



April 29, 2014

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

Re: Notice of Project Completion & Final Project Cost Report – Garfield Kidney Center Proj. No. 13-060

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 No. 13-060. On November 5, 2013, the HFSRB approved the change of ownership of the Garfield Kidney Center (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 Garfield Kidney Center outpatient dialysis facility. The \$4,250,000 purchase price for the facility, as outlined in the Asset Purchase Agreement and CON application, was subsequently lowered to \$3,250,000, as the transaction proceeded through the bankruptcy process and was approved by the bankruptcy court. The transaction was funded with cash at closing. Based on a discounted cash flow valuation for the center utilizing the seller’s most recent financial statements available at the time the purchase price was determined.

The purchase price will not be included on the Medicare/Medicaid cost reports.

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.

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,



Penny Davis, RN, FACHE
Division Vice President
DaVita HealthCare Partners Inc.

Subscribed and sworn to me
This 30th day of April, 2014


Notary Public

