16-015

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

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HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Forest City Rockford Dialysis		
Street Address: 4103 West State Street		
City and Zip Code: Rockford, Illinois 61101		
County: Winnebago	Health Service Area: 1	Health Planning Area: 1

Applicant /Co-Applicant Identification

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

Exact Legal Name: DaVita HealthCare Partners Inc.
Address: 2000 16th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16th Street, Denver, CO 80202
Telephone Number: (303) 405-2100

Type of Ownership of Applicant/Co-Applicant

☐	Non-profit Corporation	☐	Partnership	
☒	For-profit Corporation	☐	Governmental	
☐	Limited Liability Company	☐	Sole Proprietorship	☐
	Other			

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

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

Primary Contact

[Person to receive ALL correspondence or inquiries)

Name: Tim Tincknell
Title: Administrator
Company Name: DaVita HealthCare Partners Inc.
Address: 1600 West 13th Street, Suite 3 Chicago, Illinois 60608
Telephone Number: 312-243-9286 x230
E-mail Address: timothy.tincknell@davita.com
Fax Number: 866-586-3214

Additional Contact

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

Name: Lynanne Hike
Title: Regional Operations Director
Company Name: DaVita HealthCare Partners Inc.
Address: 622 Roxbury Road, Rockford, IL 61107
Telephone Number: 815-543-8015
E-mail Address: lynanne.hike@davita.com
Fax Number: 855-616-4279

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

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City and Zip Code: Rockford, Illinois 61101
County: Winnebago Health Service Area: 1 Health Planning Area: 1

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Machesney Bay, LLC
Address: 2000 16th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16th Street, Denver, CO 80202
Telephone Number: (303) 405-2100

Type of Ownership of Applicant/Co-Applicant

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☐ For-profit Corporation ☐ Governmental
☒ Limited Liability Company ☐ Sole Proprietorship ☐ Other

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E-mail Address: lynanne.hike@davita.com
Fax Number: 855-616-4279

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: Charles Sheets
Title: Attorney
Company Name: Polsinelli PC
Address: 161 North Clark Street, Suite 4200, Chicago, Illinois 60601
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number: 312-873-3793

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Dyn Commercial Holdings, LLC
Address of Site Owner: 6801 Spring Creek Rd., Rockford, IL 61114
Street Address or Legal Description of Site: 4103 West State Street, Rockford, Illinois 61101 **Legal Description** BEG NE COR LT 103 LINCOLN PARK 2ND SUB SE 208.92 FT S 327.8 FT TO N LN W STATE ST WLY 156.78 FT TH N 327.8 FT TO POB (EXC PT TO COUNTY BY 0102325) PT NW1/4 SEC 20-44-1 ALSO LINCOLN PARK 2ND SUB LTS 95 THRU 98 & LTS 102 & 103 ALSO VAC ALLEY LYG BTWN LTS 97-98-102 & 103 & S ½ VAC ALLEY LYG N & ADJ LOTS 95 & 96
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: Machesney Bay, LLC
Address: 2000 16th Street, Denver, CO 80202

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

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

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** or **www.illinoisfloodmaps.org**. **This map must be in a readable format**. In addition please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2005-5 **(http://www.hfsrb.illinois.gov)**.

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT

1. Project Classification

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

Part 1110 Classification:

☒ Substantive

☐ Non-substantive

2. Narrative Description

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

DaVita HealthCare Partners Inc. and Machesney Bay, LLC (collectively, the "Applicants" or "DaVita") seek authority from the Illinois Health Facilities and Services Review Board (the "State Board") to establish a 12-station dialysis facility located at 4103 West State Street, Rockford, Illinois 61101. The proposed dialysis facility will include a total of 6,700 contiguous rentable square feet.

This project has been classified as substantive because it involves the establishment of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts	$1,211,052		$1,211,052
Modernization Contracts			
Contingencies	$110,000		$110,000
Architectural/Engineering Fees	$103,700		$103,700
Consulting and Other Fees	$76,000		$76,000
Movable or Other Equipment (not in construction contracts)	$519,887		$519,887
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	$1,120,324		$1,120,324
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	**$3,140,963**		**$3,140,963**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**CLINICAL**
Cash and Securities	$2,020,639		$2,020,639
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	$1,120,324		$1,120,324
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$3,140,963**		**$3,140,963**

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

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $_____
Fair Market Value: $_____

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

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

Estimated start-up costs and operating deficit cost is $ **1,338,019**.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): June 30, 2018

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☒ Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:
☐ Cancer Registry
☐ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization

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**.

FACILITY NAME:		**CITY:**			
REPORTING PERIOD DATES:		**From:**		**to:**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
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)					
TOTALS:					

CERTIFICATION

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

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

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

SIGNATURE

Arturo Sida
PRINTED NAME

Assistant Corporate Secretary
PRINTED TITLE

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

Signature of Notary

Seal

Attached

SIGNATURE

Javier J. Rodriguez
PRINTED NAME

Chief Executive Officer – Kidney Care
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 16 day of March

Michelle Bernard

Signature of Notary

Seal

Michelle Bernard
Notary Public
State of Colorado
Notary ID 20054036434
My Commission Expires December 31, 2017

*Insert EXACT legal name of the applicant

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 9, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public - California
Los Angeles County
Comm. Expires Jan 25, 2018

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Certification re CON Application (Forest City Rockford)

Document Date: March 9, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

CERTIFICATION

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

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SIGNATURE

Arturo Sida
PRINTED NAME

Assistant Corporate Secretary
PRINTED TITLE

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

Signature of Notary

Seal

SIGNATURE

Javier J. Rodriguez
PRINTED NAME

Chief Executive Officer – Kidney Care
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 16 day of March

Michelle Bernard

Signature of Notary

Seal

Michelle Bernard
Notary Public
State of Colorado
Notary ID 20054036434
My Commission Expires December 31, 2017

*Insert EXACT legal name of the applicant

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County of Los Angeles

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personally appeared *** Arturo Sida ***

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I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public - California
Los Angeles County
Comm. Expires Jan 25, 2018

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Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer — Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

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.

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

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

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following::

    a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies;

    b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;

    c. The project involves the conversion of existing space that results in excess square footage.

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

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

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

PROJECT SERVICES UTILIZATION:

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

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

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

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

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

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT-17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

G. Criterion 1110.1430 - In-Center Hemodialysis

1. Applicants proposing to establish, expand and/or modernize In-Center Hemodialysis must submit the following information:

2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
☒ **In-Center Hemodialysis**	**0**	**12**

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:**

$2,020,639	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;
$1,120,324 (FMV of Lease)	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.
$3,140,963	**TOTAL FUNDS AVAILABLE**	

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

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

1. **"A" Bond rating or better**
2. **All of the projects capital expenditures are completely funded through internal sources**
3. **The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent**
4. **The applicant provides a third party surety bond or performance bond letter of credit from an A rated guarantor.**

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

Provide Data for Projects Classified as:	**Category A or Category B (last three years)**			**Category B (Projected)**
Enter Historical and/or Projected Years:				
Current Ratio				
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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

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

XI. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

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

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

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

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			

MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

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

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

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

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

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

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita HealthCare Partners Inc. and Machesney Bay, LLC (collectively, the "Applicants" or "DaVita") are attached at Attachment – 1. Machesney Bay, LLC will be the operator of Forest City Rockford Dialysis. Forest City Rockford Dialysis is a trade name of Machesney Bay, LLC and is not separately organized. As the person with final control over the operator, DaVita HealthCare Partners Inc. is named as an applicant for this CON application. DaVita HealthCare Partners Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita HealthCare Partners Inc. from the state of its incorporation, Delaware, is attached.

Delaware

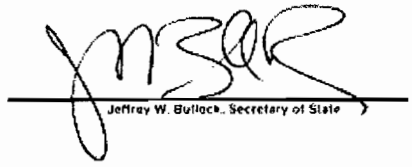
The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA HEALTHCARE PARTNERS INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-THIRD DAY OF NOVEMBER, A.D. 2015.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DAVITA HEALTHCARE PARTNERS INC." WAS INCORPORATED ON THE FOURTH DAY OF APRIL, A.D. 1994.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



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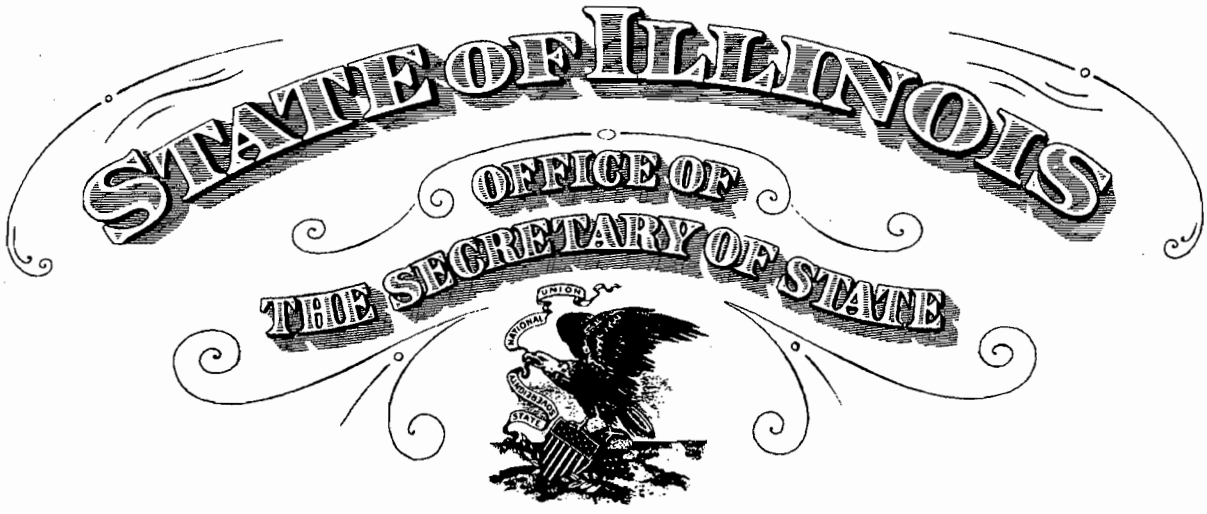


To all to whom these Presents Shall Come, Greeting:

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

MACHESNEY BAY DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 28, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 21ST *day of* MARCH *A.D.* 2016 .

Authentication #: 1608101474 verifiable until 03/21/2017
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

Attachment - 1

Section I, Identification, General Information, and Certification
Site Ownership

The letter of intent between Dyn Commercial Holdings, LLC and Machesney Bay, LLC to lease the facility located at 4103 West State Street, Rockford, Illinois 61101 is attached at Attachment – 2.

Attachment - 2

DTZ Americas, Inc.
77 We st Wacker Dr
Suite 1800
Chicago, IL 60601
www.dtz.com

March 3, 2016

Bharat V Puri, SIOR
First Midwest Group, Inc.
6801 Spring Creek Road
Rockford, IL 61107
(815) 229-3000 Office
(815) 222-6900 Cell
bharat@firstmidwestgroup.com
www.firstmidwestgroup.com

RE: LOI for a to be constructed building on approximately 4103 W State St, Rockford, IL 61101

Dear Bharat:

DTZ Americas, Inc. has been authorized by Total Renal Care, Inc. a subsidiary of DaVita HealthCare Partners Inc. to assist in securing a lease requirement. DaVita HealthCare Partners is a Fortune 500 company with 2,183 outpatient dialysis centers across the US and revenues of approximately $12 billion.

Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

PREMISES:	To be constructed single tenant building on approximately 4103 W State St, Rockford, IL 61101
TENANT:	"Total Renal Care, Inc. or related entity to be named"
LANDLORD:	*Dyn Commercial Holdings, L.L.C. or its assignee.*
SPACE REQUIREMENTS:	**Approximately 6,700** rentable square feet.
PRIMARY TERM:	10 years
BASE RENT:	$23.95 PSF, NNN with ten percent (10%) increases every 5 years during the term and any options.
ADDITIONAL EXPENSES:	Landlord estimates that the CAMIT expenses during the first year of the term will be $3.70 psf. Tenant's Prorata Share: 100% Tenant shall be responsible for its directly metered utility expenses. Following the first full calendar year, the controllable CAMIT expenses shall not increase more than 5% annually thereafter. Controllable CAMIT expenses exclude real estate taxes, snow and ice removal and common area utilities.
LANDLORD'S MAINTENANCE:	Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property, which costs shall be amortized over their useful life and the annual amortized amount will be included in the operating expenses.

POSSESSION AND RENT COMMENCEMENT:

Landlord shall deliver Possession of the building certified pad (as indicated in Exhibit B) to the Tenant within 90 days from CON permit date. Landlord shall have 90 days following Tenant's commencement of construction of the interior buildout to complete the Landlord's exterior Site Development Improvements. Rent Commencement shall be the earlier of the following two events (a) Tenant opening for business and (b) nine (9) months from delivery of Possession by Landlord and Tenant obtaining building permits for its intended improvements. Landlord's delivery obligations hereunder shall be subject to force majeure.

DUE DILLIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution. Notwithstanding the foregoing, if Tenant receives its CON prior the end of such 90 day period and has not elected to terminate the lease prior to such receipt, this right to terminate shall be deemed null and void.

LEASE FORM:

Tenant's standard lease form as starting point for negotiations.

USE:

The operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

Use is permitted within the premises zoning.

PARKING:

Tenant shall receive four (4) stalls per 1,000 rsf, and two (2) handicapped stalls or such greater number as is required by applicable law or regulation. Location of parking stalls currently identified in the attached site plan are subject to Tenant's architect and project manager approval.

LANDLORD WORK:

Any on and off-site improvements (parking lot, landscaping, lighting, sewer, utilities, street, curb, gutter, paving, irrigation, common area lighting, certified pad, etc) as required by the municipality to issue permits for the performance of Landlord's Work or Tenant Work will be incorporated into Landlord's Work as indicated in Exhibit B. Landlord, at its sole cost, will prepare plans, specifications and working drawings for Landlord's Work ("**Landlord's Plans**") and the same will be subject to Tenant's approval. Landlord will perform Landlord's Work in a good and workmanlike manner in conformity with Landlord's Plans, as approved by Tenant. Landlord will promptly repair all latent or patent defects in Landlord's Work, at Landlord's sole cost and expense.

Landlord will be solely responsible for and will pay all impact fees, charges, costs, assessments, and exactions charged, imposed or assessed in connection with the development and construction of the Building or Premises, but not including building permit fees for construction of the Building.

TENANT IMPROVEMENTS:

Landlord will pay to Tenant an allowance ("**Tenant Allowance**") for costs incurred by Tenant in connection with the construction of the Building. The Tenant Allowance will be an amount equal to $139.00 per square foot of the Building Floor Area, payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and sub-contractor for which payments are being made. At the time of Lease execution, Landlord and Tenant will enter into an escrow agreement or tri-party agreement providing for the payment of the Tenant Allowance (the "**Security Agreement**"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction of Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's Costs from the account established for Tenant Allowance. Tenant's plans will be subject to Landlord's approval. Post letter of credit. Pay against sworn statements/lien waivers.

Building design shall be a mixture of brick, EIFS and glass. The colors shall be subject to LL's approval.

Tenant will have the right to convert any overage in Tenant Allowance to be used towards Tenant Improvements.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 10 of the initial term and following each successive five-year option periods.

FAILURE TO DELIVER PREMISES:

If Landlord has not delivered the premises to Tenant with all Landlord Work substantially completed within 120 days from the date on which Tenant commences construction of the Building, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 120 day delivery period. Landlord's delivery obligations hereunder shall be subject to force majeure.

HOLDING OVER:

Tenant shall be obligated to pay 115% of the then current rate for the first ninety days and 125% of the then current rate for any holdover beyond ninety days.

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations.

BUILDING HOURS:

As a single Tenant building, Tenant will have access 24 hours a day, seven days a week and will have direct control of HVAC and other utilities.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider on the lot being created adjacent to the Premises on the south.

GOVERNMENTAL COMPLIANCE:

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s). Notwithstanding the foregoing, if any governmental law, ordinance or regulation goes into effect as a result of Tenant's change in use of the Premises, Tenant shall be responsible for the costs of bring the Premises into compliance with such.

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes DTZ Americas, Inc. as the Tenant's local representative and shall pay a brokerage fee equal to seventy cents ($0.70) per square foot per lease term year, 50% shall be due upon lease signatures and 50% shall be due upon rent commencement. The Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES:

This proposal and timing is subject to all necessary governmental, city and adjoining landowner approval.

In the event the Landlord is not successful in obtaining all necessary approvals including, but not limited to, zoning and use, the Tenant shall have the right, but not the obligation to terminate the lease.

This proposal is subject to the Landlord securing and closing on the subject parcel.

PLANS:

Please provide copies of site and construction plans or drawings.

Please submit your response to this Proposal via e-mail to: Matthew.Gramlich@cushwake.com.

It should be understood that this Proposal is subject to the terms of Exhibit A attached hereto. The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this information by anyone but addressee is unauthorized.

Thank you for your time and consideration to partner with DaVita.

