

SATELLITE HEALTHCARE

Community Benefits
Report: 2009





Our Mission:

Making life better for those living with kidney disease

Accomplished by:

- Supporting research
- Providing education
- Ensuring access to care for all patients with kidney disease

This Community Benefit Report provides an overview of programs and activities that allow Satellite Healthcare to meet and to exceed our organization's heritage as a not-for-profit dialysis provider.



Overview of Chronic Kidney Disease and the End Stage Renal Disease Community

Chronic Kidney Disease (“CKD”) is a public health problem in the United States that impacts approximately 26 million Americans. It is well known that hypertension and diabetes are two leading causes of kidney failure. The 2009 United States Renal Data System Report¹ shows that of the 520,000 Americans who live with End Stage Renal Disease (“ESRD”) over 368,000 are treated by dialysis and over 158,000 have received a kidney transplant.

Various factors have contributed to improved patient outcomes and have strengthened the ESRD community:

- High quality dialysis services
- An increase of successful kidney transplants
- More effective drugs and drug therapies
- The availability of more dialysis treatment options
- Information gained and used by research studies
- Targeted patient education efforts
- Patient support groups
- ESRD community advocacy

Over 26 million Americans suffer from Chronic Kidney Disease (CKD), which can lead to kidney failure

Satellite Healthcare

Satellite Healthcare is built on a legacy spanning over three and half decades and is recognized for our leadership in (1) achieving clinical excellence (2) delivering innovative services and therapies and (3) fostering research and charitable giving. Our goal is to enable the chronic kidney disease community to achieve clinical excellence and improved quality of life.

Satellite Healthcare owns and operates 48in-center hemodialysis facilities (**Satellite Dialysis**) and home dialysis training centers (Satellite **WellBound**) (WellBound) providing a variety of treatment options to our patients. In 2009, Satellite Healthcare provided over 746,000 dialysis treatments and services to over 4,240 patients in California, Texas, Indiana, Illinois, and New Jersey.

¹ <http://www.usrds.org/adr.htm>

Satellite Laboratory Services (SLS) is a clinical laboratory specializing in ESRD testing. ESRD laboratory testing is an essential component of the treatment and services dialysis patients need on an ongoing basis. Physicians, nurses, and dieticians review these lab results in order to make patient care decisions. SLS provides testing to over 25,000 patients nationwide.

Satellite Philanthropy

As a not-for-profit dialysis provider, Satellite Healthcare is involved in a number of community benefit programs and activities that help us in fulfilling our mission towards our patients and the ESRD community.

A number of our programs and activities include:

- Satellite Financial Assistance Program
- Satellite Patient Trust Fund
- Satellite Research
- Norman S. Coplon Grant Program
- Hans Wolf Fellowship Program
- Optimal Start™
- Better LIFE™ Wellness Education and Dialysis Options Education
- Satellite Advocacy
- Satellite Healthcare Children's Scholarship Fund
- Support of the National Kidney Foundation (NKF)
- Support of the American Kidney Fund (AKF)
- Support the American Diabetes Association (Texas)
- The Norman S. Coplon / Satellite Healthcare Professorship in Medicine

“Satellite Philanthropy” is a leader in philanthropic giving and charitable services focused on chronic kidney disease

Satellite Healthcare is proud that our community benefit program includes activities that stretch across many areas of the ESRD community including direct patient care, financial assistance for eligible patients, patient education, research, as well as state and federal level advocacy. Community benefit programs are an integral part of the Satellite culture.

Satellite Community Benefit Activities and Programs

Satellite Financial Assistance Program²

In 2009, Satellite Healthcare provided all patients the opportunity to be assessed for possible qualification for financial assistance. This was done in an effort to help reach more patients who were in need of assistance. Through direct financial assistance and organizations such as the American Kidney Fund, in 2009 Satellite Healthcare provided over \$1,1 million of financial assistance to our patients.

