

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

Department of Health and Human Services  
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October 30, 2012

Michael Spivak, Director, Corporate Development  
Total Renal Care, Inc.  
c/o DaVita Inc.  
601 Hawaii Street  
El Segundo, California 90245

Brett D. Witham, Esquire  
Verrill Dana, LLP  
One Portland Square  
PO Box 586  
Portland, ME 04112-0586

**RE: Certificate of Need - Acquisition of Assets  
of Eastern Maine Medical Center Dialysis Program**

Dear Mr. Spivak and Mr. Witham:

This letter will serve as notification that, on this date, I have decided to **grant with one condition** a Certificate of Need (CON) that authorizes DaVita, Inc. d/b/a Total Renal Care, Inc. to acquire the assets of Eastern Maine Medical Center's Dialysis programs for \$17,300,000.

My approval is conditioned on Total Renal Care implementing the following:

1. DaVita d/b/a Total Renal Care will provide the Certificate of Need Unit, 15 days before the project is commenced, the plans for the development of a Patient Support Board, describing its responsibilities, proposed meeting schedule and other pertinent information. An approved summary of Board activities will be forwarded to the Certificate of Need Unit within 60 days of each board meeting. This Patient Support Board will be required to meet at least quarterly for the first three years following commencement of this project.

In order for this CON to remain valid, the project must be "commenced" within one year from the date of the original approval noted above. You must complete implementation reports on your activities as specified for this type of Project (CON Procedures Manual, Chapter 11, Sec. 3). Limited extensions may be available, if requested in a timely manner and for good cause, as explained in the Manual, Chapter 9, Sec. 3. Failure to commence the project within this 12-month period will result in expiration of the CON, unless an extension is obtained, as cited above.

I am granting this CON with conditions because I have determined that the project meets the criteria set forth in the CON Act Sec. 335 (1) and the Department's regulations. The specific details of the project for which I have granted this CON are contained in the record.

Please be aware that in accordance with Section 346 of the Maine Certificate of Need Act this Certificate, as modified herein, is valid only for the stated scope, premises and facility named in the above referenced application and is not transferable or assignable.

Furthermore, it should be clearly understood that our analysis and findings regarding the need for the proposed project as well as its financial and economic feasibility have been predicated on the application record as described in the Manual, Chapter 8, Subsection 5. Consequently, the proposal must be implemented consistent with the approval stated in this letter, as informed and clarified by the Department's analysis and findings as summarized in the following Department staff reports:

1. FINAL REVIEW: Briefing memo to Mary C. Mayhew, Commissioner, DHHS, dated October 18, 2012.

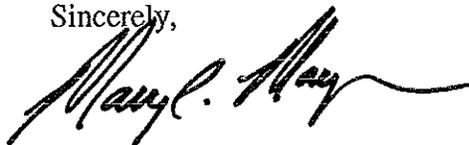
No significant changes to the project, no variations from the projected operating costs, no modifications of the terms of financing the project, and no increase in the capital expenditures to be made are permitted without the prior written approval of the Department. Any such variances may result in either the disallowance of related expenses, financial penalties or the immediate revocation of the CON.

Please work closely with my staff in the CONU Unit to assure this project is implemented in accordance with the provisions of this Certificate and applicable rules and regulations. As part of this requirement, you are reminded that, prior to any construction, the appropriate licensing and certification and State Fire Marshal officials must approve all working drawings and construction specifications.

The law requires that a holder of a CON make a written report at the end of each six-month period following its issuance. Details regarding this and related requirements will be made the subject of a separate letter from the CONU.

My staff will work with you as necessary.

Sincerely,



Mary C. Mayhew  
Commissioner

MCM/klv

cc: Kenneth Albert, Director, Division of Licensing and Regulatory Services  
Phyllis Powell, Assistant Director, Division of Licensing and Regulatory Services  
Larry Carbonneau, Manager, Division of Licensing and Regulatory Services  
Herbert Downs, Division of Audit, DHHS  
Janine Raquet, Assistant Attorney General