Sincerely,

Matthew J. Gramlich

CC: DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

SIGNATURE PAGE

LETTER OF INTENT: **Approximately 4103 W State St, Rockford, IL 61101**

AGREED TO AND ACCEPTED THIS 4 **DAY OF MARCH 2016**

By: Mary Anderson

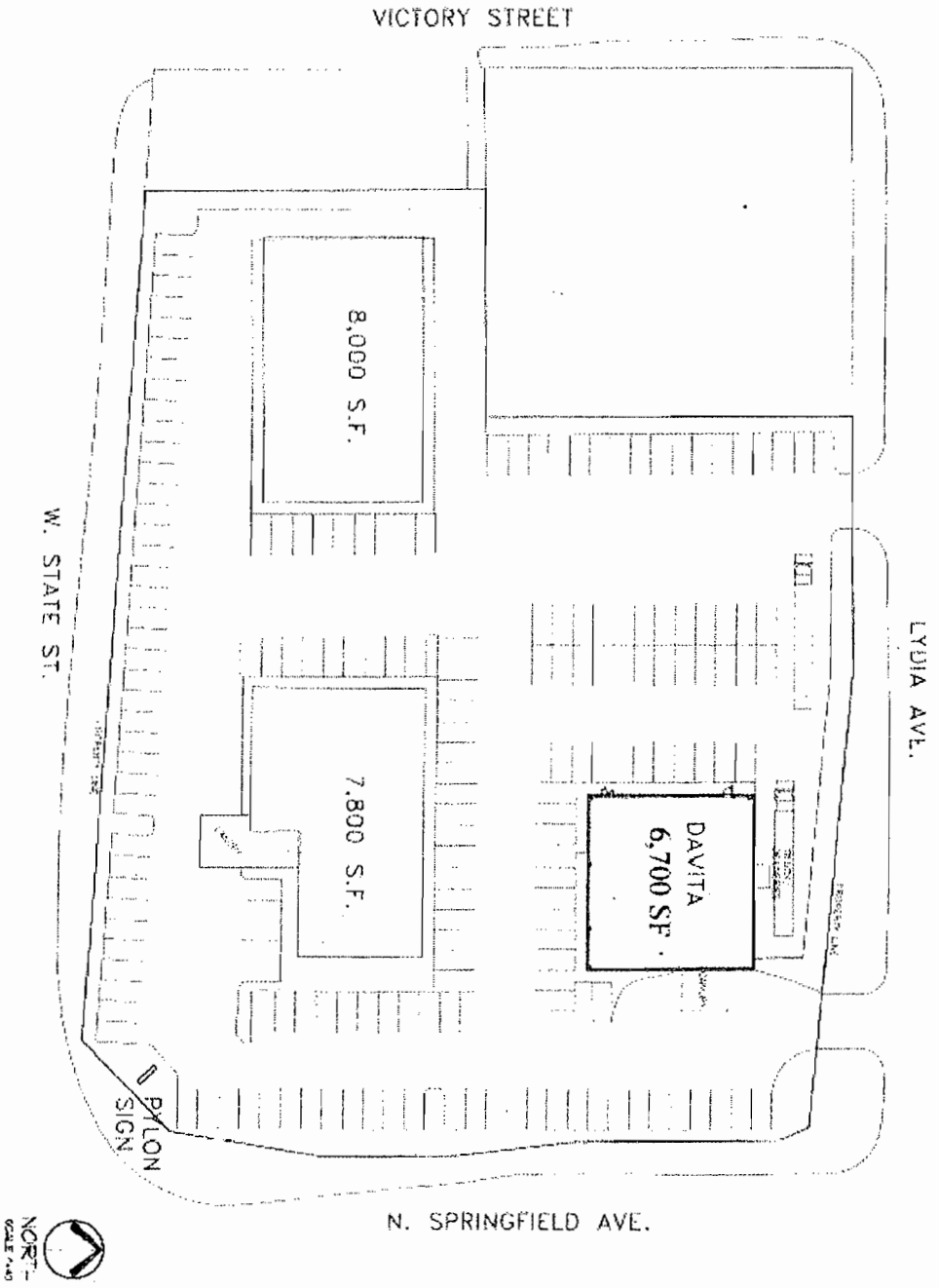
On behalf of Total Renal Care, a wholly owned subsidiary of DaVita Healthcare Partners, Inc.
("Tenant")

AGREED TO AND ACCEPTED THIS 4th. **DAY OF MARCH 2016**

By: _____

_____
("Landlord")

PRELIMINARY SITE PLAN SUBJECT TO CHANGE



Attachment - 2

EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPERATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR DTZ) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR DTZ INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. DTZ IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES DTZ HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.

EXHIBIT B

LANDLORD'S WORK

Certified Pad Work:

1 **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor.

1

2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use

3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect.

4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building

5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.

6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6" water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.

7. **Telephone**. Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.

8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.

9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant Improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. **Site Development Scope of Requirements:**
Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

    - Utility extensions, service entrance locations, inspection manholes.
    - Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
    - Site grading with storm water management control measures (detention/retention/restrictions);
    - Refuse enclosure location & construction details for trash and recycling;
    - Handicap stall location to be as close to front entrance as possible;
    - Side walk placement for patron access, delivery via service entrance;
    - Concrete curbing for greenbelt management;
    - Site lighting;
    - Conduits for Tenant's signage;
    - Site and parking to accommodate tractor trailer 8 wheel truck delivery access to service entrance;
    - Ramps and curb depressions;
    - Landscaping shrub and turf as required per municipality.
    - Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
    - Construction details, specifications/standards of installation and legends;
    - Final grade will be sloped away from Building.

3. **Refuse Enclosure**. Landlord to provide a minimum 6" think reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

4. **Generator**. Landlord to allow a generator to be installed onsite if required by code or Tenant choses to provide one.

5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment

    Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Section I, Identification, General Information, and Certification
Operating Entity/Licensee

The Illinois Certificate of Good Standing for Machesney Bay, LLC is attached at Attachment – 3. There are no individual persons with a five percent or greater ownership in Machesney Bay, LLC.

Attachment - 3

File Number 0553207-8

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

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

MACHESNEY BAY DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 28, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 21ST *day of* MARCH *A.D.* 2016 .

Authentication #: 1608101474 verifiable until 03/21/2017
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

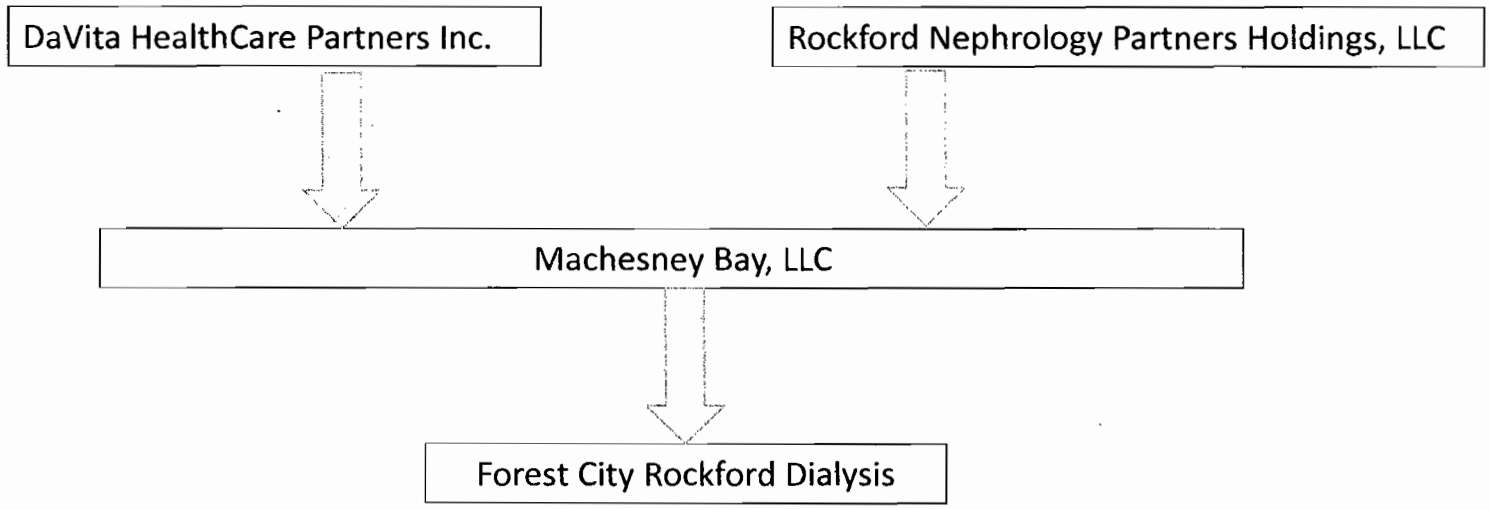
SECRETARY OF STATE

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

The organizational chart for DaVita HealthCare Partners Inc., Machesney Bay, LLC, and Forest City Rockford Dialysis is attached at Attachment – 4.

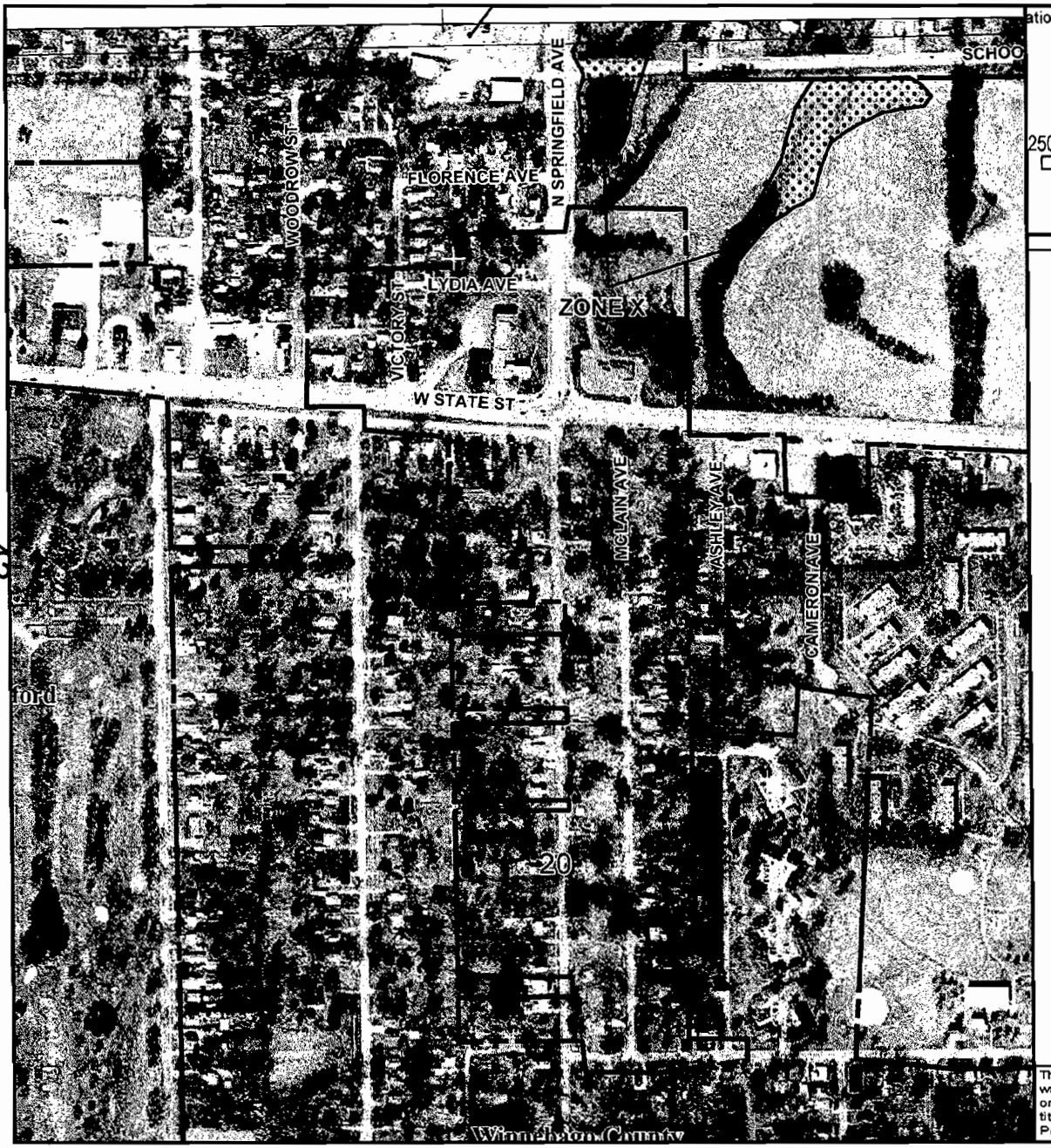
Attachment - 4

Forest City Rockford Dialysis
Organizational Structure



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

The site of the proposed dialysis facility complies with the requirements of Illinois Executive Order #2005-5. The proposed dialysis facility will be located at 4103 West State Street, Rockford, Illinois 61101. As shown on the FEMA flood plain map attached at Attachment – 5, the site of the proposed dialysis facility is located outside of a flood plain.



ational Flood Insurance Program at 1-800-638-6620.

MAP SCALE 1" = 500'

250 0 500 1000 FEET

NFIP

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0244D

FIRM

FLOOD INSURANCE RATE MAP

WINNEBAGO COUNTY, ILLINOIS

AND INCORPORATED AREAS

PANEL 244 OF 415

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
ROCKFORD, CITY OF	170723	0244	D
WINNEBAGO COUNTY	170720	0244	D

Notice to User: The **Map Number** shown below should be used when placing map orders; the **Community Number** shown above should be used on insurance applications for the subject community.

MAP NUMBER
17201C0244D

EFFECTIVE DATE
SEPTEMBER 6, 2006

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Section I, Identification, General Information, and Certification

Historic Resources Preservation Act Requirements

The Historic Preservation Act determination from the Illinois Historic Preservation Agency is attached at Attachment – 6.

Illinois Historic Preservation Agency

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

FAX 217/524-7525
www.illinoishistory.gov

Winnebago County
Rockford
4103 West State Street
IHFSRB
New construction, 12-station dialysis facility

PLEASE REFER TO: IHPA LOG #005030316

March 25, 2016

Timothy Tincknell
DaVita Healthcare Partners, Inc.
1600 W. 13th St., Suite 3
Chicago, IL 60608

Dear Mr. Tincknell:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

For TTY communication, dial 888-440-9009. It is not a voice or fax line.

Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds

Table 1120.110			
Project Cost	**Clinical**	**Non-Clinical**	**Total**
New Construction Contracts	$1,211,052		$1,211,052
Modernization Contracts			
Site Survey and Soil Investigation			
Contingencies	$110,000		$110,000
Architectural/Engineering Fees	$103,700		$103,700
Consulting and Other Fees	$76,000		$76,000
Moveable and Other Equipment			
Communications	$73,660		$73,660
Water Treatment	$139,375		$139,375
Bio-Medical Equipment	$8,885		$8,885
Clinical Equipment	$208,945		$208,945
Clinical Furniture/Fixtures	$18,030		$18,030
Lounge Furniture/Fixtures	$3,065		$3,065
Storage Furniture/Fixtures	$5,862		$5,862
Business Office Fixtures	$26,065		$26,065
General Furniture/Fixtures	$26,000		$26,000
Signage	$10,000		$10,000
Total Moveable and Other Equipment	$519,887		$519,887
Fair Market Value of Leased Space	$1,120,324		$1,120,324
Total Project Costs	**$3,140,963**		**$3,140,963**

Section I, Identification, General Information, and Certification
Project Status and Completion Schedules

The Applicants anticipate project completion within **24** months of project approval.

Further, although the Letter of Intent attached at Attachment – 2 provides for project obligation to occur after permit issuance, the Applicants will begin negotiations on a definitive lease agreement for the facility, with the intent of project obligation being contingent upon permit issuance.

Section I, Identification, General Information, and Certification
Cost Space Requirements

Cost Space Table							
		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	Cost	Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	$3,140,963		6,700	6,700			
Total Clinical	**$3,140,963**		**6,700**	**6,700**			
NON REVIEWABLE							
NON-CLINICAL							
Total Non-Reviewable							
TOTAL	**$3,140,963**		**6,700**	**6,700**			

Section I, Identification, General Information, and Certification
Current Projects

DaVita Current Projects			
Project Number	**Name**	**Project Type**	**Completion Date**
13-070	Belvidere Dialysis	Establishment	3/31/2016
14-020	Chicago Ridge Dialysis	Establishment	1/31/2016
14-042	Tinley Park Dialysis	Establishment	10/31/2016
15-003	Vermillion County Dialysis	Establishment	4/30/2017
15-004	Machesney Park Dialysis	Establishment	4/30/2017
15-020	Calumet City Dialysis	Establishment	7/31/2017
15-025	South Holland Dialysis	Relocation	10/31/2017
15-032	Morris Dialysis	Relocation	4/30/2017
15-033	Lincoln Park Dialysis	Relocation	4/30/2017
15-035	Montgomery County Dialysis	Establishment	4/30/2017
15-048	Park Manor Dialysis	Establishment	2/28/2018
15-049	Huntley Dialysis	Establishment	2/28/2018
15-052	Sauget Dialysis	Expansion	8/31/2017
15-054	Washington Heights Dialysis	Establishment	9/30/2017
16-004	O'Fallon Dialysis	Establishment	9/30/2017

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(a), Project Purpose, Background and Alternatives

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for the establishment of Forest City Rockford Dialysis, a 12-station in-center hemodialysis facility to be located at 4103 West State Street, Rockford, Illinois 61101.

DaVita HealthCare Partners Inc. is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2014 Community Care report, some of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach and was previously included in the application for Proj. No. 16-009.

Based upon January 2016 data from the Centers for Medicare and Medicaid Services, DaVita is the clinical leader in the Quality Incentive Program ("QIP") for the third straight year. Nationwide, only 1.4 percent of DaVita centers did not meet QIP standards, significantly outperforming other large dialysis providers. Further, DaVita ranked first in four clinical measures in the end stage renal disease ("ESRD") QIP program. QIP is part of Medicare's ESRD program aimed at improving the quality of care provided to Medicare patients. It was designed as the nation's first pay-for-performance quality incentive program. See Attachment – 11A. Three recent press releases: "DaVita World Headquarters Awarded LEED Platinum Certification by U.S. Green Building Council," "DaVita Celebrates World Kidney Day and National Kidney Month," and "DaVita HealthCare Partners Celebrates 10 Years Among FORTUNE Magazine's World's Most Admired Companies" can be found at Attachment – 11B.

On October 8, 2015, the Centers for Medicare and Medicaid Services ("CMS") released data on dialysis performance as part of its five star ratings program. For the second year in a row, DaVita outperformed its competitors. As referenced in the report, DaVita led the industry in quality. Of the 586 dialysis facilities awarded five stars, DaVita owned 202 (or 34 percent).

On October 7, 2015, CMS announced DaVita won bids to operate ESRD seamless care organizations ("ESCO") in Phoenix, Miami and Philadelphia. ESCOs are shared savings programs, similar to accountable care organizations, where the dialysis providers share financial risks of treating Medicare beneficiaries with kidney failure. ESCOs encourage dialysis providers to take responsibility for the quality and cost of care for a specific population of patients, which includes managing comorbidities and patient medications.

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and end stage renal disease ("ESRD"). These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Information on these programs was previously included in the application for Proj. No. 16-009.

There are over 26 million patients with CKD and that number is expected to rise. Current data reveals troubling trends, which help explain the growing need for dialysis services:

- Between 1988-1994 and 2007-2012, the overall prevalence estimate for CKD rose from 12.0 to 13.6 percent. The largest relative increase, from 25.4 to 39.5 percent, was seen in those with cardiovascular disease.[1]

[1] US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 15 (2014).

- Many studies have shown that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.[2]

- Nearly six times the number of new patients began treatment for ESRD in 2012 (approximately 115,000) versus 1980 (approximately 20,000).[3]

- Nearly eleven times more patients are now being treated for ESRD than in 1980 (approximately 637,000 versus approximately 60,000).[4]

- U.S. patients newly diagnosed with ESRD were 1 in 2,800 in 2011 versus 1 in 11,000 in 1980.[5]

- U.S. patients treated for ESRD were 1 in 526 in 2011 versus 1 in 3,400 in 1980.[6]

- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 44% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.[7]

- Nephrology care prior to ESRD continues to be a concern. Since the 2005 introduction of the new Medical Evidence form (2728), with fields addressing pre-ESRD care, there has been little progress made in this area (pre-ESRD data, however, should be interpreted with caution because of the potential for misreporting). Forty-one percent of new ESRD patients in 2012, for example, had not seen a nephrologist prior to beginning therapy. And among these patients, 49 percent of those on hemodialysis began therapy with a catheter, compared to 21 percent of those who had received a year or more of nephrology care. Among those with a year or more of pre-ESRD nephrologist care, 54 percent began therapy with a fistula – five times higher than the rate among non-referred patients.[8]

Additionally, DaVita's Kidney Smart program helps to improve intervention and education for pre-ESRD patients. Approximately 69% of CKD Medicare patients have never been evaluated by a nephrologist.[9] Timely CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may improve patient outcomes and reduce ESRD:

- Reduced GFR is an independent risk factor for morbidity and mortality. A reduction in the rate of decline in kidney function upon nephrologists' referrals has been associated with prolonged survival of CKD patients,

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[2] Id.

