46.7%  
Utilization

Year 2 28 existing patients less an expected attrition of 10 patients plus an estimated referral of 30 patients for a net of 48 patients at end of year = a utilization rate of 80%.

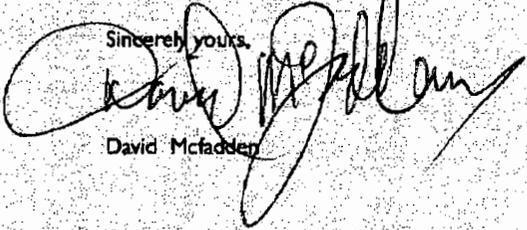
It is anticipated that there are sufficient current ESRD patients and late stage chronic renal disease patients to enable the facility to achieve utilization targets as specified by State requirements.

# DAVID L. MCFADDEN M., D. C.

July 9, 2015  
Heath facility board

I have been practicing nephrology in Morris for 17 years. I have the majority of end stage renal disease and chronic kidney disease patients in the Morris area. Presently I manage at least 235 chronic kidney disease patients ranging from stage 3 to 5 and this number is growing dramatically. Because of this I expect to admit 20 patients to the Morris facility the first year and subsequently 25 to 30 patients annually. I expect the attrition rate to be 10 patients a year. Therefore I am requesting 10 dialysis chairs at the current facility to accommodate the tremendous growth in my chronic kidney disease patients.

Sincerely yours,



David Mcfadden

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Assignment 26-4

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 C) 2) A). Service to Planning Area Residents

Summary listing of Pre-ESRD Patients being followed by Dr. David McFadden who reside in the Morris service area.

Zip Code	City	No. of Patients
60410	Channahon	10
60450	Morris	77
61360	Seneca	9
60444	Mazon	9
61341	Marsailles	16
60424	Gardner	8
60416	Coal City	18
60350	Ottawa	7
60481	Wilmington	5
60420	Dwight	5
60447	Minooka	12
60408	Braidwood	4
61364	Streator	2
61301	LaSalle	2
60437	Kinsman	2
61325	Grand Ridge	1
60474	South Wilmington	1
60531	Leland	1
60549	Serena	1
60551	Sheridan	1
60418	Dolton	1
60403	Crist Hill	1
60541	Newark	1
Total		194

NAME	STAGE	ZIP	
JF	3	60410	✓
MM	3	60410	✓
RB	3	60450	✓
GH	3	60450	✓
JC	3	61360	✓
LW	3	60444	✓
DB	3	60444	✓
DK	3	60410	✓
LG	3	60444	✓
SF	3	60450	✓
WJ	3	61341	✓
SF	3	60450	✓
LR	3	60424	✓
PR	3	60424	✓
RB	3	60450	✓
LG	3	60450	✓
ED	3	61360	✓
DG	3	60450	✓
MK	3	61360	✓
LL	3	60450	✓

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APPENDIX 26-6

NAME	STAGE	ZIP	
CO	3	60416	✓
MJ	3	61350	✓
MA	3	61360	✓
MT	3	60450	✓
HD	4	60416	✓
SA	3	60450	✓
EM	3	60427	✓
GR	3	60450	✓
PC	3	60481	✓
RC	3	60481	✓
KA	3	60416	✓
MP	3	60450	✓
CH	4	60450	✓
DB	3	61341	✓
CW	2	60444	X
DG	3	60420	✓
WT	3	60450	✓
RH	4	60416	✓
HS	3	60450	✓
CD	4	60450	✓

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Attachment 26-7 53



NAME	STAGE	ZIP							
FS	3	61360	✓						
RN	4	60416	✓						
PW	3	60450	✓						
HC	3	60410	✓						
RD	3	60450	✓						
ED	3	61250	✓						
WW	3	60450	✓						
JD	3	60437	✓						
NS	3	60410	✓						
BD	3	60444	✓						
DS	3	60420	✓						
DM	4	60433	✓						
RW	4	60420	✓						
DC	3	60444	✓						
JB	3	61360	✓						
CL	3	61341	✓						
TP	3	60450	✓						
CJ	4	34134	✓						
LH	4	60450	✓						
AC	3	60447	✓						

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Attachment 26-9



NAME	STAGE	ZIP			
RG	3	61341	✓		
BB	3	60450	✓		
IR	3	61350	✓		
LS	3	60479			
LP	5	60477			
JF	3	60450	✓		
DV	3	60450	✓		
JP	3	60450	✓		
RM	3	61341	✓		
MS	3	60586	✓		
RR	3	60447	✓		
BS	3	60450	✓		
JS	3	60408	✓		
ME	3	60416	✓		
MS	3	60450	✓		
SN	3	61341	✓		
CK	3	60424	✓		
JL	4	60437	✓		
TC	3	60450	✓		
HH	2	60450	✗		

75

Attachment 26-11

NAME	STAGE	ZIP			
PL	3	61341	✓		
DP	3	60450	✓		
MJ	3	60450	✓		
CH	4	60450	✓		
PA	3	60450	✓		
DP	3	60444	✓		
SS	3	60441	✓		
LD	3	60416	✓		
GT	4	60410	✓		
DW	3	60444	✓		
CM	3	60410	✓		
CJ	3	60424	✓		
LH	4	60424	✓		
MS	3	60450	✓		
EJ	3	60474	✓		
JP	3	60450	✓		
JD	2	60450	X		
SG	3	60447	✓		
DJ	3	60450	✓		
AR	3	60416	✓		

76

Attachment 26-12

NAME	STAGE	ZIP				
AL	3	60450	✓			
NC	3	60462	✓			
NS	3	60450	✓			
MM	3	60450	✓			
DJ	3	60531	✓			
DH	3	60447	✓			
MT	3	60450	✓			
RH	3	60481	✓			
CL	2	60450	✓			
AH	3	60450	✓			
RH	3	60450	✓			
RK	4	60408	✓			
RBT	3	60450	✓			
LW	3	61364	✓			
BB	3	60410	✓			
KH	3	61350	✓			
RK	2	60408	✗			
NS	3	60450	✓			
MH	3	60549	✓			
WM	3	60551	✓			

