Dialysis Clinic, Inc.
A Non-Profit Corporation

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May 31, 2016

Mr. Rich S. Lawrence
Sr. Healthcare Financial Analyst
Department of Health and Human Services
Licensing and Regulatory Services
State House Station #11
41 Anthony Avenue
Augusta Maine 04333

Dear Mr. Lawrence:

Please accept this correspondence as a Letter of Intent and a request for a ruling from the Department of Health and Human Services regarding the necessity for a Certificate of Need.

Relocation Details
Dialysis Clinic, Inc. (DCI) in Waterville proposes to relocate its current dialysis facility located at 149 North Street to a 5.23 acre lot at the intersection of Ridge Road and Western Avenue/Center Road in Fairfield, Maine. In Google Maps you can enter **235 Center Road, Fairfield, Maine 04975** and arrive at the site. The neighbor is Maine Dartmouth Family Practice. A site plan for a 10,000 sq. ft. (approximate) building was prepared by the Seller and potential Builder for presentation to the Fairfield Planning Board. This was done in order to be listed on the upcoming agendas and expedite approvals. The Seller/Builder is The Sheridan Corporation. Sheridan has provided a building construction estimate of $180 – $200 per sq. ft. as the overall cost of the project (minus furniture, fixtures and equipment). At this new location patients will have the convenience of major north and south bound highway entrances and exits as well as various secondary routes in and out of Fairfield with easy access to all the surrounding communities that we currently serve.

DCI does not anticipate any increase in supply costs or transportations costs. Although we may need to increase our staffing capabilities our goal is to continue to provide exceptional care to this community without increasing costs to the patients, city or state.

The proposed facility is intended to provide dialysis services in a manner that is convenient to the patients and continues to meet a demonstrated demand for dialysis services in Waterville and the surrounding area. We estimate the total capital expenditure for the project will not exceed $500,000.00 for dialysis machines, dialysis chairs, water treatment system, concentrate storage tanks, bicarbonate delivery system including office and waiting room furniture, supplies and equipment.

DCI would like to increase from a thirteen (13) chair clinic with one (1) isolation area and a one (1) chair home training room to a twenty (20) chair clinic plus one (1) designated isolation room and three (3) home training rooms. We want to offer the dialysis community all the same amenities that they currently enjoy in a larger more modern facility. In our current clinic our maximum in-center census is fifty two (52). In 2016 we have been at maximum census every month and in response to demand implemented a less efficient third treatment shift and staff schedules to accommodate the current patient census of fifty six (56). The lack of space in our current clinic presents us with several challenges. We do not currently have the capacity to grow our patient population to meet the needs of the communities we serve, there is limited private space for patients to converse with their medical providers and patient chairs in such close proximity increase the possibility of cross contamination or exposure to others' blood. In an attempt to meet the increased need for dialysis services in our immediate area some patients receive treatment in neighboring (KKC in Augusta and DCI – Skowhegan) facilities which require greater travel until we have an opening in Waterville. The current space does not provide the capability to lock doors from the lobby to the treatment area and is open to the public. CMS regulations now require dialysis providers to provide a locked safe environment to the patients on treatment.

When DCI purchased this clinic in 2013 the home program had three (3) patients total. We have since grown the program to include twelve (12) Peritoneal Dialysis (PD) patients and three (3) Home Hemodialysis (HH) patients. All of the above home patients have been trained and have to return for at least one monthly clinic visit which all happens out of one training room. The home dialysis program was developed to meet the individualized needs of our patient population and make access to treatment more convenient. With only one training room, this has been a challenge.

The proposed increase in in-center chairs and home modality chairs will not only increase our capacity for the demand of new dialysis patients to our area but it will also allow us to accommodate traveling patients. Since we have reached maximum capacity, DCI Waterville, has had to refuse traveling dialysis patients. However, we have been very proactive in providing these patients with alternate clinics because we understand that quality of life to our patients means maintaining a sense of normalcy. We want all dialysis patients to have a safe place to dialyze.