[3] Id. at 79

[4] Id.

[5] US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 160 (2013).

[6] Id.

[7] Id at 161.

[8] US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 107 (2014).

[9] Id at 4.

- Late referral to a nephrologist has been correlated with lower survival during the first 90 days of dialysis, and

- Timely referral of CKD patients to a multidisciplinary clinical team may improve outcomes and reduce cost.

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the Kidney Smart program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. DaVita's Kidney Smart program encourages CKD patients to take control of their health and make informed decisions about their dialysis care.

DaVita's IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. Through IMPACT, DaVita's physician partners and clinical team have had proven positive results in addressing the critical issues of the incident dialysis patient. The program has helped improve DaVita's overall gross mortality rate, which has fallen 28% in the last 13 years.

DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII') to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NAVII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. DaVita has worked with its physician partners and clinical teammates to reduce catheter rates by 46 percent over the last seven years.

In 2013, DaVita was the first large dialysis provider to implement a comprehensive teammate vaccination order, requiring all teammates who work in or whose jobs require frequent visits to dialysis centers to either be vaccinated against influenza or wear surgical masks in patient-care areas. WipeOut, DaVita's infection surveillance, prevention and response program, aims to help patients live longer and avoid infection-related hospitalizations. DaVita led the industry with more than 90 percent of its dialysis patients immunized for influenza in 2015.

For more than a decade, DaVita has been investing and growing its integrated kidney care capabilities. Through Patient Pathways, DaVita partners with hospitals to provide faster, more accurate ESRD patient placement to reduce the length of hospital inpatient stays and readmissions. Importantly, Patient Pathways is not an intake program. An unbiased onsite liaison, specializing in ESRD patient care, meets with both newly diagnosed and existing ESRD patients to assess their current ESRD care and provide information about insurance, treatment modalities, outpatient care, financial obligations before discharge, and grants available to ESRD patients. Patients choose a provider/center that best meets their needs for insurance, preferred nephrologists, transportation, modality and treatment schedule.

DaVita currently partners with over 350 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. Since its creation in 2007, Patient Pathways has impacted over 130,000 patients. The Patient Pathways program reduced overall readmission rates by 18 percent, reduced average patient stay by a half-day, and reduced acute dialysis treatments per patient by 11 percent. Moreover, patients are better educated and arrive at the dialysis center more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis facility. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

Since 1996, Village Health has innovated to become the country's largest renal National Committee for Quality Assurance accredited disease management program. VillageHealth's Integrated Care Management ("ICM") services partners with patients, providers and care team members to focus on the root causes of unnecessary hospitalizations such as unplanned dialysis starts, infection, fluid overload and medication management.

VillageHealth ICM services for payers and ACOs provide CKD and ESRD population health management delivered by a team of dedicated and highly skilled nurses who support patients both in the field and on the phone. Nurses use VillageHealth's industry-leading renal decision support and risk stratification software to manage a patient's coordinated needs. Improved clinical outcomes and reduced hospital readmission rates have contributed to improved quality of life for patients. As of 2014, VillageHealth ICM has delivered up to a 15 percent reduction in non-dialysis medical costs for ESRD patients, a 15 percent lower year-one mortality rate over a three-year period, and 27 percent fewer hospital readmissions compared to the Medicare benchmark. Applied to DaVita's managed ESRD population, this represents an annual savings of more than $30 million.

DaVita has long been committed to helping its patients receive a thorough kidney transplant education within 30 days of their first dialysis treatment. Patients are educated about the step-by-step transplant process and requirements, health benefits of a transplant and the transplant center options available to them. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers: dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients.

DaVita Rx, the first and largest licensed, full-service U.S. renal pharmacy, focuses on the unique needs of dialysis patients. Since 2005, DaVita Rx has been helping improve outcomes by delivering medications to dialysis centers or to patients' homes, making it easier for patients to keep up with their drug regimens. DaVita Rx patients have medication adherence rates greater than 80%, almost double that of patients who fill their prescriptions elsewhere, and are correlated with 40% fewer hospitalizations.

DaVita has been repeatedly recognized for its commitment to its employees (or teammates), particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. Victory Media, publisher of GI Jobs® and *Military Spouse Magazine*, recently recognized DaVita as the best 2016 Military Friendly Employer in the health care industry and 34th among all industries. Companies competed for the elite Military Friendly® Employer title by completing a data-driven survey. Criteria included a benchmark score across key programs and policies, such as the strength of company military recruiting efforts, percentage of new hires with prior military service, retention programs for veterans, and company policies on National Guard and Reserve service. DaVita was also named as a Civilianjobs.com Most Valuable Employer (MVE) for Military winner for five consecutive years. The MVE was open to all U.S.-based companies, and winners were selected based on surveys in which employers outlined their recruiting, training and retention plans that best serve military service members and veterans.

In May 2015, DaVita was certified by WorldBlu as a "Freedom-Centered Workplace." For the eighth consecutive year, DaVita appeared on WorldBlu's list, formerly known as "most democratic" workplaces. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the fourth consecutive year, DaVita was recognized as a Top Workplace by The Denver Post. DaVita was named a Silver LearningElite organization for 2014 by Chief Learning Officer magazine for creating and

implementing exemplary teammate development practices that deliver measurable business value. DaVita ranked No. 29 in a record breaking field of more than 200 companies. Finally, DaVita has been recognized as one of Fortune® Magazine's Most Admired Companies in 2016 – for the ninth consecutive year and tenth year overall DaVita has appeared on the list.

DaVita is also committed to sustainability and reducing its carbon footprint. In fact, it is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. On March 9, 2016, the U.S. Green Building Council announced DaVita's world headquarters building was awarded LEED Platinum Certification for Operations and Maintenance. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Newsweek Green Rankings recognized DaVita as a 2015 Top Green Company in the United States, and it has appeared on the list every year since the inception of the program in 2009. Furthermore, DaVita annually saves approximately 8 million pounds of medical waste through dialyzer reuse and it also diverts more than 85% of its waste through composting and recycling programs. In addition, DaVita was also recognized as an "EPA Green Power Partner" by the U.S. Environmental Protection Agency.

DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding to kidney disease awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. Its own employees, or members of the "DaVita Village," assist in these initiatives. In 2015, more than 550 riders participated in Tour DaVita, DaVita's annual charity bike ride, which raised $1.2 million to support Bridge of Life. Bridge of Life serves thousands of men, women and children around the world through kidney care, primary care, education and prevention and medically supported camps for kids. DaVita Way of Giving program donated $2 million in 2015 to locally based charities across the United States. In honor of Earth Day 2015, more than 1,600 DaVita teammates and their families and friends volunteered over 5,400 hours through 110 environmental service projects in their local communities.

DaVita does not limit its community engagement to the U.S. alone. In 2015, Bridge of Life, the primary program of DaVita Village Trust, an independent 501(c)(3) nonprofit organization, completed more than 30 international medical missions and over 50 domestic missions and CKD screening events. More than 300 DaVita volunteers supported these missions, impacting nearly 17,000 men, women and children in 15 countries.

1. Neither the Centers for Medicare and Medicaid Services nor the Illinois Department of Public Health ("IDPH") has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.

2. A list of health care facilities owned or operated by the Applicants in Illinois is attached at Attachment – 11C. Dialysis facilities are currently not subject to State Licensure in Illinois.

   Certification that no adverse action has been taken against either of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11D.

3. An authorization permitting the Illinois Health Facilities and Services Review Board ("State Board") and IDPH access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11D.

News Release Archive

For Third Straight Year, DaVita Kidney Care Leads Dialysis Industry in Clinical Performance

Company outperforms all other major kidney care providers in federal Quality Incentive Program and Five-Star Quality Rating system

DENVER, March 3, 2016 /PRNewswire/ -- DaVita Kidney Care, a division of DaVita HealthCare Partners Inc. (NYSE: DVA) and a leading provider of kidney care services, is the clinical leader in the Quality Incentive Program (QIP) from the Centers for Medicare & Medicaid Services (CMS) for the third year in a row. Nationwide, only 1.4 percent of DaVita® centers did not meet QIP standards, significantly outperforming other large dialysis providers.

The data is based on 2014 center performance and was published in January 2016 by CMS.

The results showed DaVita leading in key measures of kidney care for the third consecutive year. Overall, the industry improved, moving from 5.6 percent of clinics not meeting QIP standards in the 2013 QIP to 5.3 percent for the 2014 QIP.

"We are proud of the dedication of our physician partners and caregivers," said Javier Rodriguez, CEO for DaVita Kidney Care. "Their commitment and compassion drives the best care and outcomes for patients treating at DaVita."

According to the data released by CMS in mid-January, DaVita ranked first in four clinical measures in the end stage renal disease (ESRD) QIP program.

QIP is part of Medicare's ESRD program aimed at improving the quality of care provided to Medicare patients. It was designed and passed into law in part to be the nation's first pay-for-performance quality incentive program. CMS describes QIP as a "first-of-its-kind program [that] provides the ESRD community with the opportunity to enhance the overall quality of care that ESRD patients receive as they battle this devastating disease."

"Quality matters to us and to our patients," said Allen R. Nissenson, M.D., FACP, chief medical officer of DaVita Kidney Care. "For 15 straight years, we have improved clinical outcomes, helping our patients live longer, higher quality lives."

The ESRD QIP reduces payments to dialysis centers that do not meet or exceed certain performance standards. DaVita outperformed other kidney care providers with 98.6 percent of the company's centers ranking in the top clinical performance tier.

In October 2015, DaVita also distinguished itself as the clinical leader in the CMS Five-Star Quality Rating System by operating twice as many four- and five-star centers as other major dialysis providers.

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita HealthCare Partners Inc., a Fortune 500® company that, through its operating divisions, provides a variety of health care services to

patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of December 31, 2015, DaVita Kidney Care operated or provided administrative services at 2,251 outpatient dialysis centers located in the United States serving approximately 180,000 patients. The company also operated 118 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

About DaVita HealthCare Partners

DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of December 31, 2015, DaVita Kidney Care operated or provided administrative services at 2,251 outpatient dialysis centers located in the United States serving approximately 180,000 patients. The company also operated 118 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico, Florida and Colorado in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of December 31, 2015 HealthCare Partners provided integrated care management for approximately 807,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

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SOURCE DaVita Kidney Care

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http://pressreleases.davitahealthcarepartners.com/2016-03-03-For-Third-Straight-Year-DaVita-Kidney-Care-Leads-Dialysis-Industry-in-Clinical-Performance

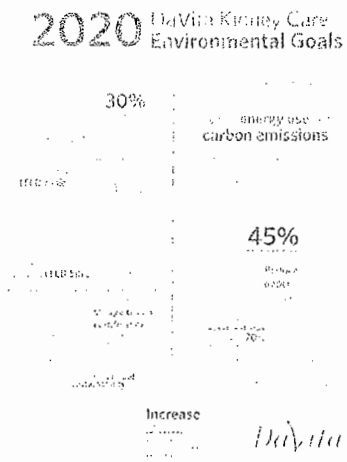
News Release Archive

DaVita World Headquarters Awarded LEED Platinum Certification by U.S. Green Building Council

Company Stewards Resources with 2020 Environmental Goals

DENVER, March 9, 2016 /PRNewswire/ -- DaVita HealthCare Partners Inc. (NYSE: DVA), a leading independent medical group and a leading provider of kidney care services in the United States, today announced its world headquarters building was awarded LEED Platinum Certification for Operations and Maintenance by the U.S. Green Building Council.

"We believe in the connection between a healthy environment and the health of our patients and teammates," said Kent Thiry, CEO of DaVita HealthCare Partners. "Our environmental goals challenge us to steward resources while delivering high quality patient care."



DaVita World Headquarters is the fourth LEED Platinum building in Denver and fifth in Colorado. The LEED Platinum certification is the highest recognition a building can earn from the U.S. Green Building Council.

The building was awarded points for:

- **Alternative Commuting Transportation:** Nearly 75 percent of teammates take public transportation, bike or walk to work.
- **Water Reduction:** Teammates helped reduce indoor plumbing fixture & potable water use by nearly 45 percent.
- **Waste Management:** Teammates helped increase the building's waste diversion rate (rate diverted from landfill) from nearly 30 percent to nearly 70 percent through composting and recycling.
- **Optimized Energy Efficiency Performance:** The building achieved 15/18 points possible because it has an Energy Star score of 90. A score of 75 indicates a high-performing building.

DaVita Kidney Care also set new five-year environmental commitment goals. The plan focuses on opportunities to continue reducing its environmental impact on energy and water use, waste production and building and supply chain management across the country.

DaVita Kidney Care organized its 2020 Environmental Goals into five categories:

- **Energy**: Reduce energy use and carbon emissions by 10 percent per treatment.
- **Water**: Reduce water use by 30 percent per treatment.
- **Buildings**: Build one new LEED-certified clinic as a prototype, certify major offices as LEED Silver and implement internal certification for remaining buildings.
- **Waste**: Increase solid waste recycling to 45 percent and transition to reusable sharps containers in 70 percent of chronic care facilities.

- **Supply Chain**: Increase availability of environmentally preferable products and equipment, reduce packaging and conduct annual reviews with national vendors to assess sustainability practices.

DaVita Kidney Care set its 2020 environmental commitment plan with higher benchmarks of similar goals outlined for 2015. The company met or surpassed three out of the five 2015 goals, including reducing water use by 30 percent per treatment and increasing procurement of environmentally preferable products and equipment.

For more information on DaVita's environmental commitment and sustainability practices, visit DaVita.com/CSR.

About DaVita HealthCare Partners
DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of December 31, 2015, DaVita Kidney Care operated or provided administrative services at 2,251 outpatient dialysis centers located in the United States serving approximately 177,000 patients. The company also operated 118 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico, Florida and Colorado in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of December 31, 2015 HealthCare Partners provided integrated care management for approximately 808,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

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SOURCE DaVita HealthCare Partners

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http://pressreleases.davitahealthcarepartners.com/2016-03-09-DaVita-World-Headquarters-Awarded-LEED-Platinum-Certification-by-U-S-Green-Building-Council

News Release Archive

DaVita Celebrates World Kidney Day and National Kidney Month

National Kidney Month provides reminder to know your risk of kidney disease

DENVER, March 10, 2016 /PRNewswire/ -- DaVita Kidney Care, a division of DaVita HealthCare Partners Inc. (NYSE: DVA) and a leading provider of kidney care services, today encourages individuals around the world to know their risk of kidney disease in honor of National Kidney Month and World Kidney Day, celebrated globally on March 10.

An estimated 31 million adults in the U.S. have chronic kidney disease, approximately one in 10. Despite the large number, many remain unaware of their risk for not only kidney disease, but also kidney failure as it is typically symptomless until later stages.

Jordan Bupp knows firsthand the difficulties of having kidney disease and learning to persevere through adversity. "Dialysis is not slowing me down. Your life isn't over. In this seemingly dark place, you can find good in it. Tomorrow is another day," said Bupp, a peritoneal dialysis patient with DaVita Kidney Care.

If kidney disease is detected in early stages, the progression can usually be slowed or prevented altogether. If allowed to progress into kidney failure, a person must get a transplant or start dialysis in order to survive.

Those with diabetes and high blood pressure are at the greatest risk for developing or having kidney disease. Other major risk factor groups include minority populations who are disproportionately affected – particularly African-Americans, Hispanics and American Indians. Additional risk factors include people with cardiovascular disease, obesity, high cholesterol, lupus and a family history of the disease.

According to statistics from the Centers for Disease Control and Prevention:

- One in three people with diabetes has kidney disease.
- One in five people with high blood pressure has kidney disease.
- African-Americans are about three and a half times more likely to develop kidney failure than whites.
- Hispanics are one and a half times more likely to develop kidney failure than non-Hispanics.

DaVita Kidney Care provides a breadth of resources to help those living with kidney disease to manage their health, stay employed and maintain a high-quality of life with kidney disease. DaVita Kidney Care's top priority is patient quality of life. DaVita Kidney Care is the clinical leader in two programs from the Centers for Medicare and Medicaid Services (CMS). 46 percent of DaVita's centers are rated with four or five stars compared to 23 percent for other major providers in the CMS Five-Star Quality Rating System. In addition, results from CMS' Quality Incentive Program show that DaVita Kidney Care outperformed the industry in every category with 98.6 percent of its centers being among the top clinical performance tiers in the country.

DaVita Kidney Care resources include:

- myDaVita – an online community dedicated to helping manage your health, find support from others, and engage family and friends in an interactive forum. Sign up at DaVita.com/JoinMyDaVita to share stories, gain insights and connect with others.
- DaVita Diet Helper – Take control of your health through diet management – a significant way to delay the progression of kidney disease. In addition to 1,000-plus kidney-friendly recipes, DaVita Diet Helper™ offers a way to track potassium, phosphorus and sodium levels. Learn more at DaVita.com/MyDietHelper.
- Find a Nephrologist – It is important to find the right nephrologist to help you manage your kidney disease. Visit DaVita.com/FAD to locate a nearby nephrologist.
- Stay Employed – Working while on dialysis can have both physical and emotional benefits, including lower rates of depression, fewer hospitalizations, and higher scores on general health and vitality tests. Find out more about the benefits of working and how to have conversations about kidney disease with your employer at DaVita.com/WorkingBenefits.

To take the quiz and learn about risk factors and access other kidney disease resources, please visit DaVita.com/LearnYourRisk.

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita HealthCare Partners Inc., a Fortune 500® company that, through its operating divisions, provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of December 31, 2015, DaVita Kidney Care operated or provided administrative services at 2,251 outpatient dialysis centers located in the United States serving approximately 180,000 patients. The company also operated 118 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit DaVita.com.

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News Release Archive

DaVita HealthCare Partners Celebrates 10 Years Among FORTUNE Magazine's World's Most Admired Companies

Company's Award-winning Culture Helps Deliver Leading Quality Care

DENVER, March 16, 2016 /PRNewswire/ -- DaVita HealthCare Partners Inc. (NYSE: DVA), a leading independent medical group and a leading provider of kidney care services in the United States, today announced the company has been recognized as one of FORTUNE® Magazine's World's Most Admired Companies in 2016. This is the ninth consecutive year and 10th year overall the company has appeared on the list.

In addition to being named to the list, DaVita HealthCare Partners ranked first in innovation for the health care medical facilities category for the sixth time.

"Thank you to our teammates and physicians who go above and beyond every day to provide exceptional care for our patients," said Kent Thiry, chairman and CEO of DaVita HealthCare Partners. "So many of our teammates put patients first and care for each other with the same intensity that they care for their patients."

