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CN22-12

Certificate of Need Application Kidney Disease Treatment Facilities

Certificate of Need applications must be submitted with a fee in accordance with Washington Administrative Code [\(WAC\) 246-310-990](#).

Application is made for a Certificate of Need in accordance with provisions in Revised Code of Washington [\(RCW\) 70.38](#) and [WAC 246-310](#), rules and regulations adopted by the Washington State Department of Health. I attest that the statements made in this application are correct to the best of my knowledge and belief.

| | |
|--|---|
| Signature and Title of Responsible Officer  Director Special Projects Email Address Jenna.gilbreath@davita.com | Date December 1, 2021 Telephone Number (724) 462-7102 |
| Legal Name of Applicant Total Renal Care Inc., a wholly-owned subsidiary of DaVita Inc. Address of Applicant DaVita Inc. 2000 16 th Street Denver, CO 80202 | Provide a brief project description Expansion of DaVita Kennewick by 2 stations and conversion of exempt isolation station to non-exempt, creating a thirteen (13) Certificate of Need-approved station facility that will provide and support in-center hemodialysis. Estimated capital expenditure: \$448,428 |
| This application is submitted under (check one box only): <input type="checkbox"/> Concurrent Review Cycle 1 – Special Circumstances: <input type="checkbox"/> Concurrent Review Cycle 1 – Nonspecial Circumstance ----- <input type="checkbox"/> Concurrent Review Cycle 2 – Special Circumstances: <input checked="" type="checkbox"/> Concurrent Review Cycle 2 – Nonspecial Circumstance | |

| |
|---|
| Identify the Planning Area for this project as defined in WAC 246-310-800(15) Benton County ESRD Planning Area |
|---|

DAVITA

KENNEWICK DIALYSIS EXPANSION

CERTIFICATE OF NEED APPLICATION

EXECUTIVE SUMMARY

Total Renal Care, Inc., a subsidiary of DaVita Inc. (hereafter "DaVita"), proposes to expand DaVita Kennewick Dialysis by two (2) Certificate of Need-approved stations and convert the existing CON exempt isolation station to non-exempt in the Benton County ESRD Planning Area (hereafter, "Benton County"). DaVita's proposal for an expanded thirteen (13) Certificate of Need-approved station dialysis facility in Richland, Washington, will provide ESRD patients and, their families with important new access. The Total Capital Expenditure as reflected in Table 10 will be \$448,428 and will be financed through operational funds on-hand allocated for the project.

DaVita Kennewick Dialysis will occupy 5,596 rentable square feet located at **3208 W 19th Avenue, Suite 101, Kennewick, WA 99337.**

This planning area, as defined by the Department of Health, is currently served by three approved facilities, including DaVita Kennewick Dialysis which DaVita proposes to expand to increase the total station count in the planning area by two (2) stations and convert the exempt isolation station to non-exempt to meet patient need.

**DAVITA
KENNEWICK DIALYSIS**

TABLE OF CONTENTS:

| | |
|---|-----------|
| Executive Summary | 1 |
| <u>SECTION 1</u> | |
| Applicant Description | 3 |
| <u>SECTION 2</u> | |
| Project Description | 8 |
| <u>SECTION 3</u> | |
| Certificate of Need Review Criteria | 13 |
| A. Need | 13 |
| B. Financial Feasibility | 18 |
| C. Structure and Process Quality of Care | 23 |
| D. Cost Containment | 28 |
| Appendices | 30 |

CERTIFICATE OF NEED APPLICATION

I. APPLICANT DESCRIPTION

1. Provide the legal name(s) and address(es) of the applicant(s).

Note: The term “applicant” for this purpose includes any person or individual with a ten percent or greater financial interest in the partnership or corporation or other comparable legal entity.

The legal name of the applicant is Total Renal Care, Inc., a subsidiary of DaVita Inc. (hereafter, DaVita) d.b.a. Kennewick Dialysis. DaVita’s address is DaVita Inc., 2000 16th Street, Denver, CO 80202.

We also provide the following additional information regarding DaVita:

- DaVita is a leading provider of dialysis services in the United States for patients suffering from chronic kidney failure, also known as End Stage Renal Disease, or ESRD. We currently operate or provide administrative services to more than 2,500 outpatient Kidney Centers located in the United States, serving approximately 220,000 patients.
- Consistent with DaVita’s mission statement to “Be the Provider, Partner and Employer of Choice,” serving patients by providing quality clinical outcomes is paramount. DaVita has instituted a nationally recognized Dialysis Quality Outcomes program and maintains an aggressive Continuous Quality Improvement (CQI) program. The DaVita philosophy is patient-focused in serving the chronically ill dialysis patient by addressing all dimensions of the dialysis patient’s illness state and by providing quality services through a clinical outcomes measurement and management approach to treating ESRD.
- DaVita is committed to serving the chronic kidney disease patient in union with nephrologist partners.

The DaVita Kennewick Dialysis will continue to carry out this commitment through:

- Serving patients where they live and work.
- Providing the highest quality patient care.
- Providing proven infrastructure and continuity to grow rapidly and cost effectively in an underserved community.
- Supporting new patients – All DaVita Kidney Centers within Washington State provide regular, in-center education and training with the goal to empower patients through information about their disease and ability to self-manage their care.
- DaVita offers Kidney Smart, a non-branded, community-based education program for Chronic Kidney Disease (CKD) patients and their families.
- DaVita offers access to a national non-profit kidney disease advocacy program: Dialysis Patient Citizens.

- DaVita Kidney Centers partner with a specialty-focused pharmacy service, WellDyneRx, for dialysis patients.
- DaVita's Guest Services Program provides assistance in locating other dialysis facilities for patients wishing to travel or relocate.
- DaVita will contribute to the community through increased taxes, thereby increasing the community's ability to provide support services for the ESRD patient population.

2. Identify the legal structure of the applicant (LLC, PLLC, etc) and provide the UBI number.

Total Renal Care, Inc. is a subsidiary of DaVita Inc., a publically held, for-profit Delaware corporation. Total Renal Care's UBI number is 601-134-681.

3. Provide the name, title, address, telephone number, and email address of the contact person for this application.

Jenna Gilbreath – Director, Special Projects
 DaVita Inc. – North Star Division Office
 32275 32nd Ave S.
 Federal Way, WA 98001
 Phone Number: (724) 462-7102
 Email: jenna.gilbreath@davita.com

4. Provide the name, title, address, telephone number, and email address of the consultant authorized to speak on your behalf related to the screening of this application (if any).

Not Applicable

5. Provide an organizational chart that clearly identifies the business structure of the applicant(s).

DaVita is governed by its Board of Directors. Board of Director meetings are held quarterly. An organization chart is included as Appendix 1.

6. Identify all healthcare facilities owned, operated by, or managed by the applicant. This should include all facilities in Washington State as well as out-of-state facilities, and should identify the license/accreditation status of each facility.

All DaVita facilities nationally, and their CMS license and accreditation status, are listed in Appendix 2. All applicable state regulatory agencies are listed in Appendix 13.

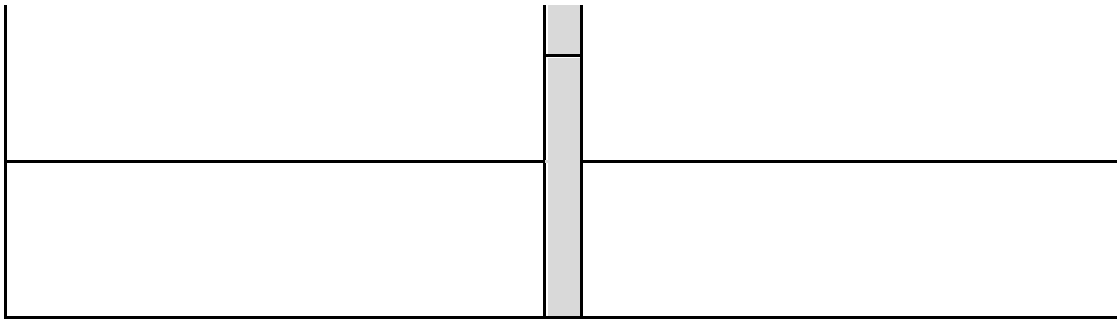
State licensure and accreditation is not required for outpatient dialysis facilities in Washington State. However, to establish and maintain federal Medicare certification, each DaVita facility undergoes the process established by the state in which the facility operates. Medicare certification is established through surveys conducted by the Department of Health Facility and Licensing Division. All operating Washington State DaVita facilities are Medicare-certified. All operating DaVita facilities listed in Appendix 2 are Medicare certified or awaiting survey as noted.

DaVita owns, operates or has been approved to operate forty-eight (48) dialysis facilities in Washington State. Facilities in Washington State include:

| | |
|---|--|
| Battle Ground Dialysis Center | Olympia Dialysis Center |
| 720 West Main St., Ste 112 Battle Ground, WA 98604 Medicare Certified | 335 Cooper Point Rd NW, Ste 105 Olympia, WA 98502 Medicare Certified |
| Belfair Dialysis Center | Olympic View Dialysis Center |
| 23961 NE State Route 3, Suite B Belfair, WA 98528 Medicare Certified | 125 16th Ave E., 5th Floor Seattle, WA 98112 Medicare Certified |
| Bellevue Dialysis Center | Parkland Dialysis Center |
| 3535 Factoria Blvd SE, Ste 150 Bellevue, WA 98006 Medicare Certified | 331 140th Street South Parkland, WA 98444 Medicare Certified |
| Cascade Dialysis Center | Pilchuck Dialysis Center |
| 145 Cascade Place, Ste 100 Burlington, WA 98233 Medicare Certified | 1250 State Avenue Marysville, WA 98270 Medicare Certified |
| Cooks Hill Dialysis Center | Puyallup Dialysis Center |
| 1815 Cooks Hill Road Centralia, WA 98531 Medicare Certified | 802 30 th Ave SW Puyallup, WA 98373 Medicare Certified |
| Chinook Kidney Center | Rainier View Dialysis Center |
| 1351 Aaron Dr, Bldg C1 Richland, WA 99352 Medicare Certified | 1822 112th Street East, Ste A Tacoma, WA 98445 Medicare Certified |
| Downtown Spokane Renal Center | Redondo Heights Dialysis Center |
| 601 W. 5 th Avenue, Suite 101 | 27320 Pacific Highway South |

| | |
|---|---|
| Spokane, WA 99204 Medicare Certified | Federal Way, WA 98003 Medicare Certified |
| East Wenatchee Dialysis Center | Renton Dialysis Center |
| 300 Colorado Avenue East Wenatchee, WA 98802 Medicare Certified | 4110 NE 4 th St, Ste E Renton, WA 98059 Medicare Certified |
| Echo Valley Dialysis Center | Seaview Dialysis Center |
| 198 Ponderosa Rd. Colville, WA 99114 Medicare Certified | 101 18th Street SE Long Beach, WA 98631 Medicare Certified |
| Wapato Dialysis Center | Spokane Valley Renal Center |
| 502 W. 1 st Street Wapato, WA 98951 Medicare Certified | 12610 E. Mirabeau Pkwy, Suite 100 Spokane Valley, WA 99216 Medicare Certified |
| Elensburg Dialysis Center | Tacoma Dialysis Center |
| 2101 W Dolarway Rd, Ste 1 Elensburg, WA 98926 Medicare Certified | 3401 South 19 th Street Tacoma, WA 98405 Medicare Certified |
| Everett Dialysis Center | Tumwater Dialysis Center |
| 8130 Evergreen Way Everett, WA 98203 Medicare Certified | 855 Trosper Rd SW, Ste 110 Tumwater, WA 98512 Medicare Certified |
| Federal Way Community Dialysis Center | Union Gap Dialysis Center |
| 1015 S 348th St Federal Way, WA 98003 Medicare Certified | 1236 Ahtanum Ridge Dr. Union Gap, WA 98903 Medicare Certified |
| Graham Dialysis Center | Vancouver Dialysis Center |
| 10219 196th St Ct. E., Ste C Graham, WA 98338 Medicare Certified | 9120 NE Vancouver Mall Drive, Ste 160 Vancouver, WA 98662 Medicare Certified |
| Kennewick Dialysis Center | Wenatchee Valley Dialysis Center |
| 3208 W 19th Ave, Ste 101 Kennewick, WA 99337 Medicare Certified | 116 Olds Station Rd Wenatchee, WA 98801 Medicare Certified |

| | |
|---|--|
| Kent Dialysis Center | Westwood Dialysis Center |
| 21851 84th Ave S Kent, WA 98032 Medicare Certified | 2615 SW Trenton Street Seattle, WA 98126 Medicare Certified |
| Lakewood Community Dialysis Center | Whidbey Island Dialysis Center |
| 5919 Lakewood Towne Center Blvd SW, Ste A Lakewood, WA 98499 Medicare Certified | 32650 State Route 20, Bldg. D, Ste 101 Oak Harbor, WA 98277 Medicare Certified |
| Lynnwood Dialysis Center | Yakima Dialysis Center |
| 13619 Mukilteo Speedway, Ste D-1 Lynnwood, WA 98087 Medicare Certified | 1221 N. 16th Ave. Yakima WA 98902 Medicare Certified |
| Mid-Columbia Kidney Center | Zillah Dialysis Center |
| 6825 Burden Boulevard, Suite A Pasco, WA 99301 Medicare Certified | 823 Zillah West Road, Ste 300 Zillah, WA 98953 Medicare Certified |
| Mill Creek Dialysis Center | Mount Baker Kidney Center |
| 18001 Bothell Everett Hwy, Ste 112 Bothell, WA 98012 Medicare Certified | 410 Birchwood Avenue, Ste 100 Bellingham, WA 98225 Medicare Certified |
| Mt. Adams Dialysis Center | North Spokane Renal Center |
| 3220 Picard Place Sunnyside, WA 98944 Medicare Certified | 7701 N. Division St. Spokane, WA 99208 Medicare Certified |
| Lake Tapps Dialysis Center | Indian Trail Dialysis Center |
| 16290 Auto Ln. Sumner, WA 98390 Medicare Certified | 5240 W Lowell Ave. Spokane, WA 99208 Medicare Certified |
| Issaquah Dialysis Center | Lacey Dialysis Center |
| Project in Process | 5200 Yelm Hwy SE Lacey, WA 98503 Medicare Certified |
| Quincy Dialysis Center | Auburn Valley Dialysis Center |
| Project in Process | Project in Process |



II. Project Description

1. Provide the name and address of the existing facility, if applicable.

DaVita Kennewick Dialysis provides kidney dialysis services for residents of the Benton County ESRD planning area. The location is:

DaVita Kennewick Dialysis
3208 W 19th Ave. Suite 101
Kennewick, WA 99337

2. Provide the name and address of the proposed facility. If an address is not yet assigned, provide the county parcel number and the approximate timeline for assignment of the address.

Not applicable

3. Provide a detailed project description of the proposed project.

This project will add two (2) new stations and lift patient treatment restrictions on the existing isolation station by converting the CON-exempt isolation station to non-exempt, helping to meet the 2021-2025 projected need and providing enhanced access for Benton resident ESRD patients.

DaVita Kennewick Dialysis will be located in Benton County, which has experienced a 2.7% ESRD population growth rate over the past 3 years, per the NWRN modality reports. The current ESRD population, continued service area growth, and existing facility utilization support adding additional capacity at DaVita Kennewick Dialysis.

Patients of DaVita Kennewick Dialysis also have access to DaVita national programs. DaVita Kennewick Dialysis offers access to a specialty-focused pharmacy partner, WellDyneRx. Patients and their families will also have access to the Guest Services Program that provides assistance in locating other dialysis facilities for patients wishing to travel or relocate. Additionally, the Kidney Smart Education Program, which is described in Appendix 19, offers robust education for those in the community whose disease may not have yet progressed to ESRD, generating greater awareness of how best to self-manage their care and what treatment options are available to discuss with their nephrologists.

4. Identify any affiliates for this project, as defined in WAC 246-310-800(1).

This question is not applicable, as DaVita Inc., through Total Renal Care, Inc., will be the sole owner of DaVita Kennewick Dialysis. It therefore has no affiliates for this project.

5. With the understanding that the review of a Certificate of Need application typically takes 6-9 months, provide an estimated timeline for project implementation, below:

The table below outlines the anticipated dates of approval, design completion, construction commencement and completion, and preparation for survey based on an approval date, assuming all variables operate according to historical trends. DaVita continues to refine and streamline the facility development process.

Please note that this timeline assumes that DaVita's project is approved in July 2022 and that the CON is uncontested after approval. If the approval date is pushed into the future and/or the CON is legally contested, this timeline would need to adjust and be pushed into the future accordingly.

| Table 1 DaVita Kennewick Dialysis Anticipated Dates of Project Implementation | |
|--|-------------------------|
| Event | Anticipated Date |
| Project Approval | June 2022 |
| Design Complete | October 2022 |
| Construction Commenced | March 2023 |
| Construction Completed | August 2023 |
| Facility Prepared for Survey/ "Operational" | October 2023 |

There will be no construction required for this project.

6. Identify the Month/Year the facility is expected to be operational as defined in WAC 246-310-800(12).

DaVita expects that Kennewick Dialysis will be operational and prepared for survey as defined in WAC 246-310-800(12) by **October 2023**, based on a June 2022 project approval date.

7. Provide a detailed description of the services represented by this project. For existing facilities, this should include a discussion of existing services and how these would or would not change as a result of the project. Services can include but are not limited to: in-center hemodialysis, home hemodialysis training, peritoneal dialysis training, a late shift (after 5:00 pm), etc.

DaVita Kennewick Dialysis provides, and will continue to provide services for:

- In-center hemodialysis patients who dialyze in the chronic setting,
- Hemodialysis patients requiring isolation,
- Hemodialysis patients requiring treatment shifts that begin after 5:00 PM,

Additional services provided include:

- Treatment for visiting hemodialysis patients from other areas outside Benton County, and
- Community education for patients recently diagnosed with Chronic Kidney Disease (CKD).

These services are not expected to change as a result of the project.

8. Fill out the table below identifying the current (if applicable) and proposed configuration of dialysis stations. Note – an exempt isolation station defined under WAC 246-310-800(9) would not be counted in the methodology, but would be included in the total count of certified in-center stations.

| | Before | | After | |
|--------------------------------|------------------------|-------------------------------------|------------------------|-------------------------------------|
| | CMS Certified Stations | Stations Counted in the Methodology | CMS Certified Stations | Stations Counted in the Methodology |
| General Use In-center Stations | 10 | 10 | 12 | 12 |
| Permanent Bed Stations | 0 | 0 | 0 | 0 |
| Exempt Isolation Station | 1 | 0 | 0 | 0 |
| Non-Exempt Isolation Station | 0 | 0 | 1 | 1 |
| Total Stations | 11 | 10 | 13 | 13 |

9. Provide a general description of the types of patients to be served by the facility at project completion.

DaVita Kennewick Dialysis will serve patients requiring in-center hemodialysis. In addition, it will serve patients requiring isolation and those requiring treatment shifts beginning after 5:00 PM. Finally, it will serve visiting hemodialysis patients and recently diagnosed CKD patients.

10. Provide a copy of the letter of intent that was already submitted according to WAC 246-310-080.

A copy of the letter of intent is included in Appendix 5.

11. Provide single-line drawings (approximately to scale) of the facility, both before and after project completion. Reference WAC 246-310-800(11) for the definition of maximum treatment area square footage. Ensure that stations are clearly labeled with their square footage identified, and specifically identify future expansion stations (if applicable).

A single line drawing, showing DaVita Kennewick Dialysis after project completion, is included as Appendix 17.

12. Provide the gross and net square feet of this facility. Treatment area and non-treatment area should be identified separately (see explanation above re: maximum treatment area square footage).

DaVita Kennewick Dialysis will consist of 5,596 gross square feet and 5,455 net square feet. The treatment area will consist of 2,389 square feet, and non-treatment area of 3,066 square feet. Kennewick Dialysis space allocations are included in Table 2 below.

| SQUARE FOOTAGE ALLOCATION | |
|---------------------------------------|------------------|
| Category | After Completion |
| Treatment Floor Area | |
| Chronic Dialysis Stations | 960 |
| Isolation Station | 136 |
| Permanent Bed Station | 0 |
| Expansion Stations | 0 |
| Nurse Station / Med Prep Area | 284 |
| Patient Prep | 65 |
| Circulation | 858 |
| Lab Prep | 34 |
| Storage | 52 |
| Treatment Floor Area Total | 2,389 |
| Non-Treatment Floor Area | |
| Water Room | 266 |
| Re-Use | 0 |
| Bio-Med | 105 |
| Staff Toilet / Lounge | 296 |
| Janitorial / Electric | 122 |
| Business Office / Medical Records | 62 |
| Reception | 183 |
| Conference Room / Huddle | 148 |
| Home Training, PD & HHD Nurses | 178 |
| Patient Toilets | 46 |
| Storage / Med Waste / Wheelchair | 247 |
| Staff Offices | 347 |
| HVAC / Circulation | 1,066 |
| Non-Treatment Floor Area Total | 3,066 |
| Total Space | 5,455 |

In Table 3, below, is calculated the maximum treatment area square footage of 3,500 square feet. Treatment floor area at project completion will be 2,389 square feet, below the maximum allowable square footage.

| Table 3 | | | |
|--|-------------------------------|-------------------|-------------------|
| Maximum treatment floor area square footage: WAC 246-310-800(11) | | | |
| Area Type | Number of Stations | Sq Ft Per Station | Total Square Feet |
| (a) General Use | 12 | 150 | 1,800 |
| (b) Permanent Bed | 0 | 200 | 0 |
| (b) Isolation | 1 | 200 | 200 |
| (c) Future Expansion | 0 | 150 | 0 |
| Other Treatment Floor Space | 75% * sum of (a), (b) and (c) | | 1,500 |
| Total | | | 3,500 |

13. Confirm that the facility will be certified by Medicare and Medicaid. If this application proposes the expansion of an existing facility, provide the existing facility's Medicare and Medicaid numbers.

DaVita Kennewick Dialysis is, and will remain after project completion, certified by Medicare and Medicaid.

DaVita Kennewick Dialysis's Medicare and Medicaid numbers are below:

Medicare Provider Number: 502572

Medicaid Provider Number: 1790068542

III. Certificate of Need Review Criteria

A. Need (WAC 246-310-210)

1. List all other dialysis facilities currently operating in the planning area, as defined in WAC 246-310-800(15).

WAC 246-310-800(15) defines the Benton County ESRD planning area. Table 4 provides a list of all currently approved dialysis facilities operating in the Benton County planning area, including DaVita Kennewick Dialysis, the subject of this expansion application

| Table 4 | | |
|---|----------|-------------------|
| Existing Dialysis Facilities in Benton County | Provider | Approved Stations |
| DVA CHINOOK 502559 | DVA | 19 |
| FMC COL. BASIN 502518 | FMC | 17 |
| DVA KENNEWICK 502572 | DVA | 10 |

2. Provide utilization data for the facilities listed above according to the most recent NWRN modality report. Based on the standards in WAC 246-310-812(5) and (6), demonstrate that all facilities in the planning area either:
have met the utilization standard for the planning area;
have been in operation for three or more years; or
have not met the timeline represented in their Certificate of Need application

WAC 246-310-812(3) requires that projected station need must be based on 4.8 resident in-center patients per station in urban areas, and 3.2 patients per station in designated rural counties. The applicable utilization standard for Benton County is 4.8 patients per station, therefore WAC 246-310-812(5) applies, and all certificate of need counted stations at each facility in the planning area must be operating at 4.5 in-center

patients per station as of the letter of intent submission date, have been in operation for three or more years, or have not met the timeline presented in their Certificate of Need application. The relevant data for this analysis is the quarterly facility utilization report prepared by the Northwest Renal Network (hereafter “NWRN”). Table 5 provides current utilization levels for all existing Benton County dialysis facilities.

| Table 5 | Quarterly Utilization of Existing Stations | | | | Eligibility Criteria | | |
|-----------------------|--|-------------------|----------------|----------------------|--------------------------|---------------------|------------------------------|
| | Provider | Approved Stations | NWRN 6/30/2021 | | Standard Met? | Standard Met? | Standard Met? |
| | | | Patients | Patients Per Station | 4.5 Patients Per Station | Operating 3+ years? | Missed Operational Timeline? |
| DVA CHINOOK 502559 | DVA | 19 | 79 | 4.16 | No → | Yes | - |
| FMC COL. BASIN 502518 | FMC | 17 | 61 | 3.59 | No → | No → | Yes |
| DVA KENNEWICK 502572 | DVA | 10 | 45 | 4.50 | Yes | - | - |

Table 5 shows that DVA Chinook and FMC Columbia Basin do not meet the utilization standards for this planning area. Pursuant to WAC 246-310-812(5) “when a planning area has one or more facilities not meeting the in-center patients per station standard, the department will consider the 4.5 in-center patients per station standard met for those facilities when:” continuing to subsection 246-310-812(5)(a) & (b) “all stations for a facility have been in operation for at least three years; or Certificate of need approved stations for a facility have not become operational within the timeline as represented in the approved application.”

DVA Chinook meets the criteria outlined in 246-310-812(5)(a) as all stations have been in operation for greater than three years. FMC confirms that the FMC Columbia Basin facility expansion is “Not Yet Complete” in their CN 21-76 Screening Response dated September 30, 2021. Therefore, FMC Columbia Basin meets the criteria outlined in 246-310-812(5)(b) as the latest approved stations did not become operational within the timeline represented on their application nor by the proposed 1st treatment date of 6/2/2021 outlined in the approved timeline modification request approved on November 20, 2020.