NAME	STAGE	ZIP			
SM	3	60450	✓		
JM	3	60450	✓		
DF	3	60450	✓		
JB	3	61301	✓		
MIG	3	60416	✓		
DS	3	60431	✓		
ER	4	60424	✓		
RH	3	60450	✓		
HFN	3	60426	✓		
MH	3	61341	✓		
FS	3	61341	✓		
PC	3	60450	✓		
JH	4	60416	✓		
JB	3	60450	✓		
JT	3	60450	✓		
RB	3	60450	✓		
FH	4	60450	✓		
JZ	3	60450	✓		
VL	3	60436	✓		
GE	3	60450	✓		

NAME	STAGE	ZIP							
DM	3	60450	✓						
PK	3	60410	✓						
WL	3	61341	✓						
SZ	3	60450	✓						
JR	3	60416	✓						
AM	3	61360	✓						
HHS	3	60450	✓						
CK	3	60450	✓						
JM	3	60447	✓						
JH	3	60410	✓						
VM	4	60418	✓						
TC	3	60450	✓						
RP	3	60450	✓						
MT	3	60408	✓						
KS	3	60450	✓						
RH	3	60450	✓						
CB	3	60416	✓						
HF	2	60481	X						
DT	3	61360	✓						
BH	3	60420	✓						

79

ATTACHMENT 26-15  
61

NAME	STAGE	ZIP				
RC	3	60450	✓			
LW	3	60450	✓			
BK	3	60450	✓			
JS	3	61341	✓			
CO	3	60424	✓			
JH	3	61350	✓			
BR	2	60447	X			
SH	3	61350	✓			
RH	3	60403	✓			
CJ	3	60541	✓			

Attachment 26-16  
 LORRY WELLS  
 Jul 09 2015 02:34PM HP Fax

NAME	STAGE	ZIP																		
BW	4	61360	✓																	
CL	3	60477	✓																	
JD	3	60450	✓																	
LL	4	61360	✓																	
NC	3	60450	✓																	
DG	3	61350	✓																	
CG	3	61341	✓																	
GH	4	60450	✓																	
SL	3	60444	✓																	

Attachment 26-17  
 Jul 09 2015 02:35PM HP Fax

BOARD MEETING - FULL MEETING  
CONDUCTED ON TUESDAY, MARCH 10, 2015

Draft

15

1 MS. MITCHELL: Next up are people speaking on  
2 behalf of Project 14-065, RCG Morris/Fresenius Medical  
3 Care, Plainfield North.

4 And the person is Anne Cooper.

5 MS. COOPER: Good afternoon.

6 "I am here on behalf of Tim Tincknell of  
7 DaVita Health Care Partners to oppose Project No. 14-065,  
8 RCG Morris/Fresenius Plainfield North.

9 "The relocation of the 12 stations from RCG  
10 Morris to Plainfield will adversely impact patients in  
11 the Morris area. DaVita currently operates a  
12 nine-station facility in Morris. As stated in Fresenius'  
13 application, it is one of the facilities the existing  
14 Morris patients are anticipated to transfer to, as it is  
15 the closest facility for those patients living in the  
16 immediate Morris area. DaVita does not have sufficient  
17 capacity to accommodate Fresenius' Morris patients. The  
18 existing Morris facility has no room to expand and would  
19 need to relocate itself to accommodate all of DaVita's  
20 and Fresenius' patients.

21 "Additionally, Fresenius' proposal to  
22 establish a facility in Plainfield North was previously  
23 denied by this Board. As was the case before, approval  
24 of FMC's Plainfield North will result in unnecessary

BOARD MEETING - FULL MEETING  
CONDUCTED ON TUESDAY, MARCH 10, 2015

Draft

16

1 duplication of services, particularly in light of the  
2 Board's approval of FMC Lemont at the November 2014 Board  
3 meeting.

4 "FMC Lemont, which is projected to open in  
5 September 2016, is approximately 20 minutes from the  
6 proposed FMC Plainfield North and is within 30 minutes of  
7 95 percent of the projected FMC Plainfield North  
8 patients. Both FMC Lemont and FMC Plainfield North will  
9 serve the same patient base. There is no reason why the  
10 projected FMC Plainfield North patients cannot use the  
11 oncoming FMC Lemont facility.

12 "Accordingly, another facility in this area is  
13 not warranted at this time.

14 "Thank you for your time."

15 CHAIRPERSON OLSON: Thank you.

16 - - -

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24

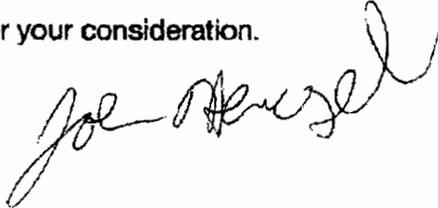
July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, IL facility for 8 months and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,



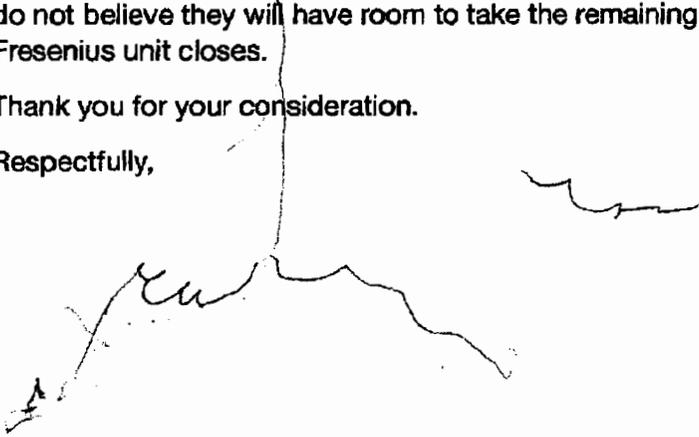
July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, Il facility for 2 and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to be 'David McFadden', written over a vertical line that extends from the text above.

July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, II facility for 24 and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,



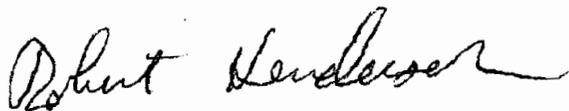
July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, Il facility for 34 1/2 years and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,



July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, II facility for 5 yr and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,

88

Attachment 26-24

July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, Il facility for 8 yrs and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,



89

ATTACHMENT 26-25<sub>71</sub>

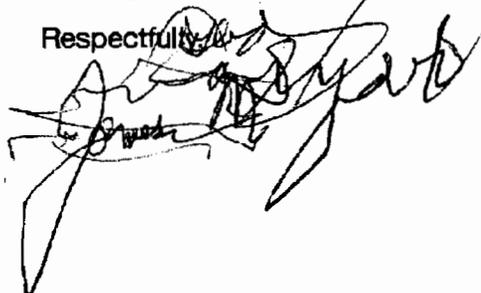
July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, II facility for 6y5 and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,

A handwritten signature in black ink, appearing to be "David McFadden", written over a horizontal line. The signature is somewhat stylized and overlaps the line.

