

## Safety Net Impact Statement

The discontinuation/establishment (relocation) of the Fresenius Medical Care Spoon River dialysis facility will not have any impact on safety net services in the Canton community. Generally speaking, dialysis services are not considered a safety net service. However, when there are no dialysis services available in the community served it may be considered a safety net service, and in this case the Spoon River is the only facility within a 30 minute radius. However, the discontinuation of Spoon River will not affect services as it is associated only with a relocation of the facility to a location within minutes of the current site, and there will be no interruption in the availability of dialysis services.

There will be no impact on the ability of another provider to cross-subsidize safety net services as a result of this relocation because there are no other facilities within 30 minutes and this is a discontinuation associated with relocation, with no disruption in services. As such, there will not be any impact on any safety net providers in the community.

Fresenius Medical Care is a for-profit publicly traded company and is not required to provide charity care, nor does it do so according to the Board's definition. However, Fresenius provides care to all patients regardless of their ability to pay. There are a number of patients treated by Fresenius who either do not qualify for or will not seek any type of coverage for dialysis services. These patients are considered "self-pay" patients. These patients are invoiced as all patients are invoiced, however payment is not expected and Fresenius does not initiate any collections activity on these accounts. These unpaid invoices are written off as bad debt. Fresenius notes that as a for profit entity, it does pay sales, real estate and income taxes. It also does provide community benefit by supporting various medical education activities and associations, such as the Renal Care Network and National Kidney Foundation.

The table below shows the amount of "self-pay" care provided for the 3 fiscal years prior to submission of the application for all Fresenius Medical Care facilities in Illinois and the amount of care provided to Medicaid patients for the three fiscal years prior to submission of the application for all Fresenius Medical Care facilities in Illinois. This includes in-center hemodialysis, peritoneal dialysis, home hemodialysis & sub-acute hemodialysis.

<b>SAFETY NET INFORMATION</b>			
<b>CHARITY CARE</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Charity (# of self-pay patients)</b>	272	307	260
<b>Charity (self-pay) Cost</b>	3,503,198	3,530,456	3,642,751
<b>MEDICAID</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Medicaid (Patients)</b>	1,403	1,626	1,783
<b>Medicaid (Revenue)</b>	32,418,129	37,043,006	40,401,403

There is no other information directly relevant to safety net services.