3. Complete the quantitative station need methodology outlined in WAC 246-310-812.

WAC 246-310-812 outlines the applicable standards and methodology to determine planning area need. WAC 246-310-800(15) defines a “planning area” as an individual geographic area designated by the department for which kidney dialysis station need projections are calculated. The 6 year in-center hemodialysis patient historical volume for the Benton County ESRD planning area is represented below in Table 6, per data from the year-end NWRN modality reports.

| Table 6 | | | | | | |
|---|------|------|------|------|------|------|
| Planning Area In-Center Hemodialysis Patients by Year | | | | | | |
| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| | | | | | | |

| | | | | | | |
|---------------|-----|-----|-----|-----|-----|-----|
| Benton County | 154 | 155 | 168 | 189 | 201 | 182 |
| Total | 154 | 155 | 168 | 189 | 201 | 182 |

Table 7 analyzes the historical growth rate for the number of resident in-center patients from Benton County to determine if the linear or nonlinear regression methodology will be used in determining need per WAC 246-310-812(4)(a)(i-ii). The linear regression methodology was selected as the year-to-year increase was less than 6% within the past five annual increases, including 2015-2016.

| Table 7 | | | | | | |
|--|------|-------|-------|--------|-------|--------|
| Year to Year Percentage Change in In-Center Hemodialysis Patients | | | | | | |
| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Benton County | 154 | 155 | 168 | 189 | 201 | 182 |
| % Change | | 0.65% | 8.39% | 12.50% | 6.35% | -9.45% |

Table 8 projects dialysis utilization for five years after the last calendar year when year-end in-center patient data by planning area from the NWRN modality reports is available prior to the letter of intent submission date, per WAC 246-310-812(4)(b). This fifth future year is deemed to be the projection year for identifying the maximum number of stations that may be approved within a planning area under the state methodology, per WAC 246-310-800(16). This methodology is based on the following:

- Performing a 5-year future regression of 5-year historical data, described in WAC 246-310-812(4), using either the linear or nonlinear regression methodology determined in the prior table to determine total projected patient volume. In this case, the linear methodology is used.
- Applying the patient to station conversion factor – either 4.8 patients per station for urban areas or 3.2 patients per station for designated rural counties – to determine total station need in the area. In this case, the 4.8 patients per station utilization factor is applied.
- Subtracting existing stations for dialysis facilities in the planning area from the total station need and rounding up to the next whole number of stations to determine net station need.

| Table 8 | | | | | |
|---|--------|--------|--------|--------|--------------|
| Projected Station Need for the Planning Area by Year | | | | | |
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| | 2021 | 2022 | 2023 | 2024 | 2025 |
| Projected Hemodialysis Patients | 205.1 | 213.8 | 222.5 | 231.2 | 239.9 |

| | | | | | |
|------------------------------------|-------|-------|-------|-------|--------------|
| Patient: Station Conversion Factor | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 |
| Total Station Need | 42.73 | 44.54 | 46.35 | 48.17 | 49.98 |
| Rounded to next whole number | 43 | 45 | 47 | 49 | 50 |
| Existing Stations | 46 | 46 | 46 | 46 | 46 |
| Net Station Need | +3 | +1 | +1 | -3 | -4 |

Benton County shows need for four (4) stations in the fifth year of the projection, 2025.

4. For existing facilities, provide the facility's historical utilization for the last three full calendar years.

As DaVita Kennewick Dialysis is an existing facility, the facility's historical utilization for the last three full calendar years is provided in Table 9 below. The relevant data for total in-center patients and total home patients is the NWRN modality reports for the periods ended 12/31/2018, 12/31/2019, and 12/31/2020. The relevant data for total in-center stations is the historical number of operational stations for the majority of 2018, 2019, and 2020. The relevant data for total in-center treatments and total home treatments is from internal calendar year-end financial reports.

| Table 9 DVA Kennewick Dialysis Historical Utilization | CY 2018 | CY 2019 | CY 2020 |
|--|----------------|----------------|----------------|
| Total in-center stations (exc. Iso) | 10 | 10 | 10 |
| Total in-center patients (end of year) | 40 | 46 | 38 |
| Total in-center treatments | 5,354 | 6,595 | 6,798 |
| Total home patients (end of year) | 0 | 0 | 0 |
| Total home treatments | 0 | 0 | 0 |

5. Provide projected utilization of the proposed facility for the first three full years of operation. For existing facilities, also provide the intervening years between historical and projected. Include all assumptions used to make these projections.

The table below provides a summary of projected utilization for the first three full years of operation through completion of the third full year of operation (2023 - 2025). In-center patient volume is based on a 5-year projection of Benton County patients using a regression of 5 years historical data per the Department's methodology and DaVita's own experience. Home patient volume is assumed to grow at the same historical proportionate rate to in-center. It is assumed that patient growth is split between both dialysis clinics in the planning area. In-center and home treatments are based on an assumption of 3 treatments per week per patient for 52 weeks with a 5% allowance for missed treatments.

| | Forecast 2021 | Forecast 2022 | Partial 2023 Jan- Sep | Partial 2023 Oct- Dec | Full Year 2024 | Full Year 2025 | Full Year 2026 |
|---|------------------|------------------|-----------------------------|-----------------------------|-------------------|-------------------|-------------------|
| Total in-center stations (including non-exempt ISO) | 10 | 10 | 10 | 13 | 13 | 13 | 13 |
| Total in-center patients (end of year) | 46 | 49 | 51 | 51 | 54 | 57 | 60 |
| Total in-center treatments | 6,224 | 7,040 | 5,558 | 1,890 | 7,781 | 8,225 | 8,670 |
| Total PD patients (end of year) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total PD treatments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total HHD patients (end of year) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total HHD treatments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

6. For existing facilities, provide patient origin zip code data for the most recent full calendar year of operation.

Please see the information provided in Appendix 4.

7. Identify any factors in the planning area that could restrict patient access to dialysis services.

DaVita is not aware of factors relating to its proposed offering of services at DaVita Kennewick Dialysis that could restrict patient access to dialysis services in the planning area. On the contrary, an addition of two (2) stations and lifting restrictions on the isolation station use in the planning area, where the current facility is operating at utilization threshold, will enhance patient access and offer provider choice. As detailed in its response to question 7 under the Project Description, no existing services provided to dialysis patients or community members diagnosed with chronic kidney disease (CKD) will be curtailed under this project.

8. Identify how this project will be available and accessible to low-income persons, racial and ethnic minorities, women, mentally handicapped persons, and other under-served groups.

DaVita's history of providing dialysis services at numerous locations throughout Washington State shows that all persons, including the underserved groups identified in WAC 246-310-210(2), have adequate access to DaVita's facilities, as required by the regulation. We have provided as Appendix 14 copies of the applicable admission, patient financial evaluation, and patient involuntary transfer policies. Additionally, the pro forma the funds that have been budgeted to provide charity care.

9. If this project is either a partial or full relocation of an existing facility, provide a detailed discussion of the limitations of the current site consistent with WAC 246-310-210(2).

This question is not applicable to this project

10. If this project is either a partial or full relocation of an existing facility, provide a detailed discussion of benefits associated with the relocation consistent with WAC 246-310-210(2).

This question is not applicable to this project

11. Provide a copy of the following policies:

- Admissions policy
- Charity care or financial assistance policy
- Patient Rights and Responsibilities policy
- Non-discrimination policy
- Any other policies directly associated with patient access (example, involuntary discharge)

Copies of these policies are provided in Appendix 14. Additionally, DaVita's history of providing dialysis services at numerous locations throughout Washington State shows that all persons, including the underserved groups identified in WAC 246-310-210(2), have adequate access to DaVita's facilities, as required by the regulation.

B. Financial Feasibility (WAC 246-310-220)

1. Provide documentation that demonstrates the immediate and long-range capital and operating costs of the project can be met. This should include but is not limited to:

Utilization projections are included in Question 5 in the in the Need section above. The DaVita Kennewick Dialysis Detailed Projected Operating Statement (Pro Forma) covering the first three full years in operation is included in Appendix 9. Historical and current financial statements are included in Appendix 8.

2. Provide the following agreements/contracts:

- Management agreement.
- Operating agreement
- Medical director agreement
- Development agreement
- Joint Venture agreement

A Medical Director Agreement, valid through at least the first three full years following completion of the project, is included in Appendix 3.

Neither a management agreement nor an operating agreement are applicable to this project as DaVita Inc. will be the sole owner and operator of Kennewick Dialysis. Nor is a joint venture agreement applicable, as DaVita will be the sole owner of Kennewick Dialysis.

- 3. Provide documentation of site control. This could include either a deed to the site or a lease agreement for the site. If a lease agreement is provided, the terms must be for at least five years following project completion.**

The Kennewick Dialysis executed lease is included in Appendix 15.

- 4. Provide county assessor information and zoning information for the site. If zoning information for the site is unclear, provide documentation or letter from the municipal authorities showing the proposed project is allowable at the identified site.**

Zoning & county assessor documentation for DaVita Kennewick Dialysis is provided in Appendix 16.

- 5. Complete the table below with the estimated capital expenditure associated with this project. Capital expenditure for the purposes of dialysis applications is defined under WAC 246-310-800(3). If you have other line items not listed below, include the definition of the line item. Include all assumptions used to create the capital expenditure estimate.**

| Table 10: Estimated Capital Expenditure DaVita Kennewick Dialysis | |
|--|------------------|
| Item | Cost |
| a. Land Purchase | \$ - |
| b. Utilities to Lot Line | \$ - |
| c. Land Improvements | \$ - |
| d. Building Purchase | \$ - |
| e. Residual Value of Replaced Facility | \$ - |
| f. Building Construction | \$ 326,353 |
| g. Fixed Equipment (not already included in the construction contract) | \$ 10,371 |
| h. Movable Equipment | \$ 70,164 |
| i. Architect and Engineering Fees | \$ 20,308 |
| j. Consulting Fees | \$ - |
| k. Site Preparation | \$ - |
| l. Supervision and Inspection of Site (including Permits) | \$ 21,231 |
| m. Any Costs Associated with Securing the Sources of Financing (include interim interest during construction) | |
| 1. Land | \$ - |
| 2. Building | \$ - |
| 3. Equipment | \$ - |
| 4. Other | \$ - |
| n. Washington Sales Tax (included in above where applicable) | |
| Total Estimated Capital Expenditure | \$448,428 |

Sales tax is assumed at the Kennewick, WA rate of 8.6% for all relevant categories, including fixtures, furnishings, and equipment, and where else applicable.

6. Identify the entity responsible for the estimated capital costs identified above. If more than one entity is responsible, provide breakdown of percentages and amounts for all.

DaVita Inc, via its subsidiary Total Renal Care, Inc., is solely responsible for the capital costs identified above.

7. Provide a non-binding contractor's estimate for the construction costs for the project.

Please see Appendix 20.

8. Provide a detailed narrative regarding how the project would or would not impact costs and charges for services. WAC 246-310-220.

The DaVita Kennewick Dialysis Detailed Projected Operating Statement (Pro Forma) covering the first three full years in operation is included in Appendix 9. As required per WAC 246-310-815(1)(b), that pro forma is based on DaVita Kennewick Dialysis's current payor mix and current expenses. All major pro forma assumptions are also outlined in Appendix 9.

The proposed facility expansion will operate at utilization levels consistent with required utilization levels after three years. Reimbursements for dialysis services are not subject to or affected by capital improvements and expenditures by providers; the proposed project will have no impact on increases in charges for services within the ESRD planning area, and will actually increase patient access in the planning area.

9. Provide documentation that the costs of the project, including any construction costs, will not result in an unreasonable impact on the costs and charges for health services in the planning area. WAC 246-310-220.

WAC 246-310-815(2) requires that applicants limit the costs of facility projects by creating a test of reasonableness in the construction of finished treatment floor area square footage. The treatment floor area must not exceed the maximum treatment floor area square footage defined in WAC 246-310-800(11). As outlined in response to question twelve under the Project Description, DaVita does not propose to construct treatment floor space in excess of the maximum treatment floor area square footage, and thus, under the WAC 246-310-815(2) test, this project does not have an unreasonable impact on costs and charges.

Additionally, as noted in response to question eight, reimbursements for dialysis services are not subject to or affected by capital improvements and expenditures by providers; the proposed project will have no impact on increases in charges for services within the ESRD planning area.

10. Provide then historical and projected payer mix by revenue and by patients using the example table below. If "other" is a category, define what is included in "other."

Table 11 provides historical and expected payor mix for the DaVita Kennewick Dialysis, projected using facility data and aligned with the pro forma operating statement.

| Table 11 DaVita Kennewick Dialysis Historical & Projected Payer Mix | Percentage by Revenue | Percentage by Patient |
|--|----------------------------------|----------------------------------|
| Medicare | 53.53% | 68.29% |
| Medicaid | 18.22% | 17.62% |
| Commercial, Other Government, and Other | 28.26% | 14.09% |
| Total | 100.00% | 100.00% |

11. If this project anticipates changes in payer mix percentages from historical to project, provide a brief explanation of why the changes are anticipated and any underlying assumptions.

Payer mix percentages are not expected to change as a result of this project.

12. Provide a listing of all new equipment proposed for this project. The list should include estimated costs for the equipment. If no new equipment is required, explain.

Table 12 provides a listing of all new equipment proposed for this project (including estimated sales tax where applicable).

| Table 12 DaVita Kennewick Dialysis New Equipment | |
|---|-------------------------------------|
| Expenditure Category | Allocated Equipment Cost |
| Communication/Computer Equipment | \$ 13,575 |
| Water Treatment/Biomedical/Reuse | \$ 2,932 |
| Clinical Equipment | \$ 55,829 |
| Dialysis Machines, IV Pumps, AED, EKG, etc. | |
| Permanent bed | |
| Patient Scale, Ice Machine, Patient Lift, etc. | |
| Dialysis Chairs, Chart Racks, Stools, etc. | |
| Storage, Fixtures, Artwork, Office Equipment, etc. | \$ 8,199 |
| Sales Tax (included in above where applicable) | |
| Total Equipment Costs | \$ 80,536 |

13. Identify the source(s) of financing (loan, grant, gifts, etc.) and provide supporting documentation from the source.

The project will be funded from DaVita's capital expenditures budget. Capital budgeting reflects appropriate allocations of funds for projects in the Pacific Northwest. A letter from Mike Staffieri, Chief Operating Officer, committing to these funds is included as Appendix 6.

14. If this project will be debt financed through a financial institution, provide a repayment schedule showing interest and principal amount for each year over which the debt will be amortized. WAC 246-310-220

This question is not applicable.

15. Provide the applicant's audited financial statements covering at least the most recent three years. WAC 246-310-220.

Audited financial statements for DaVita Inc., covering the time period from 2018-2020, are provided in Appendix 10.

C. Structure and Process (Quality) of Care (WAC 246-310-230)

1. Provide a table that shows FTEs [full time equivalents] by category for the proposed facility. If the facility is currently in operation, include at least the last three full years of operation, the current year, and the first three full years of operation following project completion. There should be no gaps in years.

Table 13 presents the staffing for the DaVita Kennewick Dialysis.

Table 13

| | DaVita Kennewick Dialysis | | FTEs | | | | | | | | | |
|-----------------|---------------------------|---|-----------------|-----------------|-----------------|---------------|---------------|----------------------|----------------------|----------------|----------------|----------------|
| | Avg Wage Rate | Staffing Ratio (pts per shift, station) | Historical 2018 | Historical 2019 | Historical 2020 | Forecast 2021 | Forecast 2022 | Partial 2023 Jan-Sep | Partial 2023 Oct-Dec | Full Year 2024 | Full Year 2025 | Full Year 2026 |
| Administrator | \$ 44.58 | 80 | 0.67 | 0.86 | 0.76 | 0.73 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |
| Admin Assistant | \$ 23.44 | 110 | 0.47 | 0.66 | 0.57 | 0.44 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| Social Worker | \$ 32.96 | 120 | 0.40 | 0.26 | 0.26 | 0.35 | 0.40 | 0.42 | 0.43 | 0.44 | 0.46 | 0.49 |
| Dietician | \$ 29.81 | 120 | 0.28 | 0.35 | 0.38 | 0.35 | 0.40 | 0.42 | 0.43 | 0.44 | 0.46 | 0.49 |
| RN - In-Center | \$ 41.27 | 12 | 2.05 | 2.14 | 2.18 | 2.18 | 2.47 | 2.60 | 2.65 | 2.73 | 2.88 | 3.04 |
| PCT | \$ 19.29 | 4 | 3.40 | 3.80 | 4.05 | 4.05 | 4.58 | 4.83 | 4.92 | 5.07 | 5.36 | 5.65 |
| RN - PD | \$ - | 18 | - | - | - | - | - | - | - | - | - | - |
| RN - HHD | \$ - | 14 | - | - | - | - | - | - | - | - | - | - |
| Biomed | \$ 23.99 | 40 | 0.30 | 0.26 | 0.24 | 0.28 | 0.28 | 0.28 | 0.33 | 0.33 | 0.33 | 0.33 |
| Other | \$ 28.16 | 80 | 0.86 | 1.02 | 0.49 | 0.53 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.73 |

2. Provide the assumptions used to project the number and types of FTEs identified for this project.

DaVita projects FTEs based on staffing ratios for patients per shift, combined with clinical expertise. Standard ratios are noted in Table 13. Overall census estimates are based on the assumptions describing the pro forma in Appendix 9. The “Other” category includes, among other miscellaneous categories, patient education and inventory management roles, as well as training hours.

FY18-FY20 are actual historical hours, divided by 2080 hours per year to convert to FTE. These are averages throughout the year and will certainly fluctuate during a given year. FY21 forecast is extrapolated based on FY21 Q3 data. Biomed hours relate directly to the number of stations at a facility so they are relatively stable even as census goes up slightly between FY18-FY25.

3. Identify the salaries, wages, and employee benefits for each FTE category.

Aggregated wage rates for each FTE category are noted in Table 13, based on actual rates from 2020. Benefits are calculated at 46.66% of gross wages.

4. Provide the name and professional license number of the current or proposed medical director. If not already disclosed under 210(1) identify if the medical director is an employee or under contract.

The Medical Director is Dr. Puneet Tandon (MD #60142111). Dr. Tandon is under contract to provide medical director services to DaVita Kennewick Dialysis, and is not an employee of DaVita.

5. Identify key staff, if known. (nurse manager, clinical director, etc.)

DaVita Kennewick Dialysis has a Facility Administrator (FA), Jennifer Diaz.

6. For existing facilities, provide names and professional license numbers for current credentialed staff.

Please see the information provided in Appendix 7.

7. Describe your methods for staff recruitment and retention. If any barriers to staff recruitment exist in the planning area, provide a detailed description of your plan to staff this project.

DaVita anticipates no difficulty in recruiting the necessary personnel to staff DaVita Kennewick Dialysis. While new staff may be required, DaVita has been repeatedly recognized as a Top Employer and a Military Friendly Employer (DaVita.com/about/awards) and offers a competitive wage and benefit package to employees. DaVita posts openings nationally both internally and external to DaVita.

8. Provide a listing of proposed ancillary and support agreements for the facility. For existing facilities, provide a listing of the vendors.

Please see a listing of ancillary and support agreements for DaVita Kennewick Dialysis in Appendix 11.

9. For existing facilities, provide a listing of ancillary and support service vendors already in place.

Please see the ancillary and support vendors provided in Appendix 11.

10. For new facilities, provide a listing of ancillary and support services that will be established.

This question is not applicable.

11. Provide a listing of ancillary and support services that would be provided on site and those provided through a parent corporation off site.

Ancillary services such as social services, nutrition services, financial counseling, pharmacy access, patient education, staff education, information services, material management, administration and biomedical technical services are provided on site. Additional services are coordinated through DaVita's main office in Denver, Colorado, and support office in Federal Way, Washington, and elsewhere. These ancillary and support services provided centrally include the Guest Services Program that provides assistance in locating other dialysis facilities for patients wishing to travel or relocate. In addition, DaVita offers centralized revenue cycle, management services, quality improvement services, biomedical equipment maintenance and a number of other high-value off-site programs.

12. Identify whether any of the existing ancillary or support agreements are expected to change as a result of this project.

No existing ancillary or support agreements are expected to change as a result of this project.

13. Provide a listing of ancillary and support services that would be provided on site and those provided through a parent corporation off site.

Please see answer to Question Eleven above.

14. If the dialysis center is currently operating, provide a listing of healthcare facilities with which the Kidney Center has working relationships.

Please see the list of healthcare facilities provided in Table 14, below.

| Table 14 Healthcare Facility Relationships | Type of Relationship |
|---|--|
| Gary Olels Kennewick Life Care | Nursing Home Dialysis Transfer Agreement |
| Kadlec Medical Center | Patient Transfer |
| Local Physician Groups | Attending and Rounding |

15. For a new facility, provide a listing of healthcare facilities with which the Kidney Center would establish working relationships.

This question is not applicable

16. Provide a copy of the existing or proposed transfer agreement with a local hospital.

Please see the transfer agreement provided in Appendix 12.

17. Clarify whether any of the existing working relationships would change as a result of this project.

No existing working relationships are expected to change as a result of this project, although area hospitals and nursing homes may expect enhanced access for their ESRD patients upon project completion.

18. Fully describe any history of the applicant concerning the actions noted in Certificate of Need rules and regulations WAC 246-310-230(5)(a). If there is such history, provide documentation that the proposed project will be operated in a manner that ensures safe and adequate care to the public to be served and in conformance with applicable federal and state requirements. This could include a corporate integrity agreement or plan of correction.

DaVita and the United States Department of Health and Human Services, Office of Inspector General entered into a Corporate Integrity Agreement (“CIA”) to promote compliance with the statutes, regulations, and written directives of Medicare, Medicaid, and all other Federal health care programs and, in particular, included the appointment of an Independent Monitor to prospectively review DaVita’s arrangements with nephrologists and other health care providers for compliance with the Anti-Kickback Statute (collectively, “Federal Health Care Programs and Laws”). That Independent Monitor completed the prospective review process in the fall of 2017. Each arrangement is now reviewed by the Risk Rating team to ensure that it is compliant with these Federal Health Care Programs and Laws.

19. Identify whether any facility or practitioner associated with this application has a history of the actions listed below. If so, provide evidence that the proposed or existing facility can and will be operated in a manner that ensures safe and adequate care to the public and conforms to applicable federal and state requirements. WAC 246-310-230(3) and (5).

- **A criminal conviction which is reasonably related to the applicant’s competency to exercise responsibility for the ownership or operation of a healthcare facility; or**
- **A revocation of a license to operate a healthcare facility; or**
- **A revocation of a license to practice as a health professional; or**
- **Decertification as a provider of services in the Medicare or Medicaid program because of a failure to comply with applicable federal conditions of participation.**

The applicant has no adverse history related to any of the actions listed.

20. Provide documentation that the proposed project will promote continuity in the provision of health care services in the planning area, and not result in an unwarranted fragmentation of services. WAC 246-310-230

Appendix 18 provides a summary of quality and continuity of care indicators used in DaVita's quality improvement program. The DaVita Continuous Quality Improvement (CQI) program incorporates all areas of the dialysis program. The program monitors and evaluates all activities related to clinical outcomes, operations management, and process flow. Dialysis-specific statistical tools (developed by DaVita) are used for measurement, analysis, communication, and feedback. Continuing employee and patient education are integral parts of this program. Appendix 18 includes an example of DaVita Quality Index (DQI) data. Appendix 19 includes an example of DaVita's Physician, Community and Patient Services offered through DaVita's Kidney Smart Education Program. Appendix 12 includes a copy of the transfer agreement between DaVita Kennewick Dialysis and an area care hospital partner. DaVita has been honored as one of the World's Most Admired Companies® by FORTUNE® magazine since 2006, confirming its excellence in working effectively with the communities it serves (DaVita.com/about/awards).

From the perspective of a dialysis patient with multiple relevant healthcare providers, such as a primary care provider, nephrologist, home care caregivers or skilled nursing or assisted living caregivers, and perhaps (unfortunately) a recently-visited hospital. DaVita is committed to the wellbeing of its patients, and for patients with a diagnosis as complex as end-stage renal disease, that wellbeing by necessity requires communication and coordination with multiple caregivers, such as those above. DaVita uses an interdisciplinary team consisting of the facility social worker, dietician, clinical nurse manager, medical director, and the patient's nephrologist to facilitate communication and coordination through the healthcare system. If a comorbidity is identified that impacts the patient's health, the patient's nephrologist or medical director would reach out to the patient's primary care physician for consult. DaVita would also ensure any change in the care plan from the patient's nephrologist is executed in consultation with the facility medical director. DaVita collaborates with home or assisted living and skilled nursing caregivers on a daily basis, including in cases such as the patient's above, reviewing transportation, dialysis medication needs, access care, as well as taking in any dialysis-related concerns those patients may have and reviewing them in consultation with the interdisciplinary team. When a hospital is unfortunately required to intervene in a patient's care, DaVita facilitates rapid discharges back to chronic dialysis, coordination of medical records into the patient's chart, and coordination with the patient's nephrologist for any care plan changes. Additionally, all DaVita Kidney Centers enter into hospital and nursing home transfer agreements, and participate in community emergency preparedness drills to ensure maximum coordination in the healthcare arena. Dialysis is one of the healthcare modalities that, due to its regular cadence and length, is one of patients' most consistent touchpoints with the healthcare system, and DaVita is committed to working with its patients to use these points to coordinate and communicate among the patient's healthcare providers across the healthcare system.

21. Provide documentation that the proposed project will have an appropriate relationship to the service area's existing health care system as required in WAC 246-310-230.

The proposed expanded DaVita Kennewick Dialysis will have an appropriate relationship to the service area's existing health care system. DaVita Kennewick Dialysis will be a key component of the expanded health care system in the service area, and the project will enable enhanced patient access in Benton County. Furthermore, DaVita has a long track record of working with area providers and collaborating with them to provide the highest quality care for patients.

D. Cost Containment (WAC 246-310-240)

1. Identify all alternatives considered prior to submitting this project.

Alternative 1: Do nothing. That is, do not apply for additional stations in the Benton County planning area. Benton County is growing in ESRD population, with a three-year annualized in-center ESRD census growth rate of more than 2.7% and demonstrated need for four (4) stations. With strong demand for access to DaVita's services but no application, patients will be forced to dialyze at less convenient times, locations, or even out of the planning area entirely. This alternative was rejected.

Alternative 2: Apply for two (2) stations and convert the exempt isolation station to non-exempt in the Benton County planning area. As summarized above, Benton County shows substantial need for dialysis services. DaVita has demonstrated its ability to rapidly offer high-quality dialysis services to patients in the Benton County planning area and the proposed expansion at DaVita Kennewick would provide the planning area with more convenient chair times and additional capacity. **This alternative was selected.**

Alternative 3: Apply for four (4) stations in the Benton County planning area. DaVita Kennewick Dialysis would require a significant amount of construction and capital expenditure to add four stations within the existing clinic's footprint. There are much more cost effective ways to add four stations in the planning area. This alternative was rejected.

2. Provide a comparison of the project with alternatives rejected by the applicant. Include the rationale for considering this project to be superior to the rejected alternatives. Factors to consider can include, but are not limited to: patient access to healthcare services, capital cost, legal restrictions, staffing impacts, quality of care, and cost or operation efficiency.

Please see the exploration and analysis of alternatives in response to Question One above.

3. For existing facilities, identify your closest two facilities as required in WAC 246-310-827(3)(a).

DaVita's two closest facilities to Kennewick Dialysis are:

- DaVita Chinook Kidney Center
- DaVita Mid-Columbia Kidney Center

4. For new facilities, identify your closes three facilities as required in WAC 246-310-827(3)(b).

This question is not applicable.

5. Do any other applications you submitted under this concurrent review cycle rely on the same facilities listed in response to questions 3 or 4? If yes, identify the applications. WAC 246-310-827(3)(c). (Note: A maximum of two applications can rely on the same three facilities.)