Satellite Patient Trust Fund

Satellite Healthcare is aware that emergency circumstances arise for our patients that may require assistance. Each Satellite Dialysis and WellBound facility has access to a Patient Trust Fund, which is initially funded by Satellite Healthcare at the beginning of each year. The Satellite Patient Trust Fund has been utilized to assist patients on a case-by-case basis, as needed.

The following are examples of how this program was utilized in 2009:

- Purchasing of household essentials and nutritional supplements
- Providing funds for medical transportation
- Assistance with utility and phone bills

Donations are accepted for an individual Satellite Dialysis or WellBound Center's Patient Trust Fund. Individuals can make a tax-deductible donation to the Patient Trust Fund. Additional funding comes from donations from the National Kidney Foundation (NKF), private companies, Satellite staff, medical directors and referring physicians.

Satellite Research

The mission of Satellite Research is to stimulate, support, and carry out research with emphasis on improving clinical outcomes in patients with kidney disease. An independent Scientific Advisory Board of leading researchers and our Satellite Healthcare Board of Directors guides our research.

Satellite Research is conducting research in various areas with the aim to directly improve the care of patients with ESRD. The primary focus of Research has been directed towards the following areas:

² The Satellite Financial Assistance Program was initially created to provide financial assistance to our low income patients.

1. Home dialysis therapies allow for a more independent and flexible schedule of renal replacement therapy thereby allowing the patients to achieve full rehabilitation for an active life. Peritoneal dialysis has been available since the 1980s and home hemodialysis (HHD) is emerging over the last few years as a new alternative to providing renal replacement therapy in the growing patient population. As of 2007, the literature about the frequency of home hemodialysis is limited. Offering a range of frequency from every other day, to four and six times per week, as well as nightly, allows the study of clinical and laboratory parameters with special emphasis on adequacy, anemia and phosphate management, quality of life, medication patterns, and removal of middle molecules.

Satellite is conducting studies with newly available home hemodialysis therapies and technologies, which allow patients to be independently treated at home. Internal studies are designed to help evaluate various schedules for delivery of this therapy. Clinical concerns of adequate dialysis as well as life-style concerns and resulting quality of life are critical in establishing therapies, which allow as many patients as possible to undergo this type of renal replacement therapies.

2. CKD is addressed earlier through our WellBound centers, targeting early stage IV - CKD education in an effort to delay the onset of ESRD and improve the health literacy related to treatment modality selection.

- Of the patients participating in the CKD options education, approximately 40% choose a home treatment modality, more than four times the national average.
- Research to study the opportunities and barriers existing in the current system of ESRD care delivery is vital to allow patients to benefit from the advantages home therapies provide for patients.

3. Patients suffering from ESRD have multiple co-morbidities and it has become evident that addressing these co-morbidities is vital for improving outcomes.

- Adequate dialysis has been a major focus over the last decade, as mainly defined by laboratory parameters. It is evident that other parameters such as patient's functioning level, CVD risk factor control and cognitive function are important to define optimal dialysis therapy as well.
- Observational studies on cognitive function in patients undergoing a variety of dialysis modalities and frequencies is currently ongoing in the WellBound and Satellite Dialysis Centers
- Furthermore the evaluation of hemodynamic factors analyzed with bio-impedance measurements will contribute to the understanding of how dialysis modalities affect the cardiovascular system and will help to provide more individualized treatment options.
- Depression has been identified as a significant burden in this patient population and studies are aimed at evaluating improved screening for the disease and subsequent treatment.