90

Attachment 26-26  
72

July 7, 2015

To Whom it may Concern:

I am signing this letter in connection with an application by Dr. David McFadden and associates to establish a dialysis clinic in Morris, Illinois. It is my understanding that Fresenius Medical has received approval to discontinue their dialysis facility in Morris and will be moving the stations to Plainfield, Illinois, sometime in 2016. I have dialyzed at the Fresenius, Morris, II facility for 4 yrs and I do not want to have to travel to Plainfield when the Morris unit closes. I strongly support Dr. McFadden's effort to replace the unit in Morris. I know that there is another unit in Morris but I am under the understanding that they do not believe they will have room to take the remaining Fresenius patients when the Fresenius unit closes.

Thank you for your consideration.

Respectfully,

*Frederick Pryor*

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 C) 5) Service Accessibility

The applicant has referred within this application the issue of one of the dialysis facilities currently operated in Morris, IL having been approved to relocate to Plainfield, IL in 2016. Also pointed out is the fact that once that relocation occurs, there will be insufficient stations available in Morris to meet current and projected dialysis patient growth in the future. We believe it is crucial to avoid a circumstance in which dialysis patients would be required to travel excessive distances to receive their thrice weekly care. We attach a schedule of other existing dialysis facilities within a 30 minute travel time of the proposed facility as well as their utilization rates as of 3/31/15.



# Affiliated Dialysis Centers of Joliet

2462 Washington Road  
Washington, Illinois 61571

Phone (309) 698-1800  
Fax (309) 698-1811

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis of Joliet, LLC during the last three period prior to filing this application.,

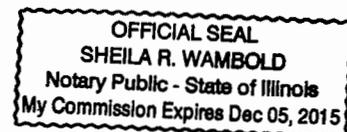
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis of Joliet, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public





Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis Centers, LLC during the last three period prior to filing this application.,

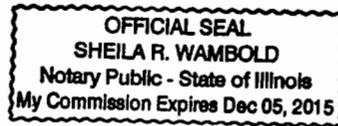
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis Centers, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Sheila R. Wambold  
Notary Public





Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Home Dialysis Centers, LLC during the last three period prior to filing this application.,

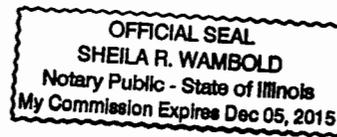
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Home Dialysis Centers, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public



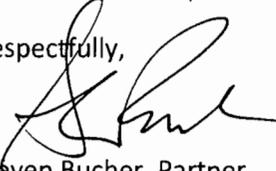
Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, ~~2<sup>nd</sup>~~ Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Home Dialysis Partners, LLC during the last three period prior to filing this application.,

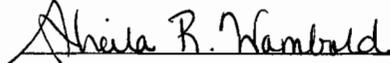
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

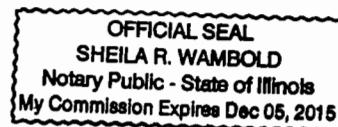


Steven Bucher, Partner  
Affiliated Home Dialysis Partners, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015



Notary Public

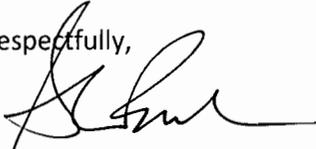


Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

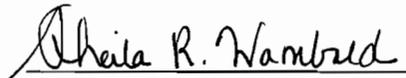
Dear Chairwoman Olson:

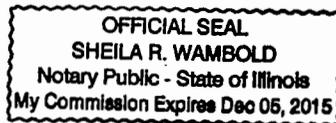
I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Renal Therapies, LLC during the last three period prior to filing this application.,

Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,  
  
Steven Bucher, Partner  
Renal Therapies, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

  
\_\_\_\_\_  
Notary Public





**Affiliated Dialysis Centers  
of Glen Ellyn**

2462 Washington Road  
Washington, Illinois 61571

Phone (309) 698-1800  
Fax (309) 698-1811

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against the home dialysis training center owned and operated by Affiliated Dialysis of Glen Ellyn, LLC during the last three period prior to filing this application.,

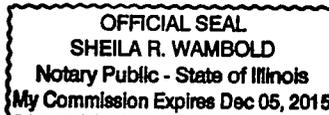
Additionally, pursuant to 77 Ill Admin Code Sec 1110.230 (a)(3)(C) I hereby authorize the Health Facilities and Services Review Board (HFSRB) and the Illinois Department of Public Health (IDPH) access to any documentation necessary to verify information submitted as part of this application. I further authorize same agencies to obtain any additional information or documents from other government agencies deemed pertinent to process this permit application.

Respectfully,

Steven Bucher, Partner  
Affiliated Dialysis of Glen Ellyn, LLC

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

Notary Public



Steven Bucher  
38 Sapphire Pt  
Morton, IL 61550

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Steven Bucher a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, I have not been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that I have not been charged with fraudulent conduct or any act of moral turpitude.

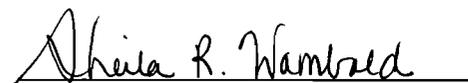
I do further certify that there are no unsatisfied judgments against me

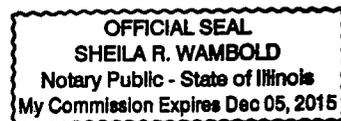
I do further certify that I am not in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,  
  
Steven Bucher, Partner

Subscribed and affirmed before me  
This 25<sup>th</sup> day of August, 2015

  
Notary Public



Curt D. Anliker Trust  
1209 Foothill Drive  
Wheaton, IL 60189

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Curt D. Anliker, Trustee of the Curt D. Anliker Trust which is a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, neither the Trust nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that neither the Trust nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the Trust or myself

I do further certify that neither the Trust nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

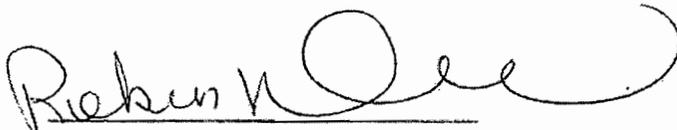
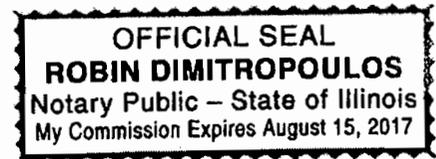
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,