Yes. The facilities listed in question 3 are used in one other application submitted by DaVita in this review cycle to expand DaVita Chinook Kidney Center.

6. Identify whether any aspects of the facility's design could lead to operational efficiency. This could include but is not limited to: LEED building, water filtration, or the methods for construction, etc. WAC 246-310-240(2) and (3).

DaVita Kennewick Dialysis will meet all current energy conservation standards required. Furthermore, DaVita design standards, reflected in the single-line drawing, are planned to promote energy efficiency, create efficient workflows, clean sightlines and a safe and welcoming environment for patients.

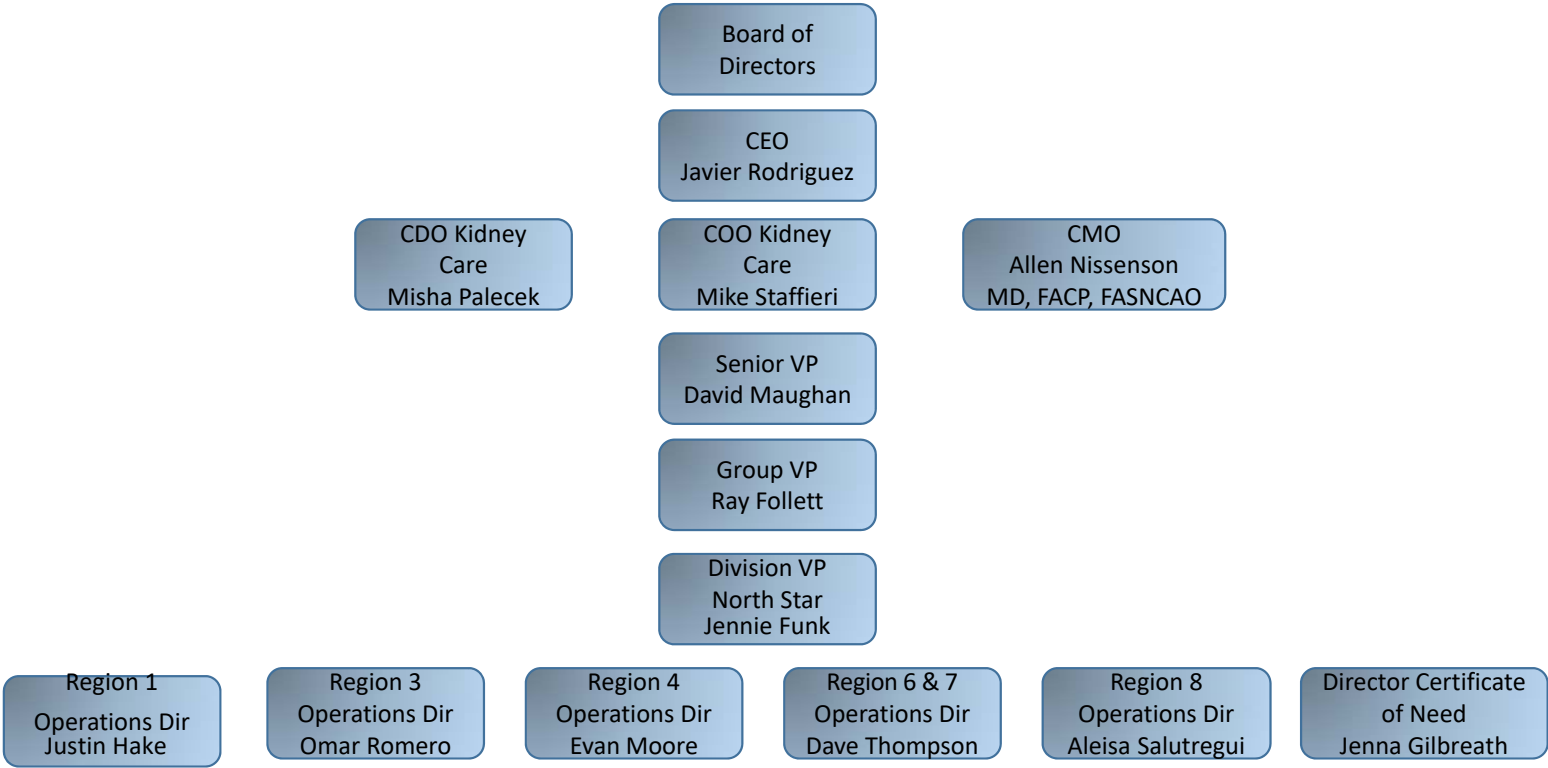
APPENDICES

- Appendix 01** Organizational Chart
- Appendix 02** Master Legal Entity List; National DaVita Facilities
- Appendix 03** Medical Director Agreement
- Appendix 04** Patients by Zip Code
- Appendix 05** Letter of Intent
- Appendix 06** Operational and Financial Commitment Letter
- Appendix 07** Credentialed Staff
- Appendix 08** Historical & Current Financials
- Appendix 09** Detailed Projected Operating Statement (Pro Forma)
- Appendix 10** Audited Financial Statements; SEC 10k – 2018, 2019, 2020
- Appendix 11** Ancillary and Support Agreements and Vendors
- Appendix 12** Patient Transfer Agreement
- Appendix 13** List of State Regulatory Agencies
- Appendix 14** Accepting Patients for Treatment; Indigent Care Policy; Involuntary Transfer Procedure; Patient Rights
- Appendix 15** Lease Agreement
- Appendix 16** Zoning Documentation
- Appendix 17** Single Line Drawing
- Appendix 18** DaVita Quality Index (DQI) Data; DaVita Continuous Quality Improvement (CQI) Data
- Appendix 19** DaVita's Physician, Community and Patient Services
- Appendix 20** Nonbinding GC Estimate