4. While center hemodialysis therapy has been standard of care for more than 30 years optimization of this modality based on new data and concepts is critical for improvement of care and patients well being.
 - Catheter infection is one of the major causes of morbidity and mortality in ESRD patients with infections being the second most common cause of death. Prevention of catheter infection is pivotal in improving outcomes in this patient population.
 - A randomized, controlled clinical trial to compare two different catheter lock solutions in HD patients with permanent central venous catheters has just been finished and resulted in changes in routine care in all centers.
 - Malnutrition is a known risk factor in patients with ESRD. Protein supplementation is assumed to counteract this disorder, but optimal treatment options are still missing.
 - A randomized controlled trial in patients with low albumin levels has been conducted in patients undergoing peritoneal dialysis or hemodialysis. Patients are given a protein supplement on dialysis or daily in order to test the hypothesis that protein supplementation can improve nutritional status in these patients. The study will be finished at the end of 2009 and data are expected in early 2010.
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 - Hypertension and fluid overload are a major problem in patients undergoing hemodialysis. The intradialytic weight gain is thought to be directly influencing both blood pressure and the adverse events occurring during dialysis therapies. The importance of salt intake is well recognized in this respect, however the emphasis has always focused on the salt intake by patients when not on dialysis. Satellite Research is in the process to shed some light on current dialysis prescriptions and its potential impact on these issues.

Satellite Research is also participating in the Frequent Hemodialysis Network (FHN) study and NIH funded study to evaluate in a randomized controlled trial the effect of daily HD in-center, compared to a conventional thrice-weekly schedule. Furthermore collaboration with colleagues at Stanford's Department of Nephrology creates a strong basis for mutually beneficial and complementary research studies.

All Research projects are aimed at improving outcomes and quality of life for patients on dialysis. Results of these research projects have been presented at a variety of national meetings including the American Society of Nephrology meeting (ASN), the Annual Dialysis Conference (ADC), and the Annual Nephrology Nurses Association (ANNA) and the National Kidney Foundation (NKF) meeting.

Contract Research

An integral part of Satellite Research continues to be participating in phase II and III clinical trials with new promising products in the process of achieving FDA approval. Trials are chosen according to their applicability and likelihood to improve patient morbidity and mortality.

Norman S. Coplou Grant Program

Satellite Healthcare's extramural grant program is one of the nation's largest private research grant programs focused on chronic kidney disease. Grant awards are given to individuals and institutions engaged in promising kidney disease research in the United States and Canada. Approximately one-third of the awards are for basic science research, with the remaining two-thirds aimed at applied science. Each year, Satellite Healthcare funds approximately 24 grants totaling nearly \$1,000,000.

As of 2008, over \$7,000,000 has been granted, supporting over 40 different research projects in the United States and Canada. Grantees from 2008 include Stanford University, Baylor College of Medicine, and University of Pittsburgh School of Medicine.

Hans Wolf Fellowship Program

Satellite Healthcare provides funding for a selected Stanford Medical Nephrology Fellow whose focus is related to CKD or ESRD. The fellow is given the opportunity to better understand the issues related to this community.

Optimal Start™ (OS)

There are many essential components, which contribute to a positive dialysis experience and better outcomes for ESRD patients. These factors include improved health literacy about ESRD, making the necessary dietary changes, and compliance with dialysis treatments and services.

The Optimal Start™ staff ensures that patients understand the importance of the dialysis treatment.

The Satellite Optimal Start Program is a patient empowerment program targeted at the first 90 days of a patient's experience with dialysis treatment. The program continues to enable Satellite Healthcare to work closely with new patients to provide them the best opportunity for successful dialysis treatment.

The Optimal Start™ staff ensures that patients understand the importance of the dialysis treatment. Patients also are educated on related health conditions prevalent in ESRD patients. The added one-on-one support for the first 90 days is one way Satellite is able to assist and educate new patients about healthy ways of living and treating their disease.

The OS programs goals is to achieve the best possible outcomes for new patients. During the first 90 days the program provides interventions:

- To assist, support, and educate patients who have chosen in-center hemodialysis as their modality to treat their kidney failure and to assure that they have full understanding of the other options available to them should they decide to make a change.”