DaVita Kidney Care is the recognized clinical leader according to two government reports, the Centers for Medicare and Medicaid Services' (CMS) Quality Incentive Program and Five-Star Quality Star Rating System. For the third year in a row, DaVita outperformed other major dialysis providers in the Quality Incentive Program and for the second year, outperformed the industry by two times in the Five-Star Quality Rating System. According to the 2016 ratings, 46 percent of DaVita centers are rated with four or five stars, compared to 23 percent for all other dialysis providers combined.

FORTUNE surveys company executives, board members and industry analysts to compile its rankings. Other factors include people management, use of corporate assets, quality of management, financial soundness, long-term investment and global competitiveness.

Learn how DaVita HealthCare Partners' award-winning culture helps deliver quality patient care at DaVita.com/CSR.

About DaVita HealthCare Partners

DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of Dec. 31, 2015, DaVita Kidney Care operated or provided administrative services at 2,251 outpatient dialysis centers located in the United States serving approximately 180,000 patients. The company also operated 118 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico, Florida and Colorado in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of Dec. 31, 2015 HealthCare Partners provided integrated care management for approximately 807,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

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SOURCE DaVita HealthCare Partners Inc.

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http://pressreleases.davitahealthcarepartners.com/2016-03-16-DaVita-HealthCare-Partners-Celebrates-10-Years-Among-FORTUNE-Magazines-Worlds-Most-Admired-Companies

DaVita HealthCare Partners Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008	
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650
Calumet City Dialysis	1200 SIBLEY BOULEVARD		CALUMET CITY	COOK	IL	60409	
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482	
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEPORT	STEPHENSON	IL	61032-6712	14-2747
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622
Huntley Dialysis	10350 HALIGUS ROAD		HUNTLEIY	MCHENRY	IL	60142	
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633

DaVita HealthCare Partners Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582
Lincoln Park Dialysis	3157 N LINCOLN AVE		CHICAGO	COOK	IL	60657-3111	14-2528
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505
Machesney Park Dialysis	6950 NORTH PERRYVILLE ROAD		MACHESNEY PARK	WINNEBAGO	IL	61115	
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE		HILLSBORO	MONTGOMERY	IL	62049	
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732
Park Manor Dialysis	95TH STREET & COLFAX AVENUE		CHICAGO	COOK	IL	60617	
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714

DaVita HealthCare Partners Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733
Stonecrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767
Timber Creek Dialysis	1001 S. ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477	
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693
Vermilion County Dialysis	22 WEST NEWELL ROAD		DANVILLE	VERMILION	IL	61834	
Washington Heights Dialysis	10620 SOUTH HALSTED STREET		CHICAGO	COOK	IL	60628	
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719

DaVita HealthCare Partners Inc.							
Illinois Facilities							
Regulatory Name	**Address 1**	**Address 2**	**City**	**County**	**State**	**Zip**	**Medicare Certification Number**
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608	14-2783
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310

DaVita. | HealthCare Partners.

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

Dear Chair Olson:

I hereby certify under penalty of perjury as provided in § 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 any in-center dialysis facility owned or operated by DaVita HealthCare Partners Inc. or Machesney Bay Dialysis, LLC in the State of Illinois during the three year period prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 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 documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This ___ day of _____, 2016

See Attached

Notary Public

2000 16th Street, Denver, CO 80202 | P (303) 876-6000 | F (310) 536-2675 | DaVitaHealthcarePartners.com

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 9, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public - California
Los Angeles County
Comm. Expires Jan 25, 2018

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K. Olson re CON Application (Forest City Rockford)

Document Date: March 9, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer — Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

Section III, Background, Purpose of the Project, and Alternatives – Information Requirements
Criterion 1110.230(b) – Background, Purpose of the Project, and Alternatives

1. Purpose of Project

The purpose of the project is to improve access to life sustaining dialysis services to the residents of the West side of Rockford. There are 4 dialysis facilities within 30 minutes of the proposed Forest City Rockford Dialysis that have been operational for at least 2 years. Collectively, the 4 facilities were operating at 93.8% as of December 31, 2015 and lack sufficient capacity to accommodate ESRD patients Dr. Murdakes projects will need dialysis services. Based upon data from The Renal Network, there were 463 ESRD patients residing within 30 minutes of the proposed Forest City Rockford Dialysis, and that number is projected to increase. The U.S. Centers for Disease Control and Prevention estimates 10% of American adults have some level of CKD. Further, the National Kidney Fund of Illinois estimates over 1 million Illinoisans have CKD and most do not know it. Kidney disease is often silent until the late stages when it can be too late to head off kidney failure. As more working families obtain health insurance through the Affordable Care Act (or ACA)[10] and 1.5 million Medicaid beneficiaries transition from traditional fee for service Medicaid to Medicaid managed care,[11] more individuals in high risk groups will have better access to primary care and kidney screening. As a result of these health care reform initiatives, there will likely be tens of thousands of newly diagnosed cases of CKD in the years ahead. Once diagnosed, many of these patients will be further along in the progression of CKD due to the lack of nephrologist care prior to diagnosis. It is imperative that enough stations are available to treat this new influx of ESRD patients, who will require dialysis in the next couple of years.

Charlene Murdakes' practice, RNA of Rockford, LLC, is currently treating 3,105 Stage 3, 4, and 5 CKD patients that reside within 30 minutes of the proposed site for Forest City Rockford Dialysis. 110 Stage 4 or Stage 5 patients reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, Dr. Murdakes anticipates at least 68 of the current 110 Stage 4 or Stage 5 CKD patients that reside within 10 minutes of the proposed site will require dialysis within 12 to 24 months of project completion.

The establishment of a 12-station dialysis facility will improve access to necessary dialysis treatment for those individuals on the West side of Rockford who suffer from ESRD. ESRD patients are typically chronically ill individuals and adequate access to dialysis services is essential to their well-being.

Residents on the west side of Rockford are economically disadvantaged. 37.5% of residents live below the federal poverty level, compared with 14.4% of total Illinois residents. Low income residents often face financial barriers to health care and lack adequate access to primary care and kidney care screening. As a result, many of these patients are not diagnosed with CKD until the late stages when it can be too late to reverse the damage.

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[10] According to data from the federal government nearly 350,000 Illinois residents enrolled in a health insurance program through the ACA (See DEP'T OF HEALTH & HUMAN SERVS., OFFICE OF THE ASSISTANT SEC'Y FOR PLANNING AND EVALUATION, HEALTH INSURANCE MARKETPLACES 2015 OPEN ENROLLMENT PERIOD: MARCH ENROLLMENT REPORT (Mar. 10, 2015) *available at* http://aspe.hhs.gov/pdf-report/health-insurance-marketplace-2015-open-enrollment-period-march-enrollment-report (last visited Nov. 23, 2015).

[11] In January 2011, the Illinois General Assembly passed legislation mandating 50% of the Medicaid population to be covered by a managed care program by 2015.

Further, the U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA) has designated the zip code for the proposed Forest City Rockford Dialysis (61101) is in a Primary Care Health Professional Shortage Area (HPSA). As previously stated in Section 1110.230(a), access to primary care is critical in early diagnosis and treatment CKD when adverse outcomes can often be prevented or delayed.

2. A map of the market area for the proposed facility is attached at Attachment – 12. The market area encompasses an approximate 20 mile radius around the proposed facility. The boundaries of the market area are as follows:

   - North approximately 30 minutes normal travel time to South Beloit, IL.
   - Northeast approximately 30 minutes normal travel time to Caledonia, IL.
   - East approximately 30 minutes normal travel time to Belvidere, IL.
   - Southeast approximately 30 minutes normal travel time to Cherry Valley, IL.
   - South approximately 30 minutes normal travel time to Monroe Center, IL.
   - Southwest approximately 30 minutes normal travel time to Byron, IL.
   - West approximately 25 minutes normal travel time to Seward, IL.
   - Northwest approximately 20 minutes normal travel time to Durand, IL.

   The purpose of this project is to improve access to life sustaining dialysis to residents of the West side of Rockford and the immediately surrounding areas. As discussed more fully above, there is insufficient capacity within the GSA to accommodate all of the projected ESRD patients.

3. The minimum size of a GSA is 30 minutes and all of the patients who are projected require dialysis services reside within 10 minutes of the proposed facility. The proposed facility is located in Rockford, Illinois. Dr. Murdakes expects at least 68 of the current 110 Stage 4 or Stage 5 CKD patients that reside within 10 minutes of the proposed site will require dialysis within 12 to 24 months of project completion.

4. Source Information

   US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases (2013).

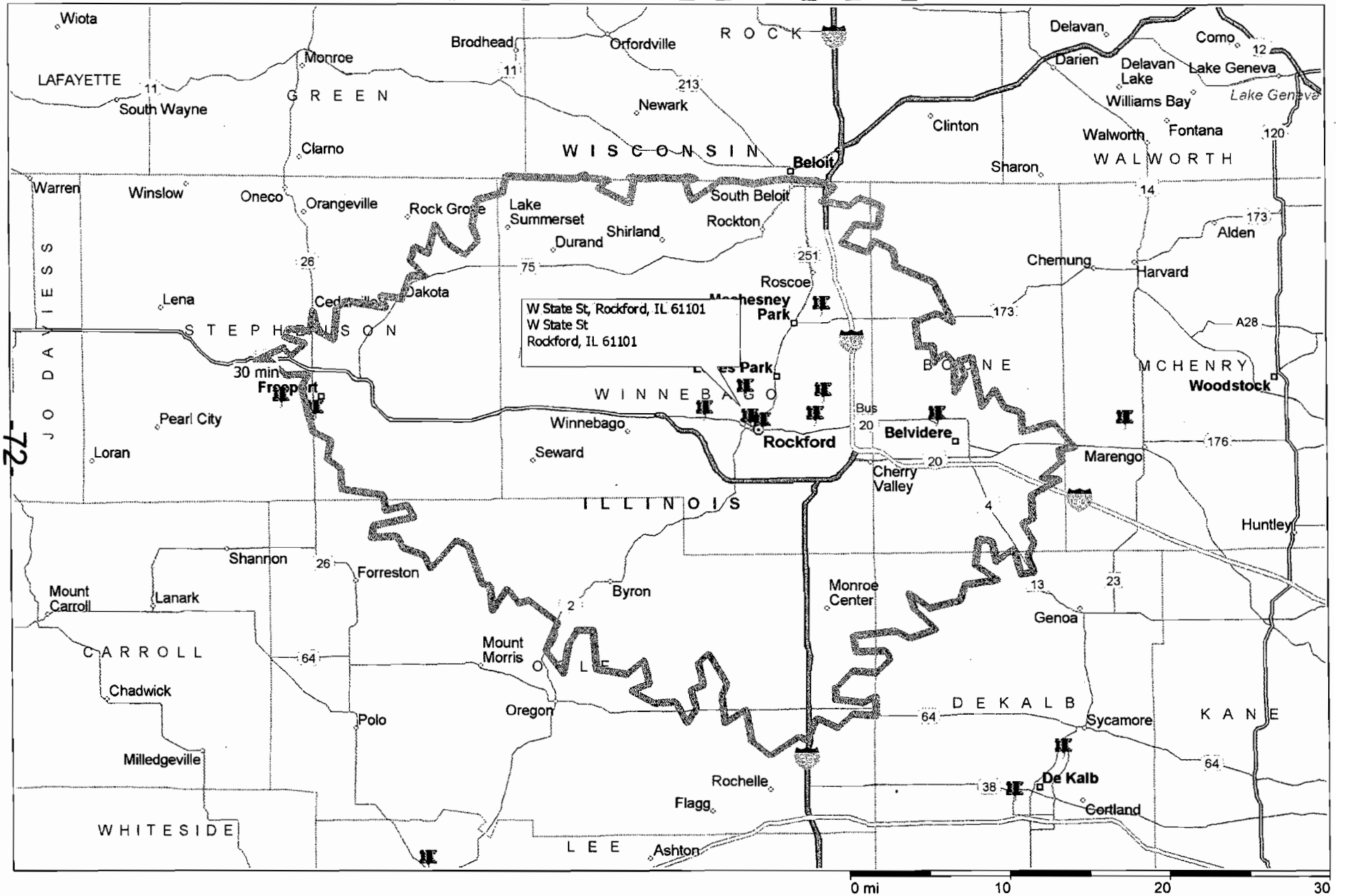
   US Renal Data System, USRDS 2014 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD (2014).

5. The proposed facility will improve access to dialysis services to the residents of the West side of Rockford and the surrounding area by establishing the proposed facility. Given the high utilization in the GSA and the increasing size of Dr. Murdakes' patient-base and other nephrologists treating patients who are residents of the West side of Rockford and the immediately surrounding areas, this facility is necessary to ensure sufficient access to dialysis services in this community.

6. The Applicants anticipate the proposed facility will have quality outcomes comparable to its other facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients,

the monetary result of which is more than $1.5 billion in savings to the health care system and the American taxpayer from 2010 – 2012.

4103_W_State_St_Rockford_IL_61101_30_Min_GSA



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Section III, Background, Purpose of the Project, and Alternatives
Criterion 1110.230(c) – Background, Purpose of the Project, and Alternatives

Alternatives

The Applicants considered two options prior to determining to establish a 12-station dialysis facility. The options considered are as follows:

1. Utilize Existing Facilities.

2. Establish a new facility.

After exploring these options, which are discussed in more detail below, the Applicants determined to establish a 12-station dialysis facility. A review of each of the options considered and the reasons they were rejected follows.

Utilize Existing Facilities

There are 4 dialysis facilities within 30 minutes of the proposed Forest City Rockford Dialysis that have been operational for at least 2 years. Collectively, the 4 facilities were operating at 93.8% as of December 31, 2015 and lack sufficient capacity to accommodate the ESRD patients that Dr. Murdakes projects will need dialysis services. Based upon data from The Renal Network, there were 463 ESRD patients residing within 30 minutes of the proposed Forest City Rockford Dialysis, and that number is projected to increase. The U.S. Centers for Disease Control and Prevention estimates 10% of American adults have some level of CKD. Further, the National Kidney Fund of Illinois estimates over 1 million Illinoisans have CKD and most do not know it. Kidney disease is often silent until the late stages when it can be too late to head off kidney failure. As more working families obtain health insurance through the Affordable Care Act (or ACA)[12] and 1.5 million Medicaid beneficiaries transition from traditional fee for service Medicaid to Medicaid managed care,[13] more individuals in high risk groups will have better access to primary care and kidney screening. As a result of these health care reform initiatives, there will likely be tens of thousands of newly diagnosed cases of CKD in the years ahead. Once diagnosed, many of these patients will be further along in the progression of CKD due to the lack of nephrologist care prior to diagnosis. It is imperative that enough stations are available to treat this new influx of ESRD patients, who will require dialysis in the next couple of years.

Charlene Murdakes' practice, RNA of Rockford, LLC, is currently treating 3,105 Stage 3, 4, and 5 CKD patients that reside within 30 minutes of the proposed site for Forest City Rockford Dialysis. 110 of the Stage 4 or Stage 5 CKD patients reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, Dr. Murdakes anticipates at least 68 of the current 110 Stage 4 or Stage 5 CKD patients that reside within 10 minutes of the proposed site will require dialysis within 12 to 24 months of project completion.

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[12] According to data from the federal government nearly 350,000 Illinois residents enrolled in a health insurance program through the ACA (See DEP'T OF HEALTH & HUMAN SERVS., OFFICE OF THE ASSISTANT SEC'Y FOR PLANNING AND EVALUATION, HEALTH INSURANCE MARKETPLACES 2015 OPEN ENROLLMENT PERIOD: MARCH ENROLLMENT REPORT (Mar. 10, 2015) *available at* http://aspe.hhs.gov/pdf-report/health-insurance-marketplace-2015-open-enrollment-period-march-enrollment-report (last visited Nov. 23, 2015).

[13] In January 2011, the Illinois General Assembly passed legislation mandating 50% of the Medicaid population to be covered by a managed care program by 2015.

There is no capital cost with this alternative.

Establish a New Facility

As noted above, the existing dialysis facilities within the proposed Forest City Rockford Dialysis' GSA were operating at an average utilization of 93.8% as of December 31, 2015 and lack sufficient capacity to accommodate the ESRD patients that Dr. Murdakes projects will need dialysis services.

Residents on the west side of Rockford are economically disadvantaged. 37.5% of residents live below the federal poverty level, compared with 14.4% of total Illinois residents. Low income residents often face financial barriers to health care and lack adequate access to primary care and kidney care screening. As a result, many of these patients are not diagnosed with CKD until the late stages when it can be too late to reverse the damage.

Further, the U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA) has designated the zip code for the proposed Forest City Rockford Dialysis (61101) is in a Primary Care Health Professional Shortage Area (HPSA). As previously stated in Section 1110.230(a), access to primary care is critical in early diagnosis and treatment CKD when adverse outcomes can often be prevented or delayed.

The establishment of a 12-station dialysis facility will improve access to necessary dialysis treatment for those individuals on the West side of Rockford who suffer from ESRD. ESRD patients are typically chronically ill individuals and adequate access to dialysis services is essential to their well-being. As a result, DaVita chose this option.

The cost of this alternative is **$3,140,963**.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(a), Size of the Project

The Applicants propose to establish a 12-station dialysis facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 450-650 gross square feet per dialysis station for a total of 5,400 – 7,800 gross square feet for 12 dialysis stations. The total gross square footage of the clinical space of the proposed Forest City Rockford Dialysis is 6,700 gross square feet (or 558.33 GSF per station). Accordingly, the proposed facility meets the State standard per station.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
ESRD	6,700	5,400 – 7,800	N/A	Meets State Standard

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(b), Project Services Utilization

By the second year of operation, annual utilization at the proposed facility shall exceed HFSRB's utilization standard of 80%. Pursuant to Section 1100.1430 of the HFSRB's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. Dr. Murdakes is currently treating 110 Stage 4 or Stage 5 CKD patients that reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility, and whose condition is advancing to ESRD. See Appendix - 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, it is estimated that 68 of these patients will initiate dialysis within 12 to 24 months following project completion.