Appendix 1

Organizational Chart

Davita Organizational Structure



Appendix 2

Master Legal Entity List National DaVita Facilities

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|-----------------------------------|-----------------------|-----------------------------------|----------------------|
| 0 | DaVita Inc. | | DE | For Profit Corporation | |
| 1 | American Medical Insurance, Inc. | DaVita Inc. | AZ | For Profit Corporation | 100% |
| 1 | Beverly Hills Dialysis Partnership | DaVita Inc. | CA | General Partnership | 0.045% |
| 1 | DC Healthcare International, Inc. | DaVita Inc. | DE | For Profit Corporation | 100% |
| 1 | DVA Renal Healthcare, Inc. | DaVita Inc. | TN | For Profit Corporation | 100% |
| 1 | DaVita Dialysis Contracting, LLC | DaVita Inc. | DE | Limited Liability Company | 100% |
| 1 | DaVita Institute for Patient Safety, Inc. | DaVita Inc. | DE | For Profit Corporation | 100% |
| 1 | DaVita VillageHealth, Inc. | DaVita Inc. | DE | For Profit Corporation | 100% |
| 1 | DaVita of New York, Inc. | DaVita Inc. | NY | For Profit Corporation | 100% |
| 1 | Renal Life Link, Inc. | DaVita Inc. | DE | For Profit Corporation | 100% |
| 1 | Renal Treatment Centers, Inc. | DaVita Inc. | DE | For Profit Corporation | 100% |
| 1 | The DaVita Collection, Inc. | DaVita Inc. | CA | For Profit Corporation | 100% |
| 1 | Total Renal Care, Inc. | DaVita Inc. | CA | For Profit Corporation | 100% |
| 2 | Federal Way Assurance, Inc. | American Medical Insurance, Inc. | CO | For Profit Corporation | 100% |
| 2 | DV Care Netherlands B.V. | DC Healthcare International, Inc. | Netherlands | Besloten Venootschap(BV) | 100% |
| 2 | DV Care Netherlands C.V. | DC Healthcare International, Inc. | Netherlands | Commanditaire Vennootschap(CV) | 99% |
| 2 | DV Pharmaceuticals B.V. | DC Healthcare International, Inc. | Netherlands | Besloten Venootschap(BV) | 100% |
| 2 | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | DC Healthcare International, Inc. | Brazil | Limited Liability Company/Ltda | 99.99976% |
| 2 | DaVita Care (Saudi Arabia) | DC Healthcare International, Inc. | Saudi Arabia | Limited Liability Company | 95% |
| 2 | DaVita HealthCare Brasil Serviços Médicos Ltda. | DC Healthcare International, Inc. | Brazil | Limited Liability Company/Ltda | 99.9% |
| 2 | DaVita International Limited | DC Healthcare International, Inc. | United Kingdom | Private Company Limited by Shares | 100% |
| 2 | DaVita UK Limited | DC Healthcare International, Inc. | United Kingdom | Private Company Limited by Shares | 100% |
| 2 | Cimarron Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 55% |
| 2 | Columbus-RNA-DaVita, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | DVA Healthcare - Southwest Ohio, LLC | DVA Renal Healthcare, Inc. | TN | Limited Liability Company | 80.5% |
| 2 | DVA Healthcare Procurement Services, Inc. | DVA Renal Healthcare, Inc. | CA | For Profit Corporation | 100% |
| 2 | DVA Healthcare of Maryland, LLC | DVA Renal Healthcare, Inc. | MD | Limited Liability Company | 100% |
| 2 | DVA Healthcare of Massachusetts, Inc. | DVA Renal Healthcare, Inc. | MA | For Profit Corporation | 100% |
| 2 | DVA Healthcare of New London, LLC | DVA Renal Healthcare, Inc. | TN | Limited Liability Company | 51% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|----------------------------|------------------------------|-------------------------------|-----------------------------|
| 2 | DVA Healthcare of Norwich, LLC | DVA Renal Healthcare, Inc. | TN | Limited Liability Company | 51% |
| 2 | DVA Healthcare of Pennsylvania, LLC | DVA Renal Healthcare, Inc. | PA | Limited Liability Company | 100% |
| 2 | DVA Healthcare of Tuscaloosa, LLC | DVA Renal Healthcare, Inc. | TN | Limited Liability Company | 51% |
| 2 | DVA Laboratory Services, Inc. | DVA Renal Healthcare, Inc. | FL | For Profit Corporation | 100% |
| 2 | DVA of New York, Inc. | DVA Renal Healthcare, Inc. | NY | For Profit Corporation | 100% |
| 2 | DVA/Washington University Healthcare of Greater St. Louis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 51% |
| 2 | Daytone Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dialysis Holdings, Inc. | DVA Renal Healthcare, Inc. | DE | For Profit Corporation | 100% |
| 2 | Doves Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | Echos Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | Freehold Artificial Kidney Center, L.L.C. | DVA Renal Healthcare, Inc. | NJ | Limited Liability Company | 100% |
| 2 | Neptune Artificial Kidney Center, L.L.C. | DVA Renal Healthcare, Inc. | NJ | Limited Liability Company | 100% |
| 2 | Ohio River Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 55% |
| 2 | Ouabache Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | Palmas Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | Philadelphia-Camden Integrated Kidney Care, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 10.571% |
| 2 | Phoenix-Tucson Integrated Kidney Care, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 6.4978% |
| 2 | Rockhound Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | South Florida Integrated Kidney Care, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 29.967% |
| 2 | Targhee Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 55% |
| 2 | Tenack Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 55% |
| 2 | UT Southwestern DVA Healthcare, L.L.P. | DVA Renal Healthcare, Inc. | TX | Limited Liability Partnership | 51% |
| 2 | Viento Dialysis, LLC | DVA Renal Healthcare, Inc. | DE | Limited Liability Company | 100% |
| 2 | DaVita VillageHealth of California, Inc. | DaVita VillageHealth, Inc. | CA | For Profit Corporation | 100% |
| 2 | Empire State DC, Inc. | DaVita of New York, Inc. | NY | For Profit Corporation | 100% |
| 2 | Huntington Artificial Kidney Center, Ltd. | DaVita of New York, Inc. | NY | For Profit Corporation | 100% |
| 2 | Knickerbocker Dialysis, Inc. | DaVita of New York, Inc. | NY | For Profit Corporation | 100% |
| 2 | Liberty RC, Inc. | DaVita of New York, Inc. | NY | For Profit Corporation | 100% |
| 2 | Central Ohio Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|-------------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Hendy Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ionia Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 55% |
| 2 | New Bay Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 80% |
| 2 | New Hope Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 100% |
| 2 | Seneca Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 69.7387% |
| 2 | Strongsville Dialysis, LLC | Renal Life Link, Inc. | DE | Limited Liability Company | 90% |
| 2 | DaVita - West, LLC | Renal Treatment Centers, Inc. | DE | Limited Liability Company | 100% |
| 2 | Physicians Dialysis Acquisitions, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Physicians Dialysis Ventures, LLC | Renal Treatment Centers, Inc. | DE | Limited Liability Company | 100% |
| 2 | Renal Treatment Centers - California, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Renal Treatment Centers - Hawaii, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Renal Treatment Centers - Illinois, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Renal Treatment Centers - Mid-Atlantic, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Renal Treatment Centers - Northeast, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | Renal Treatment Centers - Southeast, LP | Renal Treatment Centers, Inc. | DE | Limited Partnership | 1% |
| 2 | Renal Treatment Centers - West, Inc. | Renal Treatment Centers, Inc. | DE | For Profit Corporation | 100% |
| 2 | AI Care Insights, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Able Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70.5% |
| 2 | Acadia Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Accountable Kidney Care, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ackley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Acton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Adair Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Adiron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ahern Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Aikens Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Alenes Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78.56% |
| 2 | Alexandria Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Alomie Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | American Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | American Fork Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Amery Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Anderson Kidney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Andrews Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Animas Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Arbela Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Arcadia Gardens Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Arches Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ardigm Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Argyle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95.3361% |
| 2 | Artesia Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Astro, Hobby, West Mt. Renal Care Limited Partnership | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Atchison Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Atlantic Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Attell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Austin Dialysis Centers, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Avertrail Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Babler Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Barrington Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Barrons Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 89.5% |
| 2 | Barton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Basin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 67.8571% |
| 2 | Bastrop Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bayfield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 87% |
| 2 | Bayshore Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Beals Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bear Creek Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Beck Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Bedell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Bellore Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bemity Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Beverly Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Beverly Hills Dialysis Partnership | Total Renal Care, Inc. | CA | General Partnership | 99.955% |
| 2 | Birch Dialysis, LLC | Total Renal Care, Inc. | OH | Limited Liability Company | 100% |
| 2 | Biscayne Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Blackfoot Dialysis Partners, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bladon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60.1% |
| 2 | Blake Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Blanco Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 87.5% |
| 2 | Blauvelt Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bliss Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Blue Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bluegrass Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Bohama Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Boltron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bonister Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Boonville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Borrego Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Botkins Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Bottle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Bowan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Brache Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Braddock Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Braggs Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Braidwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Brantley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bretton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|----------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Bridges Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Brimfield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Bronson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Brook Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Brooksprings Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Brownwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Bryce Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bulfinch Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Bullards Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 61.5219% |
| 2 | Bullock Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Burman Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 62% |
| 2 | Burney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Burrill Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Burton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Butano Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Caballo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cache Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Caddo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Caddoan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78.106% |
| 2 | Cadeen Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cadiz Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Caesar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cagles Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Calamus Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Calante Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Calaveras Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Calico Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cama Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Camino Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Campton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90.6504% |
| 2 | Canney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Cannon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Canyon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Canyonlands Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Capelville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Capital Dialysis Partnership | Total Renal Care, Inc. | CA | General Partnership | 71.2704% |
| 2 | Capron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Cardinal Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Carlsbad Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Carlton Dialysis, LLC | Total Renal Care, Inc. | U.S. Virgin Islands | Limited Liability Company | 100% |
| 2 | Carroll County Dialysis Facility, Inc. | Total Renal Care, Inc. | MD | For Profit Corporation | 100% |
| 2 | Casas Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Castle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Castlewood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Caswell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Catello Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cathedral Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Caverns Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 84.6% |
| 2 | Cedar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Centennial LV, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Cerito Dialysis Partners, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Chaffee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Challis Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Champions Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Channel Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Chantry Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Charemont Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Chenango Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 96.2511% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Cheraw Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Cherry Valley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cheshire Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cheshire MD Holdings, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Chicot Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Chipeta Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Chitue Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cinco Rios Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Clark Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 79% |
| 2 | Clearee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cleburne Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50.1% |
| 2 | Cloudland Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Clover Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 92.1894% |
| 2 | Coast Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Cobbles Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Coe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Colleton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 76.4117% |
| 2 | Collier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Colliver Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Colville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Community Acutes Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Conchasa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Conconully Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Continental Dialysis Center of Springfield-Fairfax, Inc. | Total Renal Care, Inc. | VA | For Profit Corporation | 100% |
| 2 | Continental Dialysis Centers, Inc. | Total Renal Care, Inc. | VA | For Profit Corporation | 100% |
| 2 | Cooper Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94.3% |
| 2 | Coral Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Cordele Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Cottonwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Couer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Court Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Cowell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Cowesett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Creek Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Croft Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Crystals Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Culbert Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Curlew Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | DE Oro Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | DaVita APAC Holding B.V. | Total Renal Care, Inc. | Netherlands | Besloten Venootschap(BV) | 20% |
| 2 | DaVita CKD Dietitians, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | DaVita El Paso East, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | DaVita Kidney Care Contracting, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | DaVita Nephrology Associates Of Utah, L.L.C. | Total Renal Care, Inc. | UT | Limited Liability Company | 100% |
| 2 | DaVita Rx, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dackman Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dagmar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dale Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dallas-Fort Worth Nephrology, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Damon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Daroga Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Darter Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dawson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | DeSoto Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Decker Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Decklund Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 73.7% |
| 2 | Delabar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 91% |
| 2 | Demlow Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Deneault Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Deowee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 74.4178% |
| 2 | Deschutes Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Detroit Integrated Kidney Care, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dialysis Center Of Abilene, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 100% |
| 2 | Dialysis Specialists of Dallas, Inc. | Total Renal Care, Inc. | TX | For Profit Corporation | 100% |
| 2 | Dierks Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Dillard Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dolores Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Dome Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 79.9982% |
| 2 | Downtown Houston Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Dresher Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Drummer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Dunkins Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Dunklinson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Duston Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Eagles Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | East Bay - DaVita Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | East End Dialysis Center, Inc. | Total Renal Care, Inc. | VA | For Profit Corporation | 100% |
| 2 | East Houston Kidney Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | East Oaks Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Eastmont Dialysis Partnership | Total Renal Care, Inc. | CA | General Partnership | 60.78% |
| 2 | Eastover Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Eavers Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ebrea Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Eckley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Edgemere Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Edisto Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Edna Dialysis, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-----------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Elberton Dialysis Facility, Inc. | Total Renal Care, Inc. | GA | For Profit Corporation | 100% |
| 2 | Eldrist Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Elkhorn Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Elkonson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Ellacoya Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Etowah Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ettleton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Eufaula Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 63.676781 % |
| 2 | Everglades Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Fairfield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 84% |
| 2 | Falcon, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Falmont Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Fanthorp Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Farnolle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 88% |
| 2 | Fenton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78.1338% |
| 2 | Ferne Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ferron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80.5% |
| 2 | Fields Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Five Star Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Fjords Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Flagler Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Flamingo Park Kidney Center, Inc. | Total Renal Care, Inc. | FL | For Profit Corporation | 100% |
| 2 | Forester Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Fort Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Foss Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Freeportbay Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Fremont Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Frierton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Frontenac Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Frontier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | GDC International, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | GDC Resources, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Galah Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Gallatin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ganchis Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ganois Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 59% |
| 2 | Gardenside Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90.9208% |
| 2 | Garrett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Garson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Garth Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Gate Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Gaviota Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Gebhard Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Gemini Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Genesis KC Development, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Gioconda Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Givhan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Glarus Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Glassland Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 96% |
| 2 | Glosser Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Goldendale Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Goliad Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55.4644% |
| 2 | Goodale Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90.3% |
| 2 | Gordina Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Goza Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Grahams Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Grand Home Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Greater Las Vegas Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Greater Los Angeles Dialysis Centers, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Green Desert Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Greenleaf Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Griffin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70.3261% |
| 2 | Griff's Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Grotten Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78% |
| 2 | Grove Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Gulch Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Gunnison Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hagerstown Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60.2629% |
| 2 | Hailstone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hallowell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hampton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Hardy Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Harmony Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Harpett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Harpswell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Harriman Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hart Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hatchery Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Haverhills Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hawaiian Gardens Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hawken Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hawn Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 67% |
| 2 | Hazelton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Heavener Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Heckscher Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Hegan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Heideck Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Helmer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Heron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hewett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Heyburn Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hialeah Kidney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hightower Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hilgards Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 72.7988% |
| 2 | Hills Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Holiday Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Holten Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Hooper Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hopkinton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Hosler Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Houston Acute Dialysis, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Houston Kidney Center/ Total Renal Care Integrated Service Network Limited Partnership | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Humboldt Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Hummer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hunter Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Huntington Park Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Hyattsville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Hyde Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Idosta Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Iowa Health-Des Moines DaVita Dialysis Partnership, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Iroquois Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Itasca Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | J.E.T. New Orleans East Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Jacinto Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Jedburg Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Jeness Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Jericho Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Joliet Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Joshua Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Jubilee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80.4986% |
| 2 | Junta Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kamaka Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Kamakee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Kamiah Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Kandunce Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kanika Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kasaskia Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Kavett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Keller Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kenai Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94.76% |
| 2 | Kershaw Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Keystone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Kidney Center South LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Kidney Home Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Kimball Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Kings Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kingston Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Kinnick Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Kinter Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75.9191% |
| 2 | Kiowa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Kleaca Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 91% |
| 2 | Klinger Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Knobbs Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Knotts Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Lakeshore Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Lakeside Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Landing Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 83.1% |
| 2 | Landor Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Landsford Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lanier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lapham Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 93.3604% |
| 2 | Las Vegas Pediatric Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78.9613% |
| 2 | Lasalle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lassen Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Latrobe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Leasburg Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Leaton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lees Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Legare Development LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Leo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lexington Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lighthouse Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Limon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Lincoln Park Dialysis Services, Inc. | Total Renal Care, Inc. | IL | For Profit Corporation | 100% |
| 2 | Lincolnton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 77% |
| 2 | Little Rock Dialysis Centers, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Livingston Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90.453% |
| 2 | Lockhart Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Lockport Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Locuston Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Lofield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Lone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Longworth Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Lord Baltimore Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Lory Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Los Angeles Dialysis Center | Total Renal Care, Inc. | CA | General Partnership | 68.1562% |
| 2 | Los Arcos Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Loup Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Lourdes Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Lowden Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Lufield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Lurleen Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 83% |
| 2 | Lyndale Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Lyndon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Macab Dialysis LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Machesney Bay Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Mackies Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Madigan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 52% |
| 2 | Magney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78% |
| 2 | Magnolia Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Magoffin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Mahoney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Makonee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Mammoth Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 77% |
| 2 | Manito Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Manzano Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Maple Grove Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Marbell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Marseille Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Marshier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 81.4196% |
| 2 | Martin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Mason-Dixon Dialysis Facilities, Inc. | Total Renal Care, Inc. | MD | For Profit Corporation | 100% |
| 2 | Mason-Dixon Dialysis Facilities, Inc. | Total Renal Care, Inc. | MD | For Profit Corporation | |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Mautino Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Mayfield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Mazonia Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 84% |
| 2 | Mazsum Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Meadows Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Meesa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Mellen Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Memorial Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Mena Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Menca Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94% |
| 2 | Meridian Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Mermet Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Mesilla Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Millonee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Millsite Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Milltown Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Minneopa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Miramar Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Mocca Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 83.5% |
| 2 | Modesto Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Molera Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Monad Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Monahans Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Moncrief Dialysis Center/Total Renal Care Limited Partnership | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Monett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Montauk Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 96.108926% |
| 2 | Monte Perla Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Montville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Moraine Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Morrison Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 69% |
| 2 | Morro Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Motte Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Mounds Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94% |
| 2 | Mountain Park Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 86% |
| 2 | Mountain West Dialysis Services, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Mulgee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Musgrove Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Myrtle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Nadell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Nahant Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Nansen Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | National Trail Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Natomas Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60.8% |
| 2 | Nauvue Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Navarro Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 59% |
| 2 | Naville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Navin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 66% |
| 2 | Neff Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Nehalem Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Nehall Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 84.592% |
| 2 | Nelworth Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Neoporte Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Nephrology Care Alliance, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Nephrology Practice Solutions, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | New Castle Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Newhall Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 84.5% |
| 2 | Nisene Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70.055556 % |
| 2 | Nizina Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Norte Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 89.0392% |
| 2 | North Ogden Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Noster Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Odiorne Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Okanogan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Olive Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Olympic Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Open Access Sonography, Inc. | Total Renal Care, Inc. | FL | For Profit Corporation | 100% |
| 2 | Opham Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ordust Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Osage Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Owasso Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Owens Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Owyhee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | PD La Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pablo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Pacheco Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pacific Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Palisades Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Palmetto Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Palo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Palomar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75.8323% |
| 2 | Panola Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Panther Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Papello Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Parker Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Patient Pathways, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Patoka Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Pattison Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Patuk Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pawlier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Pearl Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Pedernales Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Pekin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pendster Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Percha Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pering Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Perry County Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Perryton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Pershing Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Petra Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Philadelphia-Camden Integrated Kidney Care, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 10.571% |
| 2 | Phoenix-Tucson Integrated Kidney Care, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 12.996% |
| 2 | Pible Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Pine Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Pinewoods Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 78.04% |
| 2 | Pirogue Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Piscata Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Pittsburgh Dialysis Partners, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Plaine Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Plateau Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Plover Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 93.4247% |
| 2 | Poinsett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Pointe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pokagon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 77% |
| 2 | Pomme Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ponca Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 86% |
| 2 | Pooler Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|----------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Portales Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Portola Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 87.5% |
| 2 | Powerton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Prairie Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Prencoe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Priday Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 87.0248% |
| 2 | Prineville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Prings Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Pruneau Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Quincy Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Quinn Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | RNA - DaVita Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Rainer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ralfton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ramsey Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Rancho Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Randolph Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Ravalli Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 92.8194% |
| 2 | Ravine Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Red Willow Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Redcliff Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 68% |
| 2 | Reef Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Refuge Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rend Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Reno Avenue Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Renwick Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Rhodes Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Ridgeland Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ridgely Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Ringwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Rio Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ripley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rita Ranch Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Roaring Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Robertsville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Robinson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rockwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Rolf Park Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rollins Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Ronan Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 58% |
| 2 | Roose Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Rophets Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Roushe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Royale Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Runstone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rusk Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Rutland Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Rutledge Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Rye Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | SAKDC-DaVita Dialysis Partners, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | SE Ohio Regional Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Saddleback Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | SafeHarbor Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Saggett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Saguaro Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sahara Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Salisbury Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | San Gabriel Valley Partnership | Total Renal Care, Inc. | CA | General Partnership | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-----------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | San Marcos Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Sandlin Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 77.965% |
| 2 | Sands Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Santee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Santo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sapelo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Sapinero Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sappington Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Saugus Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Saunders Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Scoggins Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Screven Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Seabay Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Seasons Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Secour Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Seminole Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sensiba Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Shade Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Shadow Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Shayano Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 76.4465% |
| 2 | Shelling Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Sherman Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Shining Star Dialysis, Inc. | Total Renal Care, Inc. | NJ | For Profit Corporation | 100% |
| 2 | Shoals Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 68.450665% |
| 2 | Shone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Shoshone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Siena Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Silverwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 66.63% |
| 2 | Simcoe Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Simeon Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65% |
| 2 | Sinewa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Skagit Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Skylar Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sloans Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Smithgall Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Solidago Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Somerville Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | South Central Florida Dialysis Partners, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | South Florida Integrated Kidney Care, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 29.967% |
| 2 | South Fork Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 76% |
| 2 | South Shore Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Southeast Florida Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Southeast Nephrology Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Southeastern Indiana Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Southwest Atlanta Dialysis Centers, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 21% |
| 2 | Southwest Indiana Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Southwest Kidney-DaVita Dialysis Partners II, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Southwest Kidney-DaVita Dialysis Partners, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50% |
| 2 | Southwest Rocky Mountain Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Southwestern Tennessee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Southwood Park Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sparks Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Spokane Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Springpond Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Stanton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Star Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Starks Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Steam Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---------------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Stearns Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Steele Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Stewart Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Stiller Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Stines Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Stockton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Storrie Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Strongwood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Strower Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sugarite Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Sula Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Summer Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Summit Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Sun City West Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Sunapee Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sunrays Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Sunset Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 65.238% |
| 2 | Swanson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Swanville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Sylvania Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | TRC - Indiana, LLC | Total Renal Care, Inc. | IN | Limited Liability Company | 10% |
| 2 | TRC El Paso Limited Partnership | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | TRC West, Inc. | Total Renal Care, Inc. | DE | For Profit Corporation | 100% |
| 2 | TRC of New York, Inc. | Total Renal Care, Inc. | NY | For Profit Corporation | 100% |
| 2 | TRC-Georgetown Regional Dialysis, LLC | Total Renal Care, Inc. | DC | Limited Liability Company | 80% |
| 2 | Talimena Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Tannor Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Tarley Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 63.814% |
| 2 | Taskett Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Tel-Huron Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Tennessee Valley Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Terre Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Tetona Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Texoma Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | The Woodlands Dialysis Center, LP | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Tonka Bay Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Topanga Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Tortugas Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Total Acute Kidney Care, Inc. | Total Renal Care, Inc. | FL | For Profit Corporation | 100% |
| 2 | Total Renal Care Texas Limited Partnership | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Total Renal Care of North Carolina, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 85% |
| 2 | Total Renal Care of Utah, L.L.C. | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Total Renal Care/Crystal River Dialysis, L.C. | Total Renal Care, Inc. | FL | Limited Liability Company | 33.3333% |
| 2 | Total Renal Laboratories, Inc. | Total Renal Care, Inc. | FL | For Profit Corporation | 100% |
| 2 | Total Renal Research, Inc. | Total Renal Care, Inc. | DE | For Profit Corporation | 100% |
| 2 | Toulouse Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 86% |
| 2 | Tovell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Townsend Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Trailstone Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Trailway Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Transmountain Dialysis, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Tree City Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Tross Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Tugaloo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Tugman Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Tunnel Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Turlock Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Turville Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---------------------------------|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Twain Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 87.656% |
| 2 | Tyler Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 81% |
| 2 | USC-DaVita Dialysis Center, LLC | Total Renal Care, Inc. | CA | Limited Liability Company | 60% |
| 2 | Ubonsie Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Unicoi Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 80% |
| 2 | Union City Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | University Dialysis Center, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Upper Valley Dialysis, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Urbana Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Valley Springs Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 55% |
| 2 | Valmack Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 88% |
| 2 | Vanell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Verde Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 83% |
| 2 | Versailles Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | VillageHealth DM, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Villanueva Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 70% |
| 2 | Vively Health, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Vogel Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Volo Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 75% |
| 2 | Voyage Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Waddell Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Wadeson Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Wadleigh Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Wakonda Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Wakoni Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Walcott Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Walker Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 62.643% |
| 2 | Wallis Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Wallowa Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------|------------------------------|---------------------------|-----------------------------|
| 2 | Walton Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Washburne Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 2 | Washington Plaza Dialysis, LLC | Total Renal Care, Inc. | CA | Limited Liability Company | 100% |
| 2 | Watkins Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 71% |
| 2 | Waycross Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Weldon Dialysis, LLC | Total Renal Care, Inc. | CA | Limited Liability Company | 51% |
| 2 | Wesley Chapel Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 54% |
| 2 | West Broomfield Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | West Elk Grove Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 66.5722% |
| 2 | West Pensacola Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | West Sacramento Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 63.25% |
| 2 | Western Nevada Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Wheeler's Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Whitney Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 50.1% |
| 2 | Wilder Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Williston Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Willowbrook Dialysis Center, L.P. | Total Renal Care, Inc. | DE | Limited Partnership | 1% |
| 2 | Winchester Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Windcreek Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 73.9038% |
| 2 | Wisner Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Wood Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Woodford Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Wooten Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 94% |
| 2 | Yards Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 2 | Yargol Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 2 | Ybor City Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 95% |
| 2 | Zara Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 2 | Zellier Dialysis, LLC | Total Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Able Dialysis, LLC | DE | Limited Liability Company | 1% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|---|--|-----------------------|---|----------------------|
| 3 | Phoenix-Tucson Integrated Kidney Care, LLC | Barton Dialysis, LLC | DE | Limited Liability Company | 1.5% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Campton Dialysis, LLC | DE | Limited Liability Company | 1% |
| 3 | Cassin Dialysis, LLC | Carlton Dialysis, LLC | U.S. Virgin Islands | Limited Liability Company | 100% |
| 3 | Carroll County Dialysis Facility Limited Partnership | Carroll County Dialysis Facility, Inc. | MD | Limited Partnership | 66.67% |
| 3 | Bogachiel Dialysis, LLC | Chantry Dialysis, LLC | DE | Limited Liability Company | 100% |
| 3 | DV Care Netherlands B.V. Arabia Medical | DV Care Netherlands B.V. | Saudi Arabia | Limited Liability Company | 100% |
| 3 | DV Renal Care Denmark ApS | DV Care Netherlands B.V. | Denmark | Anpartsselskab(Ap S) | 100% |
| 3 | DVA Holdings Pte. Ltd. | DV Care Netherlands B.V. | Singapore | Private Company Limited by Shares | 100% |
| 3 | DaVita APAC Holding B.V. | DV Care Netherlands B.V. | Netherlands | Besloten Venootschap(BV) | 80% |
| 3 | DaVita Germany GmbH | DV Care Netherlands B.V. | Germany | Gesellschaft mit beschränkter Haftung(GmbH) | 100% |
| 3 | DaVita S.A.S. | DV Care Netherlands B.V. | Colombia | Sociedad por Acciones | 100% |
| 3 | DaVita Sp. z o.o. | DV Care Netherlands B.V. | Poland | Spółka z ograniczoną odpowiedzialnością | 100% |
| 3 | IDC -International Dialysis Centers, Lda | DV Care Netherlands B.V. | Portugal | Private Limited Company | 100% |
| 3 | River Valley Dialysis, LLC | DVA Healthcare - Southwest Ohio, LLC | DE | Limited Liability Company | 70.5% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | DVA Healthcare of Pennsylvania, LLC | DE | Limited Liability Company | 10.571% |
| 3 | Renal Treatment Centers - Southeast, LP | DaVita - West, LLC | DE | Limited Partnership | 99% |
| 3 | DaVita Care Pte. Ltd. | DaVita APAC Holding B.V. | Singapore | Private Company Limited by Shares | 75% |
| 3 | DaVita Bauru Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Ceilândia Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Natal Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Nefromed Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Nephron Care Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99998% |
| 3 | DaVita Rien Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99999% |
| 3 | DaVita SOS Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços Diálise Móvel Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99% |
| 3 | DaVita Serviços de Nefrologia Anchieta Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | |
| 3 | DaVita Serviços de Nefrologia Araruama Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia Asa Sul Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Benjamin Constant Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|--|------------------------------|--------------------------------|-----------------------------|
| 3 | DaVita Serviços de Nefrologia Boa Vista Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia Bueno Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia Cabo Frio Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Cambuí Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Campo Grande Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Cuiabá Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Franca Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Goiânia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Guarulhos Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia Hortolândia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Itaboraí Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Jardim das Imbuías Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia João Pessoa Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Serviços de Nefrologia Lagoa Nova Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Lapa Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Moema Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99% |
| 3 | DaVita Serviços de Nefrologia Nova Veneza Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Pacini Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Paulínia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 0.00779% |
| 3 | DaVita Serviços de Nefrologia Salvador Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Santana Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Santos Dumont Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Sumaré Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia São José do Rio Preto Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia Taubaté Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9998% |
| 3 | DaVita Serviços de Nefrologia Vila Bastos Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.999% |
| 3 | DaVita Serviços de Nefrologia Vila Olímpia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Serviços de Nefrologia de Araraquara Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | DaVita Silva Jardim Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|--|------------------------------|-----------------------------------|-----------------------------|
| 3 | DaVita Transrim Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita UTR Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 3 | DaVita Águas Claras Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | Pronomed Clínica Médica Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 3 | Integrated Kidney Care Of Camden, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Florida, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Georgia, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Inland Empire California, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Iowa, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Las Vegas, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Maryland, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Minnesota, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Missouri, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Nevada, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of New Jersey And Pennsylvania, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Northern California, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Pennsylvania And Ohio, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of South Florida, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of South Texas, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Southern California, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Texas And Oklahoma, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Integrated Kidney Care Of Virginia, LLC | DaVita Kidney Care Contracting, LLC | DE | Limited Liability Company | 100% |
| 3 | Renal Services (UK) Limited | DaVita UK Limited | United Kingdom | Private Company Limited by Shares | 100% |
| 3 | DVA Healthcare Renal Care, Inc. | Dialysis Holdings, Inc. | NV | For Profit Corporation | 100% |