Curt D. Anliker Trust  
Curt D. Anliker, Trustee

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August, 2015

  
Notary Public

Jennifer Vavrinchik Revocable Living Trust  
2140 Canterbury Land  
Lisle, IL 60532

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 7<sup>th</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Jennifer Vavrinchik, Trustee of the Jennifer Vavrinchik Revocable Living Trust which is a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, neither the Trust nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

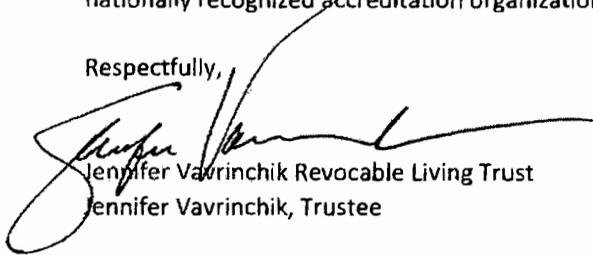
I do further certify that neither the Trust nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the Trust or myself

I do further certify that neither the Trust nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,

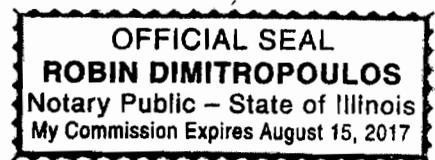


Jennifer Vavrinchik Revocable Living Trust  
Jennifer Vavrinchik, Trustee

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August, 2015



Notary Public



Tanya McFadden  
15565 South Mallard Lane  
Homer Glen, IL 60491

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 4<sup>th</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, Tanya McFadden a partner in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, I have not been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that I have not been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against me

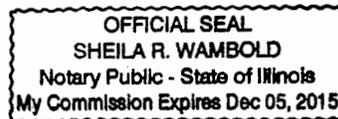
I do further certify that I am not in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

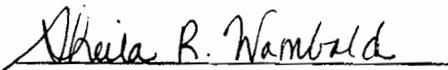
I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

Respectfully,

  
Tanya McFadden, Partner

Subscribed and affirmed before me  
This 24<sup>th</sup> day of August, 2015



  
Notary Public

PAH, LLC  
1425 East Glen Avenue  
Peoria Heights, IL 61616

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I, LeRoy Hagenbuch, Member of PAH, LLC which is a member in Affiliated Dialysis of Joliet, LLC an applicant for an in-center dialysis facility, do hereby certify that during the three years prior to the filing of this CON application, the LLC nor I have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for or pled guilty to any of the conditions listed in Section 1110.1430 b)(3) or D(1)(2).

I do further certify that neither the LLC nor I have been charged with fraudulent conduct or any act of moral turpitude.

I do further certify that there are no unsatisfied judgments against the LLC or myself

I do further certify that neither the LLC nor I are in any default in the performance or discharge of any duty or obligation imposed by a judgment, decree, or order of any court or government agency.

I authorize the Illinois Health Facilities and Services Review Board access to any documents necessary to verify the information submitted in this application, including but not limited to: official records of IDPH or other State agencies; the licensing or certification records of other states; and the records of nationally recognized accreditation organizations.

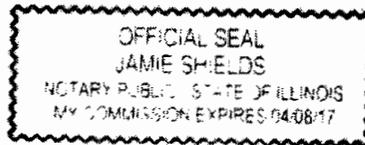
Respectfully,



PAH, LLC  
LeRoy Hagenbuch, Member

Subscribed and affirmed before me  
This 26<sup>th</sup> day of August, 2015

Jamie Shields  
Notary Public



Section VII Service Specific Review Criteria

In Center Hemodialysis

Criterion 1110.1430 (d) Unnecessary Duplication/Maldistribution

1) Unnecessary duplication

- a) The proposed facility will be located at 1401 Lakewood Drive, Morris, Illinois 60450. A list of zip codes located within 30 minutes normal travel time of the project's location is presented as Table 1110.1430 d) 1)A).

Table 1110.1430 d) 1)A)

Zip codes of locations within 30 travel time of proposed location

Zip Code	City	Population
60407	Braceville	1684
60408	Braidwood	5696
60416	Coal City	9397
60410	Channahon	12687
60403	Crest Hill	17529
60420	Dwight	6102
60424	Gardner	2440
60433	Joliet	17160
40435	Joliet	48899
60436	Joliet	18315
60431	Joliet	22577
61341	Marsailles	8234
60444	Mazon	1761
60447	Minooka	13709
60536	Millbrook	126
60450	Morris	20332
60541	Newark	3148
61350	Ottawa	24246
60586	Plainfield	46251
60404	Shorewood	17395
61360	Seneca	3393
60479	Verona	760
60557	Wedron	155
60560	Yorkville	22415
Total		324411

Source: US Census Bureau - 2010

Zip code fact sheet

End Stage Renal Disease Facility	Address	City	Drive			03/31/15		03/31/15
			Distance	Time	Stations	Patient Census	Utilization %	
Renal Care Group - Ottawa	1601 Mercury Court	Ottawa	21.5	26	12	31	43.06%	
Silver Cross Renal Center - Morris	1547 Creek Drive	Morris	1	2	9	36	66.67%	
Fresenius Medical Care of Plainfield	2320 Michas Drive	Plainfield	23.6	30	16	74	77.08%	
Silver Cross Renal Center - West	1051 Essington Road, Ste 140	Joliet	24.9	27	29	127	72.99%	
Fresenius Medical Care of Plainfield North	24020 Riverwalk Court	Plainfield	27.6	30	10 not opened as of 3/31/15	56	54.90%	
Sun Health (1)	2121 Oneida St, Ste 104	Joliet	22.5	24	17	56	68.75%	
Fresenius Medical Care - Joliet	721 East Jackson Street	Joliet	25.8	28	16	66		

(1) This is a closed unit and not available for outside referrals

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 c)2) Maldistribution of Service

The proposed project will not result in a maldistribution of service. Maldistribution exists when the identified area,(within the planning area) has an excess supply of facilities, stations and services characterized by but not limited to such factors as: 1) a ratio of stations to population that exceeds one and one-half times the State average; 2)historical utilization for existing facilities and services that is below the utilization standard established pursuant to 77 Ill Adm. Code 1100; 3) Insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards. The following information is presented in support of this criterion.