- To reduce hospitalizations and missed dialysis treatments by providing understanding of the importance of being compliant with their new prescription drug therapy, dietary changes and adherence to a schedule for treatment.
- To facilitate placement of a permanent access to insure better adequacy whether it be a fistula or graft.
- To monitor patient Clinical Performance Measure (CPM) to see that they are within the target range and to insure a better state of health during the first 90 days.
- To foster a team approach by engaging everyone involved with the patient's care in the OS process. Give them the opportunity to better understand how each person's discipline impacts the success of the patient's ability to adapt to stage V kidney failure.

Better LIFE™ Wellness Education and Dialysis Options Education

Through the WellBound Centers of Excellence, Satellite Healthcare provides comprehensive dialysis options education programs as a way to improve the clinical and quality of life outcomes of CKD patients. These programs are designed as an adjunct to the care provided by community nephrologists and are focused in two specific areas: CKD wellness education and renal replacement therapy education.

Studies have shown that pre-dialysis education affects the involvement of CKD patients in their healthcare. A patient that is well versed in the details of CKD is more likely to establish behaviors that are consistent with maintaining their health and deferring disease progression. This can take the form of embracing exercise, altering diets, or monitoring and addressing important contributors to their disease. At the same time, increasing a patient's health literacy at an earlier stage also helps them to delay their need for dialysis therapy.

WellBound's Better LIFE™ wellness education programs cover a variety of key topics relevant to CKD patients, including hypertension management, exercise, nutrition, stress reduction, and cardiovascular risk assessment. Patients who take part in these classes have greater health literacy, are more engaged in their care, better prepared for choosing and starting a dialysis therapy and are more able to maintain a healthy lifestyle.

When it comes to selecting a treatment modality, WellBound provides CKD patients with the education so that they, in collaboration with their physician, can make an informed decision regarding their dialysis options. WellBound's renal replacement therapy education programs expose patients to all treatment options including transplant, in-center hemodialysis and self-care therapies. By proactively preparing patients to make educated therapy decisions, Satellite Healthcare aims to reduce the persistently high rate of patients who begin dialysis in an emergency hospital setting.

Satellite Advocacy

Satellite Healthcare actively participates in a number of state and federal coalitions to better understand and provide input on issues related to the kidney community. As a not-for-profit

organization, it is essential that we inform and educate state and federal elected officials and government agencies about issues impacting our patients.

In 2009, the Centers for Medicare and Medicaid Services released their proposed ESRD Prospective Payment System (PPS) as required by the Medicare Improvements for Patients and Provider Act of 2008 (MIPPA). Satellite Healthcare began to assess the proposed rule to better understand the possible impact on us as a provider and for our patients. We anticipate addressing issues with the new bundled payment system will remain an important activity for the coming years.

In 2009, Satellite Healthcare participated in a number of meetings with state and federal elected officials discussing a variety of topics including:

- The importance of creating a patient education initiative to increase awareness about CKD and to help patients learn self-management skills.
- The establishment of a quality initiative that would reward quality improvement based on measures developed in cooperation with the kidney care community.
- The support of research for understanding barriers to different treatment modalities for dialysis patients.
- The development of a better understanding of advantages of home dialysis or more frequent dialysis.
- The difficulty of staying competitive with salaries with other healthcare providers for similar clinical staff including nurses, dieticians, social workers, and management without an annual reimbursement update mechanism, similar to other Medicare providers.

Satellite Healthcare Children's Scholarship Fund

Satellite Healthcare Children's Scholarship Fund was created to assist the children of our employees achieve their goals of higher education. In 2009, Satellite Healthcare awarded 20 scholarships from this newly created fund.

Our Children's Scholarship Fund rewards and assists in the education of many of the deserving children of our talented employees. By supporting our future leaders during their educational development, we will contribute to a better future for all.

The Satellite Healthcare Children's Scholarship Fund awarded \$5,000 for the spring semester/term 2009 and \$5,000 for the fall semester/term 2009. In recognition of our employees we offer this benefit of \$500 to ten deserving children for both the spring and fall semester/term.