| 3 | TRC - Petersburg, LLC | East End Dialysis Center, Inc. | DE | Limited Liability Company | 100% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Etowah Dialysis, LLC | DE | Limited Liability Company | 4% |
| 3 | DPS CKD, LLC | Falcon, LLC | DE | Limited Liability Company | 100% |
| 3 | South Florida Integrated Kidney Care, LLC | Flamingo Park Kidney Center, Inc. | DE | Limited Liability Company | 1% |
| 3 | DV Care Netherlands C.V. | GDC International, LLC | Netherlands | Commanditaire Vennootschap(CV) | 1% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|------------------------------|------------------------------|--------------------------------|-----------------------------|
| 3 | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.00024% |
| 3 | DaVita Care (Saudi Arabia) | GDC International, LLC | Saudi Arabia | Limited Liability Company | 5% |
| 3 | DaVita HealthCare Brasil Serviços Médicos Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.1% |
| 3 | DaVita Nephron Care Serviços de Nefrologia Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.00001% |
| 3 | DaVita Rien Serviços de Nefrologia Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | |
| 3 | DaVita Serviços Diálise Móvel Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | |
| 3 | DaVita Serviços de Nefrologia Araruama Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita Serviços de Nefrologia Guarulhos Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita Serviços de Nefrologia Jardim das Imbuías Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita Serviços de Nefrologia João Pessoa Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita Serviços de Nefrologia Moema Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 1% |
| 3 | DaVita Serviços de Nefrologia Taubaté Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita Serviços de Nefrologia Vila Bastos Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.001% |
| 3 | DaVita Transrim Serviços de Nefrologia Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | DaVita UTR Serviços de Nefrologia Ltda. | GDC International, LLC | Brazil | Limited Liability Company/Ltda | 0.0001% |
| 3 | Phoenix-Tucson Integrated Kidney Care, LLC | Grand Home Dialysis, LLC | DE | Limited Liability Company | 1.5% |
| 3 | South Florida Integrated Kidney Care, LLC | Kavett Dialysis, LLC | DE | Limited Liability Company | 1% |
| 3 | Bandelier Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 60% |
| 3 | Barnstable Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Bennett Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Buescher Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Cataldo Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Cowley Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Empress Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 80% |
| 3 | Enchanted Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 60% |
| 3 | Latsch Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 70% |
| 3 | Monarch Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Oriello Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | Pannale Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 95% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|--|------------------------------|-------------------------------|-----------------------------|
| 3 | Pinestone Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 90% |
| 3 | Robler Dialysis, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 100% |
| 3 | True North DC Holding, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 51% |
| 3 | True North Dialysis Center, LLC | Knickerbocker Dialysis, Inc. | NY | Limited Liability Company | 51% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Magoffin Dialysis, LLC | DE | Limited Liability Company | 1% |
| 3 | South Florida Integrated Kidney Care, LLC | Mautino Dialysis, LLC | DE | Limited Liability Company | 0.5% |
| 3 | NCA - Mid-Atlantic, LLC | Nephrology Care Alliance, LLC | DE | Limited Liability Company | 100% |
| 3 | DNP Management Company, LLC | Nephrology Practice Solutions, LLC | DE | Limited Liability Company | 100% |
| 3 | Nephrology Medical Associates of Georgia, LLC | Nephrology Practice Solutions, LLC | GA | Limited Liability Company | 100% |
| 3 | South Florida Integrated Kidney Care, LLC | Okanogan Dialysis, LLC | DE | Limited Liability Company | 0.5% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Physicians Dialysis Acquisitions, Inc. | DE | Limited Liability Company | 1% |
| 3 | Middlesex Dialysis Center, LLC | Physicians Dialysis Ventures, LLC | DE | Limited Liability Company | 100% |
| 3 | Physicians Dialysis of Houston, LLP | Physicians Dialysis Ventures, LLC | TX | Limited Liability Partnership | 64.38% |
| 3 | Physicians Dialysis of Houston, LP | Physicians Dialysis Ventures, LLC | TX | Limited Liability Partnership | 64.38% |
| 3 | Physicians Dialysis of Lancaster, LLC | Physicians Dialysis Ventures, LLC | PA | Limited Liability Company | 85% |
| 3 | Physicians Management, LLC | Physicians Dialysis Ventures, LLC | DE | Limited Liability Company | 100% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Red Willow Dialysis, LLC | DE | Limited Liability Company | 10.571% |
| 3 | Bruno Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 80% |
| 3 | Canyon Springs Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 70% |
| 3 | DaVita - Riverside II, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 60% |
| 3 | DaVita - Riverside, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 60% |
| 3 | Eastmont Dialysis Partnership | Renal Treatment Centers - California, Inc. | CA | General Partnership | 39.22% |
| 3 | Elk Grove Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 51% |
| 3 | Freeman Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Fullerton Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 70% |
| 3 | Long Beach Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 93.3111% |
| 3 | Los Angeles Dialysis Center | Renal Treatment Centers - California, Inc. | CA | General Partnership | 31.8438% |
| 3 | Marysville Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Nuevo Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|--|------------------------------|---------------------------|-----------------------------|
| 3 | Ontario Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Orange Dialysis, LLC | Renal Treatment Centers - California, Inc. | CA | Limited Liability Company | 100% |
| 3 | Riverside County Home PD Program, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Santa Fe Springs Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Shetek Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 75% |
| 3 | Soledad Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 100% |
| 3 | Tustin Dialysis Center, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 60% |
| 3 | Yucaipa Dialysis, LLC | Renal Treatment Centers - California, Inc. | DE | Limited Liability Company | 60% |
| 3 | Beachside Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | Central Iowa Dialysis Partners, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 70% |
| 3 | Central Kentucky Dialysis Centers, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Chesterfield Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Chicago Heights Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Clinton Township Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Clyfee Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 70% |
| 3 | Commerce Township Dialysis Center, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 55% |
| 3 | Davis Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 95% |
| 3 | Dialysis of Des Moines, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | Dialysis of Northern Illinois, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Downriver Centers, Inc. | Renal Treatment Centers - Illinois, Inc. | MI | For Profit Corporation | 100% |
| 3 | East Dearborn Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Estero Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Falls Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Fannin Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Garner Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Geyser Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | GiveLife Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Green Country Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Grosse Pointe Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|------------------------------------|--|------------------------------|---------------------------|-----------------------------|
| 3 | Honeyman Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | Kadron Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Kidney Centers of Michigan, L.L.C. | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Kinswa Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Lawrenceburg Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Milo Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 75% |
| 3 | New Springs Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 85% |
| 3 | Northeast Ohio Home Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 65% |
| 3 | Northshore Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Oakdale Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Placid Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Princeton Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Purtis Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Richfield Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Rochester Dialysis Center, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 60% |
| 3 | Sandusky Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 56.9167% |
| 3 | South Lincoln Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | St. Clair Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | St. Luke's Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | TRC - Indiana, LLC | Renal Treatment Centers - Illinois, Inc. | IN | Limited Liability Company | 90% |
| 3 | Trusten Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | Wallips Dialysis LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 51% |
| 3 | Wauseon Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Westview Dialysis, LLC | Renal Treatment Centers - Illinois, Inc. | DE | Limited Liability Company | 100% |
| 3 | Aberdeen Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Allaire Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Allister Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Amity Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 65% |
| 3 | Belmont Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 90% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|--|------------------------------|---------------------------|-----------------------------|
| 3 | Blancott Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Branbur Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Buford Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 90% |
| 3 | Captree Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 66% |
| 3 | Cawen Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Central Georgia Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 70% |
| 3 | Conecuh Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 85% |
| 3 | Covell Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Cypremort Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | DaVita Tidewater - Virginia Beach, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | DaVita Tidewater, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Dalhart Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 67.5% |
| 3 | Dedham Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 85% |
| 3 | Dialysis of North Atlanta, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Fillmore Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Gansett Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 80% |
| 3 | Golver Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Gramleer Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 75% |
| 3 | Granue Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 91.6% |
| 3 | Guilder Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 90% |
| 3 | Guntersville Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Havanna Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 95% |
| 3 | Havenwood Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 70% |
| 3 | Honey Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Hoven Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 90% |
| 3 | Kainsville Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 80% |
| 3 | Leawood Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 80% |
| 3 | Mather Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 51% |
| 3 | Medlock Bridge Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 80% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|--|------------------------------|---------------------------|-----------------------------|
| 3 | Mohansic Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | North Atlanta Dialysis Center, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Ogano Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Onota Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 95% |
| 3 | Orion Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 51% |
| 3 | Ossipee Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 63% |
| 3 | Parkside Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 51% |
| 3 | Pembina Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Peninsula Dialysis Center, Inc. | Renal Treatment Centers - Mid-Atlantic, Inc. | VA | For Profit Corporation | 100% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 1% |
| 3 | Piute Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 80% |
| 3 | Plattaz Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 83.3% |
| 3 | Shawano Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Snowdale Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Southwest Atlanta Dialysis Centers, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 79% |
| 3 | Sugarloaf Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 70% |
| 3 | Sunack Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Tri-City Dialysis Center, Inc. | Renal Treatment Centers - Mid-Atlantic, Inc. | VA | For Profit Corporation | 100% |
| 3 | Vancile Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Vilander Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 95.7495% |
| 3 | Waldorf Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Wissota Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 78% |
| 3 | Wyota Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 60% |
| 3 | Zomane Dialysis, LLC | Renal Treatment Centers - Mid-Atlantic, Inc. | DE | Limited Liability Company | 100% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Renal Treatment Centers - Northeast, Inc. | DE | Limited Liability Company | 10.571% |
| 3 | Renal Ventures Management, LLC | Renal Treatment Centers - Northeast, Inc. | DE | Limited Liability Company | 100% |
| 3 | Riddle Dialysis, LLC | Renal Treatment Centers - Northeast, Inc. | DE | Limited Liability Company | 70% |
| 3 | Afton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Alamosa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-------------------------------|---|------------------------------|---------------------------|-----------------------------|
| 3 | Alterra Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Alvah Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Amarillo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Ashdow Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Athio Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 3 | Austin Dialysis Centers, L.P. | Renal Treatment Centers - Southeast, LP | DE | Limited Partnership | 86% |
| 3 | Bagby Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Bainbridge Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Baker Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Balch Springs Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Banfort Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Bannack Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 3 | Bannon Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 3 | Barnegate Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Barnell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85% |
| 3 | Beacon Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.2% |
| 3 | Belfair Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Bellevue Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Bidwell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Bollinger Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Bothwell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Braden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Brule Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Canoe Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Capano Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Capes Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85% |
| 3 | Cascades Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.25% |
| 3 | Chadron Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Chitto Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|---|------------------------------|---------------------------|-----------------------------|
| 3 | Chouteau Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65% |
| 3 | Churchill Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Clayton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 3 | Clifton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Cormick Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Crawford Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Croskee Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Crossings Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Crowder Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Cuivre Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Curecanti Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 61% |
| 3 | DaVita Denham Springs Kidney Care, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Dallas-Fort Worth Nephrology II, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Diablo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Dorchester Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Dunes Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Duxbury Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Dworsher Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 3 | East Ft. Lauderdale, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Egonsa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 87.5% |
| 3 | Elgin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Ellsworth Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 68% |
| 3 | Elmore Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Farragut Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Flandrau Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Flor Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Gathland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Gertrude Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Gilwards Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-----------------------------------|---|------------------------------|---------------------------|-----------------------------|
| 3 | Glacier Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 69% |
| 3 | Golden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Gouache Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Great Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Greenspoint Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Greylock Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 72% |
| 3 | Harris Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Haskell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 89% |
| 3 | Hays Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Headlands Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Hennepin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Higbee Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Higden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 71.1882% |
| 3 | Historic Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Hochatown Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Holdrege Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Hugo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Hunts Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Indian River Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 83.32% |
| 3 | Kadden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Kearn Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Kerricher Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Kinkaid Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Krapell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Lathrop Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 3 | Livery Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 3 | Lufkin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Lynwick Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Madison Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|---|------------------------------|---------------------------|-----------------------------|
| 3 | Manchester Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Maples Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Margette Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Mashero Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Melnea Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60.0601% |
| 3 | Mendocino Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 58.75% |
| 3 | Meramec Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Mid-City New Orleans Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Minam Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Naskett Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Nicona Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Nolia Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Norbert Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 3 | North Austin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 87% |
| 3 | Northwest Arkansas Kidney Centers, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Oasis Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Ozark Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 3 | Peaks Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 56% |
| 3 | Pfeiffer Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 3 | Pharis Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Pike Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Plumas Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Pobello Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 79% |
| 3 | Ponderosa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Primrose Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 83.0826% |
| 3 | Pyramid Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65% |
| 3 | RTC - Texas Acquisition, Inc. | Renal Treatment Centers - Southeast, LP | TX | For Profit Corporation | 100% |
| 3 | Rayburn Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 3 | Redwood Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|---|------------------------------|---------------------------|-----------------------------|
| 3 | Renaissance Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Renal Clinic Of Houston, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 3 | Rickwood Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Roland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Ross Clark Circle Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Russell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Santiam Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Schuler Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Shelby Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Sitka Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Sloss Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 68% |
| 3 | South Florida Integrated Kidney Care, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 1% |
| 3 | Spewell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Springs Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Stevenson Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Talladega Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Tarleton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Taum Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Taylor Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Teton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Tolland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Tolowa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Trego Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Truman Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Tumalo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Twinstar Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 92.3098% |
| 3 | Ukiah Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 3 | Vancleer Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Watson Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.427503 % |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|---|------------------------------|---------------------------|-----------------------------|
| 3 | Wayside Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | West Monroe Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Weston Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 86.47% |
| 3 | Wilgus Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 3 | Willgard Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 3 | Winds Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 3 | Winster Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Woodcrest Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 3 | Zillmar Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85.38% |
| 3 | Brighton Dialysis Center, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | DaVita Dakota Dialysis Center, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 55% |
| 3 | Durango Dialysis Center, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 51% |
| 3 | Greenwood Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 85% |
| 3 | Hutchinson Dialysis, L.L.C. | Renal Treatment Centers - West, Inc. | KS | Limited Liability Company | 100% |
| 3 | Muskogee Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | North Colorado Springs Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Oakes Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Platte Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 51% |
| 3 | Rocky Mountain Dialysis Services, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Routt Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 56% |
| 3 | Sierra Rose Dialysis Center, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Southerest Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 60% |
| 3 | Southern Colorado Joint Ventures, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 60% |
| 3 | Southern Hills Dialysis Center, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 60% |
| 3 | Southlake Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 60% |
| 3 | Sun City Dialysis Center, L.L.C. | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 51% |
| 3 | Tulsa Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Wyandotte Central Dialysis, LLC | Renal Treatment Centers - West, Inc. | DE | Limited Liability Company | 61.65% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Sahara Dialysis, LLC | DE | Limited Liability Company | 1% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|---|---|-----------------------|---------------------------|----------------------|
| 3 | South Florida Integrated Kidney Care, LLC | Sands Dialysis, LLC | DE | Limited Liability Company | 0.5% |
| 3 | Physicians Dialysis of Newark, LLC | Shining Star Dialysis, Inc. | NJ | Limited Liability Company | 100% |
| 3 | Desert Rocks Dialysis, LLC | Southwest Kidney-DaVita Dialysis Partners II, LLC | DE | Limited Liability Company | 100% |
| 3 | Garnet Dialysis, LLC | Southwest Kidney-DaVita Dialysis Partners, LLC | DE | Limited Liability Company | 100% |
| 3 | Northwest Tucson Dialysis, LLC | Southwest Kidney-DaVita Dialysis Partners, LLC | DE | Limited Liability Company | 100% |
| 3 | Phoenix-Tucson Integrated Kidney Care, LLC | Southwest Kidney-DaVita Dialysis Partners, LLC | DE | Limited Liability Company | 20% |
| 3 | Sun Desert Dialysis, LLC | Southwest Kidney-DaVita Dialysis Partners, LLC | DE | Limited Liability Company | 100% |
| 3 | Phoenix-Tucson Integrated Kidney Care, LLC | Sun City West Dialysis Center, LLC | DE | Limited Liability Company | 1.5% |
| 3 | Astro, Hobby, West Mt. Renal Care Limited Partnership | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | Bancroft Dialysis, LLC | TRC West, Inc. | DE | Limited Liability Company | 100% |
| 3 | Bear Creek Dialysis Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 69% |
| 3 | DaVita El Paso East, L.P. | TRC West, Inc. | DE | Limited Partnership | 59% |
| 3 | Dallas-Fort Worth Nephrology, L.P. | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | Downtown Houston Dialysis Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 59% |
| 3 | East Houston Kidney Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 64.2174% |
| 3 | Edna Dialysis, L.P. | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | Houston Kidney Center/Total Renal Care Integrated Service Network Limited Partnership | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | Moncrief Dialysis Center/Total Renal Care Limited Partnership | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | SAKDC-DaVita Dialysis Partners, L.P. | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | South Shore Dialysis Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 59% |
| 3 | Summit Dialysis Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 78% |
| 3 | TRC El Paso Limited Partnership | TRC West, Inc. | DE | Limited Partnership | 49.1% |
| 3 | The Woodlands Dialysis Center, LP | TRC West, Inc. | DE | Limited Partnership | 75.75% |
| 3 | Total Renal Care Texas Limited Partnership | TRC West, Inc. | DE | Limited Partnership | 99% |
| 3 | Transmountain Dialysis, L.P. | TRC West, Inc. | DE | Limited Partnership | 59% |
| 3 | Upper Valley Dialysis, L.P. | TRC West, Inc. | DE | Limited Partnership | 59% |
| 3 | Willowbrook Dialysis Center, L.P. | TRC West, Inc. | DE | Limited Partnership | 59.12% |
| 3 | Felixon Dialysis, LLC | TRC of New York, Inc. | DE | Limited Liability Company | 100% |
| 3 | TRC-Dyker Heights, L.P. | TRC of New York, Inc. | NY | Limited Partnership | 90% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|--|-----------------------|-----------------------------------|----------------------|
| 3 | South Florida Integrated Kidney Care, LLC | Talimena Dialysis, LLC | DE | Limited Liability Company | 1% |
| 3 | Deerbrook Dialysis Center, LLC | Total Renal Care Texas Limited Partnership | DE | Limited Liability Company | 100% |
| 3 | Houston Acute Dialysis, L.P. | Total Renal Care Texas Limited Partnership | DE | Limited Partnership | 99% |
| 3 | Memorial Dialysis Center, L.P. | Total Renal Care Texas Limited Partnership | DE | Limited Partnership | 79% |
| 3 | West Texas Dialysis, LLC | Total Renal Care Texas Limited Partnership | DE | Limited Liability Company | 100% |
| 3 | Central Carolina Dialysis Centers, LLC | Total Renal Care of North Carolina, LLC | DE | Limited Liability Company | 100% |
| 3 | South Florida Integrated Kidney Care, LLC | Townsend Dialysis, LLC | DE | Limited Liability Company | 0.5% |
| 3 | Philadelphia-Camden Integrated Kidney Care, LLC | Tyler Dialysis, LLC | DE | Limited Liability Company | 3% |
| 3 | DaVita Accountable Care Solutions, LLC | VillageHealth DM, LLC | DE | Limited Liability Company | 100% |
| 3 | Philadelphia Comprehensive Care Program, LLC | Vively Health, LLC | DE | Limited Liability Company | 100% |
| 4 | Arrowhead Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 90% |
| 4 | Creston Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 4 | Grayland Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 4 | Hanford Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 4 | ISD I Holding Company, Inc. | DVA Healthcare Renal Care, Inc. | DE | For Profit Corporation | 100% |
| 4 | Llano Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 100% |
| 4 | Philadelphia-Camden Integrated Kidney Care, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 10.571% |
| 4 | South Florida Integrated Kidney Care, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 29.967% |
| 4 | Victory Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 51% |
| 4 | Wyler Dialysis, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 60% |
| 4 | Zephyrhills Dialysis Center, LLC | DVA Healthcare Renal Care, Inc. | DE | Limited Liability Company | 54% |
| 4 | DaVita HK Holdings Limited | DVA Holdings Pte. Ltd. | Hong Kong | Company Limited by Shares (CLBS) | 100% |
| 4 | Infomasi Ekuiti Sdn. Bhd. | DVA Holdings Pte. Ltd. | Malaysia | Private Company Limited by Shares | 100% |
| 4 | DaVita Care Pte. Ltd. | DaVita APAC Holding B.V. | Singapore | Private Company Limited by Shares | 75% |
| 4 | DaVita Bauru Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Ceilândia Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Natal Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Nefromed Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Nephron Care Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99998% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|--|-----------------------|--------------------------------|----------------------|
| 4 | DaVita Rien Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99999% |
| 4 | DaVita SOS Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços Diálise Móvel Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.99% |
| 4 | DaVita Serviços de Nefrologia Anchieta Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | |
| 4 | DaVita Serviços de Nefrologia Araruama Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia Asa Sul Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Benjamin Constant Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Boa Vista Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia Bueno Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia Cabo Frio Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Cambuí Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Campo Grande Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Cuiabá Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Franca Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Goiânia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Guarulhos Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia Hortolândia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Itaboraí Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Jardim das Imbuías Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia João Pessoa Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Serviços de Nefrologia Lagoa Nova Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Lapa Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Moema Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99% |
| 4 | DaVita Serviços de Nefrologia Nova Veneza Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Pacini Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Paulínia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 0.00779% |
| 4 | DaVita Serviços de Nefrologia Salvador Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Santana Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Santos Dumont Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|---|--|-----------------------|--|----------------------|
| 4 | DaVita Serviços de Nefrologia Sumaré Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia São José do Rio Preto Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia Taubaté Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9998% |
| 4 | DaVita Serviços de Nefrologia Vila Bastos Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.999% |
| 4 | DaVita Serviços de Nefrologia Vila Olímpia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Serviços de Nefrologia de Araraquara Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Silva Jardim Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita Transim Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita UTR Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 99.9999% |
| 4 | DaVita Águas Claras Serviços de Nefrologia Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | Pronomed Clínica Médica Ltda. | DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil | Limited Liability Company/Ltda | 100% |
| 4 | DaVita China Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 100% |
| 4 | DaVita Renal Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 100% |
| 4 | DaVita Singapore Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 80% |
| 4 | DaVita Deutschland AG | DaVita Germany GmbH | Germany | Aktiengesellschaft (AG) | 85% |
| 4 | DaVita Deutschland Beteiligungs GmbH & Co. KG | DaVita Germany GmbH | Germany | Gesellschaft mit beschränkter Haftung | 99.13% |
| 4 | DaVita Deutschland Verwaltungs GmbH | DaVita Germany GmbH | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 4 | DaVita Serviços de Nefrologia Anchieta Ltda. | DaVita Serviços de Nefrologia Benjamin Constant Ltda. | Brazil | Limited Liability Company/Ltda | |
| 4 | DaVita Serviços de Nefrologia Paulínia Ltda. | DaVita Serviços de Nefrologia Sumaré Ltda. | Brazil | Limited Liability Company/Ltda | 99.9922% |
| 4 | Phoenix-Tucson Integrated Kidney Care, LLC | Desert Rocks Dialysis, LLC | DE | Limited Liability Company | 1.5% |
| 4 | South Florida Integrated Kidney Care, LLC | East Ft. Lauderdale, LLC | DE | Limited Liability Company | 0.5% |
| 4 | TRC-Dyker Heights, L.P. | Felixon Dialysis, LLC | NY | Limited Partnership | 10% |
| 4 | Clinica Central do Bonfim S.A. | IDC -International Dialysis Centers, Lda | Portugal | Sociedad Anonima (S.A.) | 100% |
| 4 | EURODIAL - Centro de Nefrologia e Dialise de Leiria S.A. | IDC -International Dialysis Centers, Lda | Portugal | Sociedad Anonima (S.A.) | 100% |
| 4 | Pluribus Dialise - Benfica, S.A. | IDC -International Dialysis Centers, Lda | Portugal | Sociedad Anonima (S.A.) | 70% |
| 4 | Pluribus Dialise, S.A. | IDC -International Dialysis Centers, Lda | Portugal | Sociedad Anonima (S.A.) | 100% |
| 4 | Melnea Real Estate, LLC | Melnea Dialysis, LLC | DE | Limited Liability Company | 100% |
| 4 | Physicians Choice Dialysis, LLC | Physicians Management, LLC | DE | Limited Liability Company | 100% |
| 4 | ENSARIL (SRE) Limited | Renal Services (UK) Limited | United Kingdom | Private Company Limited by Shares | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-----------------------------------|---|------------------------------|-----------------------------------|-----------------------------|
| 4 | Renal Services Operations Limited | Renal Services (UK) Limited | United Kingdom | Private Company Limited by Shares | 100% |
| 4 | Renal Services Trading Limited | Renal Services (UK) Limited | United Kingdom | Private Company Limited by Shares | 100% |
| 4 | Afton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Alamosa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Alterra Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Alvah Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Amarillo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Ashdow Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Athio Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 4 | Austin Dialysis Centers, L.P. | Renal Treatment Centers - Southeast, LP | DE | Limited Partnership | 86% |
| 4 | Bagby Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Bainbridge Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Baker Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Balch Springs Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Banfort Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 4 | Bannack Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 4 | Bannon Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 4 | Barnegate Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Barnell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85% |
| 4 | Beacon Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.2% |
| 4 | Belfair Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Bellevue Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Bidwell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Bollinger Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Bothwell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 4 | Braden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Brule Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Canoe Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Capano Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|---|------------------------------|---------------------------|-----------------------------|
| 4 | Capes Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85% |
| 4 | Cascades Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.25% |
| 4 | Chadron Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Chitto Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Chouteau Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65% |
| 4 | Churchill Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 4 | Clayton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 4 | Clifton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Cormick Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Crawford Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Croskee Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Crossings Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Crowder Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Cuivre Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Curecanti Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 61% |
| 4 | DaVita Denham Springs Kidney Care, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Dallas-Fort Worth Nephrology II, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Diablo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Dorchester Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Dunes Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Duxbury Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Dworsher Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 4 | East Ft. Lauderdale, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Egonsa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 87.5% |
| 4 | Elgin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Ellsworth Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 68% |
| 4 | Elmore Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Farragut Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Flandrau Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|-----------------------------------|---|------------------------------|---------------------------|-----------------------------|
| 4 | Flor Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Gathland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Gertrude Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Gilwards Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Glacier Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 69% |
| 4 | Golden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Gouache Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Great Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Greenspoint Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Greylock Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 72% |
| 4 | Harris Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Haskell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 89% |
| 4 | Hays Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Headlands Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Hennepin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Higbee Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Higden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 71.1882% |
| 4 | Historic Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Hochatown Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 4 | Holdrege Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Hugo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Hunts Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Indian River Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 83.32% |
| 4 | Kadden Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Kearn Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Kerricher Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Kinkaid Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 4 | Krapell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 4 | Lathrop Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|---|------------------------------|---------------------------|-----------------------------|
| 4 | Livary Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 4 | Lufkin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Lynwick Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Madison Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Manchester Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Maples Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Margette Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Mashero Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Melnea Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60.0601% |
| 4 | Mendocino Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 58.75% |
| 4 | Meramec Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Mid-City New Orleans Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Minam Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Naskett Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Nicona Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Nolia Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Norbert Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 4 | North Austin Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 87% |
| 4 | Northwest Arkansas Kidney Centers, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Oasis Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 4 | Ozark Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 95% |
| 4 | Peaks Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 56% |
| 4 | Pfeiffer Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 55% |
| 4 | Pharis Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 4 | Pike Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Plumas Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Pobello Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 79% |
| 4 | Ponderosa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Primrose Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 83.0826% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|---|------------------------------|---------------------------|-----------------------------|
| 4 | Pyramid Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65% |
| 4 | RTC - Texas Acquisition, Inc. | Renal Treatment Centers - Southeast, LP | TX | For Profit Corporation | 100% |
| 4 | Rayburn Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 80% |
| 4 | Redwood Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Renaissance Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Renal Clinic Of Houston, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 75% |
| 4 | Rickwood Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Roland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Ross Clark Circle Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Russell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Santiam Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Schuler Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Shelby Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Sitka Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Sloss Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 68% |
| 4 | South Florida Integrated Kidney Care, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 1% |
| 4 | Sprewell Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Springs Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Stevenson Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Talladega Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Tarleton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Taum Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Taylor Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Teton Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Tolland Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Tolowa Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Trego Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Truman Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Tumalo Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|--|---|------------------------------|---------------------------|-----------------------------|
| 4 | Twinstar Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 92.3098% |
| 4 | Ukiah Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 51% |
| 4 | Vancleer Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Watson Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 65.427503 % |
| 4 | Wayside Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | West Monroe Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Weston Dialysis Center, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 86.47% |
| 4 | Wilgus Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 90% |
| 4 | Willgard Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 70% |
| 4 | Winds Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 60% |
| 4 | Winstar Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Woodcrest Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 100% |
| 4 | Zillmar Dialysis, LLC | Renal Treatment Centers - Southeast, LP | DE | Limited Liability Company | 85.38% |
| 4 | Bayonne Renal Center, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Home Kidney Care, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Kidney Life, LLC | Renal Ventures Management, LLC | NJ | Limited Liability Company | 100% |
| 4 | RV Academy, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | RVM Holdings, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | RVM Texas Renal Care, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Beaumont, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Brick, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Carrollton, L.P.L.L.L.P. | Renal Ventures Management, LLC | DE | Limited Partnership | 100% |
| 4 | Renal Center of Englewood, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Flower Mound, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Fort Dodge, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Frisco, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Hamilton, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Keller, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Keyser, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|---|--|-----------------------|---------------------------|----------------------|
| 4 | Renal Center of Lewisville, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Monroe, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Moorefield, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Morristown, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Mountain Home, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Nederland, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Newton, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of North Dallas, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of North Denton, L.L.L.P. | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Orange, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Passaic, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Philadelphia, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Plano, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Port Arthur, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Sewell, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Somerville, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Storm Lake, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Succasunna, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Trenton, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Tyler, L.P.L.L.L.P. | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Waterton, L.L.L.P. | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of West Beaumont, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of Westwood, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Renal Center of the Hills, LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | RenalServ LLC | Renal Ventures Management, LLC | DE | Limited Liability Company | 100% |
| 4 | Texas Renal Ventures, L.P.L.L.L.P. | Renal Ventures Management, LLC | DE | Limited Partnership | 100% |
| 4 | Philadelphia-Camden Integrated Kidney Care, LLC | Riddle Dialysis, LLC | DE | Limited Liability Company | 1% |
| 4 | Phoenix-Tucson Integrated Kidney Care, LLC | Sun City Dialysis Center, L.L.C. | DE | Limited Liability Company | 1.5% |
| 4 | Deerbrook Dialysis Center, LLC | Total Renal Care Texas Limited Partnership | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|--|-----------------------|--|----------------------|
| 4 | Houston Acute Dialysis, L.P. | Total Renal Care Texas Limited Partnership | DE | Limited Partnership | 99% |
| 4 | Memorial Dialysis Center, L.P. | Total Renal Care Texas Limited Partnership | DE | Limited Partnership | 79% |
| 4 | West Texas Dialysis, LLC | Total Renal Care Texas Limited Partnership | DE | Limited Liability Company | 100% |
| 4 | True North II DC, LLC | True North DC Holding, LLC | NY | Limited Liability Company | 60% |
| 4 | True North III DC, LLC | True North DC Holding, LLC | NY | Limited Liability Company | 80% |
| 4 | True North VI DC, LLC | True North DC Holding, LLC | NY | Limited Liability Company | 90% |
| 4 | Woodcrest RE, LLC | Woodcrest Dialysis, LLC | DE | Limited Liability Company | 100% |
| 5 | DaVita China Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 100% |
| 5 | DaVita Renal Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 100% |
| 5 | DaVita Singapore Pte. Ltd. | DaVita Care Pte. Ltd. | Singapore | Private Company Limited by Shares | 80% |
| 5 | DaVita (Shandong) Kidney Disease Hospital Co., Ltd. | DaVita China Pte. Ltd. | China | Limited Liability Company | 70% |
| 5 | DaVita Hospital Management Consulting (Shanghai) Co., Ltd. | DaVita China Pte. Ltd. | China | Limited Liability Company | 100% |
| 5 | DaVita Clinical Research Deutschland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | DaVita Sud-Niedersachsen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | DiaCare AG | DaVita Deutschland AG | Switzerland | Stock Corporation | 100% |
| 5 | MVZ Da Vita 16 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita 17 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita 18 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita 23 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Alzey GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Aurich GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Bad Aibling GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 95% |
| 5 | MVZ Da Vita Bad Dübren GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 90.91% |
| 5 | MVZ Da Vita Dillenburg GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 90.91% |
| 5 | MVZ Da Vita Dinkelsbühl GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Dormagen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Dresden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |
| 5 | MVZ Da Vita Duisburg GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 90.91% |
| 5 | MVZ Da Vita Elsterland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung (GmbH) | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|---|-----------------------|---------------------------------------|----------------------|
| 5 | MVZ DaVita Emden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Falkensee GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Geilenkirchen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Gera GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Hannover Linden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Iserlohn GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Markgraflerland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Monchengladbach GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Neuss GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 99.91% |
| 5 | MVZ DaVita Niederrhein GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Nierenzentrum Aachen Alsdorf GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Nierenzentrum Berlin-Britz GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Nierenzentrum Hamm-Ahlen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.9% |
| 5 | MVZ DaVita Prenzlau-Pasewalk GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Rhein-Ahr GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 5 | MVZ DaVita Rhein-Ruhr GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 5 | MVZ DaVita Salzgitter-Seesen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Schwalm-Eder GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 5 | MVZ DaVita Viersen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 5 | DaVita Deutschland AG | DaVita Deutschland Beteiligungs GmbH & Co. KG | Germany | Aktiengesellschaft (AG) | 15% |
| 5 | DaVita Serviços de Nefrologia Anchieta Ltda. | DaVita Serviços de Nefrologia Benjamin Constant Ltda. | Brazil | Limited Liability Company/Ltda | |
| 5 | DaVita Serviços de Nefrologia Paulínia Ltda. | DaVita Serviços de Nefrologia Sumaré Ltda. | Brazil | Limited Liability Company/Ltda | 99.9922% |
| 5 | South Florida Integrated Kidney Care, LLC | East Ft. Lauderdale, LLC | DE | Limited Liability Company | 0.5% |
| 5 | ISD II Holding Company, Inc. | ISD I Holding Company, Inc. | DE | For Profit Corporation | 100% |
| 5 | Melnea Real Estate, LLC | Melnea Dialysis, LLC | DE | Limited Liability Company | 100% |
| 5 | Physicians Choice Dialysis Of Alabama, LLC | Physicians Choice Dialysis, LLC | DE | Limited Liability Company | 100% |
| 5 | Pluribus Dialise - Benfica, S.A. | Pluribus Dialise, S.A. | Portugal | Sociedad Anonima (S.A.) | 29.98% |
| 5 | Pluribus Dialise - Cascais, S.A. | Pluribus Dialise, S.A. | Portugal | Sociedad Anonima (S.A.) | 100% |
| 5 | Pluribus Dialise - Sacavem, S.A. | Pluribus Dialise, S.A. | Portugal | Sociedad Anonima (S.A.) | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|-------------------------|-----------------------|---------------------------------------|----------------------|
| 5 | DaVita Ventures, L.P. | RVM Holdings, LLC | DE | Limited Partnership | 100% |
| 5 | Woodcrest RE, LLC | Woodcrest Dialysis, LLC | DE | Limited Liability Company | 100% |
| 6 | DaVita (Shandong) Kidney Disease Hospital Co., Ltd. | DaVita China Pte. Ltd. | China | Limited Liability Company | 70% |
| 6 | DaVita Hospital Management Consulting (Shanghai) Co., Ltd. | DaVita China Pte. Ltd. | China | Limited Liability Company | 100% |
| 6 | DaVita Clinical Research Deutschland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | DaVita Sud-Niedersachsen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | DiaCare AG | DaVita Deutschland AG | Switzerland | Stock Corporation | 100% |
| 6 | MVZ DaVita 16 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita 17 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita 18 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita 23 GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Alzey GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Aurich GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Bad Aibling GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 95% |
| 6 | MVZ DaVita Bad Duben GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | MVZ DaVita Dillenburg GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | MVZ DaVita Dinkelsbühl GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Dormagen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Dresden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Duisburg GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | MVZ DaVita Elsterland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Emden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Falkensee GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Geilenkirchen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Gera GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Hannover Linden GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Iserlohn GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Markgraflerland GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Monchengladbach GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|-------------|--|----------------------------------|-----------------------|---------------------------------------|----------------------|
| 6 | MVZ DaVita Neuss GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 99.91% |
| 6 | MVZ DaVita Niederrhein GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Nierenzentrum Aachen Alsdorf GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Nierenzentrum Berlin-Britz GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Nierenzentrum Hamm-Ahlen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.9% |
| 6 | MVZ DaVita Prenzlau-Pasewalk GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Rhein-Ahr GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | MVZ DaVita Rhein-Ruhr GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | MVZ DaVita Salzgitter-Seesen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Schwalm-Eder GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 100% |
| 6 | MVZ DaVita Viersen GmbH | DaVita Deutschland AG | Germany | Gesellschaft mit beschränkter Haftung | 90.91% |
| 6 | ISD Renal, Inc. | ISD II Holding Company, Inc. | DE | For Profit Corporation | 100% |
| 6 | Pluribus Dialise - Benfica, S.A. | Pluribus Dialise - Cascais, S.A. | Portugal | Sociedade Anonima (S.A.) | 0.01% |
| 6 | Pluribus Dialise - Benfica, S.A. | Pluribus Dialise - Sacavem, S.A. | Portugal | Sociedade Anonima (S.A.) | 0.01% |
| 7 | Atchess Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 80% |
| 7 | Brabury Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 51% |
| 7 | Brookstone Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Brownsville Kidney Center, Ltd. | ISD Renal, Inc. | TX | Limited Partnership | 90% |
| 7 | Buckhorn Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 74% |
| 7 | Cahaba Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Claymount Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 55% |
| 7 | Colloma Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Dighton Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 91% |
| 7 | Elandon Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 61.98% |
| 7 | Ellmac Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Endicott Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 51% |
| 7 | Folger Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Gabion Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Genessee Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|------------------------------|-----------------|------------------------------|---------------------------|-----------------------------|
| 7 | Grambrill Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Bartlett, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 93% |
| 7 | ISD Bends Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Brandon, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 56.6% |
| 7 | ISD Buffalo Grove, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Canton, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Corpus Christi, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Kansas City, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Kendallville, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Las Vegas, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Lees Summit, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 80% |
| 7 | ISD Pharmacy, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Plainfield, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 74% |
| 7 | ISD Schaumburg, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Spring Valley, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | ISD Summit Renal Care, LLC | ISD Renal, Inc. | OH | Limited Liability Company | 95% |
| 7 | Icelandic Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Jabine Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60.7523% |
| 7 | Kartman Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Kittery Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Kollobe Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Labette Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 95% |
| 7 | Lantell Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 87.0573% |
| 7 | Leback Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Leoti Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Logoley Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Marlton Dialysis Center, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Mastodon Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Matheson Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 90% |