- A) The zip code population within 30 minutes of the proposed location is 324411 and there are 109 existing dialysis stations within that same 30 minute distance. This represents a ratio of one station per 2976 persons. The State has a population of 12830632 with 4185 approved stations or one station per 3066 persons. Therefore, this project will not result in a ratio stations to population that exceeds 150% of the State average but is in fact slightly below the State average. When the Fresenius facility is relocated there will be only one dialysis facilities within the requisite 20 minute travel time of the proposed location.
- B) Historical utilization of one existing facility has been from 65 – 70% during the past 12 months. When the other facility is relocated to Plainfield, IL and the remaining facility picks up the patients left without a facility in Morris, their utilization would exceed 85%, thereby leaving little room for any new patients. New or displaced patients would have to travel more than 20 minutes to another facility three times per week to receive this life sustaining service. Given that Dr. McFadden has presented that he expects to refer at least a net of 42 patients over the next 24 months to the proposed facility there is sufficient population of pre dialysis patients to allow this facility to achieve and sustain the utilization percentages as proscribed by the State.

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 c)3) Impact to Other Providers

- A) The proposed project will not have an adverse impact on other providers. The application is based on strictly transfers of current Fresenius patients or future referrals of Dr. McFadden. We are aware that Silver Cross – Morris has filed an independent application to relocate their existing dialysis facility to another address in Morris and add some stations. That application did not include any patient information from Dr. McFadden so this application does not propose to change any referral information on which the Silver Cross application is based.
  
- B) The proposed project will not lower the utilization of any other area facilities as patients are not expected to be willing to travel the extended distance to another facility. Also patients of Dr. McFadden are expected to choose a location where he has primary input into their care regimen.

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430E) Staffing

- 1) The proposed facility will be staffed in accordance with all State and CMS Medicare guidelines and requirements.
  - a) Dr. David McFadden, a board certified Nephrologist will serve as the Medical Director of the proposed facility. Dr. McFadden's CV is included as Attachment
  - b) All other personnel shall be employed utilizing the services of Renal Management Group, LLC. (RMG). Affiliated Dialysis of Joliet, LLC the applicant currently operates a home dialysis training and support facility in Joliet and currently also is staffed through personnel employed by RMG. RMG employs all clinical (RN, Technicians, Social Worker) and administrative staff needed to serve various dialysis providers in the Illinois marketplace who collectively serve over 500 dialysis patients. RMG is highly experienced in the employment of dialysis staff and maintains a pool of applicants for various positions. In addition, Dr. McFadden has an extensive history with dialysis personnel in the Joliet and Morris markets and will assist in identifying and selecting the staff for the proposed facility.
- 2) Renal Management Group, LLC has historically employed only experienced and trained caregivers in all disciplines. RMG employs staff educators who provide continued education and staff proficiency monitoring. All staff are proficiency tested upon hire and annually thereafter to assure that they continue to meet guidelines for patient care.
- 3) The facility will assure that at least one dialysis trained RN will be on site at all times when dialysis is being performed. In addition, the proposed facility will be staffed at a level of not less than one direct care provider per four patients.
- 4) Per the attached letter signed by Steven Bucher, a member of the applicant, an open staffing model will be adopted and any credentialed physician will be welcome to refer and follow patients at the proposed facility.

Attachment 26-44



Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

RE: Certification of Staffing Support

Dear Chairwoman Olson:

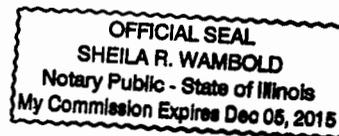
I do hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure. 735 ILCS 5/1-109 and pursuant to 77 Ill Admin. Code Sec. 1110.1430 f) that Renal Management Services, LLC is an entity organized to employ staffing to dialysis providers. I further certify that RMG is fully prepared to assist Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis with any assistance they may need to fully staff their proposed in center dialysis facility at 1401 Lakewood, Morris, IL.

Respectfully,

Steven Bucher, Member  
Renal Management Services, LLC

Subscribed and affirmed to me  
This 25<sup>th</sup> day of August, 2015

Sheila R. Wambold  
Notary Public



Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Review Criterion 1110.1430 f) Support Services

Included as Attachment 26-47 is a certification letter from Steven Bucher, member of Affiliated Dialysis of Joliet, LLC, attesting that a dialysis data system will be employed in the proposed facility. Further attested is that the proposed facility will maintain all dialysis support services as proscribed by CMS Medicare guidelines. Additionally, all patients will be informed of self-dialysis options and training should they choose self-dialysis alternatives including at home dialysis. Since Affiliated Dialysis of Joliet, LLC already maintains a home dialysis training and support facility these services would be readily available.

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

RE: Certification o Support Services

Dear Chairwoman Olson:

I do hereby certify under penalty of perjury as provided in Sec 1-109 of the Illinois Code of Civil Procedure. 735 ILCS 5/1-109 and pursuant to 77 Ill Admin. Code Sec. 1110.1430 f) that Morris Community Dialysis will maintain an open medical staff.

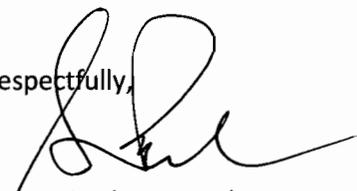
I also do certify under Sec 1110.1430 g) that Morris Community Dialysis will:

Be provided and utilize an electronic dialysis data system and,

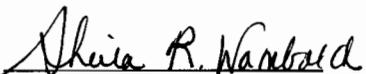
Have available all required support services as are required by CMS Conditions of Coverage including clinical lab services, dietary, social services and,

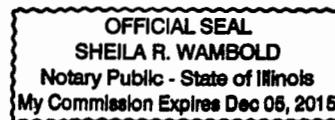
Have access to information and training in self-dialysis care and at home dialysis options.

Respectfully,

  
Steven Bucher, Member  
Affiliated Dialysis of Joliet, LLC

Subscribed and affirmed to me  
This 25<sup>th</sup> day of August, 2015

  
Notary Public



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Attachment 26-47

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 g) Minimum Number of Stations

The proposed project will be located within the Chicago-Joliet-Naperville metropolitan statistical area. A dialysis facility within an MSA must have minimum of eight (8) stations. This application is for 10 dialysis stations and therefor meets the minimum number of stations criterion.