Our growth plan includes the use of Chronic Kidney Disease education curriculums. Patients who receive CKD education are more likely to choose home treatment modalities. Home patients have higher quality of life scores and better mortality rates.

Peritoneal dialysis allows the patients the flexibility to arrange their treatment around their life, rather than their life around their treatment. PD patients have a more normal lifestyle; the treatment is less confining and performed in their own home; it is portable so they can travel; there is no access to the blood stream (this means no needles and no blood); there are fewer dietary restrictions, and it is a continuous gentle form of dialysis.

Home Hemodialysis works just like in-center dialysis, but is done in their home three to six days a week. HH also gives the patients the convenience and flexibility of being at home. With direction from their doctors these patients may receive longer and/or more frequent treatments, which can make them, feel better and could decrease dietary and fluid restrictions. These patients often have better blood pressure control and fewer complications because these treatments mimic normal kidney function.

DCI Background

Founded in 1971 as a 501.c.3 not-for-profit organization the primary responsibility of DCI is to perceive, initiate, and provide comprehensive patient care. We serve society by providing care for patients with End Stage Renal Disease. Our goal is complete patient rehabilitation. We recognize the patient as an individual resulting from his or her genetics, life experience, habits, beliefs, and emotions and as a member of his or her family and the community. The patient deserves the highest standard of care possible regardless of race, status, or creed. The application of comprehensive care is on a personal level. We become acquainted with our patient as a person and seek to understand his or her problems and needs -- physical, emotional, spiritual, and social.

Through a team approach, each staff member performs functions within his or her capabilities in his or her defined role based on the specific needs of the individual patient. Patient care is assessed, planned, implemented, and evaluated with the consistent aim of improving care and finding more efficient and effective methods for delivery of care. Realistic goals which promote safe, therapeutically effective, and individualized care for each patient are defined in the patient care plan. These goals adhere to quality standards of care within the framework of defined policies and procedures. The team strives to provide the highest quality of patient care possible through the utilization of available human and material resources.

There is, however, a further responsibility to which DCI is devoted. DCI was established as a non-profit corporation, hopefully to generate funds for research in order that the methods for treatment of ESRD patients might be improved. We are not content to dialyze the next group of patients in the same imperfect way that the last group was dialyzed without at least making the attempt to better the patient's lot through research. As a corollary to this, education of ESRD health care professionals is another goal to which DCI resources are dedicated to support.

DCI's philosophy has always been a commitment to patients. Patients complete a financial profile which aids the social workers in directing them to community services to assist them. Patients are also assisted in acquiring and maintaining primary and supplemental insurance. If a patient does not have primary or secondary insurance, every effort is taken to find a DCI facility that can accept

the financial burden of an uninsured patient.

DCI endorses the patient's right to choose the facility and the mode in which the patient's ESRD should be treated (i.e., dialysis or transplant). To help ensure that those patients desiring transplant may be offered this form of treatment, DCI founded and remains closely affiliated with DCI Donor Services, Inc., which operates independent organ procurement agencies and also contributes to research to improve patient access to transplantation.

We are a service organization. The care of the patient is our reason for existence.

DCI strives to provide the highest standard of care for each individual patient in a morally and fiscally responsible manner.

While we endeavor to serve patients who require dialysis treatments, the clinical team at DCI believes a system which promotes education, encourages transplantation, prolongs existing renal function and emphasizes modality choice will provide exceptional patient outcomes at the lowest cost to Federal and State agencies. If required, an application for Certificate of Need will be submitted within 90 days from the date notification is received from DHHS.

Please contact me if you have any questions or concerns. I may be reached at 207-872-1291 or 207-474-6002. My email address is betty.shaw@dciinc.org . My address is:

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Sincerely,

Betty Jo Shaw

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Area Operations Director