DaVita Inc.
Domestic and International Subsidiaries - Tier Structure Organization Chart
as of April 28, 2021

| Tier Number | Entity Name | Owner | Domestic Jurisdiction | Entity Type | Ownership Percentage |
|--------------------|---|------------------------------|------------------------------|---------------------------|-----------------------------|
| 7 | Mattapan Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 73.2% |
| 7 | Merrick Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 78.9345% |
| 7 | Moravia Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Narrah Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Orford Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Pavalak Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Philadelphia-Camden Integrated Kidney Care, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 10.571% |
| 7 | Pinson Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Raritan Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Rockridge Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Scussett Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Seward Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Sloats Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Sparda Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Sprague Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 70% |
| 7 | Toltec Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 80% |
| 7 | Traville Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 7 | Vosse Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 100% |
| 7 | Wahconah Dialysis, LLC | ISD Renal, Inc. | DE | Limited Liability Company | 60% |
| 8 | Philadelphia-Camden Integrated Kidney Care, LLC | Marlton Dialysis Center, LLC | DE | Limited Liability Company | 1% |

| Regulatory Name | Facility Street Address 1 and 2 | Facility City State Zip | Phone | Fax | Number Of Certified In-center Stations | Medicare Provider Number |
|--|----------------------------------|------------------------------|----------------|----------------|--|--------------------------|
| Shamokin Dialysis | 9333 STATE ROUTE 61 STE 1 | Coal Township, PA 17866-4170 | (570) 500-7072 | (570) 500-7090 | 12 | Pending |
| Montour Dialysis | 300 CEDAR RIDGE DR STE 302 | Pittsburgh, PA 15205-1159 | (412) 960-8240 | (412) 960-8257 | 9 | Pending |
| Onancock Dialysis | 165 MARKET ST STE 6 | Onancock, VA 23417-4233 | (757) 505-5027 | (757) 505-5147 | 16 | Pending |
| Indian Trail Dialysis | 5240 W LOWELL AVE | Spokane, WA 99208-6499 | (509) 816-6003 | (509) 816-6533 | 16 | Pending |
| Van Wyck Dialysis | 91-30 VAN WYCK EXPRESSWAY | Jamaica, NY 11418-2822 | (718) 558-4382 | (718) 558-5650 | 29 | Pending |
| Ridge Care Dialysis | 1734 HANCOCK ST | Ridgewood, NY 11385-4734 | (929) 290-1267 | (917) 909-5950 | 25 | Pending |
| University Heights Dialysis | 2190 JEROME AVE | Bronx, NY 10453-1815 | (718) 584-5746 | (718) 584-2106 | 21 | Pending |
| East New York Dialysis | 54 NEW LOTS AVE | Brooklyn, NY 11212-6934 | (718) 345-7310 | (718) 345-7317 | 18 | Pending |
| Selden Dialysis | 668 MIDDLE COUNTRY RD | Selden, NY 11784-2521 | (631) 698-3201 | (631) 698-3206 | 23 | Pending |
| VacaValley Home Training | 785 ORANGE DR | Vacaville, CA 95687-3133 | (707) 359-1960 | (707) 359-1986 | 0 | Pending |
| Pinole Dialysis | 1335 PINOLE VALLEY RD | Pinole, CA 94564-1384 | (510) 964-9740 | (510) 964-9728 | 24 | Pending |
| Chapman Home Training | 172 N RAYMOND AVE | Fullerton, CA 92831-4610 | (657) 378-6899 | (657) 378-6925 | 0 | Pending |
| Castro Valley Dialysis | 20359 LAKE CHABOT RD | Castro Valley, CA 94546-5309 | (510) 582-1195 | (510) 582-1173 | 21 | Pending |
| Belmar Dialysis | 1800 STATE ROUTE 34 STE 302 | Wall Township, NJ 07719-9146 | (732) 681-8310 | (732) 681-5641 | 19 | Pending |
| Gadsden Dialysis | 409 S 1ST ST | Gadsden, AL 35901-5358 | (256) 547-2511 | (256) 547-8521 | 24 | 01-2501 |
| Tuscaloosa University Dialysis | 220 15TH ST | Tuscaloosa, AL 35401-3523 | (205) 345-6004 | (205) 345-5071 | 24 | 01-2502 |
| Physicians Choice Dialysis - Montgomery | 1001 FOREST AVE | Montgomery, AL 36106-1181 | (334) 269-9416 | (334) 269-0024 | 19 | 01-2505 |
| Dothan Dialysis | 216 GRACELAND DR | Dothan, AL 36305-7346 | (334) 793-4077 | (334) 793-2404 | 27 | 01-2506 |
| Birmingham East Dialysis | 1105 E PARK DR | Birmingham, AL 35235-2560 | (205) 833-6003 | (205) 836-5157 | 16 | 01-2508 |
| Athens Dialysis | 15953 ATHENS LIMESTONE DR | Athens, AL 35613-2214 | (256) 233-4730 | (256) 233-4755 | 20 | 01-2517 |
| Phenix City Dialysis Center | 4391 RIVERCHASE DR | Phenix City, AL 36867-7519 | (334) 298-0294 | (334) 298-3538 | 21 | 01-2523 |
| Florence Dialysis | 422 E DR HICKS BLVD STE B | Florence, AL 35630-5730 | (256) 764-5050 | (256) 767-3728 | 18 | 01-2529 |
| Walker County Dialysis | 260 6TH AVE NW | Jasper, AL 35504-7419 | (205) 384-6919 | (205) 221-6415 | 13 | 01-2533 |
| Physicians Choice Dialysis - Prattville | 600 MCQUEEN SMITH RD S | Prattville, AL 36066-5716 | (334) 358-1576 | (334) 358-2139 | 16 | 01-2535 |
| Rainbow City Dialysis | 2800 RAINBOW DR | Rainbow City, AL 35906-5811 | (256) 413-3245 | (256) 413-3289 | 16 | 01-2542 |
| Demopolis Dialysis | 305 S CEDAR AVE | Demopolis, AL 36732-2231 | (334) 289-1394 | (334) 289-1015 | 22 | 01-2543 |
| Ozark Dialysis | 195 BUNTING DR | Ozark, AL 36360-1101 | (334) 774-1410 | (334) 774-2690 | 19 | 01-2544 |
| Tuscaloosa Dialysis | 805 OLD MILL ST | Tuscaloosa, AL 35401-7132 | (205) 752-6363 | (205) 752-6566 | 19 | 01-2545 |
| Fayette Dialysis | 2450 TEMPLE AVE N | Fayette, AL 35555-1160 | (205) 932-8500 | (205) 932-8332 | 10 | 01-2548 |
| Greene County Dialysis | 544 US HIGHWAY 43 | Eutaw, AL 35462-4017 | (205) 372-4000 | (205) 372-4055 | 12 | 01-2550 |
| Sheffield Dialysis | 1120 S JACKSON HWY ST 107 | Sheffield, AL 35660-5770 | (256) 381-8004 | (256) 381-8199 | 12 | 01-2551 |
| Physicians Choice Dialysis - Elmore County | 125 HOSPITAL DR | Wetumpka, AL 36092-1626 | (334) 514-2037 | (334) 514-9568 | 10 | 01-2553 |
| South Baldwin Dialysis Center | 150 W PEACHTREE AVE | Foley, AL 36535-2244 | (251) 943-4155 | (251) 970-1005 | 13 | 01-2565 |
| Northport Dialysis | 2401 HOSPITAL DR | Northport, AL 35476-3392 | (205) 339-8882 | (205) 339-8807 | 14 | 01-2570 |
| Bessemer Dialysis | 901 W LAKE MALL | Bessemer, AL 35020-5393 | (205) 424-1848 | (205) 424-3408 | 16 | 01-2583 |
| Ensley Dialysis | 2630 AVENUE E | Birmingham, AL 35218-2163 | (205) 786-1371 | (205) 786-5175 | 24 | 01-2585 |
| Sylacauga Dialysis | 3131 JAMES PAYTON BLVD | Sylacauga, AL 35150-8064 | (256) 249-4994 | (256) 249-2786 | 18 | 01-2588 |
| Birmingham North Dialysis | 1917 32ND AVE N | Birmingham, AL 35207-3333 | (205) 297-9052 | (205) 297-9058 | 24 | 01-2589 |
| Birmingham Central Dialysis | 728 RICHARD ARRINGTON JR BLVD | Birmingham, AL 35233-2106 | (205) 250-6760 | (205) 297-9190 | 32 | 01-2592 |
| Boaz Dialysis | 16 CENTRAL HENDERSON RD | Boaz, AL 35957-5922 | (256) 840-5931 | (256) 840-1951 | 12 | 01-2594 |
| Atmore Dialysis Center | 807 E CRAIG ST | Atmore, AL 36502-3017 | (251) 368-5593 | (251) 446-1950 | 10 | 01-2600 |
| Russellville Dialysis | 14897 HIGHWAY 43 | Russellville, AL 35653-1954 | (256) 332-7044 | (256) 332-8959 | 10 | 01-2602 |
| Eufaula Dialysis | 220 S ORANGE AVE | Eufaula, AL 36027-1612 | (334) 688-0806 | (334) 688-9893 | 12 | 01-2609 |
| Northriver Home Dialysis | 1850 MCFARLAND BLVD N STE B | Tuscaloosa, AL 35406-2138 | (659) 734-2949 | (659) 734-3561 | 0 | 01-2619 |
| Talladega Dialysis | 726 BATTLE ST E STE A | Talladega, AL 35160-2583 | (256) 362-2332 | (256) 362-2356 | 13 | 01-2622 |
| Center Point Dialysis | 2337 1ST ST NE | Center Point, AL 35215-3619 | (205) 520-1108 | (205) 853-0933 | 16 | 01-2623 |
| Opelika Dialysis Center | 2340 PEPPERELL PKWY | Opelika, AL 36801-6240 | (334) 745-6883 | (334) 745-2177 | 10 | 01-2628 |
| Renaissance Dialysis | 1840 DARBY DR | Florence, AL 35630-2623 | (256) 764-2313 | (256) 764-2793 | 10 | 01-2629 |
| Wiregrass Kidney Center | 1450 ROSS CLARK CIR STE 200 | Dothan, AL 36301-4770 | (334) 792-8907 | (334) 792-8912 | 20 | 01-2630 |
| Gulf Shores Dialysis Center | 3947 GULF SHORES PKWY STE 150 | Gulf Shores, AL 36542-2859 | (251) 967-2205 | (251) 967-2210 | 9 | 01-2631 |
| Muscle Shoals Dialysis | 712 STATE ST | Muscle Shoals, AL 35661-2940 | (256) 386-7028 | (256) 386-7074 | 10 | 01-2632 |
| Pickens County Dialysis | 289 WILLIAM E HILL DR STE A | Carrollton, AL 35447-3247 | (205) 367-1194 | (205) 367-1248 | 14 | 01-2640 |
| Enterprise Dialysis | 6002 BOLL WEEVIL CIR | Enterprise, AL 36330-9420 | (334) 308-0262 | (334) 308-1373 | 16 | 01-2642 |
| Jewel Dialysis | 514 W TOWN PLZ | Bessemer, AL 35020-5346 | (205) 481-4386 | (205) 481-1612 | 10 | 01-2644 |
| Magie City Dialysis | 300 22ND ST S | Birmingham, AL 35233-2209 | (205) 986-0592 | (205) 321-6682 | 18 | 01-2645 |
| Steel City Dialysis | 1809 AVE H | Birmingham, AL 35218-1542 | (205) 785-2972 | (205) 786-3317 | 10 | 01-2646 |
| Crown Dialysis | 3007 27TH ST N | Birmingham, AL 35207-4549 | (205) 297-0143 | (205) 244-2769 | 14 | 01-2647 |
| Limestone County Dialysis | 16236 LUCAS FERRY RD | Athens, AL 35611-3931 | (256) 233-3965 | (256) 233-3184 | 10 | 01-2650 |
| Leeds Dialysis | 1650 MAXEY DR | Leeds, AL 35094-7512 | (205) 699-5383 | (205) 699-9676 | 10 | 01-2652 |
| Andalusia Dialysis | 757 S THREE NOTCH ST | Andalusia, AL 36420-4403 | (334) 222-1628 | (334) 222-2658 | 10 | 01-2655 |
| Springville Dialysis | 40 PURPLE HEART BLVD | Springville, AL 35146-4008 | (205) 467-6811 | (205) 467-7018 | 10 | 01-2658 |
| Davita Hokes Bluff | 300 MEDICAL CENTER DR STE 100 | Gadsden, AL 35903-1139 | (256) 492-4970 | (256) 492-5543 | 10 | 01-2661 |
| Perry County Dialysis | 611 E LAFAYETTE ST | Marion, AL 36756-2325 | (334) 683-8519 | (334) 683-4777 | 10 | 01-2663 |
| Brewton Dialysis | 1023 DOUGLAS AVE STE 300 | Brewton, AL 36426-1568 | (251) 867-8509 | (251) 867-7325 | 10 | 01-2665 |
| Anniston Dialysis | 1612 NOBLE ST | Anniston, AL 36201-3839 | (256) 237-3794 | (256) 238-6855 | 10 | 01-2666 |
| Henry County Dialysis | 671 OZARK RD | Abbeville, AL 36310-2629 | (334) 585-0131 | (334) 585-0843 | 10 | 01-2668 |
| Monarch Dialysis | 2958 DORCHESTER DR | Montgomery, AL 36116-3193 | (334) 280-4980 | (334) 280-1809 | 22 | 01-2669 |
| Red Mountain Home Training Dialysis | 3000 22ND STREET S | Birmingham, AL 35233-2209 | (205) 250-6757 | (205) 458-0146 | 10 | 01-2670 |
| Home Options of Dothan | 1763 E MAIN ST | Dothan, AL 36301-3045 | (334) 673-0246 | (334) 673-0328 | 3 | 01-2673 |
| Greystone Dialysis | 5406 HIGHWAY 280 STE D107 | Birmingham, AL 35242-6592 | (205) 981-2045 | (205) 408-5116 | 11 | 01-2676 |
| White Bluff Dialysis | 505 US HIGHWAY 80 W STE F | Demopolis, AL 36732-4148 | (334) 287-1254 | (334) 287-1166 | 10 | 01-2679 |
| Model City Home Training | 1724 LEIGHTON AVE | Anniston, AL 36207-3833 | (256) 236-5864 | (256) 741-1782 | 3 | 01-2685 |
| Springs Dialysis | 218 MAIN ST STE 114 & 118 | Trussville, AL 35173-1470 | (205) 655-0871 | (205) 655-1964 | 16 | 01-2693 |
| Colonel Dialysis | 1800 LEE AVE SW STE B-D | Cullman, AL 35055-5268 | (256) 736-9276 | (256) 737-8966 | 10 | 01-2694 |
| Barbour County Dialysis | 1218 S EUFAULA AVE | Eufaula, AL 36027-2713 | (334) 687-7583 | (334) 687-5389 | 8 | 01-2697 |
| Crimson Dialysis | 6521 HIGHWAY 69 S STE O | Tuscaloosa, AL 35405-6497 | (205) 752-3267 | (205) 752-3590 | 16 | 01-2700 |
| Majestic Dialysis | 1510 EASTERN BLVD | Montgomery, AL 36117-1629 | (334) 260-8519 | (334) 260-8371 | 12 | 01-2701 |
| Huntsville Metro Dialysis | 2317 MEMORIAL PKWY SW STE 105 | Huntsville, AL 35801-5623 | (256) 427-4859 | (256) 427-4881 | 12 | 01-2713 |
| Tucson West Dialysis | 1780 W ANKLAM RD | Tucson, AZ 85745-2632 | (520) 624-2220 | (520) 620-6365 | 34 | 03-2500 |
| Tucson East Dialysis | 6420 E BROADWAY BLVD STE C300 | Tucson, AZ 85710-3534 | (520) 790-2775 | (520) 790-3174 | 24 | 03-2501 |
| Yuma Dialysis | 2130 W 24TH ST | Yuma, AZ 85364-6122 | (928) 783-2365 | (928) 783-6870 | 32 | 03-2502 |
| Tuba City Dialysis | 500 EDGEWATER DR PO BOX 2910 | Tuba City, AZ 86045-2905 | (928) 283-4525 | (928) 283-4801 | 26 | 03-2506 |
| Sells Dialysis | HWY 86 MILEPOST 113 PO BOX 303 | Sells, AZ 85634-3030 | (520) 383-1701 | (520) 383-3667 | 28 | 03-2513 |
| Chinle Dialysis | US HWY 191 PO BOX 879 | Chinle, AZ 85603-1799 | (928) 674-5426 | (928) 674-5461 | 26 | 03-2518 |
| Sierra Vista Dialysis | 629 N HIGHWAY 90 BYP STE 6 | Sierra Vista, AZ 85635-2257 | (520) 459-7791 | (520) 459-7129 | 20 | 03-2520 |
| Prescott Dialysis | 980 WILLOW CREEK RD STE 101 | Prescott, AZ 86301-1619 | (928) 776-9459 | (928) 776-8061 | 12 | 03-2523 |
| Desert Mountain Dialysis Center | 9220 E MOUNTAIN VIEW RD STE 10 | Scottsdale, AZ 85258-5134 | (480) 391-2241 | (480) 451-8331 | 24 | 03-2525 |
| Nogales Dialysis | 1605 N INDUSTRIAL PARK DR STE H | Nogales, AZ 85621-4577 | (520) 281-5779 | (520) 281-5873 | 16 | 03-2543 |
| Papago Dialysis Center | 5115 E THOMAS RD STE 115 | Phoenix, AZ 85018-7914 | (602) 956-1831 | (602) 956-0334 | 13 | 03-2553 |
| South Yuma Dialysis | 7179 E 31ST PLACE | Yuma, AZ 85365-8392 | (928) 317-0517 | (928) 726-9155 | 20 | 03-2556 |
| Tucson South Dialysis | 3662 S 16TH AVE | Tucson, AZ 85713-6001 | (520) 882-9665 | (520) 882-9206 | 30 | 03-2557 |
| Kayenta Dialysis | HIGHWAY 163 BOX 217 | Kayenta, AZ 86033-9997 | (928) 697-8182 | (928) 697-8195 | 18 | 03-2559 |
| Cottonwood Dialysis | 1699 E COTTONWOOD ST STE A200 | Cottonwood, AZ 86326-4604 | (928) 634-9295 | (928) 634-9683 | 13 | 03-2562 |
| Desert Dialysis | 13000 N 103RD AVE STE 66 | Sun City, AZ 85351-3060 | (623) 583-3131 | (623) 583-5414 | 20 | 03-2572 |
| Tucson South Central Dialysis | 2024 E IRVINGTON RD STE 7 | Tucson, AZ 85714-1825 | (520) 573-0200 | (520) 573-0210 | 30 | 03-2589 |
| Hopi Dialysis Center | HWY 264 MILE MARKER 388 PO BOX 1 | Polacca, AZ 86042-0964 | (928) 737-5490 | (928) 737-5497 | 11 | 03-2592 |
| Palm Brook Dialysis Center | 14664 N DEL WEBB BLVD | Sun City, AZ 85351-2137 | (623) 583-6550 | (623) 977-2514 | 20 | 03-2601 |
| Arrowhead Lakes Dialysis Center | 20325 N 51ST AVE BLDG 11, STE 18 | Glendale, AZ 85308-4625 | (623) 533-6521 | (623) 533-6579 | 24 | 03-2604 |
| Gilbert Dialysis Center | 5222 E BASELINE RD STE 104 | Gilbert, AZ 85234-2963 | (480) 832-6996 | (480) 832-7337 | 24 | 03-2605 |
| Tempe Dialysis Center | 2149 E WARNER RD STE 110 | Tempe, AZ 85284-3496 | (480) 730-3531 | (480) 491-5964 | 24 | 03-2609 |
| Phoenix Dialysis Center | 337 E CORONADO RD STE 101 | Phoenix, AZ 85004-1582 | (602) 253-9006 | (602) 253-9465 | 24 | 03-2611 |
| Estrella Dialysis Center | 8410 W THOMAS RD STE 100 BLDG | Phoenix, AZ 85037-3356 | (623) 247-0808 | (623) 247-9757 | 24 | 03-2612 |
| Rim Country Dialysis | 809 W LONGHORN RD | Payson, AZ 85441-4280 | (928) 474-7000 | (928) 474-9983 | 6 | 03-2615 |
| Northwest Tucson Dialysis | 2945 W INA RD STE 105 | Tucson, AZ 85741-2366 | (520) 797-0049 | (520) 229-8957 | 20 | 03-2618 |
| Mountain Vista Dialysis Center of Arizona | 10238 E HAMPTON AVE STE 108 | Mesa, AZ 85209-3317 | (480) 357-8009 | (480) 357-0372 | 24 | 03-2619 |

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|--------------------------------------|-----------------------------------|------------------------------------|----------------|----------------|----|---------|
| Grand Home Dialysis | 14671 W MOUNTAIN VIEW BLVD S | Surprise, AZ 85374-4840 | (623) 546-6120 | (623) 546-2693 | 0 | 03-2620 |
| Westbrook Dialysis | 13907 W CAMINO DEL SOL STE 103 | Sun City West, AZ 85375-4405 | (623) 214-7088 | (623) 214-0109 | 16 | 03-2621 |
| Central Mesa Dialysis Center | 1134 E UNIVERSITY DR STE 101 | Mesa, AZ 85203-8048 | (480) 464-3851 | (480) 668-1460 | 24 | 03-2624 |
| Raven Dialysis Center | 3540 S BASELINE RD STE 110 | Phoenix, AZ 85042-9628 | (602) 431-2110 | (602) 431-2153 | 24 | 03-2625 |
| Tucson Central Dialysis | 2901 E GRANT RD | Tucson, AZ 85716-2717 | (520) 325-3408 | (520) 325-3469 | 12 | 03-2627 |
| Brookwood Dialysis Center | 8910 N 43RD AVE STE 107 | Glendale, AZ 85302-5340 | (623) 937-2735 | (623) 937-2758 | 24 | 03-2630 |
| Ocotillo Dialysis | 975 W CHANDLER HEIGHTS RD UN | Chandler, AZ 85248-5724 | (480) 802-4405 | (480) 802-5390 | 12 | 03-2631 |
| Rita Ranch Dialysis | 7355 S HOUGHTON RD STE 101 | Tucson, AZ 85747-9380 | (520) 663-4035 | (520) 663-3826 | 12 | 03-2632 |
| Maryvale Dialysis Center | 4845 W MCDOWELL RD STE 10A, 2 | Phoenix, AZ 85035-4076 | (602) 278-8349 | (602) 272-2674 | 24 | 03-2634 |
| Wickenburg Dialysis | 811 N TEGNER STE 101, 103, 105, 1 | Wickenburg, AZ 85390-5409 | (928) 684-6898 | (928) 684-6107 | 9 | 03-2637 |
| Power Road Dialysis | 301 S POWER RD STE 104 | Mesa, AZ 85206-5243 | (480) 641-1193 | (480) 807-3388 | 12 | 03-2638 |
| Sweetwater Ridge Dialysis | 7362 W THUNDERBIRD RD STE 104 | Peoria, AZ 85381-5028 | (623) 486-0327 | (623) 878-5264 | 20 | 03-2640 |
| Scottsdale Dialysis | 5705 N SCOTTSDALE RD STE 120 | Scottsdale, AZ 85250-5910 | (480) 941-3860 | (480) 941-4191 | 12 | 03-2641 |
| Phoenix Home Dialysis | 5115 E THOMAS RD STE 100 | Phoenix, AZ 85018-7914 | (602) 840-0072 | (602) 956-1405 | 0 | 03-2642 |
| Edge River Dialysis | 1197 S REDONDO CENTER DR | Yuma, AZ 85365-2036 | (928) 329-4340 | (928) 783-5018 | 13 | 03-2644 |
| Fountain Hills Dialysis | 13430 N SAGUARO BLVD BLDG 3 | Fountain Hills, AZ 85268-3728 | (480) 816-5973 | (480) 816-5767 | 12 | 03-2645 |
| Swan Dialysis | 1635 N SWAN RD | Tucson, AZ 85712-4046 | (520) 327-1125 | (520) 327-2963 | 12 | 03-2651 |
| Oro Valley Dialysis | 1521 E TANGERINE RD STE 101 | Oro Valley, AZ 85755-6214 | (520) 219-2879 | (520) 219-0564 | 12 | 03-2652 |
| Dialysis Care At Palm Valley | 14620 W ENCANTO BLVD STE 110 | Goodyear, AZ 85395-1616 | (623) 526-3332 | (623) 321-2057 | 25 | 03-2658 |
| Stonebrook Dialysis | 14671 W MOUNTAIN VIEW BLVD S | Surprise, AZ 85374-4840 | (623) 232-3382 | (623) 473-6614 | 21 | 03-2662 |
| Desert Dunes Dialysis | 2500 S 8TH AVE STE 102 | Yuma, AZ 85364-7132 | (928) 314-9240 | (928) 314-3015 | 13 | 03-2663 |
| Ouachita Dialysis | 1900 MALVERN AVE STE 102 | Hot Springs, AR 71901-7776 | (501) 624-0196 | (501) 321-2415 | 25 | 04-2507 |
| River Valley Dialysis | 3121 W 2ND CT | Russellville, AR 72801-4504 | (479) 968-4687 | (479) 968-2260 | 20 | 04-2508 |
| DeGray Dialysis | 312 PROFESSIONAL PARK DR STE H | Arkadelphia, AR 71923-5355 | (870) 246-3021 | (870) 245-3766 | 17 | 04-2512 |
| Springhill Dialysis | 3401 SPRINGHILL DR STE 190 | North Little Rock, AR 72117-2925 | (501) 945-3669 | (501) 945-3949 | 17 | 04-2513 |
| Searcy Dialysis | 3208 LANGLEY DR | Searcy, AR 72143-6020 | (501) 268-4400 | (501) 268-8279 | 16 | 04-2514 |
| Conway Dialysis | 2445 CHRISTINA LN | Conway, AR 72034-6798 | (501) 328-2186 | (501) 328-2110 | 20 | 04-2517 |
| Ouachita Valley Dialysis | 1114 WASHINGTON ST NW | Camden, AR 71701-3827 | (870) 837-1330 | (870) 837-1423 | 25 | 04-2525 |
| Hot Springs Dialysis | 115 WRIGHTS ST STE A | Hot Springs, AR 71913-6240 | (501) 624-0153 | (501) 624-0629 | 28 | 04-2531 |
| Osceola Dialysis | 1332 W KEISER AVE | Osceola, AR 72370-2919 | (870) 563-4901 | (870) 563-4959 | 12 | 04-2534 |
| Pulaski County Dialysis | 202 JOHN HARDEN DR | Jacksonville, AR 72076-3775 | (501) 982-1004 | (501) 982-1068 | 9 | 04-2535 |
| South Arkansas Dialysis | 620 W GROVE ST | El Dorado, AR 71730-4462 | (870) 862-8788 | (870) 862-5756 | 38 | 04-2536 |
| Bentonville Dialysis | 1104 SE 30TH ST | Bentonville, AR 72712-4290 | 479-657-6220 | 479-657-6229 | 21 | 04-2540 |
| Southwest Arkansas Dialysis | 405 N FREDERICK | Magnolia, AR 71753-3116 | (870) 626-3004 | (870) 626-3377 | 9 | 04-2545 |
| Little Rock Midtown Dialysis | 2 ILE CT STE 102A | Little Rock, AR 72205-6241 | (501) 221-3123 | (501) 221-3167 | 24 | 04-2547 |
| North Little Rock Dialysis Center | 4505 E MCCAIN BLVD | North Little Rock, AR 72117-2902 | (501) 945-2333 | (501) 955-1162 | 12 | 04-2548 |
| Jacksonville Central Dialysis Center | 400 T P WHITE DR | Jacksonville, AR 72076-3287 | (501) 241-1300 | (501) 985-1344 | 12 | 04-2553 |
| Jackson County Dialysis | 1912 MCCLAIN ST PRATT SQUARE | Newport, AR 72112-3659 | (870) 523-2607 | (870) 523-2824 | 9 | 04-2554 |
| Independence County Dialysis | 1700 HARRISON ST STE F | Batesville, AR 72501-7315 | (870) 307-0828 | (870) 793-5466 | 12 | 04-2557 |
| Saline County Dialysis | 1200 N MAIN ST STE 2 | Benton, AR 72015-3341 | (501) 776-1816 | (501) 776-1872 | 12 | 04-2558 |
| Ashley Dialysis | 1019 FRED LAGRONE DR | Crossett, AR 71635-4546 | (870) 305-1225 | (870) 305-1240 | 25 | 04-2560 |
| Hempstead County Dialysis | 1301 N HERVEY ST STE B | Hope, AR 71801-2523 | (870) 722-8927 | (870) 722-8937 | 20 | 04-2563 |
| Renal Center of Mountain Home | 200 E 8TH ST STE 101 | Mountain Home, AR 72653-4402 | (870) 508-6500 | (870) 508-6550 | 20 | 04-2567 |
| Springdale Dialysis | 2070 MCKENZIE RD STE B | Springdale, AR 72762-0870 | (479) 927-1957 | (479) 751-0523 | 17 | 04-2568 |
| Malvern Dialysis | 1590 TANNER ST | Rockport, AR 72104-2023 | (501) 332-3000 | (501) 332-5858 | 26 | 04-2570 |
| Central Little Rock Dialysis | 6 FREETWAY DR STE 100 | Little Rock, AR 72204-2486 | (501) 664-6754 | (501) 296-9942 | 20 | 04-2571 |
| Renal Care of Marion | 1120 STATE HIGHWAY 77 STE 2 | Marion, AR 72364-9046 | (870) 735-4087 | (870) 735-4062 | 24 | 04-2573 |
| Bradley County Dialysis | 204 BRAGG ST | Warren, AR 71671-2500 | (870) 226-7180 | (870) 226-2488 | 16 | 04-2576 |
| Miller County Dialysis | 816 EAST ST | Texarkana, AR 71854-6808 | (870) 772-2756 | (870) 772-2764 | 20 | 04-2578 |
| Mena Dialysis Center | 1200 CRESTWOOD CIR | Mena, AR 71953-5516 | (479) 394-8085 | (479) 394-2164 | 16 | 04-2582 |
| Forrest City Dialysis | 1501 N WASHINGTON ST | Forrest City, AR 72335-2152 | (870) 494-4022 | (870) 494-4769 | 12 | 04-2585 |
| South Little Rock Dialysis | 6115 BASELINE RD STE 100 | Little Rock, AR 72209-4725 | (501) 570-0543 | (501) 570-0738 | 13 | 04-2590 |
| Pocahontas Dialysis | 404 CAMP RD | Pocahontas, AR 72455-1487 | (870) 248-0138 | (870) 248-0623 | 8 | 04-2595 |
| Diamond State Dialysis | 9022 LANDERS RD STE E | North Little Rock, AR 72117-1599 | (501) 834-1393 | (501) 834-1450 | 12 | 04-2597 |
| College City Dialysis | 2630 DONAGHEY AVE | Conway, AR 72032-2317 | (501) 504-2474 | (501) 504-2611 | 20 | 04-2598 |
| Kidney Dialysis Care Unit | 3600 E MARTIN LUTHER KING JR BL | Lynwood, CA 90262-2607 | (310) 886-5156 | (310) 608-6947 | 40 | 05-2502 |
| Mainplace Dialysis Center | 146 S MAIN ST | Orange, CA 92668-2861 | (714) 938-0870 | (714) 937-2986 | 36 | 05-2503 |
| Fullerton Dialysis | 238 ORANGEFALL MALL | Fullerton, CA 92832-3037 | (714) 447-3045 | (714) 447-3645 | 25 | 05-2505 |
| Antelope Valley Dialysis | 1759 W AVENUE J STE 102 | Lancaster, CA 93534-2703 | (661) 942-6400 | (661) 729-3985 | 30 | 05-2521 |
| Escondido Dialysis | 203 E 2ND AVE | Escondido, CA 92025-4212 | (760) 743-4401 | (760) 743-7059 | 22 | 05-2525 |
| Redding Dialysis Center | 1876 PARK MARINA DR | Redding, CA 96001-0913 | (530) 246-7474 | (530) 246-0179 | 28 | 05-2528 |
| Riverside Dialysis Center | 4361 LATHAM ST STE 100 | Riverside, CA 92501-1767 | (951) 682-2700 | (951) 682-3024 | 32 | 05-2532 |
| Inglewood Dialysis | 125 E ARBOR VITAE ST | Inglewood, CA 90301-3839 | (310) 677-6114 | (310) 677-9456 | 40 | 05-2538 |
| Palm Springs Dialysis | 1061 N INDIAN CANYON DR | Palm Springs, CA 92262-4854 | (760) 325-0909 | (760) 320-1723 | 20 | 05-2541 |
| Daly City Dialysis | 1498 SOUTHGATE AVE STE 101 | Daly City, CA 94015-4015 | (650) 755-4751 | (650) 755-0356 | 34 | 05-2546 |
| Upland Dialysis | 600 N 13TH AVE | Upland, CA 91786-4957 | (909) 946-3802 | (909) 946-0515 | 24 | 05-2552 |
| Chico Dialysis Center | 530 COHASSET RD | Chico, CA 95926-2212 | (530) 895-8966 | (530) 895-0419 | 31 | 05-2553 |
| Valley Dialysis | 6840 SEPULVEDA BLVD STE 101 | Van Nuys, CA 91405-4401 | (818) 779-1450 | (818) 779-1466 | 22 | 05-2554 |
| San Pablo Dialysis | 14020 SAN PABLO AVE | San Pablo, CA 94806-3604 | (510) 234-0835 | (510) 234-3854 | 22 | 05-2560 |
| Victor Valley Dialysis | 16049 KAMANA RD | Apple Valley, CA 92307-1331 | (760) 242-8311 | (760) 242-5419 | 22 | 05-2561 |
| Yuba City Dialysis Center | 1525 PLUMAS CT STE A | Yuba City, CA 95991-2971 | (530) 671-3652 | (530) 671-4903 | 24 | 05-2563 |
| Garfield Hemodialysis Center | 118 HILLIARD AVE | Monterey Park, CA 91754-1118 | (626) 288-5796 | (626) 288-3870 | 24 | 05-2564 |
| Silverado Dialysis | 1100 TRANCAS ST STE 266 AND 267 | Napa, CA 94558-2921 | (707) 224-6533 | (707) 224-6535 | 10 | 05-2565 |
| Vallejo Dialysis | 830 REDWOOD ST | Vallejo, CA 94590-2942 | (707) 642-2016 | (707) 642-2023 | 24 | 05-2567 |
| Pleasanton Dialysis Center | 5720 STONERIDGE MALL RD STE 16 | Pleasanton, CA 94588-2882 | (925) 737-1020 | (925) 737-0155 | 22 | 05-2568 |
| South Sacramento Dialysis Center | 8275 BRUCEVILLE RD | Sacramento, CA 95823-2308 | (916) 427-2561 | (916) 427-2025 | 36 | 05-2569 |
| Union City Dialysis Center | 32930 ALVARADO NILES RD STE 300 | Union City, CA 94587-8101 | (510) 489-6996 | (510) 489-3747 | 38 | 05-2571 |
| Downey Dialysis Center | 9041 IMPERIAL HWY | Downey, CA 90242-2711 | (562) 622-4436 | (562) 622-4552 | 25 | 05-2574 |
| Covina Dialysis Center | 1547 W GARVEY AVE N | West Covina, CA 91790-2139 | (626) 960-9405 | (626) 960-2695 | 17 | 05-2580 |
| Merced Dialysis | 3393 G ST STE A | Merced, CA 95340-1308 | (209) 723-0013 | (209) 723-2725 | 32 | 05-2584 |
| Berkeley Dialysis | 2655 SHATTUCK AVE | Berkeley, CA 94704-3337 | (510) 486-8706 | (510) 849-1008 | 25 | 05-2587 |
| Pomona Dialysis | 2111 N GAREY AVE | Pomona, CA 91767-2328 | (909) 596-9997 | (909) 596-7687 | 32 | 05-2591 |
| Mission Viejo Dialysis | 27640 MARGUERITE PKWY | Mission Viejo, CA 92692-3604 | (949) 347-2433 | (949) 347-5958 | 20 | 05-2597 |
| Lakeport Dialysis Center | 244 PECKHAM CT STE 2 | Lakeport, CA 95453-9203 | (707) 262-1349 | (707) 262-1355 | 20 | 05-2601 |
| Salinas Valley Dialysis Center | 955 BLANCO CIR STE C | Salinas, CA 93901-4452 | (831) 758-6222 | (831) 758-8345 | 34 | 05-2602 |
| Amarillo Dialysis | 8604 S COLLETER ST | Amarillo, TX 79119-7379 | (806) 358-0051 | (806) 355-0410 | 36 | 45-2866 |
| Fresno Dialysis | 4308 W SHAW AVE STE 101 | Fresno, CA 93722-6218 | (559) 277-3070 | (559) 276-4261 | 40 | 05-2608 |
| Eaton Canyon Dialysis Center | 2551 E WASHINGTON BLVD | Pasadena, CA 91107-1446 | (626) 798-8896 | (626) 398-8279 | 31 | 05-2613 |
| Auburn Dialysis | 3126 PROFESSIONAL DR STE 100 | Auburn, CA 95603-2411 | (530) 886-8221 | (530) 886-8608 | 16 | 05-2614 |
| Napa Dialysis Center | 3900 BEL AIRE PLZ STE C | Napa, CA 94558-2823 | (707) 253-8938 | (707) 253-2851 | 20 | 05-2615 |
| Fairfield Dialysis Center | 4660 CENTRAL WAY | Fairfield, CA 94534-1803 | (707) 863-7369 | (707) 863-7384 | 32 | 05-2618 |
| Hemet Dialysis Center | 3050 W FLORIDA AVE | Hemet, CA 92545-3619 | (951) 925-9723 | (951) 925-9789 | 39 | 05-2620 |
| Brea Dialysis Center | 595 TAMARACK AVE STE A | Brea, CA 92821-3125 | (714) 990-0110 | (714) 990-0946 | 21 | 05-2621 |
| East LA Plaza Dialysis | 1700 E CESAR E CHAVEZ AVE STE L | Los Angeles, CA 90033-2472 | (323) 261-0484 | (323) 261-5348 | 33 | 05-2622 |
| La Palma Dialysis | 7880 VALLEY VIEW ST | Buena Park, CA 90620-2353 | (714) 670-6791 | (714) 670-6817 | 25 | 05-2627 |
| Hanford Dialysis | 402 W 8TH ST | Hanford, CA 93230-4536 | (559) 582-5462 | (559) 582-2329 | 20 | 05-2628 |
| Wilshire Dialysis Center | 1212 WILSHIRE BLVD | Los Angeles, CA 90017-1902 | (213) 482-5181 | (213) 482-4470 | 22 | 05-2631 |
| Glendale Dialysis | 1000 E PALMER AVE | Glendale, CA 91205-3532 | (818) 241-6382 | (818) 241-8153 | 22 | 05-2632 |
| Bakersfield Brimhall Dialysis | 8005 BRIMHALL RD STE 500 | Bakersfield, CA 93312-2258 | (661) 387-6603 | (661) 387-6780 | 20 | 05-2635 |
| Burbank Dialysis | 1211 N SAN FERNANDO BLVD | Burbank, CA 91504-4234 | (818) 842-5576 | (818) 842-4250 | 24 | 05-2637 |
| Simi Valley Dialysis | 970 ENCHANTED WAY | Simi Valley, CA 93065-0953 | (805) 584-9621 | (805) 584-9703 | 20 | 05-2638 |
| Huntington Beach Dialysis | 16892 BOLSA CHICA ST STE 100 | Huntington Beach, CA 92649-3571 | (714) 846-2102 | (714) 846-8053 | 14 | 05-2641 |
| Tower Dialysis | 8635 W 3RD ST STE 560W | Los Angeles, CA 90048-6110 | (310) 855-1742 | (310) 289-1032 | 10 | 05-2643 |
| San Juan Capistrano South Dialysis | 31736 RANCHO VIEJO RD STE B | San Juan Capistrano, CA 92675-2783 | (949) 240-1454 | (949) 240-0735 | 18 | 05-2648 |
| Paramount Dialysis Center | 15625 LAKEWOOD BLVD | Paramount, CA 90723-4633 | (562) 790-2478 | (562) 272-0038 | 37 | 05-2652 |
| Corona Dialysis Center | 2057 COMPTON AVE STE 101 | Corona, CA 92881-7287 | (951) 735-5845 | (951) 735-3941 | 24 | 05-2661 |