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 i) Continuity of Care

Included as Attachment 26-26-52 is an agreement with Morris Hospital to provide inpatient dialysis and other inpatient services as might be needed by the patients of Morris Community Dialysis.

Section VII Service Specific Review Criteria  
In Center Hemodialysis  
Criterion 1110.1430 j) Assurances

Included as Attachment 26-51 is a letter from Steven Bucher, member of Affiliated Dialysis of Joliet, LLC, the applicant, certifying that the proposed facility is expected to achieve target utilization within two years of operations.

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ATTACHMENT 26-50  
96



**Affiliated Dialysis Centers  
of Joliet**

2462 Washington Road  
Washington, Illinois 61571

Phone (309) 698-1800  
Fax (309) 698-1811

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

RE: In-Center Hemodialysis Assurances

Dear Chairwoman Olson:

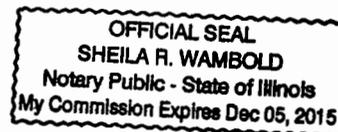
I do hereby certify pursuant to 77 Ill Admin. Code Sec. 1110.1430 j) that Morris Community Dialysis expects to achieve and maintain an 80% utilization by the end of the second year of operation after project completion.

Respectfully,

Steven Bucher, Member  
Affiliated Dialysis of Joliet, LLC

Subscribed and affirmed to me  
This 25<sup>th</sup> day of August, 2015

Notary Public



Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

RE: Acute Care Coordination Agreement

Dear Chairwoman Olson:

Morris Hospital is pleased to offer this coordination of care agreement to Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis in connection with their Certificate of Need application. Morris Hospital will commit the following should the application be approved:

1. A full range of acute hospital services will be available to any and all ESRD patients who would be served by Morris Community Dialysis.
2. Morris Hospital will receive any emergency care situations which might occur with ESRD patients served by Morris Community Dialysis.
3. Upon approval of this application Morris Hospital will enter into a formal agreement with Morris Community Dialysis

Respectfully,

\_\_\_\_\_  
Notary Public

REQUESTED, NOT YET RECEIVED

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Attachment 24-52  
98

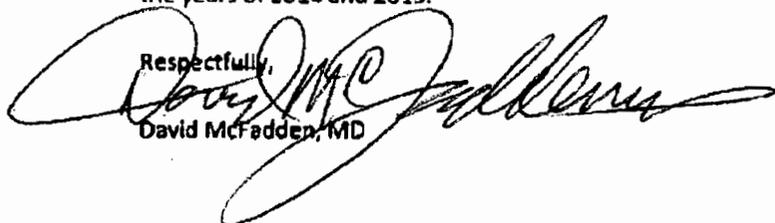
David McFadden, MD  
15565 South Mallard Lane  
Homer Glen, IL 60491

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2<sup>nd</sup> Floor  
Springfield, IL 62761

Dear Chairwoman Olson:

I do hereby certify under penalties of perjury that the patient referral lists submitted with the Certificate of Need Application of Morris Community Dialysis are patients actually referred by me for dialysis during the years of 2014 and 2015.

Respectfully,



David McFadden, MD

Attachment 26-53

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Davita Joliet West	
2014	2015
60403	60403
60436	60432
60446	60435 (2)
	60451
	60481

Davita Morris	
2014	2015
60416	60408
60424	60420
60444	60450
60447	
60450 (2)	
61360	

FME Morris	
2014	2015

Joliet Home	
2014	2015
60404	60433
60424	60447
61341	60487

Ottawa FME	
2014	2015
61341	61341

Rivershores NH	
2014	2015
	60420
	61341 (2)
	61360

Davita New Lenox	
2014	2015
60441	
60467	
60487	



August 25, 2015

Mr. Steve Bucher  
Affiliated Dialysis of Joliet  
2462 Washington Road  
Washington, IL 61571

Dear Mr. Bucher:

This letter is to confirm that Affiliated Dialysis and its affiliate company Affiliated Dialysis of Joliet has funds available in excess of \$375,000 for purchase of dialysis equipment for the anticipated operations in Morris, IL.

Please contact me if there are any questions. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald L. Shafer".

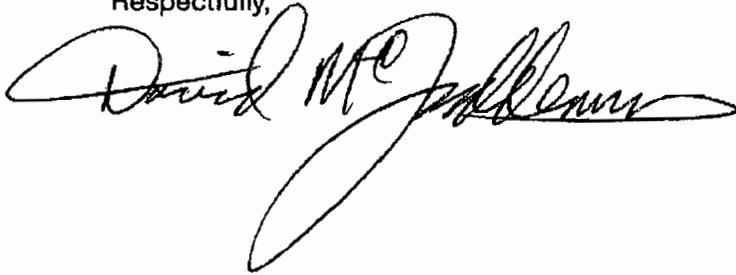
Donald L. Shafer  
Senior Vice President  
Heartland Bank and Trust Company  
[dshafer@hbtbank.com](mailto:dshafer@hbtbank.com)  
309-272-9600

Revive Enterprises, Inc.  
3709 Village Dr.  
Hazelcrest, IL 60529

Dear Affiliated Dialysis of Joliet, LLC

The attached lease is provided for purposes of filing the Certificate of Need application for an in center dialysis facility at 1401 Lakewood Dr. Morris, IL. We are hereby committing the space to you but will not require a signed lease until the project has been approved by the Health Facility Services & Planning Board. This commitment will be held until 3-31-2016.

Respectfully,

A handwritten signature in black ink, appearing to read "David McJannet". The signature is fluid and cursive, with a large loop at the end.

120

Attachment 36-2 102

LEASE

This Lease made this \_\_\_\_\_ day of \_\_\_\_\_ by and between REVIVE ENTERPRISES, INC. (the "Landlord"), and Affiliated Dialysis of Joliet, LLC d/b/a Morris Community Dialysis, (the "Tenant").

WITNESSETH:

LEASED PREMISES: Subject to the following terms and conditions, Landlord hereby Leases to Tenant Suites B & C of the Leased Premises located at 1401 Lakewood Dr., Morris, IL (the "Building") identified as (the "Premises" or "Leased Premises").