Table 1110.234(b)
Utilization

	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
Year 2	ESRD	N/A	10,608	8,986	Yes

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(c), Unfinished or Shell Space

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(d), Assurances

This project will not include unfinished space designed to meet an anticipated future demand for service. Accordingly, this criterion is not applicable.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430, In-Center Hemodialysis Projects – Review Criteria

1. Planning Area Need

The Applicants propose to establish a 12-station dialysis facility to be located at 4103 West State Street, Rockford, Illinois 61101. As shown in Attachment – 26A, there are 4 dialysis facilities within 30 minutes of the proposed Forest City Rockford Dialysis that have been operational for at least 2 years. Collectively, the 4 facilities were operating at a utilization rate of 93.8% as of December 31, 2015 and lack sufficient capacity to accommodate the ESRD patients that Dr. Murdakes projects will need dialysis services. Based upon data from The Renal Network, there were 463 ESRD patients residing within 30 minutes of the proposed Forest City Rockford Dialysis, and that number is projected to increase. The U.S. Centers for Disease Control and Prevention estimates 10% of American adults have some level of CKD. Further, the National Kidney Fund of Illinois estimates over 1 million Illinoisans have CKD and most do not know it. Kidney disease is often silent until the late stages when it can be too late to head off kidney failure. As more working families obtain health insurance through the Affordable Care Act (or ACA)[14] and 1.5 million Medicaid beneficiaries transition from traditional fee for service Medicaid to Medicaid managed care,[15] more individuals in high risk groups will have better access to primary care and kidney screening. As a result of these health care reform initiatives, there will likely be tens of thousands of newly diagnosed cases of CKD in the years ahead. Once diagnosed, many of these patients will be further along in the progression of CKD due to the lack of nephrologist care prior to diagnosis. It is imperative that enough stations are available to treat this new influx of ESRD patients, who will require dialysis in the next couple of years.

Charlene Murdakes' practice, RNA of Rockford, LLC, is currently treating 3,105 Stage 3, 4, and 5 CKD patients that reside within 30 minutes of the proposed site for Forest City Rockford Dialysis. 110 of the Stage 4 or Stage 5 CKD patients reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility. See Appendix – 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, Dr. Murdakes anticipates at least 68 of the current 110 Stage 4 or Stage 5 CKD patients that reside within 10 minutes of the proposed site will require dialysis within 12 to 24 months of project completion. The establishment of a 12-station dialysis facility will improve access to necessary dialysis treatment for those individuals on the West side of Rockford who suffer from ESRD. ESRD patients are typically chronically ill individuals and adequate access to dialysis services is essential to their well-being.

Residents on the west side of Rockford are economically disadvantaged. 37.5% of residents live below the federal poverty level, compared with 14.4% of total Illinois residents. Low income residents often face financial barriers to health care and lack adequate access to primary care and kidney care screening. As a result, many of these patients are not diagnosed with CKD until the late stages when it can be too late to reverse the damage.

Further, the U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA) has designated the zip code for the proposed Forest City Rockford Dialysis (61101) is in a Primary Care Health Professional Shortage Area (HPSA). As previously stated in

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[14] According to data from the federal government nearly 350,000 Illinois residents enrolled in a health insurance program through the ACA (See DEP'T OF HEALTH & HUMAN SERVS., OFFICE OF THE ASSISTANT SEC'Y FOR PLANNING AND EVALUATION, HEALTH INSURANCE MARKETPLACES 2015 OPEN ENROLLMENT PERIOD: MARCH ENROLLMENT REPORT (Mar. 10, 2015) *available at* http://aspe.hhs.gov/pdf-report/health-insurance-marketplace-2015-open-enrollment-period-march-enrollment-report (last visited Nov. 23, 2015).

[15] In January 2011, the Illinois General Assembly passed legislation mandating 50% of the Medicaid population to be covered by a managed care program by 2015.

Section 1110.230(a), access to primary care is critical in early diagnosis and treatment CKD when adverse outcomes can often be prevented or delayed.

2. Service to Planning Area Residents

The primary purpose of the proposed project is to maintain access to life-sustaining dialysis services to the residents of the West side of Rockford. As evidenced in the letter from Dr. Murdakes attached at Appendix - 1, 110 late stage pre-ESRD patients reside within 10 minutes of the proposed facility.

3. Service Demand

Attached at Appendix - 1 is a letter from Dr. Murdakes and a schedule of pre-ESRD and current patients by zip code. A summary of the home ZIP code of current CKD patients, of which many are projected to progress to ESRD and seek dialysis within the first two years after project completion, is provided in Table 1110.1430(b)(3)(B) below.

Table 1110.1430(c)(3)(B) Pre-ESRD Patients by Zip Code

Zip Code	Total Patients
61101	48
61102	44
61103	18
Total	**110**

4. Service Accessibility

As set forth throughout this application, the proposed facility is needed to maintain access to life-sustaining dialysis for residents of the West side of Rockford. Currently, there are 4 dialysis facilities that have been in operation for at least 2 years, within 30 minutes of the proposed Forest City Rockford Dialysis. The 4 facilities were operating at an average utilization of 93.8% as of December 31, 2015 and lack sufficient capacity to accommodate the ESRD patients that Dr. Murdakes projects will need dialysis services.

End Stage Renal Disease Facility	Address	City	Distance	Drive Time	Adjusted Drive Time	12-31-2015 Stations	12-31-2015_Patients	12-31-2015 Utilization
Stonecrest Dialysis	1302 East State Street	Rockford	3.78	8	9.2	11	62	93.94%
Rockford Memorial Hospital	2400 North Rockton Avenue	Rockford	3.89	7	8.05	22	127	96.21%
Roxbury Dialysis	612 Roxbury Road	Rockford	7.71	15	17.25	16	97	101.04%
Churchview Dialysis - East Rockford	5970 Churchview Drive	East Rockford	8.44	16	18.4	24	125	86.81%
Machesney Park Dialysis*	6950 North Perryville Road	Machesney Park	12.38	17	19.55	12	0	0.00%
Belvidere Dialysis*	1751 Henry Luckow Lane	Belvidere	21.51	24	27.6	12	0	0.00%
TOTAL						97	411	**70.62%**
TOTAL excluding Facilities Operational < 2 Yrs*						73	411	**93.84%**

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(c), Unnecessary Duplication/Maldistribution

1. Unnecessary Duplication of Services

a. The proposed dialysis facility will be located at 4103 West State Street, Rockford, Illinois 61101. A map of the proposed facility's market area is attached at Attachment – 26B. A list of all zip codes located, in total or in part, within 30 minutes normal travel time of the site of the proposed dialysis facility as well as 2010 census figures for each zip code is provided in Table 1110.1430(d)(1)(A).

Table 1110.1430(d)(1)(A)
Population of Zip Codes within
30 Minutes of Proposed Facility

ZIP Code	City	Population
61010	BYRON	8,032
61084	STILLMAN VALLEY	3,175
61020	DAVIS JUNCTION	3,108
61052	MONROE CENTER	1,148
61016	CHERRY VALLEY	4,837
61067	RIDOTT	811
61070	ROCK CITY	1,130
61077	SEWARD	73
61063	PECATONICA	4,132
61019	DAVIS	3,550
61088	WINNEBAGO	6,020
61102	ROCKFORD	20,538
61101	ROCKFORD	21,593
61024	DURAND	2,620
61079	SHIRLAND	188
61072	ROCKTON	11,797
61104	ROCKFORD	19,269
61109	ROCKFORD	28,333
61103	ROCKFORD	24,578
61108	ROCKFORD	28,550
61112	ROCKFORD	86
61107	ROCKFORD	30,439
61114	ROCKFORD	15,776
61111	LOVES PARK	23,492
61080	SOUTH BELOIT	10,599
61115	MACHESNEY PARK	23,180
61073	ROSCOE	20,052

Table 1110.1430(d)(1)(A) Population of Zip Codes within 30 Minutes of Proposed Facility		
ZIP Code	**City**	**Population**
61011	CALEDONIA	2,945
Total		**320,051**

Source: U.S. Census Bureau, Census 2010, American Factfinder *available at* http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk (last visited March 2, 2016).

b. A list of existing and approved dialysis facilities located within 30 minutes normal travel time of the proposed dialysis facility is provided at Attachment – 26A.

2. Maldistribution of Services

The proposed dialysis facility will not result in a maldistribution of services. A maldistribution exists when an identified area has an excess supply of facilities, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the State Average; (2) historical utilization for existing facilities and services is below the HFSRB's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards. As discussed more fully below, the ratio of stations to population is 88.6% of the State average; the average utilization of the existing dialysis facilities that have been operational for at least 2 years is 93.8%, and sufficient population exists to achieve target utilization. Accordingly, the proposed dialysis facility will not result in a maldistribution of services.

a. Ratio of Stations to Population

As shown in Table 1110.1430(d)(2)(A) the ratio of stations to population is 88.6% of the State Average.

Table 1110.1430(d)(2)(A) Ratio of Stations to Population				
	Population	**Dialysis Stations**	**Stations to Population**	**Standard Met?**
Geographic Service Area	320,051	97	1:3,299	Yes
State	12,830,632	4,388	1:2,924	

b. Historic Utilization of Existing Facilities

There are 4 dialysis facilities within 30 minutes of the proposed Forest City Rockford Dialysis that have been operational for at least 2 years. Their average utilization was 93.8% as of December 31, 2015. There will be no maldistribution of services. Additional stations are necessary to adequately meet the rising demand of the pre-ESRD patient population in the area.

c. Sufficient Population to Achieve Target Utilization

The Applicants propose to establish a 12-station dialysis facility. To achieve the HFSRB's 80% utilization standard within the first two years after project completion, the Applicants would need 58 ESRD patients. Dr. Murdakes is currently treating 110 Stage 4 or Stage 5 CKD patients that reside in 3 nearby ZIP codes, all within a 10 minute commute to the

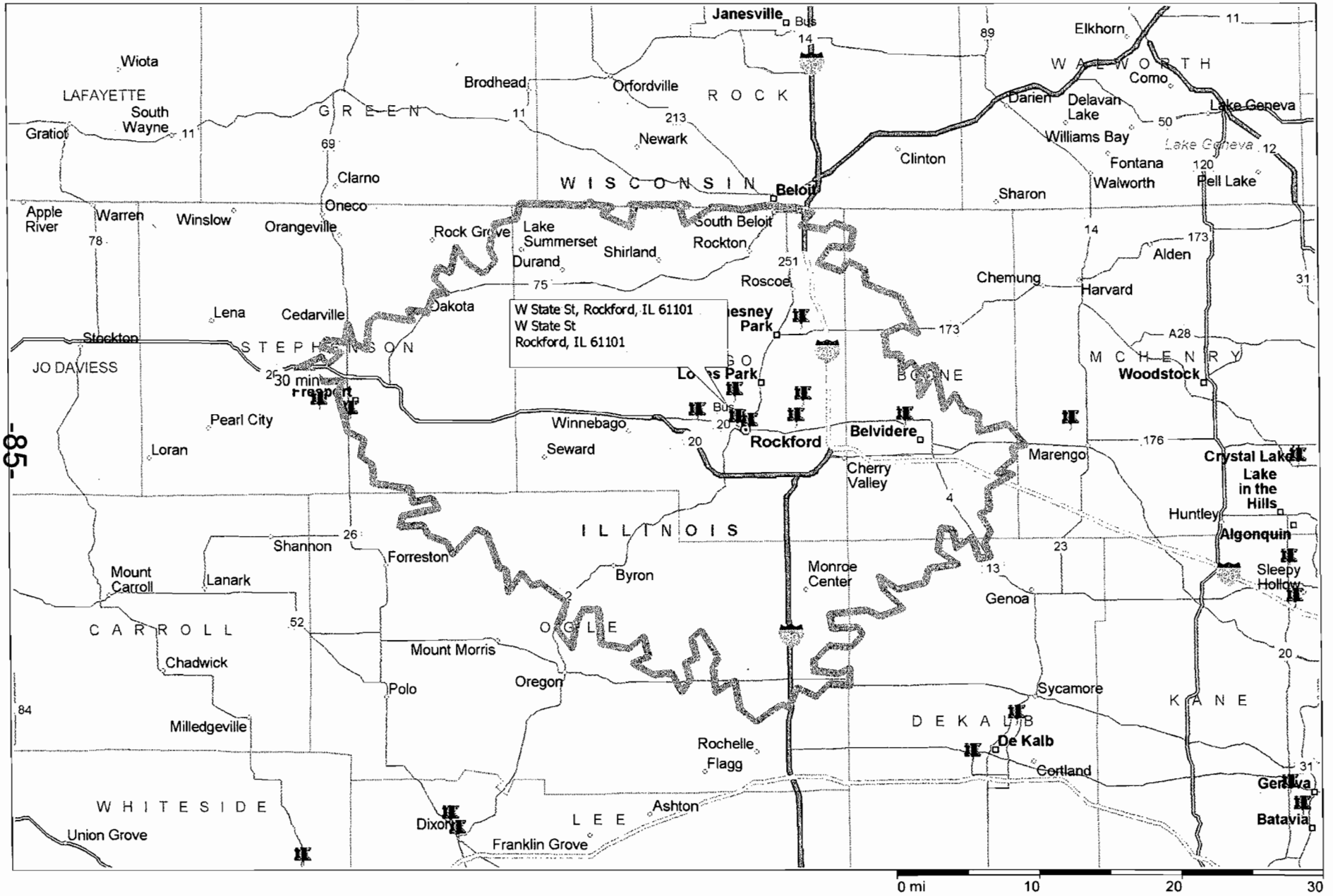
proposed facility. See Appendix – 1. Conservatively, based upon attrition due patient death, transplant, return of function, or relocation, Dr. Murdakes anticipates that at least 68 of these patients will initiate dialysis within 12 to 24 months following project completion. Accordingly, there is sufficient population to achieve target utilization.

3. Impact to Other Providers

   a. The proposed dialysis facility will not have an adverse impact on existing facilities in the GSA. As discussed throughout this application, the utilization of existing dialysis facilities operating for over 2 years and within 30 minutes of the proposed Forest City Rockford Dialysis is 93.8%. No patients are expected to transfer from the existing dialysis facilities to the proposed Forest City Rockford Dialysis.

   b. There are 4 existing dialysis facilities that have been operating for 2 or more years within the proposed 30 minute GSA for Forest City Rockford Dialysis. As of December 31, 2015, the 4 facilities were operating at an average utilization of 93.8%. Based upon data from The Renal Network, there were 463 ESRD patients residing within 30 minutes of the proposed Forest City Rockford Dialysis. This growth is anticipated to continue to increase for the foreseeable future. Due to health care reforms like the ACA and the transition to Medicaid managed care, more individuals in high risk groups will have better access to primary care and kidney screening. As a result of these health care reform initiatives, there will likely be tens of thousands of newly diagnosed cases of CKD in the years ahead. Once diagnosed, many of these patients will be further along in the progression of CKD due to the lack of nephrologist care prior to diagnosis. It is imperative that enough stations are available to treat this new influx of ESRD patients, who will require dialysis in the next couple of years. Accordingly, there will be insufficient capacity for Dr. Murdakes' projected ESRD patients.

4103_W_State_St_Rockford_IL_61101_30_Min_GSA



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Attachment - 26B

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Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(e), Staffing

1. The proposed facility will be staffed in accordance with all State and Medicare staffing requirements.

   a. Medical Director: Charlene Murdakes, M.D. will serve as the Medical Director for the proposed facility. A copy of Dr. Murdakes' curriculum vitae is attached at Attachment – 26C.

   b. Other Clinical Staff: Initial staffing for the proposed facility will be as follows:

      Administrator
      Registered Nurse (1.7 FTE)
      Patient Care Technician (4.4 FTE)
      Biomedical Technician (0.20 FTE)
      Social Worker (licensed MSW) (0.45 FTE)
      Registered Dietitian (0.45 FTE)
      Administrative Assistant 0.50 FTE)

      As patient volume increases, nursing and patient care technician staffing will increase accordingly to maintain a ratio of at least one direct patient care provider for every 4 ESRD patients. At least one registered nurse will be on duty while the facility is in operation.

   c. All staff will be training under the direction of the proposed facility's Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 26D.

   d. As set forth in the letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc. and Machesney Bay, LLC, attached at Attachment – 26E, Forest City Rockford Dialysis will maintain an open medical staff.

Charlene D. Murdakes, MD
Curriculum Vitae

Biographical Information:

Office Address:	RNA of Rockford, LLC 612 Roxbury Road Rockford, IL 61107
Date of Birth:	August 5, 1976

Employment:

09/13-Present	RNA of Rockford, LLC Rockford, IL	M.D.
03/15 - present	University of Illinois College of Medicine Rockford, IL	Clinical Instructor

Education:

08/04-06/08	Rush College of Medicine Chicago, IL	M.D.
1999-2001	Northern Illinois University DeKalb, IL	Teacher Certification in Biology
1994-1999	University of Illinois Urbana-Champaign, IL	Bachelor of Science in Biology

Post Graduate Training:

07/11-06/13	Rush University Medical Center Chicago, IL	Nephrology Fellowship
07/08-06/11	Rush University Medical Center Chicago, IL	Internal Medicine Residency

Certification & Licensure:

Illinois License #036.127989
Board Certified by American Board of Internal Medicine, 2011
Board Certified by the American Board of Internal Medicine, Subspecialty Nephrology, 2013

Professional Organization Memberships:

American Society of Nephrology
National Kidney Foundation
American College of Physicians
American Medical Association

TITLE: BASIC TRAINING PROGRAM OVERVIEW

Mission
DaVita's Basic Training Program for Hemodialysis provides the instructional preparation and the tools to enable teammates to deliver quality patient care. Our core values of *service excellence, integrity, team, continuous improvement, accountability, fulfillment and fun* provide the framework for the Program. Compliance with State and Federal Regulations and the inclusion of DaVita's Policies and Procedures (P&P) were instrumental in the development of the program.

Explanation of Content
Two education programs for the new nurse or patient care technician (PCT) are detailed in this section. These include the training of new DaVita teammates **without** previous dialysis experience and the training of the new teammates **with** previous dialysis experience. A program description including specific objectives and content requirements is included.

This section is designed to provide a *quick reference* to program content and to provide access to key documents and forms.

The **Table of Contents** is as follows:

I. Program Overview (TR1-01-01)
II. Program Description (TR1-01-02)
- Basic Training Class ICHD Outline (TR1-01-02A)
- Basic Training Nursing Fundamentals ICHD Class Outline (TR1-01-02B)

III. Education Enrollment Information (TR1-01-03)
IV. Education Standards (TR1-01-04)
V. Verification of Competency
- New teammate without prior experience (TR1-01-05)
- New teammate with prior experience (TR1-01-06)
- Medical Director Approval Form (TR1-01-07)

VI. Evaluation of Education Program
- Program Evaluation
- Basic Training Classroom Evaluation (TR1-01-08A)
- Basic Training Nursing Fundamentals ICHD Classroom Evaluation (TR1-01-08B)
- Curriculum Evaluation

VII. Additional Educational Forms
- New Teammate Weekly Progress Report for the PCT (TR1-01-09)
- New Teammate Weekly Progress Report for Nurses (TR1-01-10)
- Training hours tracking form (TR1-01-11)

VIII. State-specific information/forms (as applicable)

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Revision Date: March 2014

TITLE: BASIC TRAINING FOR HEMODIALYSIS PROGRAM DESCRIPTION

Introduction to Program

The Basic Training Program for Hemodialysis is grounded in DaVita's Core Values. These core values include a commitment to providing *service excellence*, promoting *integrity*, practicing a *team* approach, systematically striving for *continuous improvement*, practicing *accountability*, and experiencing *fulfillment* and *fun*.

The Basic Training Program for Hemodialysis is designed to provide the new teammate with the theoretical background and clinical skills necessary to function as a competent hemodialysis patient care provider.

