

XI. Safety Net Impact Statement

By the nature of dialysis treatment and reimbursement. ESRD does not specifically fit the definition of Safety Net and Charity Care, as outlined in the Public Act 96-031. The Statement below demonstrates that DaVita provides essential service to all patients, and will continue to do so through the proposed project.

Dialysis is an entitlement under Medicare, providing payment for the vast majority of patients, regardless of age. Illinois Medicaid provides for coverage for the minority not covered by Medicare. Illinois dialysis patients also have an additional safety net in the Illinois State Renal Program, a State funded program paying for dialysis treatments when no other sources of payment are available. These three sources of payment leave very few patients with no source of coverage. DaVita Social Workers work closely with patients, hospitals, nursing homes, physicians and other community care providers to obtain all available coverage for each patient. This benefits the patient, the dialysis facility and other providers caring for the patient, and results in minimal need for charity care. The few patients for whom coverage cannot be found are considered self-pay, and must be billed for service under regulation, however their care is largely discounted and written off as bed debt, upon approval of Regional administration.

DaVita also provides care for patients with other barriers to access, including ethnic and cultural barriers, geographic isolation and inability to pay. Patients with barriers related to citizenship or immigration status are provided treatment under Illinois law that provides for emergency care for dialysis patients. Hemodialysis is considered life-sustaining care and is included under this provision. DaVita provides care to patients in those circumstances, while also assisting the patient to find any forms of coverage available. To further assist patients with ethnic barriers, DaVita provides interpreter services for non-English-speaking patients.

DaVita is also committed to providing service to patients with geographic challenges. DaVita has many facilities located in small and rural communities, providing service for patients who otherwise would not have access to service due to the travel distance to metropolitan areas.

In summary, DaVita provides dialysis services to all patients as prescribed by a licensed physician, and accepts patients without regard to race, color, gender, national origin, sexual orientation, age, religion or disability. DaVita also provides service to patients with special needs and barriers to access, including ethnic and cultural barriers, geographic isolation and inability to pay.

DaVita, Inc.				
Illinois				
Chronic Hemodialysis				
<u>Safety Net Information</u>				
		<u>2007</u>	<u>208</u>	<u>2009</u>
Charity Care				
Charity (# of Self-Pay Patients)		8	10	19
Charity (Self-Pay Cost)		\$ 244,745	\$ 321,510	\$ 597,263
Medicaid				
Medicaid (Pts)		204	214	220
Medicaid (Revenue)		\$ 8,929,985	\$ 9,073,985	\$ 9,212,781
Source: DaVita, Inc				
Illinois Data includes all Regions in Illinois				

and Treatments By Payor		Treatments			
2008	2009	2007	2008	2009	2
		Illinois Treatments			Illino
\$ 82,651,051	\$ 88,220,128	337,187	355,978	372,720	2,4
\$ 20,454,198	\$ 23,668,861	22,341	24,120	26,829	1
\$ 9,073,985	\$ 9,212,781	30,242	30,615	31,392	2
\$ 297,508	\$ 575,803	1,129	1,478	2,723	
\$ 44,746,861	\$ 44,895,814	47,034	48,985	48,791	3
\$ 157,223,604	\$ 166,573,387	437,932	461,176	482,455	2,5
		Chicago Treatments			Chica
\$ 30,390,842	\$ 32,127,717	111,579	122,087	127,472	7
\$ 10,815,424	\$ 11,415,959	10,864	12,663	13,048	
\$ 5,497,429	\$ 5,550,862	17,964	18,357	18,655	1
\$ 155,138	\$ 376,585	634	736	1,722	
\$ 14,432,902	\$ 14,509,169	11,521	11,156	11,936	
\$ 61,291,753	\$ 63,980,292	152,561	164,999	172,833	1,6
		Illinois Treatments Outside of Chicago			Illinic
\$ 52,260,209	\$ 56,092,411	225,608	233,891	245,248	1,4
\$ 9,638,774	\$ 12,252,902	11,477	11,457	13,781	
\$ 3,576,556	\$ 3,661,919	12,278	12,258	12,737	
\$ 142,370	\$ 199,218	495	742	1,001	
\$ 30,313,959	\$ 30,386,645	35,513	37,829	36,855	2
\$ 95,931,851	\$ 102,593,095	285,371	296,177	309,622	1,8

DaVita, Inc
Cost Per Treatment

Illinois Cost Per Treatment	2007	2008	2009
	\$	\$	\$
Salary Wage and Benefits	76.30	78.12	77.10
	\$	\$	\$
Medical Supplies	89.11	87.17	89.20
	\$	\$	\$
Other Controllable Expenses	19.46	19.81	19.35
	\$	\$	\$
Other Operating Expenses	31.90	32.43	33.68
	\$	\$	\$
Pre G & A Expense Per Treatment	216.78	217.53	219.34