LEASE TERM: Tenant shall take the Leased Premises on the terms and conditions contained herein, for [5] year(s) beginning on \_\_\_\_\_, 201\_\_\_\_ and ending on \_\_\_\_\_, unless sooner terminated as herein provided (the "Term"). AS A CONDITION FOR THIS LEASE TO COMMENCE, THE ILLINOIS HEALTH FACILITIES PLANNING BOARD MUST APPROVE THE DIALYSIS PROJECT APPLIED FOR BY TENANT. This Lease will automatically renew for an additional year on each succeeding termination date after the initial term. Should Tenant decide not to renew this Lease, Tenant shall provide notification by registered mail of such intent within ninety days of the expiration of the lease. All notices must be written to be effective.

RENT: The Lease shall be a triple net lease. Tenant agrees to pay an annual base rental of \$24,000.00 Dollars (Twenty-Four Thousand Dollars) payable by check or money order in equal monthly installments on or before the first day of each month in the amount of \$2,000.00 Dollars (Two Thousand Dollars). Tenant also agrees to pay its pro rata share of the Leased Premises' (i) real estate taxes, (ii) insurance, and (iii) maintenance, (collectively, the Triple Net Expenses). Landlord shall bill Tenant on monthly, quarterly, or annual basis for Triple Net Expenses and Tenant shall pay Landlord within 10 days of receipt of invoice. All payments and notices to Landlord shall be made at 2462 Washington Rd., Washington, IL 61571 or at such other place as Landlord may designate. Notices to Tenant shall be mailed to the Leased Premises. All notices must be mailed by registered mail.

In the event of any breach of this Lease in addition to all other legal remedies, Landlord may declare the entire amount of the rent due on the balance of the Lease immediately due and payable and Tenant agrees to pay same. Said payment shall not constitute a penalty, forfeiture or liquidated damages. The acceptance of such payment by Landlord shall not constitute a waiver of any future breach of the terms, provisions, conditions or covenants of this Lease. Landlord shall have no obligation to mitigate damages or re-lease the Premises.

COLLECTION FEE: Rent not received by the 5th day of the month, shall carry a late fee of \$20.00 per day for each day after the 1st day of the month until the rent is paid in full. Failure to impose said late fee shall not constitute a waiver of Landlord's right to impose said fee later.

SECURITY DEPOSIT: NOT APPLICABLE. Your security deposit in the amount of \$0 Dollars will be returned within 30 days of move-out, provided all conditions of the LEASE have been fulfilled, a forwarding address provided, keys returned and the Leased Premises are left in a clean and undamaged condition, normal wear and tear accepted. If all Lease terms are not fulfilled, in addition to retention of the deposit by Landlord, any previously abated rent must be refunded to Landlord.

LANDLORD AGREES THAT IT SHALL:

- A. Make all normal and necessary repairs to the Leased Premises.
- B. Provide water for drinking, lavatory and toilet purposes in the public area of the building.
- C. Provide a building directory listing your name and suite number and a sign identifying the principal suite door.
- D. Provide and maintain in reasonable condition parking sufficient to meet the normal needs of all tenants.

It is understood that Landlord does not warrant that any of the services which it may supply will be free from interruption.

TENANT AGREES THAT IT SHALL:

- A. Use and occupy the Premises in a safe, proper, and legal manner, not create any disturbance which might annoy other occupants or be detrimental to the buildings reputation, and abide by all building regulations adopted by Landlord from time to time.
- B. Grant Landlord permission, with prior notice, to enter the Leased Premises at any reasonable time for inspection and repair, and at any time for emergency repairs deemed necessary by Landlord. Upon receipt of Tenant's notice to vacate the premises, Landlord reserves the right to show Tenant's space to prospective renters.
- C. Keep the Leased Premises lien free, in good order and condition, and commit no waste.
- D. Upon termination of this Lease, remove Tenant's property, leave Landlords' property (including property leased from Landlord), and deliver the Leased Premises in clean and undamaged condition.
- E. Not place any signs, antennae or satellite dishes on the doors, outside walls, windows or roof of the building without Landlord's specific written approval.
- F. Not do any act or bring or keep anything thereon which may void or make voidable any insurance on the Property.
- G. Not make any alteration of or addition to the Leased Premises without Landlord's advance written approval.
- H. Not place any safes or heavy articles, which might exert unusual stress upon the supporting members of the building.

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- I. Prior to applying any wall covering, prepare the walls so that no damage will be caused upon removal. Removal is Tenants' responsibility.
- J. Place protective chair mats between chair wheels and carpeting wherever applicable.
- K. Not smoke in any areas, inside the building.
- L. Pay for all utilities consumed or used in the Leased Premises.
- M. Tenant agrees to promptly make landlord aware of any moisture accumulation in the Premises, to regularly clean and dust the Premises, and not to allow any mold or fungi growth within the Premises.
- N. Not bring animals or pets into the Leased Premises or the Building except in the case of a Service Animal as defined in the Americans with Disabilities Act so long as such Service Animal does not behave in any threatening or aggressive manner.

Tenant's obligations hereunder shall extend to and include its employees, invitees, and agents, as the case may be.

**INSURANCE AND INDEMNIFICATION:** Tenant shall, throughout this Lease, keep in effect insurance policies with casualty (minimum coverage \$100,000.00) and liability (minimum coverage \$1,000,000.00) listing Landlord as additional insured and agree to pay for damage caused by Tenant or persons claiming under Tenant. Tenant shall indemnify and hold Landlord harmless from damages, claims, and costs caused by the acts or omissions of tenant, its' employees, invitees and agents.

**BANKRUPTCY:** In the event that any proceeding in bankruptcy shall be instituted by or against Tenant, Landlord may terminate this Lease by three (3) days' notice in writing, or may accept rent from any receiver, assignee or trustee without affecting or impairing Landlord rights under the Lease.

**SUBLET/ASSIGNMENT:** Tenant shall NOT, without Landlord's advance written consent, assign or sublet this Lease in whole or in part.

**INITIAL OCCUPANCY:** Provided Landlord had approved construction plans and free access to the Leased Premises, or in the case of a newly constructed building, failure to deliver occupancy on or before 14 days after commencement date stated above shall void this Lease at the option of Tenant; however, Landlord shall not be liable for any loss or damage resulting from late delivery of the Leased Premises.

**BINDING EFFECT:** Each provision hereof shall extend to and inure to the benefit of both parties of the Lease and their respective heirs, legal representatives, successors and assigns. Tenant, at Tenant's expense, shall comply with all laws, codes, and other governmental requirements, now in force or which may hereafter be in force with respect to the use, occupancy or alteration of Leased Premises. No oral agreements or representations shall be binding upon the parties.