DaVita hires both non-experienced and experienced teammates. Newly hired teammates must meet all applicable State requirements for education, training, credentialing, competency, standards of practice, certification, and licensure in the State in which he or she is employed. For individuals with experience in the armed forces of the United States, or in the national guard or in a reserve component, DaVita will review the individual's military education and skills training, determine whether any of the military education or skills training is substantially equivalent to the Basic Training curriculum and award credit to the individual for any substantially equivalent military education or skills training.

A **non-experienced teammate** is defined as:

- A newly hired patient care teammate without prior dialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.
- A newly hired or rehired patient care teammate with previous dialysis experience who has not provided at least 3 months of hands on dialysis care to patients within the past 12 months.

An **experienced teammate** is defined as:

- A newly hired or rehired teammate who can show proof of completing a dialysis training program and has provided at least 3 months of hands on dialysis care to patients within the past 12 months.

The curriculum of the Basic Training Program for Hemodialysis is modeled after Federal Law and State Boards of Nursing requirements, the American Nephrology Nurses Association Core Curriculum for Nephrology Nursing, and the Board of Nephrology Examiners Nursing and Technology guidelines. The program also incorporates the policies, procedures, and guidelines of DaVita HealthCare Partners Inc.

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Origination Date: 1995
Revision Date: Aug 2014, Oct 2014, Jul 2015, Sept 2015

"Day in the Life" is DaVita's learning portal with videos for RNs, LPN/LVNs and patient care technicians. The portal shows common tasks that are done throughout the workday and provides links to policies and procedures and other educational materials associated with these tasks thus increasing their knowledge of all aspects of dialysis. It is designed to be used in conjunction with the "Basic Training Workbook."

Program Description

The education program for the newly hired patient care provider teammate **without prior dialysis experience** is composed of at least (1) 120 hours didactic instruction and a minimum of (2) 240 hours clinical practicum, unless otherwise specified by individual state regulations.

The **didactic phase** consists of instruction including but not limited to lectures, readings, self-study materials, on-line learning activities, specifically designed hemodialysis workbooks for the teammate, demonstrations and observations. This education may be coordinated by the Clinical Services Specialist (CSS), a nurse educator, the administrator, or the preceptor.

Within the clinic setting this training includes

- Principles of dialysis
- Water treatment and dialysate preparation
- Introduction to the dialysis delivery system and its components
- Care of patients with kidney failure, including assessment, data collection and interpersonal skills
- Dialysis procedures and documentation, including initiation, monitoring, and termination of dialysis
- Vascular access care including proper cannulation techniques
- Medication preparation and administration
- Laboratory specimen collection and processing
- Possible complications of dialysis
- Infection control and safety
- Dialyzer reprocessing, if applicable

The program also introduces the new teammate to DaVita Policies and Procedures (P&P), and the Core Curriculum for Dialysis Technicians.

The **didactic phase** also includes classroom training with the CSS or nurse educator. Class builds upon the theory learned in the Workbooks and introduces the students to more advanced topics. These include:

- Acute Kidney Injury vs. Chronic Renal Failure
- Manifestations of Chronic Renal Failure
- Normal Kidney Function vs. Hemodialysis
- Documentation & Flow Sheet Review

- Patient Self-management
- Motivational Interviewing
- Infection Control
- Data Collection and Assessment
- Water Treatment and Dialyzer Reprocessing
- Fluid Management
- Pharmacology
- Vascular Access
- Renal Nutrition
- Laboratory
- The Hemodialysis Delivery System
- Adequacy of Hemodialysis
- Complications of Hemodialysis
- Importance of P&P
- Role of the Renal Social Worker
- Conflict Resolution
- The DaVita Quality Index

Also included are workshops, role play, and instructional videos. Additional topics are included as per specific state regulations.

A final comprehensive examination score of 80% (unless state requires a higher score) must be obtained to successfully complete this portion of the didactic phase. The *DaVita Basic Training Final Exam* can be administered by the instructor in a classroom setting, or be completed online (DVU2069-EXAM). The new teammate's preceptor will proctor the online exam. DVU2069-EXAM is part of the new teammate's new hire curriculum in the LMS. If the exam is administered in class and the teammate attains a passing score, The LMS curriculum will show that training has been completed.

If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given. The second exam may be administered by the instructor in a classroom setting, or be completed online. For online completion, if DVU2069-EXAM has not yet been taken in the teammate's curriculum no additional enrollment into the exam is necessary. If the new teammate took DVU2069-EXAM as the initial exam, the CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in the LMS DaVita Basic Training Final Exam (DVU2069-EXAM) and the teammate's preceptor will proctor the exam. If the new teammate receives a score of less than 80% on the second exam, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. **Note:** FA teammate enrollment in DVU2069-EXAM is limited to one time.

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Origination Date: 1995
Revision Date: Aug 2014, Oct 2014, Jul 2015, Sept 2015

Also included in the **didactic phase** is additional classroom training covering Health and Safety Training, systems/applications training, One For All orientation training, Compliance training, Diversity training, mandatory water classes, emergency procedures specific to facility, location of disaster supplies, and orientation to the unit.

The **didactic phase** for nurses includes three days of additional classroom training and covers the following topics:

- Nephrology Nursing, Scope of Practice, Delegation and Supervision, Practicing according to P&P
- Nephrology Nurse Leadership
- Impact – Role of the Nurse
- Care Planning including developing a POC exercise
- Achieving Adequacy with focus on assessment, intervention, available tools
- Interpreting laboratory Values and the role of the nurse
- Hepatitis B – surveillance, lab interpretation, follow up, vaccination schedules
- TB Infection Control for Nurses
- Anemia Management – ESA Hyporesponse: a StarLearning Course
- Survey Readiness
- CKD-MBD – Relationship with the Renal Dietitian
- Pharmacology for Nurses – video
- Workshop
    - Culture of Safety, Conducting a Homeroom Meeting
    - Nurse Responsibilities, Time Management
    - Communication – Meetings, SBAR (Situation, Background, Assessment, Recommendation)
    - Surfing the VillageWeb – Important sites and departments, finding information

The **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, and/or a registered nurse. During this phase the teammate will demonstrate a progression of skills required to perform the hemodialysis procedures in a safe and effective manner. A *Procedural Skills Verification Checklist* will be completed to the satisfaction of the preceptor, and a registered nurse overseeing the training. The Basic Training workbook for Hemodialysis will also be utilized for this training and must be completed to the satisfaction of the preceptor and the registered nurse.

Those teammates who will be responsible for the Water Treatment System within the facility are required to complete the Mandatory Educational Water courses and the corresponding skills checklists.

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Both the didactic phase and/or the clinical practicum phase will be successfully completed, along with completed and signed skills checklists, prior to the new teammate receiving an independent assignment. The new teammate is expected to attend all training sessions and complete all assignments and workbooks.

The education program for the newly hired patient care provider teammate **with previous dialysis experience** is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The new teammate will utilize the Basic Training Workbook for Hemodialysis and progress at his/her own pace. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level. The *Procedural Skills Verification Checklist* including verification of review of applicable P&P will be completed by the preceptor, and the registered nurse in charge of the training upon demonstration of an acceptable skill-level by the new teammate, and then signed by the new teammate, the RN trainer and the facility administrator.

Ideally teammates will attend Basic Training Class, however, teammates with experience may opt-out of class by successful passing of the *DaVita Basic Training Final Exam* with a score of 80% or higher. The new experienced teammate should complete all segments of the workbook including the recommended resources to prepare for taking the *DaVita Basic Training Final Exam* as questions not only assess common knowledge related to the hemodialysis treatment but also knowledge related to specific DaVita P&P, treatment outcome goals based on clinical initiatives and patient involvement in their care. The new teammate with experience will be auto-enrolled in the *DaVita Basic Training Final Exam* (DVU2069-EXAM) in the LMS as part of their new hire curriculum. The new teammate's preceptor will proctor the exam.

If the new teammate with experience receives a score of less than 80% on the *DaVita Basic Training Final Exam*, this teammate will be required to attend Basic Training Class. The *DaVita Basic Training Final Exam* can be administered by the instructor in a classroom setting, or be completed online. If it is completed online, the CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in the LMS *DaVita Basic Training Final Exam* (DVU2069-EXAM) and the teammate's preceptor will proctor the exam. If the new teammate receives a score of less than 80% on the *DaVita Basic Training Final Exam* after class, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. **Note:** FA teammate enrollment in DVU2069-EXAM is limited to one time.

Prior to the new teammate receiving an independent patient-care assignment, the skills checklist must be completed and signed along with a passing score from the classroom exam or the *Initial Competency Exam*. Completion of the skills checklist is indicated by the new teammate in the LMS (RN: SKLINV1000, PCT: SKLINV2000) and then verified by the FA.

Following completion of the training, a *Verification of Competency* form will be completed (see forms TR1-01-05, TR1-01-06). In addition to the above, further training and/or certification will be incorporated as applicable by state law.

The goal of the program is for the trainee to successfully meet all training requirements. Failure to meet this goal is cause for dismissal from the training program and subsequent termination by the facility.

Process of Program Evaluation

The Hemodialysis Education Program utilizes various evaluation tools to verify program effectiveness and completeness. Key evaluation tools include the DaVita Basic Training Class Evaluation (TR1-01-08A) and Basic Training Nursing Fundamentals (TR1-0108B), the New Teammate Satisfaction Survey and random surveys of facility administrators to determine satisfaction of the training program. To assure continuous improvement within the education program, evaluation data is reviewed for trends, and program content is enhanced when applicable to meet specific needs.

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

Attached at Attachment – 26E is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners Inc. and Machesney Bay, LLC, attesting that the proposed facility will participate in a dialysis data system, will make support services available to patients, and will provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

DaVita. | HealthCare Partners.

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

Re: Certification of Support Services

Dear Chair Olson:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1110.1430(g) that Forest City Rockford Dialysis will maintain an open medical staff.

I also certify the following with regard to needed support services:

- DaVita utilizes a dialysis electronic data system;
- Forest City Rockford Dialysis will have available all needed support services required by CMS which may consist of clinical laboratory services, blood bank, nutrition, rehabilitation, psychiatric services, and social services; and
- Patients, either directly or through other area DaVita facilities, will have access to training for self-care dialysis, self-care instruction, and home hemodialysis and peritoneal dialysis.

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This ___ day of _____, 2016

See Attached

Notary Public

2000 16th Street, Denver, CO 80202 | P (303) 876-6000 | F (310) 536-2675 | DaVitaHealthcarePartners.com

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 9, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public · California
Los Angeles County
Comm. Expires Jan 25, 2018

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K. Olson re Certification of Support Services (Forest City Rockford)

Document Date: March 9, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer — Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

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

The proposed dialysis facility will be located in the Rockford metropolitan statistical area ("MSA"). A dialysis facility located within an MSA must have a minimum of eight dialysis stations. The Applicants propose to establish a 12-station dialysis facility. Accordingly, this criterion is met.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(h), Continuity of Care

Machesney Bay, LLC, a subsidiary of DaVita HealthCare Partners Inc., has an agreement with Rockford Memorial Hospital to provide inpatient care and other hospital services. Attached at Attachment – 26F is a copy of the service agreement with this area hospital.

DocuSign Envelope ID: 5EB05E76-7191-4120-9247-E1CD267C4B73

FOR COMPANY USE ONLY:
Clinic #:

PATIENT TRANSFER AGREEMENT

This **PATIENT TRANSFER AGREEMENT** (the "Agreement") is made as of the last date of signature hereto (the "Effective Date"), by and between **Rockford Memorial Hospital** (hereinafter "Hospital") and **Machesney Bay, LLC**, a subsidiary of DaVita HealthCare Partners Inc. ("Company").

RECITALS

WHEREAS, the parties hereto desire to enter into this Agreement governing the transfer of patients between Hospital and the following free-standing dialysis clinic owned and operated by Company:

Forest City Dialysis
4103 West State St.
Rockford, IL 61101

WHEREAS, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the facilities;

WHEREAS, the parties wish to facilitate the continuity of care and the timely transfer of patients and records between the facilities; and

WHEREAS, only a patient's attending physician (not Company or the Hospital) can refer such patient to Company for dialysis treatments.

NOW THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. HOSPITAL OBLIGATIONS. In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of an attending physician, a patient of Company may be transferred to Hospital.

(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("TJC") and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

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

2. COMPANY OBLIGATIONS.

(a) Upon transfer of a patient to Hospital, Company agrees:

i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of Hospital;

ii. Original medical records kept by each of the parties shall remain the property of that institution; and

iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

(b) Company agrees to transmit with each patient at the time of transfer, or in case of an emergency, as promptly as possible thereafter, an abstract of pertinent medical and other records necessary to continue the patient's treatment without interruption and to provide identifying and other information, to include:

i. current medical findings;

ii. diagnosis;

iii. rehabilitation potential;

iv. discharge summary;

v. a brief summary of the course of treatment followed;

vi. nursing and dietary information;

vii. ambulating status; and

viii. administrative and pertinent social information.

(c) Company agrees to readmit to its facilities patients who have been transferred to Hospital for medical care as clinic capacity allows. Hospital agrees to keep the administrator or designee of Company advised of the condition of the patients that will affect the anticipated date of transfer back to Company and to provide as much notice of the transfer date as possible. Company shall assign readmission priority for its patients who have been treated at Hospital and who are ready to transfer back to Company.

3. BILLING, PAYMENT, AND FEES. Hospital and Company each shall be responsible for billing the appropriate payor for the services it provides, respectively, hereunder. Company shall not act as guarantor for any charges incurred while the patient is a patient in Hospital.

4. HIPAA. Hospital and Company agree to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Hospital and Company

acknowledge and agree that from time to time, HIPAA may require modification to this Agreement for compliance purposes. Hospital and Company further acknowledge and agree to comply with requests by the other party hereto related to HIPAA.

5. **STATUS AS INDEPENDENT CONTRACTORS.** The parties acknowledge and agree that their relationship is solely that of independent contractors. Governing bodies of Hospital and Company shall have exclusive control of the policies, management, assets, and affairs of their respective facilities. Nothing in this Agreement shall be construed as limiting the right of either to affiliate or contract with any other Hospital or facility on either a limited or general basis while this Agreement is in effect. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall be obtained from the party whose name is to be used and its legal counsel.

6. **INSURANCE.** Each party shall secure and maintain, or cause to be secured and maintained during the term of this Agreement, commercial general liability, property damage, and workers compensation insurance in amounts generally acceptable in the industry, and professional liability insurance providing minimum limits of liability of $1,000,000 per occurrence and $3,000,000 in aggregate. Each party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon execution of this Agreement, and annually thereafter upon the request of the other party. Each party shall provide the other party with not less than thirty (30) days prior written notice of any change in or cancellation of any of such insurance policies. Said insurance shall survive the termination of this Agreement.

7. **INDEMNIFICATION.**

(a) Hospital Indemnity. Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff regardless of whether or not it is caused in part by Company or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Company.

(b) Company Indemnity. Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff regardless of whether or not it is caused in part by or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

8. DISPUTE RESOLUTION. Any dispute which may arise under this Agreement shall first be discussed directly with representatives of the departments of the parties that are directly involved. If the dispute cannot be resolved at this level, it shall be referred to administrative representatives of the parties for discussion and resolution.

(a) Informal Resolution. Should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which the written notice of such dispute is received by the other party.

(b) Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 8(a) above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 8(a) above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association ("AAA") in the State of Illinois shall administer the mediation. Such mediation shall occur no later than ninety (90) days after the dispute arises. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 8(b), the parties shall be entitled to seek any and all available legal remedies.

9. TERM AND TERMINATION. This Agreement shall be effective for an initial period of one (1) year from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving at least sixty (60) days notice in writing to the other party of its intention to terminate this Agreement. If this Agreement is terminated for any reason within one (1) year of the Effective Date of this Agreement, then the parties hereto shall not enter into a similar agreement with each other for the services covered hereunder before the first anniversary of the Effective Date. Termination shall be effective at the expiration of the sixty (60) day notice period. However, if either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

10. AMENDMENT. This Agreement may be modified or amended from time to time by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties.

11. ENFORCEABILITY/SEVERABILITY. The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

12. COMPLIANCE RELATED MATTERS. The parties agree and certify that this Agreement is not intended to generate referrals for services or supplies for which payment maybe made in whole or in part under any federal health care program. The parties will comply with statutes, rules, and regulations as promulgated by federal and state regulatory agencies or legislative authorities having jurisdiction over the parties.

13. EXCLUDED PROVIDER. Each party represents that neither that party nor any entity owning or controlling that party has ever been excluded from any federal health care program including the Medicare/Medicaid program or from any state health care program. Each party further represents that it is eligible for Medicare/Medicaid participation. Each party agrees to disclose immediately any material federal, state, or local sanctions of any kind, imposed subsequent to the date of this Agreement, or any investigation which commences subsequent to the date of this Agreement, that would materially adversely impact Company's ability to perform its obligations hereunder.

14. NOTICES. All notices, requests, and other communications to any party hereto shall be in writing and shall be addressed to the receiving party's address set forth below or to any other address as a party may designate by notice hereunder, and shall either be (a) delivered by hand, (b) sent by recognized overnight courier, or (c) by certified mail, return receipt requested, postage prepaid.

If to Hospital:	Rockford Memorial Hospital 2400 N. Rockton Ave. Rockford, IL 61103 Attention: Chief Operating Officer
With copies to	Rockford Memorial Hospital 2400 N. Rockton Ave. Rockford, IL 61103 Attention: VP Legal Affairs
If to Company:	Machesney Bay, LLC C/o: DaVita HealthCare Partners Inc. 2000 16th St. Denver, CO. Attention: Group General Counsel
With copies to:	Forest City Dialysis C/o: DaVita HealthCare

Partners Inc.
4103 West State St.
Rockford, IL 61101
Attention: Facility Administrator

DaVita HealthCare Partners Inc.
2000 16th Street
Denver, Colorado 80202
Attention: General Counsel

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

15. ASSIGNMENT. This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party, except that Company may assign this Agreement to one of its affiliates or subsidiaries without the consent of Hospital.

16. COUNTERPARTS. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of signatures sent by facsimile shall be deemed to be originals.

17. NON-DISCRIMINATION. All services provided by Hospital hereunder shall be in compliance with all federal and state laws prohibiting discrimination on the basis of race, color religion, sex national origin, handicap, or veteran status.

18. WAIVER. The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant, or condition, and the obligations of such party with respect thereto shall continue in full force and effect.

19. GOVERNING LAW. The laws of the state of Illinois shall govern this Agreement.

20. HEADINGS. The headings appearing in this Agreement are for convenience and reference only, and are not intended to, and shall not, define or limit the scope of the provisions to which they relate.

21. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, either oral or written, between the parties (including, without limitation, any prior agreement between Hospital and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof.

