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FEDERAL EXPRESS

Michael Constantino
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

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HEALTH FACILITIES
SERVICES REVIEW BOARD

Re: Annual Progress Report – Collinsville Dialysis (Proj. No. 16-009)

Dear Mr. Constantino:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board (“HFSRB”) rules, I am writing on behalf of DaVita Inc. and Total Renal Care Inc. (the “Permit Holders”) to submit the annual progress report for Collinsville Dialysis (Project No. 16-009). As you are aware, on May 10, 2016, HFSRB approved the Permit Holders’ certificate of need application for the establishment of Collinsville Dialysis (the “Project”). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit #16-009.

1. Status of the Project

The Project was obligated on November 28, 2016 through the execution of the construction contract for the dialysis facility. Construction began on December 15, 2016 and is complete. The Certificate of Occupancy was received on April 28, 2017. The facility has yet to treat its first patient and the Medicare certification survey has likewise yet to occur. Based on recent experience, the Permit Holders anticipate it may take four to six months for the initial Medicare certification survey and subsequent receipt of Medicare enrollment documentation.

2. Costs Incurred to Date

To date, the Permit Holders have incurred \$2,086,196 in project costs.

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PROJECT COSTS	Approved	Expended
Modemization Contracts	\$1,080,323	\$1,069,595
Contingencies	\$108,000	\$0
A & E Fees	\$92,000	\$54,881
Consulting & Other Fees	\$80,000	\$20,000
Moveable Equipment	\$499,132	\$401,867
Fair Market Value of Leased Space & Equipment	\$539,853	\$539,853
Other Costs to be Capitalized	NA	NA
Net Book Value of Existing Equipment		
Estimated Total Project Cost	\$2,399,308	\$2,086,196

3. **Sources of Funds**


The project will be funded with \$2,399,308 in cash and cash equivalents.

4. **Anticipated Completion Date**

The anticipated completion date for the Project is November 30, 2017.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,



Timothy V. Tincknell

cc: Mary J. Anderson, DaVita Inc.
Don Robbins, DaVita, Inc.
Dave Schrader, DaVita Inc.
Anne Cooper, Polsinelli PC