IN WITNESS WHEREOF, the respective parties hereto have executed this Lease or caused this Lease to be executed and sealed by their duly authorized representatives the day, month, and year first written above.

**LANDLORD**  
**REVIVIE ENTERPRISES, INC.**

**TENANT**  
**Affiliated Dialysis of Joliet, LLC**  
**d/b/a Morris Community Dialysis**

By: \_\_\_\_\_  
 Printed: Name & Title

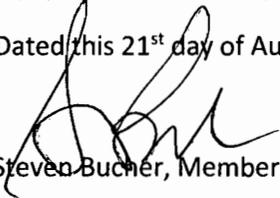
By: \_\_\_\_\_  
 Steven C. Bucher, CEO



Member Meeting Resolution

In conjunction with the Certificate of Need application for the development of an in center dialysis facility at 1401 Lakewood Dr., Morris, Illinois 60450, the Members do hereby approve of the allocation of \$42,500 of cash to be made available for this project. The members do also authorize the arranging of a lease on the above location and the arranging of bank financing for the funding of renovations and equipment should the project be approved by the Health Facilities and Services Review Board.

Dated this 21<sup>st</sup> day of August 2015.

  
Steven Bucher, Member

  
Curt D. Anliker, Trustee  
Curt D. Anliker Trust, Member

Section XI Economic Feasibility  
Criterion 1120.130 Financial Viability

The project applicant is Affiliated Dialysis of Joliet, LLC which company shall be solely responsible for the project funding. Any related parties due to common ownership will have no funding responsibility and will not be responsible for any guarantees of debt to be incurred in order to fund this project. As further identified in this Section, Affiliated Dialysis of Joliet, LLC has available through bank financing, leases and cash, sufficient resources to fund this modest project.

Section XI Economic Feasibility  
 Criterion 1120.130 Financial Viability

Category B  
 (Projected)

Financial Ratios:  
 Provide Data for Projects Classified As:

Category A or Category B (last three years)

Enter Historical and/or Projected Years	year to Date		
	2013	2014	2015
Current Ratio	7.7X	2.25X	1.88X
Net Margin Percentage	64.78%	55.20%	56.80%
Percent Debt to Total Capitalization	N/A	N/A	N/A
Days Cash on Hand	.27Days	94.2 days	89.9 Days
Cushion Ratio	N/A	N/A	N/A

Current Ratio:	2013	2014	2015
Current Assets / Current Liabilities	41243	259156	158157
	5356	115080	84201

Net Margin Percentage:	2013	2014	2015
Operating Income / Revenue	41152	275125	154245
	63524	507555	271596

Percent Debt to Total Capitalization	2013	2014	2015
Debt / Total Capital	0	0	0
	35220	192394	79078

Days Cash on Hand:	2013	2014	2015
Total Cash / Average Daily Expense	89	128647	94085
	322	1366	1047

Cushion Ratio:  
 not applicable - no debt

Kathryn Olson, Chair  
Illinois Health Facilities and Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, IL 62761

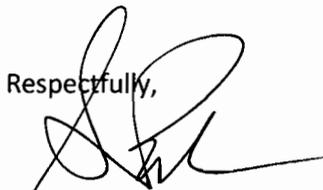
RE: Financing Arrangement Certification

Dear Chairwoman Olson:

I do hereby certify pursuant to 77 Ill Admin. Code Sec. 1110.1430 j) that Morris Community Dialysis in utilizing bank financing and executing a lease on the proposed building space is pursuing the least costly financing available for this project. The applicant does not maintain an investment portfolio that would be available for liquidation as an alternative to debt financing.

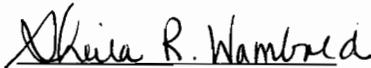
I do further certify that the bank financing is being made available at a market rate that is the least costly. The leasing of the building allows the applicant to utilize a facility that is currently constructed as a dialysis facility resulting in a renovation cost estimated at \$55,000 versus a new construction cost which would be vastly greater. We believe that this course of action is consistent with the efficient use of health care cost goals of the HFSPB.

Respectfully,

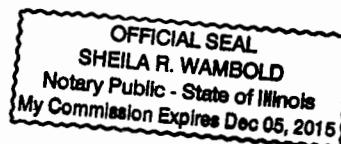


Steven Bucher, Member  
Affiliated Dialysis of Joliet, LLC

Subscribed and affirmed to me  
This 25<sup>th</sup> day of August, 2015



Notary Public



Section X Economic Feasibility  
 Criterion 1120.310© Reasonableness of Project and Related Costs

Table 1120.310©

Department	A B		C	D	E	F	G	H	Total Cost
	Cost/Square Foot New	Cost/Square Foot Mod							
ESRD	16.67					3000			50000
Contingencies	1.67					3000			5000
Total Clinical	18.34					3000			55000

These projected costs are below State standards.

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Attachment 39-1

Section X Economic Feasibility Review Criteria

Criterion 1120.140 (d) Projected Operating Costs

Projected operating expenses	\$142,979
Projected treatments	6624
Projected cost per treatment	\$ 215.85

Section 1120.140 Economic Feasibility

Section XI Safety Net Impact Statement

1. The applicant has no reason to believe that the approval of this application would have any impact on the safety net of the Morris, IL community. The presence of Morris Community Dialysis as a provider is not expected to alter the way in which any other health care providers function in the community.
2. The applicant has no reason to believe that this project would have any adverse impact on any provider or health care system to cross-subsidize safety net services.
3. Affiliated Dialysis of Joliet, LLC was approved by Medicare in 2013 as a provider of home dialysis training and support services. During 2013, 2014 and to date in 2015 Affiliated Dialysis of Joliet, LLC has not provided services to any Medicaid beneficiaries and has no data to report regarding Medicaid revenues

Morris Community Dialysis is committed to providing ESRD services to all patients without regard to their source of payment. Medicaid patients wishing to be served at Morris Community Dialysis will be accepted. Because of the unique Medicare qualification for benefits under the ESRD program, few patients with end stage renal failure are left without insurance coverage for their care. As a small business Morris Community Dialysis will have a limited capacity for providing uncompensated care but is committed to working with any patient to try to find and qualify for any programs for which they may qualify for coverage.

Section XII Charity Care Information

The table below provides information regarding charity care provided by the applicant for the years noted:

	2013	2014
Total Revenue	63524	507555
Amount of Charity Care - Charges	0	0
Cost of Charity Care	0	0

2013 was the first year of operations

## INDEX OF ATTACHMENTS

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