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| Antelope Dialysis Center | 6406 TUPELO DR STE A | Citrus Heights, CA 95621-1780 | (916) 721-1800 | (916) 721-4376 | 31 | 05-2663 |
| Santa Monica Dialysis | 1260 15TH ST STE 102 | Santa Monica, CA 90404-1136 | (310) 393-4744 | (310) 393-5308 | 22 | 05-2665 |
| Tulare Dialysis | 545 E TULARE AVE | Tulare, CA 93274-4220 | (559) 688-8991 | (559) 688-0326 | 16 | 05-2666 |
| Imperial Dialysis | 2738 W IMPERIAL HWY | Inglewood, CA 90303-3111 | (323) 779-5399 | (323) 779-5651 | 30 | 05-2670 |
| United Dialysis Center | 3111 LONG BEACH BLVD | Long Beach, CA 90807-5015 | (562) 426-5155 | (562) 426-5007 | 27 | 05-2671 |
| Bakersfield Dialysis Center | 5143 OFFICE PARK DR | Bakersfield, CA 93309-0660 | (661) 325-4741 | (661) 325-7631 | 76 | 05-2673 |
| Delano Dialysis | 405 DOVER PKWY | Delano, CA 93215-3714 | (661) 725-1370 | (661) 725-1323 | 32 | 05-2674 |
| East Bay Peritoneal Dialysis Center | 13939 E 14TH ST STE 110 | San Leandro, CA 94578-2601 | (510) 614-1380 | (510) 614-0393 | 4 | 05-2675 |
| Fontana Dialysis | 17590 FOOTHILL BLVD | Fontana, CA 92335-3785 | (909) 356-9664 | (909) 356-9687 | 28 | 05-2682 |
| Hayward Dialysis Center | 21615 HESPERIAN BLVD STE F | Hayward, CA 94541-7026 | (510) 780-9094 | (510) 780-0635 | 31 | 05-2685 |
| Walnut Creek Dialysis Center | 404 N WIGET LN | Walnut Creek, CA 94598-2408 | (925) 937-0203 | (925) 946-9482 | 24 | 05-2689 |
| Cameron Park Dialysis | 3311 COACH LN STE C | Cameron Park, CA 95682-7247 | (530) 677-5114 | (530) 677-5190 | 24 | 05-2691 |
| Los Angeles Dialysis Center | 3901 S WESTERN AVE | Los Angeles, CA 90062-1112 | (323) 294-0670 | (323) 294-0499 | 28 | 05-2695 |
| Visalia Dialysis | 5429 W CYPRESS AVE | Visalia, CA 93277-8341 | (559) 738-9279 | (559) 733-4785 | 24 | 05-2696 |
| Monterey Park Dialysis Center | 2560 CORPORATE PL STE 100-101 B | Monterey Park, CA 91754-7612 | (323) 780-8787 | (323) 780-0246 | 28 | 05-2700 |
| Atwater Dialysis | 1201 COMMERCIAL AVE | Atwater, CA 95301-5224 | (209) 358-7681 | (209) 358-7568 | 16 | 05-2706 |
| Alhambra Dialysis Center | 1315 ALHAMBRA BLVD STE 100 | Sacramento, CA 95816-5245 | (916) 457-8252 | (916) 457-3649 | 20 | 05-2707 |
| Vacaville Dialysis Center | 941 MERCHANT ST | Vacaville, CA 95688-5315 | (707) 447-8191 | (707) 447-8196 | 24 | 05-2709 |
| University Park Dialysis Center | 3986 S FIGUEROA ST | Los Angeles, CA 90037-1222 | (213) 749-8297 | (213) 749-0472 | 20 | 05-2713 |
| Santa Ana Dialysis Center | 1820 E DEERE AVE | Santa Ana, CA 92705-5721 | (949) 251-1221 | (949) 251-1455 | 26 | 05-2716 |
| Greater El Monte Dialysis Center | 1938 TYLER AVE STE J168 | South El Monte, CA 91733-3623 | (626) 350-6692 | (626) 350-6986 | 34 | 05-2717 |
| San Francisco Dialysis | 1499 WEBSTER ST | San Francisco, CA 94115-3705 | (415) 928-9003 | (415) 928-9018 | 30 | 05-2719 |
| Manteca Dialysis | 1620 W YOSEMITE AVE | Manteca, CA 95337-5190 | (209) 825-3905 | (209) 824-6870 | 12 | 05-2723 |
| Nos Nietos Dialysis | 10012 NORWALK BLVD STE 190 | Santa Fe Springs, CA 90670-3345 | (562) 903-8281 | (562) 903-8289 | 24 | 05-2724 |
| Doctors Dialysis of East Los Angeles | 950 S EASTERN AVE | Los Angeles, CA 90022-4801 | (323) 262-2229 | (323) 262-9418 | 32 | 05-2725 |
| Oakland Dialysis | 5354 CLAREMONT AVE | Oakland, CA 94618-1035 | (510) 597-0104 | (510) 597-0249 | 40 | 05-2729 |
| Murrieta Dialysis | 27602 CLINTON KEITH RD BLDG F | Murrieta, CA 92562-8513 | (951) 679-7914 | (951) 679-7693 | 24 | 05-2730 |
| Anaheim Dialysis | 1341 W LA PALMA AVE | Anaheim, CA 92801-2817 | (714) 254-1484 | (714) 254-1914 | 35 | 05-2734 |
| Temecula Dialysis Center | 40945 COUNTY CENTER DR STE G | Temecula, CA 92591-6006 | (951) 296-9744 | (951) 296-9749 | 18 | 05-2735 |
| Los Banos Dialysis | 60 W G ST BLDG 5, STE D | Los Banos, CA 93635-3658 | (209) 826-2787 | (209) 826-6325 | 24 | 05-2738 |
| Chino Dialysis | 4445 RIVERSIDE DR | Chino, CA 91710-3961 | (909) 464-0347 | (909) 464-0936 | 24 | 05-2739 |
| Mountain Vista Dialysis Center | 4041 UNIVERSITY PKWY | San Bernardino, CA 92407-1823 | (909) 887-0173 | (909) 887-2892 | 28 | 05-2743 |
| South Valley Dialysis | 17815 VENTURA BLVD STE 100 | Encino, CA 91316-3600 | (818) 757-4520 | (818) 757-1043 | 25 | 05-2744 |
| Airport Sunrise Dialysis | 11300 HAWTHORNE BLVD | Inglewood, CA 90304-2715 | (310) 680-0601 | (310) 680-9166 | 58 | 05-2746 |
| Lodi Dialysis Center | 1610 W KETTLEMAN LN STE D | Lodi, CA 95242-4210 | (209) 334-9888 | (209) 333-0888 | 21 | 05-2753 |
| Encinitas Dialysis | 332 SANTA FE DR STE 100 | Encinitas, CA 92024-5143 | (760) 632-2323 | (760) 632-2311 | 15 | 05-2756 |
| Premier Dialysis Center | 7612 ATLANTIC AVE | Cudahy, CA 90201-5020 | (323) 562-5511 | (323) 562-3347 | 36 | 05-2761 |
| Diamond Valley Dialysis | 1181 N STATE ST | San Jacinto, CA 92583-6317 | (951) 487-6528 | (951) 487-8518 | 37 | 05-2768 |
| Chinatown Dialysis | 636 CLAY ST | San Francisco, CA 94111-2502 | (415) 291-8992 | (415) 291-8985 | 22 | 05-2769 |
| Selma Dialysis | 2711 CINEMA WAY STE 111 | Selma, CA 93662-2677 | (559) 891-2750 | (559) 891-2755 | 30 | 05-2770 |
| Visalia at Home | 1120 N CHINOWTH ST | Visalia, CA 93291-7896 | (559) 622-9844 | (559) 622-0778 | 0 | 05-2771 |
| Westminster South Dialysis | 14014 MAGNOLIA ST | Westminster, CA 92683-4736 | (714) 894-8712 | (714) 894-8734 | 24 | 05-2773 |
| Hi-Desert Dialysis | 56845 29 PALMS HWY | Yucca Valley, CA 92284-2940 | (760) 365-8706 | (760) 228-0154 | 25 | 05-2776 |
| North Hollywood Dialysis | 12126 VICTORY BLVD | North Hollywood, CA 91606-3205 | (818) 980-5070 | (818) 980-9956 | 44 | 05-2781 |
| Delta Sierra Dialysis Center | 7500 WEST LN | Stockton, CA 95210-3312 | (209) 473-7472 | (209) 477-5887 | 36 | 05-2784 |
| Doctors Dialysis Center of Montebello | 1721 W WHITTIER BLVD | Montebello, CA 90640-4004 | (323) 722-1116 | (323) 722-5501 | 28 | 05-2785 |
| El Cerrito Dialysis | 10690 SAN PABLO AVE | El Cerrito, CA 94530-2620 | (510) 528-9590 | (510) 528-9803 | 20 | 05-2786 |
| Alameda County Dialysis | 10700 MACARTHUR BLVD BLDG 7 | Oakland, CA 94605-5298 | (510) 568-5849 | (510) 382-1632 | 24 | 05-2787 |
| Nephron Dialysis | 5820 DOWNEY AVE | Long Beach, CA 90805-4517 | (562) 663-0788 | (562) 663-0794 | 21 | 05-2788 |
| Indian Wells Valley | 212 S RICHMOND RD | Ridgecrest, CA 93555-4434 | (760) 371-7506 | (760) 371-7806 | 12 | 05-2789 |
| TRC/USC Kidney Center | 2310 ALCAZAR ST | Los Angeles, CA 90033-5327 | (323) 441-9966 | (323) 441-9960 | 59 | 05-2794 |
| San Diego South Dialysis | 995 GATEWAY CENTER WAY STE 10 | San Diego, CA 92102-4550 | (619) 262-1960 | (619) 262-2420 | 17 | 05-2799 |
| Santa Paula Dialysis | 253 MARCH ST | Santa Paula, CA 93060-2511 | (805) 525-3977 | (805) 525-4746 | 10 | 05-2800 |
| Hollywood Dialysis | 5108 W SUNSET BLVD | Los Angeles, CA 90027-5708 | (323) 913-4010 | (323) 913-4022 | 22 | 05-2801 |
| TRC/Harbor-UCLA MFI Total Renal Dialysis Center | 21602 S VERMONT AVE | Torrance, CA 90502-1940 | (310) 533-0413 | (310) 212-6248 | 30 | 05-2802 |
| Carson Dialysis | 1309 E CARSON ST | Carson, CA 90745-1631 | (310) 513-1427 | (310) 513-1581 | 16 | 05-2803 |
| Montclair Dialysis Center | 9142 MONTE VISTA AVE | Montclair, CA 91763-1723 | (909) 626-6505 | (909) 624-5736 | 28 | 05-2804 |
| Grass Valley Dialysis | 360 CROWN POINT CIRCLE STE 210 | Grass Valley, CA 95945-2543 | (530) 477-0734 | (530) 477-0178 | 18 | 05-2805 |
| Valley View Dialysis Center | 26900 CACTUS AVE | Moreno Valley, CA 92555-3912 | (951) 247-2844 | (951) 247-8631 | 34 | 05-2807 |
| Saddleback Dialysis | 23141 PLAZA POINTE DR | Laguna Hills, CA 92653-1425 | (949) 588-9211 | (949) 588-9299 | 25 | 05-2808 |
| Benicia Dialysis | 560 1ST ST STE D103 | Benicia, CA 94510-3293 | (707) 745-1488 | (707) 745-8089 | 14 | 05-2810 |
| San Luis Obispo Dialysis | 1043 MARSH ST | San Luis Obispo, CA 93401-3629 | (805) 543-1013 | (805) 543-5645 | 20 | 05-2811 |
| Tracy Dialysis | 425 W BEVERLY PL STE A | Tracy, CA 95376-3086 | (209) 839-0398 | (209) 839-0799 | 12 | 05-2814 |
| Oakland Peritoneal Dialysis Center | 5352 CLAREMONT AVE | Oakland, CA 94618-1035 | (510) 597-0398 | (510) 597-0385 | 2 | 05-2822 |
| North Highlands Dialysis Center | 4612 ROSEVILLE RD STE 100 | North Highlands, CA 95660-5175 | (916) 334-1368 | (916) 334-1543 | 27 | 05-2826 |
| Los Angeles Downtown Dialysis | 2021 S FLOWER ST | Los Angeles, CA 90007-1342 | (213) 745-4222 | (213) 749-1753 | 28 | 05-2828 |
| Northeast Dialysis | 3501 MALL VIEW RD STE 109 | Bakersfield, CA 93306-3045 | (661) 872-3580 | (661) 872-3554 | 38 | 05-2839 |
| Antioch Dialysis Center | 3100 DELTA FAIR BLVD | Antioch, CA 94509-4001 | (925) 753-5000 | (925) 753-5055 | 20 | 05-2841 |
| Imperial Care Dialysis Center | 4345 E IMPERIAL HWY | Lynwood, CA 90262-2318 | (310) 900-0333 | (310) 900-0334 | 31 | 05-2844 |
| South Hayward Dialysis | 254 JACKSON ST | Hayward, CA 94544-1907 | (510) 583-1255 | (510) 583-0631 | 24 | 05-2845 |
| Orangevale Dialysis Center | 9267 GREENBACK LN STE A2 | Orangevale, CA 95662-4864 | (916) 988-5666 | (916) 988-5636 | 20 | 05-2850 |
| Crescent Heights Dialysis Center | 8151 BEVERLY BLVD | Los Angeles, CA 90048-4514 | (323) 655-6226 | (323) 655-6512 | 20 | 05-2852 |
| Washington Plaza Dialysis Center | 516 E WASHINGTON BLVD # 522 | Los Angeles, CA 90015-3723 | (213) 749-2433 | (213) 749-0518 | 25 | 05-2856 |
| Florin Dialysis Center | 7000 STOCKTON BLVD | Sacramento, CA 95823-2312 | (916) 424-3990 | (916) 424-3799 | 31 | 05-2857 |
| Kenneth Hahn Plaza Dialysis Center | 11854 S WILMINGTON AVE | Los Angeles, CA 90059-3016 | (323) 567-5077 | (323) 567-1490 | 20 | 05-2858 |
| West Glendale Dialysis | 1427 S GLENDALE AVE | Glendale, CA 91205-3313 | (818) 241-0016 | (818) 241-0038 | 18 | 05-2859 |
| Century City Dialysis | 10630 SANTA MONICA BLVD | Los Angeles, CA 90025-4837 | (310) 954-2700 | (310) 474-4565 | 30 | 05-2865 |
| San Ysidro Dialysis | 1445 30TH ST STE A-B | San Diego, CA 92154-3496 | (619) 575-3901 | (619) 575-5538 | 41 | 05-2866 |
| Palmdale Regional | 1643 E PALMDALE BLVD | Palmdale, CA 93550-4847 | (661) 540-0925 | (661) 540-0930 | 24 | 05-2869 |
| Central Coast Kidney Center | 2263 S DEPOT ST | Santa Maria, CA 93455-1216 | (805) 349-8600 | (805) 928-5145 | 42 | 05-2871 |
| Thousand Oaks Dialysis | 375 ROLLING OAKS DR STE 100 | Thousand Oaks, CA 91361-1024 | (805) 557-1036 | (805) 557-1173 | 15 | 05-2873 |
| San Diego East Dialysis | 292 EUCLID AVE STE 100 | San Diego, CA 92114-3629 | (619) 262-7225 | (619) 262-7470 | 25 | 05-2883 |
| Soledad Dialysis Center | 901 LOS COCHES DR | Soledad, CA 93960-2995 | (831) 678-4310 | (831) 678-4324 | 18 | 05-2892 |
| Lake Elsinore Dialysis | 32291 MISSION TRL BLDG S | Lake Elsinore, CA 92530-2304 | (951) 674-5050 | (951) 674-5570 | 18 | 05-2895 |
| Cerritos Dialysis | 19222 PIONEER BLVD STE 101 | Cerritos, CA 90703-6603 | (562) 924-9990 | (562) 924-9955 | 21 | 05-2896 |
| Tustin Dialysis | 2090 N TUSTIN AVE STE 100 | Santa Ana, CA 92705-7869 | (714) 835-2450 | (714) 835-5715 | 24 | 05-2897 |
| Lakewood Dialysis Center | 1750 PIERCE ST STE C | Lakewood, CO 80214-1434 | (303) 238-6111 | (303) 462-0946 | 18 | 06-2502 |
| Pikes Peak Dialysis Center | 2002 LELARAY ST STE 130 | Colorado Springs, CO 80909-2804 | (719) 471-4615 | (719) 471-0621 | 43 | 06-2507 |
| Thornton Dialysis Center | 8800 FOX DR | Thornton, CO 80260-6880 | (303) 430-7020 | (303) 487-9572 | 24 | 06-2511 |
| Aurora Dialysis Center | 1411 S POTOMAC ST AMC II STE 10A | Aurora, CO 80012-4536 | (303) 368-1911 | (303) 368-1857 | 27 | 06-2514 |
| Boulder Dialysis Center | 2880 FOLSOM ST STE 110 | Boulder, CO 80304-3769 | (303) 440-5600 | (303) 440-4165 | 14 | 06-2517 |
| Littleton Dialysis Center | 209 W COUNTY LINE RD | Littleton, CO 80129-1901 | (303) 730-7540 | (303) 730-7628 | 17 | 06-2519 |
| Arvada Dialysis Center | 9950 W 80TH AVE STE 25 | Arvada, CO 80005-3914 | (303) 456-9556 | (303) 456-8836 | 16 | 06-2521 |
| Printers Place Dialysis Center | 2802 INTERNATIONAL CIR | Colorado Springs, CO 80910-3127 | (719) 630-0602 | (719) 520-5291 | 16 | 06-2524 |
| Cortez Dialysis Center | 610 E MAIN ST STE C | Cortez, CO 81321-3308 | (970) 565-4302 | (970) 565-4374 | 18 | 06-2528 |
| Lowry Dialysis Center | 7465 E 1ST AVE STE A | Denver, CO 80230-6877 | (303) 367-0946 | (303) 367-0951 | 26 | 06-2529 |
| Englewood Dialysis Center | 3247 S LINCOLN ST | Englewood, CO 80113-2505 | (303) 761-0600 | (303) 761-7666 | 19 | 06-2531 |
| Commerce City Dialysis | 6320 HOLLY ST | Commerce City, CO 80022-3325 | (303) 853-4300 | (303) 853-4333 | 18 | 06-2533 |
| Longmont Dialysis Center | 1715 IRON HORSE DR STE 170 | Longmont, CO 80501-9617 | (303) 485-4084 | (303) 485-4081 | 18 | 06-2534 |
| Lakewood Crossing Dialysis Center | 1057 S WADSWORTH BLVD STE 100 | Lakewood, CO 80226-4361 | (720) 962-6199 | (720) 962-6196 | 22 | 06-2535 |
| East Aurora Dialysis | 482 S CHAMBERS RD | Aurora, CO 80017-2092 | (303) 696-1137 | (303) 696-1140 | 28 | 06-2540 |
| Mile High Home Dialysis | 1750 PIERCE ST STE A | Lakewood, CO 80214-1434 | (303) 232-0939 | (303) 274-6096 | 3 | 06-2541 |
| Brighton Dialysis | 4700 E BROMLEY LN STE 103 | Brighton, CO 80601-7821 | (303) 659-2511 | (303) 659-2595 | 12 | 06-2542 |
| LoneTree Dialysis Center | 9777 PYRAMID CT STE 140 | Englewood, CO 80112-6017 | (303) 662-0466 | (303) 662-0575 | 12 | 06-2543 |
| Belcaro Dialysis Center | 755 S COLORADO BLVD | Denver, CO 80246-8005 | (303) 777-2844 | (303) 777-2850 | 14 | 06-2544 |
| Denver Dialysis Center | 2900 N DOWNING ST STE C | Denver, CO 80205-4699 | (303) 292-0303 | (303) 292-1266 | 16 | 06-2546 |