22. APPROVAL BY DAVITA HEALTHCARE PARTNERS INC. ("DAVITA") AS TO FORM. The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita HealthCare Partners Inc. as to the form hereof.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

Hospital:

Rockford Memorial Hospital

By: Sue Ripsch

Name: Sue Ripsch

Its: Sr. VP and COO

Date: 2/26/16

Company:

Machesney Bay, LLC

By: DocuSigned by: Lynanne Hike 603BD0E0207C496...

Name: Lynanne Hike

Its: Regional Operations Director

Date: March 1, 2016

APPROVED AS TO FORM ONLY:

By: DocuSigned by: David Wolff CB777D089EF9402...

Name: David G. Wolff
Its: Group General Counsel

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(i), Relocation of Facilities

The Applicants propose the establishment of a 12-station dialysis facility. Thus, this criterion is not applicable.

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

Attached at Attachment – 26G is a letter from Arturo Sida, Assistant Corporate Secretary, DaVita HealthCare Partners Inc. certifying that the proposed facility will achieve target utilization by the second year of operation.

DaVita. | HealthCare Partners.

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

Re: In-Center Hemodialysis Assurances

Dear Chair Olson:

Pursuant to 77 Ill. Admin. Code § 1110.1430(k), I hereby certify the following:

- By the second year after project completion, Forest City Rockford Dialysis expects to achieve and maintain 80% target utilization; and
- Forest City Rockford Dialysis also expects hemodialysis outcome measures will be achieved and maintained at the following minimums:
  - ≥ 85% of hemodialysis patient population achieves urea reduction ratio (URR) ≥ 65% and
  - ≥ 85% of hemodialysis patient population achieves Kt/V Daugirdas II .1.2

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This ___ day of _____, 2016

See Attached

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 9, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public · California
Los Angeles County
Comm. Expires Jan 25, 2018

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K. Olson re In-Center Hemodialysis Assurances (Forest City Rockford)

Document Date: March 9, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded entirely with cash and cash equivalents, and a lease with Dyn Commercial Holdings, LLC. A copy of DaVita's 2015 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted. A letter of intent to lease the facility is attached at Attachment – 36.

DTZ Americas, Inc.
77 We st Wacker Dr
Suite 1800
Chicago, IL 60601
www.dtz.com

March 3, 2016

Bharat V Puri, SIOR
First Midwest Group, Inc.
6801 Spring Creek Road
Rockford, IL 61107
(815) 229-3000 Office
(815) 222-6900 Cell
bharat@firstmidwestgroup.com
www.firstmidwestgroup.com

RE: LOI for a to be constructed building on approximately 4103 W State St, Rockford, IL 61101

Dear Bharat:

DTZ Americas, Inc. has been authorized by Total Renal Care, Inc. a subsidiary of DaVita HealthCare Partners Inc. to assist in securing a lease requirement. DaVita HealthCare Partners is a Fortune 500 company with 2,183 outpatient dialysis centers across the US and revenues of approximately $12 billion.

Below is the proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

PREMISES:	To be constructed single tenant building on approximately 4103 W State St, Rockford, IL 61101
TENANT:	"Total Renal Care, Inc. or related entity to be named"
LANDLORD:	*Dyn Commercial Holdings, L.L.C. or its assignee.*
SPACE REQUIREMENTS:	**Approximately 6,700** rentable square feet.
PRIMARY TERM:	10 years
BASE RENT:	$23.95 PSF, NNN with ten percent (10%) increases every 5 years during the term and any options.
ADDITIONAL EXPENSES:	Landlord estimates that the CAMIT expenses during the first year of the term will be $3.70 psf. Tenant's Prorata Share: 100% Tenant shall be responsible for its directly metered utility expenses. Following the first full calendar year, the controllable CAMIT expenses shall not increase more than 5% annually thereafter. Controllable CAMIT expenses exclude real estate taxes, snow and ice removal and common area utilities.
LANDLORD'S MAINTENANCE:	Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property, which costs shall be amortized over their useful life and the annual amortized amount will be included in the operating expenses.

POSSESSION AND RENT COMMENCEMENT:

Landlord shall deliver Possession of the building certified pad (as indicated in Exhibit B) to the Tenant within 90 days from CON permit date. Landlord shall have 90 days following Tenant's commencement of construction of the interior buildout to complete the Landlord's exterior Site Development Improvements. Rent Commencement shall be the earlier of the following two events (a) Tenant opening for business and (b) nine (9) months from delivery of Possession by Landlord and Tenant obtaining building permits for its intended improvements. Landlord's delivery obligations hereunder shall be subject to force majeure.

DUE DILLIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution. Notwithstanding the foregoing, if Tenant receives its CON prior the end of such 90 day period and has not elected to terminate the lease prior to such receipt, this right to terminate shall be deemed null and void.

LEASE FORM:

Tenant's standard lease form as starting point for negotiations.

USE:

The operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

Use is permitted within the premises zoning.

PARKING:

Tenant shall receive four (4) stalls per 1,000 rsf, and two (2) handicapped stalls or such greater number as is required by applicable law or regulation. Location of parking stalls currently identified in the attached site plan are subject to Tenant's architect and project manager approval.

LANDLORD WORK:

Any on and off-site improvements (parking lot, landscaping, lighting, sewer, utilities, street, curb, gutter, paving, irrigation, common area lighting, certified pad, etc) as required by the municipality to issue permits for the performance of Landlord's Work or Tenant Work will be incorporated into Landlord's Work as indicated in Exhibit B. Landlord, at its sole cost, will prepare plans, specifications and working drawings for Landlord's Work ("**Landlord's Plans**") and the same will be subject to Tenant's approval. Landlord will perform Landlord's Work in a good and workmanlike manner in conformity with Landlord's Plans, as approved by Tenant. Landlord will promptly repair all latent or patent defects in Landlord's Work, at Landlord's sole cost and expense.

Landlord will be solely responsible for and will pay all impact fees, charges, costs, assessments, and exactions charged, imposed or assessed in connection with the development and construction of the Building or Premises, but not including building permit fees for construction of the Building.

TENANT IMPROVEMENTS:

Landlord will pay to Tenant an allowance ("**Tenant Allowance**") for costs incurred by Tenant in connection with the construction of the Building. The Tenant Allowance will be an amount equal to $139.00 per square foot of the Building Floor Area, payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and sub-contractor for which payments are being made. At the time of Lease execution, Landlord and Tenant will enter into an escrow agreement or tri-party agreement pro viding for the payment of the Tenant Allowance (the "**Security Agreement**"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction of Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's Costs from the account established for Tenant Allowance. Tenant's plans will be subject to Landlord's approval. Post letter of credit. Pay against sworn statements/lien waivers.

Building design shall be a mixture of brick, EIFS and glass. The colors shall be subject to LL's approval.

Tenant will have the right to convert any overage in Tenant Allowance to be used towards Tenant Improvements.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be increased by 10% after Year 10 of the initial term and following each successive five-year option periods.

FAILURE TO DELIVER PREMISES:

If Landlord has not delivered the premises to Tenant with all Landlord Work substantially completed within 120 days from the date on which Tenant commences construction of the Building, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 120 day delivery period. Landlord's delivery obligations hereunder shall be subject to force majeure.

HOLDING OVER:

Tenant shall be obligated to pay 115% of the then current rate for the first ninety days and 125% of the then current rate for any holdover beyond ninety days.

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations.

BUILDING HOURS:

As a single Tenant building, Tenant will have access 24 hours a day, seven days a week and will have direct control of HVAC and other utilities.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider on the lot being created adjacent to the Premises on the south.

GOVERNMENTAL COMPLIANCE:

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s). Notwithstanding the foregoing, if any governmental law, ordinance or regulation goes into effect as a result of Tenant's change in use of the Premises, Tenant shall be responsible for the costs of bring the Premises into compliance with such.

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes DTZ Americas, Inc. as the Tenant's local representative and shall pay a brokerage fee equal to seventy cents ($0.70) per square foot per lease term year, 50% shall be due upon lease signatures and 50% shall be due upon rent commencement. The Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

CONTINGENCIES:

This proposal and timing is subject to all necessary governmental, city and adjoining landowner approval.

In the event the Landlord is not successful in obtaining all necessary approvals including, but not limited to, zoning and use, the Tenant shall have the right, but not the obligation to terminate the lease.

This proposal is subject to the Landlord securing and closing on the subject parcel.

PLANS:

Please provide copies of site and construction plans or drawings.

Please submit your response to this Proposal via e-mail to: Mathew.Granlich@cushwake.com.

It should be understood that this Proposal is subject to the terms of Exhibit A attached hereto. The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this information by anyone but addressee is unauthorized.

Thank you for your time and consideration to partner with DaVita.

Sincerely,

Matthew J. Gramlich

CC: DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

SIGNATURE PAGE

LETTER OF INTENT: **Approximately 4103 W State St, Rockford, IL 61101**

AGREED TO AND ACCEPTED THIS 4 DAY OF MARCH 2016

By: Mary Anderson

On behalf of Total Renal Care, a wholly owned subsidiary of DaVita Healthcare Partners, Inc.
("Tenant")

AGREED TO AND ACCEPTED THIS 4th. DAY OF MARCH 2016

By: _____

_____
("Landlord")

PRELIMINARY SITE PLAN SUBJECT TO CHANGE

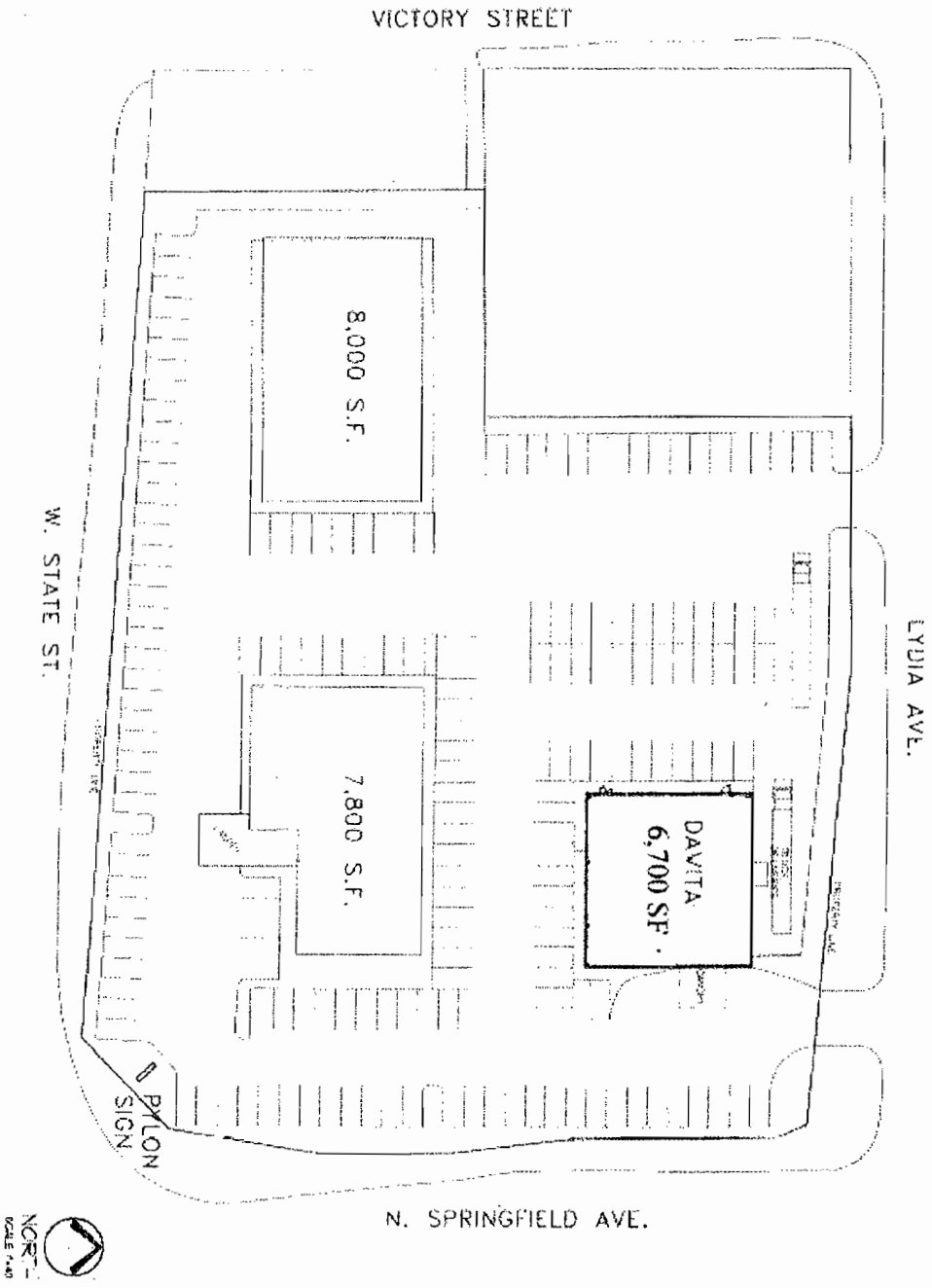


EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPERATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR DTZ) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR DTZ INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. DTZ IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES DTZ HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.

EXHIBIT B

LANDLORD'S WORK

Certified Pad Work:

1 **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor

1

2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use.

3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect

4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building

5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.

6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6' water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.

7. **Telephone.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.

8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.

9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant Improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. **Site Development Scope of Requirements:**
Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

    - Utility extensions, service entrance locations, inspection manholes.
    - Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
    - Site grading with storm water management control measures (detention/retention/restrictions);
    - Refuse enclosure location & construction details for trash and recycling;
    - Handicap stall location to be as close to front entrance as possible;
    - Side walk placement for patron access, delivery via service entrance;
    - Concrete curbing for greenbelt management;
    - Site lighting;
    - Conduits for Tenant's signage;
    - Site and parking to accommodate tractor trailer 8 wheel truck delivery access to service entrance;
    - Ramps and curb depressions;
    - Landscaping shrub and turf as required per municipality;
    - Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
    - Construction details, specifications/standards of installation and legends;
    - Final grade will be sloped away from Building.

3. **Refuse Enclosure**. Landlord to provide a minimum 6" think reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

4. **Generator.** Landlord to allow a generator to be installed onsite if required by code or Tenant choses to provide one.

5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment

    Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Section IX, Financial Feasibility

Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2015 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachment – 39A is a letter from Arturo Sida, Assistant Corporate Secretary of DaVita HealthCare Partners, Inc. attesting that the total estimated project costs will be funded entirely with cash.

DaVita. | HealthCare Partners.

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

Re: Reasonableness of Financing Arrangements

Dear Chair Olson:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total with cash and cash equivalents.

Sincerely,

Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.
Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This ___ day of _____, 2016

See Attached

Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On March 9, 2016 before me, Kimberly Ann K. Burgo, Notary Public,
(here insert name and title of the officer)

personally appeared *** Arturo Sida ***

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

KIMBERLY ANN K. BURGO
Comm. #2055858
Notary Public · California
Los Angeles County
Comm. Expires Jan 25, 2018

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Ltr. to K. Olson re Reasonableness of Financing Arrangements (Forest City Rockford)

Document Date: March 9, 2016 Number of Pages: 1 (one)

Signer(s) if Different Than Above: _____

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s):

☐ Individual

☒ Corporate Officer — Assistant Corporate Secretary
(Title(s))

☐ Partner
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian/Conservator
☐ Other: _____

SIGNER IS REPRESENTING: Name of Person or Entity DaVita HealthCare Partners Inc./Machesney Bay Dialysis, LLC

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(b), Conditions of Debt Financing

This project will be funded in total with cash and cash equivalents. Accordingly, this criterion is not applicable.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

1. The Cost and Gross Square Feet by Department is provided in the table below.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below) CLINICAL	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)	
CLINICAL									
ESRD	$180.75		6,700				$1,211,052		$1,211,052
Contingency	$16.42		6,700				$110,000		$110,000
TOTAL CLINICAL	$197.17		6,700				$1,321,052		$1,321,052
NON-CLINICAL									
ESRD									
Contingency									
TOTAL NON-CLINICAL									
TOTAL	**$197.17**		**6,700**				**$1,321,052**		**$1,321,052**
* Include the percentage (%) of space for circulation									

2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

Table 1120.310(c)			
	Proposed Project	**State Standard**	**Above/Below State Standard**
New Construction Contracts & Contingencies	$1,321,052	$270.09 x 6,700 GSF =$1,809,603	Meets State Standard
Contingencies	$110,000	10% of New Construction Contracts 10% x $1,211,052 = $121,105	Below State Standard
Architectural/Engineering Fees	$103,700	6.64% - 9.98% of New Construction Contracts + Contingencies) = 6.64% - 9.98% x ($1,211,052 + $110,000) = 6.64% - 9.98% x	Meets State Standard

Table 1120.310(c)			
	Proposed Project	**State Standard**	**Above/Below State Standard**
		$1,321,052 = $87,717 - $131,841	
Consulting and Other Fees	$76,000	No State Standard	No State Standard
Moveable Equipment	$519,887	$52,119.16 per station x 12 stations $52,119.16 x 12 = $625,430	Below State Standard
Fair Market Value of Leased Space or Equipment	$1,120,324	No State Standard	No State Standard

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(d), Projected Operating Costs

Operating Expenses: $1,870,508

Treatments: 10,608

Operating Expense per Treatment: $176.33

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(e), Total Effect of Project on Capital Costs

Capital Costs:

Depreciation:	$172,409
Amortization:	$ 8,013
Total Capital Costs:	$180,422

Treatments: 10,608

Capital Costs per Treatment: $17.01

Section XI, Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita HealthCare Partners Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and Kidney Smarting patients, and community outreach. A copy of DaVita's 2014 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously included as part of Applicants' application for Proj. No. 16-009. As referenced in the report, DaVita led the industry in quality, with 50 percent of its dialysis centers earning four or five stars in the federal Five-Star Ratings, compared to the 21 percent industry average. DaVita also led the industry in Medicare's Quality Incentive Program, ranking No. 1 in three out of four clinical measures and receiving the fewest penalties. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and has the lowest day-90 catheter rates among large dialysis providers. During 2000 - 2014, DaVita improved its fistula adoption rate by 103 percent. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients.

2. The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. As shown in Table 1110.1430(b), the utilization of existing dialysis facilities operating for over 2 years and within 30 minutes of the proposed Forest City Rockford Dialysis is 93.8%. There are 3,105 patients from Dr. Murdakes' practice suffering from Stage 3, 4, or 5 CKD that reside within 30 minutes of the proposed site for Forest City Rockford Dialysis. 110 of the Stage 4 or Stage 5 CKD patients reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility. At least 68 of these patients will be expected to commence dialysis treatment within 12 to 24 months of project completion. As such, the proposed facility is necessary to allow the existing facilities to operate at a more optimum capacity, while at the same time accommodating the growing demand for dialysis services. Accordingly, the proposed dialysis facility will not impact other general health care providers' ability to cross-subsidize safety net services.

3. The proposed project is for the establishment of Forest City Rockford Dialysis. As such, this criterion is not applicable.

