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February 4, 2019

Anne M. Cooper  
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Via Federal Express  
Via Email

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

**RECEIVED**

FEB 05 2019

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

**Re: Annual Progress Report – Edgemont Dialysis (Proj. No 17-040)**

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 Edgemont Dialysis (Project No. 17-040). As you are aware, on January 9, 2018, HFSRB approved the Permit Holders' certificate of need application for the establishment of Edgemont Dialysis (the "Project"). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit #17-040.

**1. Status of the Project**

Construction is complete and the clinic treated its first patient on December 26, 2018. The clinic is awaiting Medicare certification. Based upon recent experience, DaVita anticipates it may take up to six months for Medicare certification.

**2. Costs Incurred to Date**

To date, the Permit Holders have incurred \$2,399,881 in project costs.

PROJECT COSTS	Approved	Expended
Modernization Contracts	\$1,088,000	\$1,088,000
Contingencies	\$162,500	\$109,595
A & E Fees	\$124,000	\$75,881

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PROJECT COSTS	Approved	Expended
Consulting & Other Fees	\$96,000	\$9,569
Moveable Equipment	\$705,700	\$578,879
Fair Market Value of Leased Space & Equipment	\$537,957	\$537,957
<b>Estimated Total Project Cost</b>	<b>\$2,714,157</b>	<b>\$2,399,881</b>

### 3. Sources of Funds

The project will be financed through \$2,176,200 in cash and cash equivalents and a \$537,957 lease.

### 4. Anticipated Completion Date

The anticipated completion date for the Project is May 31, 2019.

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

Sincerely,

A handwritten signature in cursive script that reads 'Anne M. Cooper'.

Anne M. Cooper

cc: Mary Anderson, DaVita  
Jill Glaser-Abernathy, DaVita  
Dave Schrader, DaVita