These scholarships are awarded for full-time undergraduate study at any accredited two- or four – year college or university. Recipients are selected based on academic record, demonstrated

leadership, participation in school and community activities, honors, work experience, and goals and aspirations as stated in the 500-word essay component of the application.

Support of the National Kidney Foundation

Satellite Healthcare historically has been a leading supporter of the National Kidney Foundation (NKF). Throughout more than 35 plus years of service, Satellite has donated more than \$2 million to NKF national and state programs.

The NKF has been one of the key drivers in improving the quality of care for CKD patients in the United States. Our donations have been used for a number of NKF programs and activities, including promoting basic research through the NKF grant program, sponsoring major clinical practice guidelines, and playing a major role in the Kidney Early Evaluation Program (KEEP).

Finally, Satellite Healthcare was the primary sponsor of the Kidney Disease Outcomes Quality Initiative (K/DOQI), which provides evidence-based clinical practice guidelines developed by volunteer physicians and healthcare providers for all phases of kidney disease and related complications, from diagnosis to monitoring and management cardiovascular guidelines which are widely used in the dialysis community today.

American Kidney Fund

The American Kidney Fund (AKF) was founded in 1971, to help a single individual with kidney failure pay for dialysis. Today, AKF is the leading source of direct financial aid to chronic kidney disease patients across the nation. In 2009, AKF in 2009, the American Kidney Fund provided nearly \$155 million in treatment-related financial assistance to more than 87,000 dialysis patients nationwide.

Satellite healthcare supports the AKF with regular annual donations to support AKF programs.
American Diabetes Association (Texas)

The American Diabetes Association mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes. Satellite Healthcare donated approximately \$2,500 to the Texas Chapter. Satellite employees are also active with local fundraising events and walks sponsored by the Texas Chapter of the American Diabetes Association.

The Norman S. Coplon / Satellite Healthcare Professorship in Medicine

Satellite Healthcare, one of the nation's first and largest providers of dialysis services and kidney disease therapies, has honored its founder, Norman S. Coplon, MD, with an endowed chair at Stanford University School of Medicine.

The Norman S. Coplon/Satellite Healthcare Professorship in Medicine was established on June 12, 2008 with a gift from Satellite Healthcare, which Dr. Coplon founded in 1974 as a not-for-profit organization. His vision was to fulfill the growing need for dialysis services, as well as to fund research and provide education for patients with end stage renal disease (ESRD). The company

aims to advance the standard of chronic kidney disease care while optimizing patient wellness and quality of life.

Table 1: 2009 Norman S. Coplon Grant Program Awardee

| Title | Researcher / Institution |
|--|---|
| Oat3 inhibitors as potential novel antihypertensives | Dr. Satish A. Eraly from University of California, San Diego, School of Medicine |
| Medical, Ecologic and Economic Implications of Dialyzer Reprocessing | Dr. Daniel E. Weiner of Tufts University School of Medicine |
| Identification of Modifiable Risk Factors for Sudden Cardiac Arrest in Hemodialysis Patients | Dr. Patrick H. Pun of Duke University |
| Serum Sodium Concentration and Outcomes in Hemodialysis Patients | Dr. Sushrut S. Waikar of Brigham and Women's Hospital |
| Living Kidney Donors and Hypertension | Dr. Jane C. Tan of Stanford University School of Medicine |
| Gene Therapy to Treat Polycystic Kidney Disease | Dr. Joshua Lipschutz of University of Pennsylvania |
| The Role of Soluble Erythropoietin Receptor in Dialysis Patients | Dr. Walter Mutter of Beth Israel Deaconess Medical Center in Harvard Medical School |
| IGF-IR mediated signaling involved in muscle wasting and regeneration in CKD by regulate satellite cell activation | Dr. Liping Zhang of Baylor College of Medicine |