4. A table showing the charity care and Medicaid care provided by the Applicants for the most recent three calendar years is provided below.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2013	2014	2015
Charity (# of patients)	187	146	109
Charity (cost in dollars)	$2,175,940	$2,477,363	$2,791,566
MEDICAID			
	2013	2014	2015
Medicaid (# of patients)	679	708	422
Medicaid (revenue)	$10,371,416	$8,603,971	$7,381,390

Section XII, Charity Care Information

The table below provides charity care information for all dialysis facilities located in the State of Illinois that are owned or operated by the Applicants.

CHARITY CARE			
	2013	2014	2015
Net Patient Revenue	**$228,115,132**	**$266,319,949**	**$311,351,089**
Amount of Charity Care (charges)	$2,175,940	$2,477,363	$2,791,566
Cost of Charity Care	$2,175,940	$2,477,363	$2,791,566

Appendix I – Physician Letter

Attached as Appendix 1 is the letter from Dr. Murdakes projecting that 68 pre-ESRD patients will progress to ESRD and require dialysis treatment within 12 to 24 months of project completion.

Charlene D. Murdakes, M.D.
RNA of Rockford, LLC
612 Roxbury Road
Rockford, Illinois 61107

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

Dear Chair Olson:

I am pleased to support DaVita's establishment of Forest City Rockford Dialysis. The proposed 12-station chronic renal dialysis facility, to be located at 4103 West State Street, Rockford, Illinois 61101 will directly benefit my patients.

DaVita's proposed facility will improve access to necessary dialysis services on the West Side of Rockford. DaVita is well-positioned to provide these services, as it delivers life sustaining dialysis for residents of similar communities throughout the country and abroad. It has also invested in many quality initiatives to improve its patients' health and outcomes.

The site of the proposed facility will be close to Interstates 39 and 90 (I-39 and I-90) and will provide better access to patients residing on Rockford's west side. Utilization of facilities that have been operational for 2 years and within 30 minutes of the proposed facility was 93.8%, according to December 31, 2015 reported census data.

I have identified 3,105 patients from my practice who are suffering from Stage 3, 4, or 5 CKD that reside within 30 minutes of the proposed site for Forest City Rockford Dialysis. 110 Stage 4 or Stage 5 patients reside in 3 nearby ZIP codes, all within 10 minutes of the proposed facility. Conservatively, I predict at least 68 of these patients will progress to dialysis within 12 to 24 months of completion of Forest City Rockford Dialysis. My large patient base, the significant utilization at nearby facilities, and the present 9-station need identified in Health Service Area 1 demonstrate considerable demand for this facility.

A list of patients who have received care at existing facilities in the area, for the most recent 4 years is provided at Attachment – 1. A list of new patients my practice has referred for in-center hemodialysis for the past 2 years is provided at Attachment – 2. The list of zip codes for the 110 pre-ESRD patients previously referenced is provided at Attachment – 3.

These patient referrals have not been used to support another pending or approved certificate of need application. The information in this letter is true and correct to the best of my knowledge.

DaVita is a leading provider of dialysis services in the United States and I support the proposed establishment of Forest City Rockford Dialysis.

Sincerely,

Charlene D. Murdakes, M.D.

Charlene D. Murdakes, M.D.
Nephrologist
RNA of Rockford, LLC
612 Roxbury Road
Rockford, Illinois 61107

Subscribed and sworn to me
This 22 day of March, 2016

Notary Public: Dana W Bates

OFFICIAL SEAL
DANA W BATES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:08/07/19

Attachment 1

Historical Patient Utilization

Dixon Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
NA	NA	2	61054	2	61054	2	61054

Attachment 1

Historical Patient Utilization

Sycamore Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	1	61008	1	60145	1	60129
		1	61020	1	61008	1	60145
		1	60145			1	60146

Attachment 1

Historical Patient Utilization

Freeport Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	1	61046	1	61018	1	61046
		1	61063	1	61046	1	61047

Attachment 1

Historical Patient Utilization

Driftwood Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	NA	NA	11	61032	1	61019
						4	61032
						1	61054
						1	61063

Attachment 1

Historical Patient Utilization

Stonecrest Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
3	61108	5	61008	3	61008	3	61008
1	61020	5	61101	2	61010	7	61101
1	61073	12	61102	7	61101	18	61102
5	61101	7	61103	17	61102	8	61103
10	61102	15	61104	6	61103	15	61104
7	61103	3	61107	16	61104	1	61107
14	61104	7	61108	1	61107	4	61108
2	61107	6	61109	6	61108	5	61109
6	61108	1	61111	5	61109	1	61126
6	61109	1	61126	1	61126		
1	61126						

Attachment 1

Historical Patient Utilization

Rockford Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
1	61008	1	61008	1	61008	1	60180
1	61010	1	61010	1	61010	1	61010
1	61024	1	61019	1	61063	1	61024
1	61063	1	61063	1	61065	1	61063
2	61072	1	61065	2	61072	1	61072
3	61073	4	61072	2	61073	3	61073
1	61080	2	61073	31	61101	1	61080
32	61101	1	61080	24	61102	2	61088
22	61102	30	61101	24	61103	33	61101
27	61103	25	61102	9	61104	27	61102
9	61104	30	61103	5	61107	24	61103
6	61107	8	61104	4	61108	10	61104
2	61108	5	61107	4	61109	3	61107
4	61109	2	61108	2	61111	2	61108
4	61111	4	61109	2	61114	4	61109
2	61114	2	61111	3	61115	5	61111
1	61115	2	61114			2	61114
						3	61115

Attachment 1

Historical Patient Utilization

Churchview Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	1	61002	12	61008	14	61008
		9	61008	1	61010	1	61010
		1	61012	1	61012	1	61011
		2	61016	2	61016	3	61016
		5	61065	1	61020	1	61020
		1	61072	7	61065	1	61047
		2	61073	2	61073	8	61065
		3	61080	1	61080	3	61073
		9	61101	1	61088	2	61080
		6	61102	7	61101	1	61088
		4	61103	6	61102	3	61101
		4	61104	7	61103	8	61102
		1	61106	5	61104	3	61103
		12	61107	12	61107	8	61104
		12	61108	15	61108	9	61107
		6	61109	14	61109	15	61108
		10	61111	13	61111	11	61109
		13	61114	7	61114	16	61111
		8	61115	10	61115	7	61114
						8	61115
						1	61125

Attachment 1

Historical Patient Utilization

Roxbury Dialysis							
2012		2013		2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
9	61008	1	60123	1	60123	8	61008
1	61011	13	61008	13	61008	1	61010
1	61012	1	61011	1	61011	1	61016
1	61015	1	61012	1	61016	1	61024
1	61016	1	61020	1	61024	1	61052
3	61020	2	61024	1	61032	1	61061
2	61024	1	61032	1	61049	2	61073
1	61038	2	61052	1	61052	1	61080
1	61052	1	61068	1	61068	1	61088
1	61065	5	61073	3	61073	11	61101
3	61073	1	61084	3	61101	2	61102
2	61084	4	61101	2	61102	7	61103
3	61101	3	61102	6	61103	5	61104
2	61102	5	61103	5	61104	18	61107
3	61103	4	61104	18	61107	15	61108
6	61104	14	61107	15	61108	9	61109
14	61107	18	61108	8	61109	5	61111
28	61108	9	61109	6	61111	7	61114
9	61109	4	61111	10	61114	3	61115
7	61111	7	61114	3	61115	2	61126
8	61114	4	61115	1	61126		
1	61115	1	61126				
1	61126						

Attachment 2

New Patients

Dixon Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	NA	NA

Attachment 2

New Patients

Sycamore Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	1	61008
		1	60129
		1	60146

Attachment 2

New Patients

Freeport Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	NA	NA

Attachment 2

New Patients

Driftwood Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
NA	NA	1	61019
		3	61032
		1	61063

Attachment 2

New Patients

Stonecrest Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
2	61010	1	61101
3	61101	3	61102
8	61102	2	61103
3	61103	5	61104
5	61104	1	61107
1	61107	2	61109
3	61108	1	61111
2	61109		

Attachment 2

New Patients

Rockford Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
4	61101	1	60180
1	61102	1	61024
6	61103	1	61073
2	61104	1	61080
1	61107	2	61088
1	61108	8	61101
1	61109	8	61102
2	61115	6	61103
		1	61104
		1	61107
		1	61109
		3	61111
		1	61115

Attachment 2

New Patients

Churchview Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
1	61010	3	61008
1	61065	3	61009
1	61101	1	61011
2	61102	1	61062
2	61104	1	61065
3	61108	2	61073
3	61109	1	61102
4	61111	2	61103
1	61125	3	61104
		1	61108
		1	61109
		1	61115

Attachment 2

New Patients

Roxbury Dialysis			
2014		2015	
Pt Count	Zip Code	Pt Count	Zip Code
1	61016	2	61008
1	61080	1	61010
1	61103	1	61016
4	61107	1	61024
1	61108	2	61101
1	61109	2	61102
1	61111	1	61103
2	61114	1	61104
2	61115	4	61107
		7	61108
		1	61109
		1	61114

Attachment 3
Pre-ESRD Patients

Zip Code	Total
61101	48
61102	44
61103	18
Total	**110**

Appendix 2 – Time & Distance Determination

Attached as Appendix 2 are the distance and normal travel time from all existing dialysis facilities in the GSA to the proposed facility, as determined by MapQuest.

Land - Off Market

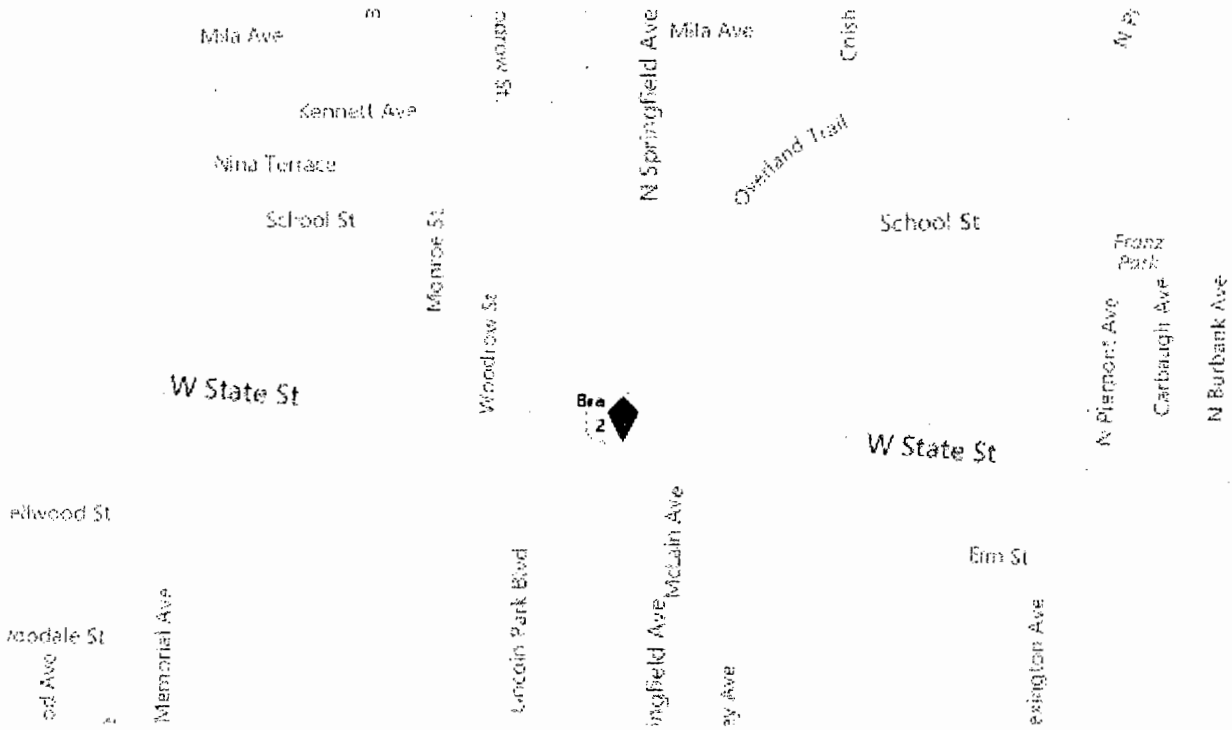
4103 W. State St

4103 W. State St, Rockford, IL 61101

Price:	N/A
Lot Size:	128,937 *SF*
Property Type:	Land
Property Sub-type:	Commercial/Other (land)
APN/Parcel ID:	1120131012
Listing ID	15378664
Last Updated	over 1 year ago

Map of 4103 W. State St, Rockford, IL 61101 (Winnebago County)

Hide Map



mapquest

Notes

Stonecrest Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St

Rockford, IL 61102

3.78 miles / 8 minutes

1302 E State St, Rockford, IL 61104-2228

Download Free App

1. Start out going **west** on **E State St / US-20 Bus W** toward **N 9th St**. Continue to follow **E State St**. — **3.8 Mi** *3.8 Mi Total*

2. **SPRINGFIELD AVE & W STATE ST**.

Springfield Ave & W State St, Rockford, IL 61102

Total Travel Estimate: **3.78 miles - about 8 minutes**

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Notes

Rockford Memorial Hospital Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St

Rockford, IL 61102

3.89 miles / 7 minutes

2400 N Rockton Ave, Rockford, IL 61103-3655

Download Free App

1. Start out going **south** on **N Rockton Ave** toward **Bell Ave**.	**0.7 Mi** *0.7 Mi Total*
2. Turn **right** onto **Auburn St**. *Auburn St is just past Vernon St* *Pizza Hut is on the corner* *If you reach Benderwirt Ave you've gone a little too far*	**2.5 Mi** *3.2 Mi Total*
3. Turn **left** onto **N Springfield Ave**. *N Springfield Ave is just past La Belle Ave* *If you reach Orchard Ave you've gone about 0.1 miles too far*	**0.7 Mi** *3.9 Mi Total*
4. **SPRINGFIELD AVE & W STATE ST**. *Your destination is just past Lydia Ave* *If you are on Springfield Ave and reach Preston St you've gone about 0.5 miles too far*	

Springfield Ave & W State St, Rockford, IL 61102

Total Travel Estimate: **3.89 miles - about 7 minutes**

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Notes

Roxbury Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St

Rockford, IL 61102

7.71 miles / 15 minutes

612 Roxbury Rd, Rockford, IL 61107-5089

Download Free App

1. Start out going **south** on **Roxbury Rd** toward **Strathmoor Dr**.	**0.4 Mi** *0.4 Mi Total*
2. Turn **right** onto **E State St / US-20 Bus W**. Continue to follow **E State St**.	**7.3 Mi** *7.7 Mi Total*
3. **SPRINGFIELD AVE & W STATE ST**.	

Springfield Ave & W State St, Rockford, IL 61102

Total Travel Estimate: **7.71 miles - about 15 minutes**

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Notes

Churchview Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St

Rockford, IL 61102

8.44 miles / 16 minutes

5970 Churchview Dr, Rockford, IL 61107-2574

Download Free App

1. Start out going **southwest** on **Churchview Dr** toward **Bellflower Dr**.	**0.07 Mi** *0.07 Mi Total*
2. Turn **right** to stay on **Churchview Dr**.	**0.2 Mi** *0.3 Mi Total*
3. Turn **left** onto **Spring Creek Rd**.	**3.4 Mi** *3.6 Mi Total*
4. **Spring Creek Rd** becomes **Auburn St**. Pass through 1 roundabout.	**0.8 Mi** *4.4 Mi Total*
5. Turn **slight right** to stay on **Auburn St**.	**3.3 Mi** *7.7 Mi Total*
6. Turn **left** onto **N Springfield Ave**.	**0.7 Mi** *8.4 Mi Total*
7. **SPRINGFIELD AVE & W STATE ST**.	

Springfield Ave & W State St, Rockford, IL 61102

Total Travel Estimate: **8.44 miles - about 16 minutes**

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Notes

Machesney Park Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St
Rockford, IL 61102
12.38 miles / 17 minutes

		[5478 - 5498] N Perryville Rd, Machesney Park, IL 61115	**Download Free App**
		1. Start out going **south** on **N Perryville Rd** toward **Rock Cut Xing**.	**1.7 Mi** *1.7 Mi Total*
		2. Turn **right** onto **Harlem Rd**.	**3.0 Mi** *4.7 Mi Total*
		3. **Harlem Rd** becomes **Braur Pkwy**.	**0.6 Mi** *5.3 Mi Total*
	2	4. Turn **left** onto **N Main St / IL-2**.	**1.4 Mi** *6.7 Mi Total*
		5. Turn **right** onto **W Riverside Blvd**.	**3.0 Mi** *9.7 Mi Total*
		6. **W Riverside Blvd** becomes **N Springfield Ave**.	**2.7 Mi** *12.4 Mi Total*
		7. **SPRINGFIELD AVE & W STATE ST**.	
		Springfield Ave & W State St, Rockford, IL 61102	

Total Travel Estimate: **12.38 miles - about 17 minutes**

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Notes

Belvidere Dialysis to proposed site for Forest City Dialysis

Trip to:

Springfield Ave & W State St

Rockford, IL 61102

21.51 miles / 24 minutes

		1751 Henry Luckow Ln, Belvidere, IL 61008-1702	**Download Free App**
		1. Start out going **northwest** on **Henry Luckow Ln** toward **Henry Luckow Dr**.	**0.01 Mi** *0.01 Mi Total*
		2. Take the 1st **left** onto **Doc Wolf Dr**.	**0.1 Mi** *0.1 Mi Total*
	BUS WEST 20	3. Take the 1st **right** onto **N State St / US-20 Bus W**. Continue to follow **US-20 Bus W**.	**5.1 Mi** *5.2 Mi Total*
RAMP		4. Take the **I-39 S / I-90 E / US-51 S / I-39 N / I-90 W / US-51 N** ramp toward **Tollway Entrance**.	**0.2 Mi** *5.4 Mi Total*
		5. Merge onto **I-90 E / I-39 S / US-51 S / Jane Addams Memorial Tollway S** via the ramp on the **left** toward **Chicago / EAST**.	**2.4 Mi** *7.8 Mi Total*
		6. Merge onto **I-39 S / US-51 S** via **EXIT 17** toward **US-20 / Bloomington**.	**2.9 Mi** *10.7 Mi Total*
	WEST 20	7. Stay **straight** to go onto **US-20 W**.	**8.1 Mi** *18.8 Mi Total*
EXIT		8. Take the **Montague Rd** exit.	**0.3 Mi** *19.1 Mi Total*
RAMP		9. Keep **right** to take the ramp toward **Rockford**.	**0.03 Mi** *19.1 Mi Total*
		10. Merge onto **Montague Rd**.	**0.2 Mi** *19.3 Mi Total*
		11. Turn **left** onto **Springfield Ave**.	**2.2 Mi** *21.5 Mi Total*
		12. **SPRINGFIELD AVE & W STATE ST**.	
		Springfield Ave & W State St, Rockford, IL 61102	

Total Travel Estimate: **21.51 miles - about 24 minutes**

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