



December 9, 2013

DaVita Dixon Kidney Center
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FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

**Re: Notice of Project Completion & Final Project Cost Report – Quality Renal
Care Proj. Nos. 13-055 & 13-056**

Dear Mr. Constantino:

Pursuant to Section 1130.770 of the Illinois Health Facilities and Services Review Board (“HFSRB”) rules, I am writing on behalf of the permit holders DaVita HealthCare Partners Inc. and Total Renal Care, Inc. (collectively, “DaVita”) to submit the Notice of Project Completion & Final Project Cost Report for Project Nos. 13-055 and 13-056. On November 5, 2013, the HFSRB approved the change of ownership of the Quality Renal Care (the “Transaction”). The Transaction closed effective December 1, 2013.

For your review, we are submitting the following information:

1. Project Costs and Sources of Funds

The Transaction involved an asset sale for the change of ownership of the two outpatient dialysis facilities formerly operated as Quality Renal Care – Carpentersville and Quality Renal Care - Marengo. The \$7,800,000 purchase price for the two facilities was funded with cash at closing. Based on a discounted cash flow valuation for each center utilizing the seller’s most recent financial statements available at the time the purchase price was determined, the purchase price for the two Quality Renal Care centers was allocated for the CON applications as follows:

- Permit No. 13-055, Quality Renal Care - Marengo - \$1,395,255
- Permit No. 13-056, Quality Renal Care – Carpentersville - \$6,404,745

2. Certification of Final Realized Costs and Compliance

Pursuant to 77 Ill. Admin. Code §1130.770, DaVita certifies that no additional or associated costs or capital expenditures related to the Project will be submitted for reimbursement under Title XVIII or Title XIX of the Social Security Act. I further certify

DaVita has complied with all of the terms of the permit to date and all information submitted in this cost report for the Facility is true and correct.

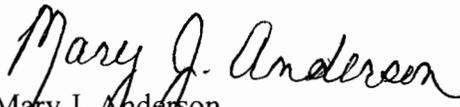
3. Final Application and Certification for Payment

The Project did not include any construction. Accordingly, no Application and Certification for Payment is available or required.

For ease of filing, we are submitting two signed copies of this cost report letter for each Quality Renal Care center.

Thank you for your time and consideration. If you have any questions or need any additional information, please feel free to contact our legal counsel, Charles Sheets at 312/873-3605.

Sincerely,



Mary J. Anderson
Divisional Vice President
DaVita HealthCare Partners Inc.

Subscribed and sworn to me
This 10 day of December, 2013



Notary Public