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| Durango Dialysis Center | 72 SUTTLE STREET STE D | Durango, CO 81303-6829 | (970) 385-8608 | (970) 385-8626 | 8 | 06-2547 |
| Alamosa Dialysis | 612 DEL SOL DR | Alamosa, CO 81101-8548 | (719) 589-2022 | (719) 589-6233 | 12 | 06-2550 |
| Grand Junction Dialysis Center | 710 WELLINGTON AVE STE 20 | Grand Junction, CO 81501-6100 | (970) 263-8573 | (970) 245-4398 | 18 | 06-2553 |
| North Metro Dialysis Center | 12365 HURON ST STE 500 | Westminster, CO 80234-3498 | (303) 451-9093 | (303) 451-0561 | 18 | 06-2559 |
| North Colorado Springs Dialysis | 6071 E WOODMEN RD STE 100 | Colorado Springs, CO 80923-2610 | (719) 638-1223 | (719) 587-7052 | 15 | 06-2561 |
| Parker Dialysis Center | 10371 S PARKGLENN WAY STE 180 | Parker, CO 80138-3871 | (303) 840-0541 | (303) 840-9051 | 12 | 06-2562 |
| Mesa County Dialysis | 561 25 RD STE D | Grand Junction, CO 81505-1360 | (970) 248-9120 | (970) 248-9125 | 15 | 06-2567 |
| Black Canyon Dialysis | 3421 S RIO GRANDE AVE UNIT D1 | Montrose, CO 81401-4840 | (970) 240-7925 | (970) 240-6197 | 13 | 06-2569 |
| Southwest Denver Dialysis | 8601 W CROSS DR UNIT C-2 | Littleton, CO 80123-2200 | (303) 933-2367 | (303) 933-2566 | 9 | 06-2572 |
| Red Hawk Dialysis | 4348 WOODLANDS BLVD STE 131 | Castle Rock, CO 80104-2800 | (303) 663-2875 | (303) 663-2913 | 8 | 06-2574 |
| Sable Dialysis | 509 N SABLE BLVD | Aurora, CO 80011-0801 | (303) 366-9458 | (303) 364-9206 | 30 | 06-2576 |
| Northeastern Colorado Dialysis | 603 HOLLY DR | Sterling, CO 80751-4539 | (970) 521-5368 | (970) 521-3120 | 12 | 06-2577 |
| Loveland Central Dialysis | 1453 DENVER AVE | Loveland, CO 80538-5226 | (970) 663-4607 | (970) 663-9076 | 12 | 06-2579 |
| West Lakewood Dialysis | 11700 WEST 2ND PL STE 325 | Lakewood, CO 80228-1755 | (303) 987-4672 | (303) 987-4687 | 12 | 06-2582 |
| Greeley Dialysis | 2812 W 10TH ST | Greeley, CO 80634-5425 | (970) 352-9072 | (970) 352-9366 | 14 | 06-2586 |
| Fort Collins Dialysis | 1601 PROSPECT PKWY STE 180 | Fort Collins, CO 80525-1076 | (970) 493-0753 | (970) 407-7230 | 13 | 06-2588 |
| Platte Valley Dialysis | 1321 S 4TH AVE STE 100 | Brighton, CO 80601-6809 | (303) 654-8202 | (303) 654-8506 | 12 | 06-2591 |
| Montbello Dialysis | 4834 CHAMBERS RD | Denver, CO 80239-5152 | (303) 371-1502 | (303) 371-3627 | 12 | 06-2592 |
| Bridgeport Dialysis | 900 MADISON AVE STE 221 | Bridgeport, CT 06606-5534 | (203) 335-0191 | (203) 382-0322 | 50 | 07-2501 |
| Stamford Dialysis | 30 COMMERCIAL RD | Stamford, CT 06902-4550 | (203) 358-9969 | (203) 359-9252 | 34 | 07-2504 |
| New Haven Dialysis | 15 CENTER ST STE 201 | New Haven, CT 06510-3003 | (203) 859-7770 | (203) 495-1454 | 28 | 07-2507 |
| Shelton Dialysis | 750 BRIDGEPORT AVE | Shelton, CT 06484-4734 | (203) 925-9520 | (203) 925-9536 | 22 | 07-2510 |
| Greater Waterbury Dialysis | 209 HIGHLAND AVE | Waterbury, CT 06708-3055 | (203) 574-7933 | (203) 574-4136 | 30 | 07-2511 |
| Milford Dialysis | 470 BRIDGEPORT AVE STE S | Milford, CT 06460-4167 | (203) 301-9040 | (203) 301-9947 | 22 | 07-2514 |
| New London Dialysis | 5 SHAWNS COVE STE 100 | New London, CT 06320-4974 | (860) 701-1357 | (860) 444-0802 | 23 | 07-2515 |
| Hartford Dialysis | 675 TOWER AVE RENAL UNIT 2ND | Hartford, CT 06112-1260 | (860) 242-0735 | (860) 242-2239 | 27 | 07-2516 |
| Branford Dialysis | 249 W MAIN ST | Branford, CT 06405-4048 | (203) 481-8531 | (203) 481-8557 | 13 | 07-2517 |
| PDI - Rocky Hill | 30 WATERCHASE DR | Rocky Hill, CT 06067-2110 | (860) 563-6000 | (860) 257-3895 | 23 | 07-2518 |
| Norwich Dialysis | 113 SALEM TPKE STE 4 | Norwich, CT 06360-6484 | (860) 800-6388 | (860) 800-6425 | 28 | 07-2520 |
| South Norwalk Dialysis | 666 WEST AVE | Norwalk, CT 06850-4009 | (475) 283-9702 | (475) 283-9727 | 22 | 07-2521 |
| Torrington Dialysis | 780 LITCHFIELD ST STE 100 | Torrington, CT 06790-6268 | (860) 496-0661 | (860) 496-0504 | 19 | 07-2523 |
| Middlesex Dialysis Center | 100 MAIN ST STE A | Middletown, CT 06457-3422 | (860) 346-5600 | (860) 346-5700 | 22 | 07-2524 |
| Bloomfield Dialysis | 29 GRIFFIN RD S | Bloomfield, CT 06002-1351 | (860) 243-5389 | (860) 243-8100 | 16 | 07-2528 |
| Vernon Dialysis Center | 460 HARTFORD TPKE STE C | Vernon, CT 06066-4847 | (860) 896-1537 | (860) 896-1689 | 22 | 07-2529 |
| Windham Dialysis Center | 375 TUCKIE RD STE C | North Windham, CT 06256-1345 | (860) 456-1677 | (860) 450-8403 | 9 | 07-2530 |
| Waterbury Dialysis Center | 150 MATTATUCK HEIGHTS RD | Waterbury, CT 06705-3893 | (203) 419-0488 | (203) 465-0197 | 16 | 07-2533 |
| Black Rock Dialysis | 427 STILLSON RD | Fairfield, CT 06824-3153 | (203) 382-9566 | (203) 368-9289 | 16 | 07-2535 |
| Willard Avenue Dialysis | 445E WILLARD AVE | Newington, CT 06111-2318 | (860) 667-1700 | (860) 667-1708 | 19 | 07-2541 |
| Hamden Dialysis | 3000 DIXWELL AVE STE 100 | Hamden, CT 06518-3522 | (203) 281-5361 | (203) 281-5376 | 19 | 07-2543 |
| Danbury Dialysis | 111 OSBORNE ST STE 211 | Danbury, CT 06810-6031 | (203) 794-1938 | (203) 796-0015 | 19 | 07-2544 |
| Palomba Drive Dialysis | 51 PALOMBA DR | Enfield, CT 06082-3801 | (860) 749-0476 | (860) 749-0649 | 10 | 07-2547 |
| Housatonic Dialysis | 164 MOUNT PLEASANT RD | Newtown, CT 06470-1408 | (203) 270-0081 | (203) 270-0065 | 10 | 07-2548 |
| Norwalk River Dialysis | 112 MAIN ST | Norwalk, CT 06851-1617 | (203) 229-0420 | (203) 229-0688 | 13 | 07-2552 |
| Hawley Lane Dialysis | 425 HAWLEY LN | Stratford, CT 06354-4514 | (203) 375-5438 | (203) 375-5487 | 25 | 07-2553 |
| Hartford Downtown Dialysis | 80 SEYMOUR ST | Hartford, CT 06106-3300 | (860) 244-2108 | (860) 244-2133 | 32 | 07-2554 |
| New Britain Dialysis | 100 GRAND ST | New Britain, CT 06052-2016 | (860) 223-4603 | (860) 223-4203 | 22 | 07-2555 |
| Trumbull Dialysis | 7 CAMBRIDGE DR STE 105 | Trumbull, CT 06611-4763 | (203) 371-6592 | (203) 371-6595 | 19 | 07-2557 |
| Children's National Medical Center | 111 MICHIGAN AVE NW | Washington, DC 20010-2916 | (202) 476-5148 | (202) 476-3580 | 6 | 09-2305 |
| Lee Street Dialysis | 5155 LEE ST NE | Washington, DC 20019-4051 | (202) 398-1047 | (202) 398-3468 | 20 | 09-2510 |
| Eighth Street Dialysis | 902 BLADENSBURG RD NE | Washington, DC 20002-3930 | (202) 399-0812 | (202) 396-8767 | 24 | 09-2513 |
| Georgetown Home Training | 2333 WISCONSIN AVE NW STE 215 | Washington, DC 20007-4119 | (202) 337-1431 | (202) 337-1625 | 4 | 09-2516 |
| GIWU Southeast Dialysis | 3857A PENNSYLVANIA AVE SE | Washington, DC 20020-1309 | (202) 581-9440 | (202) 581-9446 | 25 | 09-2517 |
| K Street Dialysis | 2131 K ST NW STE 300 | Washington, DC 20037-1898 | (202) 223-8453 | (202) 223-9789 | 25 | 09-2518 |
| Brentwood Dialysis | 1231 BRENTWOOD RD NE | Washington, DC 20018-1019 | (202) 636-3711 | (202) 636-3769 | 24 | 09-2519 |
| Union Plaza Dialysis Center | 810 1ST ST NE STE 100 | Washington, DC 20002-4227 | (202) 842-3127 | (202) 842-3160 | 15 | 09-2520 |
| Grant Park Dialysis | 5000 NANNIE HELEN BURROUGHS | Washington, DC 20019-5506 | (202) 399-7700 | (202) 399-3708 | 12 | 09-2522 |
| Washington Nursing Dialysis | 2425 25TH ST SE | Washington, DC 20020-3409 | (202) 678-0013 | (202) 678-0083 | 9 | 09-2524 |
| International Dialysis | 1730 HAMLIN ST NE | Washington, DC 20018-1838 | (202) 525-5415 | (202) 525-5418 | 15 | 09-2525 |
| Washington Center for Aging | 2601 18TH ST NE A WING BASEMENT | Washington, DC 20018-1301 | (202) 636-7212 | (202) 636-7216 | 9 | 09-2530 |
| South Broward Artificial Kidney Center | 4401 HOLLYWOOD BLVD | Hollywood, FL 33021-6609 | (954) 962-2211 | (954) 964-3546 | 30 | 10-2504 |
| Dialysis Associates of the Palm Beaches | 2611 POINSETTIA AVE | West Palm Beach, FL 33407-5919 | (561) 833-0759 | (561) 835-1056 | 20 | 10-2510 |
| Fort Myers Dialysis | 4220 EXECUTIVE CIRCLE STE 38 | Fort Myers, FL 33916-8055 | (239) 274-3681 | (239) 274-6168 | 34 | 10-2513 |
| Panama City Dialysis Center | 615 N HIGHWAY 231 | Panama City, FL 32405-4704 | (850) 785-1233 | (850) 913-8048 | 37 | 10-2514 |
| West Florida Dialysis | 8333 N DAVIS HWY 1ST FLOOR ATT | Pensacola, FL 32514-6050 | (850) 474-8424 | (850) 969-2879 | 27 | 10-2518 |
| Boca Raton Artificial Kidney Center | 998 NW 9TH CT | Boca Raton, FL 33486-2214 | (561) 392-3940 | (561) 395-5663 | 12 | 10-2520 |
| Daytona Beach Dialysis | 578 HEALTH BLVD | Daytona Beach, FL 32114-1492 | (386) 258-7322 | (386) 258-0191 | 20 | 10-2521 |
| Lakeland Dialysis | 515 E BELLA VISTA ST | Lakeland, FL 33805-3005 | (863) 688-5463 | (863) 688-7150 | 16 | 10-2524 |
| InterAmerican Dialysis Center | 7815 CORAL WAY STE 115 | Miami, FL 33155-6541 | (305) 261-4823 | (305) 264-7263 | 25 | 10-2532 |
| Plantation Dialysis | 7061 CYPRESS RD STE 103 | Plantation, FL 33317-2243 | (954) 583-2100 | (954) 584-2463 | 25 | 10-2536 |
| Winter Haven Dialysis | 1625 UNITY WAY NW | Winter Haven, FL 33881-5226 | (863) 294-8851 | (863) 294-5212 | 20 | 10-2545 |
| Port Charlotte Artificial Kidney Center | 4300 KINGS HWY STE 406 | Port Charlotte, FL 33980-2990 | (941) 625-2822 | (941) 625-9877 | 21 | 10-2549 |
| Leesburg Dialysis Center | 8425 US HWY 441 STE 104 | Leesburg, FL 34788-4038 | (352) 435-0082 | (352) 435-0380 | 24 | 10-2551 |
| Plant City Dialysis | 2301 S FRONTAGE RD | Plant City, FL 33563-2061 | (813) 659-1674 | (813) 659-2269 | 16 | 10-2554 |
| Bayonet Point - Hudson Kidney Center | 14144 NEPHRON LN | Hudson, FL 34667-6504 | (727) 863-5459 | (727) 862-0723 | 20 | 10-2563 |
| Kissimmee Dialysis | 802 N JOHN YOUNG PKWY | Kissimmee, FL 34741-4912 | (407) 847-4423 | (407) 847-5973 | 25 | 10-2569 |
| Deland Dialysis | 350 E NEW YORK AVE | Deland, FL 32724-5510 | (386) 738-2570 | (386) 738-9576 | 20 | 10-2573 |
| Coral Gables Kidney Center | 3280 PONCE DE LEON BLVD | Coral Gables, FL 33134-7252 | (305) 448-9888 | (305) 445-4984 | 20 | 10-2578 |
| Center for Kidney Disease at North Shore | 1190 NW 95TH ST STE 208 | Miami, FL 33150-2065 | (305) 691-2144 | (305) 691-0362 | 22 | 10-2583 |
| Greater Miami Dialysis | 160 NW 176TH ST STE 100 | Miami, FL 33169-5040 | (305) 653-6033 | (305) 653-0118 | 20 | 10-2586 |
| New Port Richey Kidney Center | 7421 RIDGE RD | Port Richey, FL 34668-6935 | (727) 846-8401 | (727) 844-0100 | 28 | 10-2590 |
| Zephyrhills Dialysis | 36819 ELAND BLVD UNIT 2 | Zephyrhills, FL 33542-0600 | (813) 788-7041 | (813) 788-7236 | 24 | 10-2593 |
| Hallandale Dialysis | 2655 HOLLYWOOD BLVD | Hollywood, FL 33020-4840 | (954) 925-9909 | (954) 927-5852 | 22 | 10-2601 |
| Hernando Kidney Center | 2985 LANDOVER BLVD | Spring Hill, FL 34608-7258 | (352) 683-3630 | (352) 683-8892 | 34 | 10-2602 |
| Central Tampa Dialysis | 4204 N MACDILL AVE SOUTH BLDG | Tampa, FL 33607-6342 | (813) 871-3202 | (813) 871-3903 | 20 | 10-2605 |
| Daytona South Dialysis | 955 FOSTER WAY STE 306 | South Daytona, FL 32119-1731 | (386) 322-3625 | (386) 322-3695 | 24 | 10-2614 |
| Pompano Beach Artificial Kidney Center | 600 SW 3RD ST STE 1100 | Pompano Beach, FL 33060-6936 | (954) 942-5115 | (954) 942-0946 | 28 | 10-2615 |
| Deltona Dialysis | 1200 DELTONA BLVD STE 26 | Deltona, FL 32725-6389 | (386) 574-0225 | (386) 574-6460 | 21 | 10-2616 |
| Delray Dialysis | 2655 W ATLANTIC AVE | Delray Beach, FL 33445-4400 | (561) 279-2626 | (561) 279-2921 | 22 | 10-2617 |
| Lehigh Acres Dialysis | 2814 LEE BLVD STE 16 | Lehigh Acres, FL 33971-1561 | (239) 368-7169 | (239) 368-7541 | 12 | 10-2618 |
| Orlando Dialysis | 116 STURTEVANT ST | Orlando, FL 32806-2021 | (407) 426-9212 | (407) 426-7476 | 23 | 10-2623 |
| Tallahassee Dialysis | 1607 PHYSICIANS DR | Tallahassee, FL 32308-4620 | (850) 878-8776 | (850) 878-9004 | 27 | 10-2624 |
| Bartow Dialysis | 2295 E FLAMINGO DR | Bartow, FL 33830-4203 | (863) 533-1601 | (863) 519-4415 | 16 | 10-2626 |
| Quincy Dialysis | 878 STRONG RD | Quincy, FL 32351-5243 | (850) 854-8001 | (850) 854-8002 | 20 | 10-2627 |
| Gulf Coast Dialysis | 3300 TAMiami TRL STE 101A | Port Charlotte, FL 33952-8054 | (941) 625-9985 | (941) 629-1522 | 0 | 10-2628 |
| Center for Kidney Disease at Venture | 1680 NE 164TH ST | North Miami Beach, FL 33162-4017 | (305) 787-7345 | (305) 787-5805 | 16 | 10-2630 |
| Tamarac Artificial Kidney Center | 7140 W MCNAB RD | Tamarac, FL 33321-5306 | (954) 720-5336 | (954) 720-3626 | 12 | 10-2632 |
| North Palm Beach Dialysis Center | 2841 PGA BLVD | Palm Beach Gardens, FL 33410-2910 | (561) 630-5081 | (561) 630-1535 | 20 | 10-2634 |
| Mt. Dora Dialysis | 1971 SALK AVE | Tavares, FL 32778-4306 | (352) 508-3007 | (352) 508-3232 | 24 | 10-2635 |
| USF Dialysis | 10770 N 46TH ST STE A100 | Tampa, FL 33617-3465 | (813) 632-7918 | (813) 632-7952 | 29 | 10-2636 |
| Lake Worth Dialysis | 2459 S CONGRESS AVE STE 100 | Palm Springs, FL 33406-7616 | (561) 439-1532 | (561) 439-1018 | 25 | 10-2637 |
| Ormond Beach Dialysis | 420 S NOVA RD STE 7 | Ormond Beach, FL 32174-0411 | (386) 676-2405 | (386) 676-6738 | 24 | 10-2638 |
| Ocoee Dialysis | 11140 W COLONIAL DR STE 5 | Ocoee, FL 32761-3300 | (407) 877-0626 | (407) 877-0603 | 18 | 10-2639 |
| Sun City Center Dialysis | 783 CORTARO DR | Ruskin, FL 33573-6812 | (813) 633-2847 | (813) 633-2972 | 16 | 10-2642 |
| Complete Dialysis Care | 7467 W SAMPLE RD | Coral Springs, FL 33065-4754 | (954) 753-0248 | (954) 753-3692 | 24 | 10-2645 |
| Bradenton Dialysis | 3501 CORTEZ RD W STE 3 | Bradenton, FL 34210-3197 | (941) 727-4209 | (941) 753-8386 | 17 | 10-2646 |
| Pembroke Pines Dialysis | 10970 PINES BLVD STE 70 | Pembroke Pines, FL 33026-5208 | (954) 435-6145 | (954) 442-7350 | 28 | 10-2647 |

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|--|-----------------------------------|----------------------------------|----------------|----------------|----|---------|
| Miami Lakes Artificial Kidney Center | 14600 NW 60TH AVE | Miami Lakes, FL 33014-2811 | (786) 639-0496 | (305) 556-4924 | 18 | 10-2648 |
| North Brevard Dialysis | 250 HARRISON ST STE 110 | Titusville, FL 32780-5098 | (321) 383-1345 | (321) 268-4875 | 21 | 10-2654 |
| Miami Campus Dialysis | 1951 NW 7TH AVE STE 500 | Miami, FL 33136-1121 | (305) 325-8956 | (305) 325-8748 | 33 | 10-2656 |
| Pinnacle Dialysis of Boca Raton | 2900 N MILITARY TRL STE 195 | Boca Raton, FL 33431-6308 | (561) 241-6667 | (561) 989-8550 | 27 | 10-2658 |
| West Tallahassee Dialysis | 11616 LAKE UNDERHILL RD STE 206 | Orlando, FL 32825-4466 | (407) 384-1175 | (407) 384-1421 | 21 | 10-2660 |
| Flamingo Park Kidney Center | 901 E 10TH AVE BAY 17 | Hialeah, FL 33010-3762 | (305) 884-5677 | (305) 884-2466 | 21 | 10-2664 |
| Palmetto Artificial Kidney Center | 7150 W 20TH AVE STE 109 | Hialeah, FL 33016-5509 | (305) 827-8399 | (305) 827-1892 | 10 | 10-2665 |
| Marianna Dialysis Center | 2930 OPTIMIST DR | Marianna, FL 32448-7703 | (850) 482-5328 | (850) 482-5329 | 21 | 10-2666 |
| Lighthouse Point Dialysis | 200 SW NATURA AVE | Deerfield Beach, FL 33441-3026 | (954) 426-0152 | (954) 426-0441 | 16 | 10-2670 |
| West Tallahassee Dialysis | 5857 W TENNESSEE ST | Tallahassee, FL 32304-9218 | (850) 350-0002 | (850) 350-0120 | 24 | 10-2673 |
| Venice Dialysis Center | 816 PINEBROOK RD | Venice, FL 34285-7103 | (941) 486-9057 | (941) 484-9624 | 23 | 10-2675 |
| Ocala Regional Kidney Center - East | 2870 SE 1ST AVE | Ocala, FL 34471-0406 | (352) 351-9140 | (352) 732-3825 | 31 | 10-2678 |
| West Tampa Dialysis | 4515 GEORGE RD STE 300 | Tampa, FL 33634-7300 | (813) 884-4008 | (813) 884-1465 | 20 | 10-2679 |
| South Florida Dialysis | 1 OAKWOOD BLVD STE 100 | Hollywood, FL 33020-1937 | (954) 894-7500 | (954) 894-7700 | 21 | 10-2680 |
| Ocala Regional Kidney Center - West | 8585 SW HIGHWAY 200 STE 19 | Ocala, FL 34481-9644 | (352) 854-5011 | (352) 854-6299 | 32 | 10-2683 |
| St. Augustine Dialysis | 264 SOUTH PARK CIR E | Saint Augustine, FL 32086-5137 | (904) 808-0445 | (904) 808-0446 | 18 | 10-2692 |
| Gulf Breeze Dialysis Center | 1159 MAIN ST | Dunedin, FL 34698-4650 | (727) 738-4425 | (727) 736-3353 | 10 | 10-2693 |
| New Smyrna Beach Dialysis | 110 S ORANGE ST | New Smyrna Beach, FL 32168-7153 | (386) 409-0025 | (386) 409-0410 | 12 | 10-2696 |
| Fort Lauderdale Dixie Dialysis | 1299 E COMMERCIAL BLVD STE 104 | Oakland Park, FL 33334-4806 | (954) 776-6056 | (954) 776-8088 | 16 | 10-2701 |
| Orlando North Dialysis | 5135 ADANSON ST STE 700 | Orlando, FL 32804-1338 | (407) 539-3998 | (407) 539-5708 | 16 | 10-2707 |
| Pine Island Kidney Center | 1871 N PINE ISLAND RD | Plantation, FL 33322-5208 | (954) 916-8958 | (954) 916-8960 | 20 | 10-2708 |
| Lake Wales Dialysis Center | 1125 BRYN MAWR AVE | Lake Wales, FL 33853-4333 | (863) 679-9851 | (863) 679-9856 | 12 | 10-2712 |
| South Beach Dialysis | 1711 ALTON RD | Miami Beach, FL 33139-2411 | (305) 695-4175 | (305) 695-4179 | 20 | 10-2718 |
| Crystal River Dialysis | 7435 W GULF TO LAKE HWY | Crystal River, FL 34429-7834 | (352) 564-8400 | (352) 564-0147 | 16 | 10-2720 |
| Santa Rosa Dialysis | 5819 HIGHWAY 90 | Milton, FL 32583-1763 | (850) 623-8299 | (850) 623-9616 | 12 | 10-2726 |
| Sebastian Dialysis | 1424 US HWY 1 STE C | Sebastian, FL 32958-1619 | (772) 589-9182 | (772) 589-9959 | 16 | 10-2727 |
| Palm Coast Dialysis | 13 KINGSWOOD DR STE A | Palm Coast, FL 32137-4614 | (386) 445-4445 | (386) 445-3312 | 22 | 10-2728 |
| Ocala Regional Kidney Center - South | 13940 N US HWY 441 BLDG 400 | Lady Lake, FL 32159-8908 | (352) 751-1240 | (352) 751-1250 | 25 | 10-2731 |
| Lakewood Ranch Dialysis | 8470 COOPER CREEK BLVD | University Park, FL 34201-2020 | (941) 359-0676 | (941) 358-7012 | 12 | 10-2733 |
| Four Freedoms Dialysis | 289 SW RANGE AVE STE A | Madison, FL 32340-2351 | (850) 973-3852 | (850) 973-9861 | 16 | 10-2737 |
| Hunters Creek Dialysis | 14050 TOWN LOOP BLVD STE 104A | Orlando, FL 32837-6190 | (407) 858-9458 | (407) 858-0761 | 15 | 10-2740 |
| Bay Breeze Dialysis | 11550 ULMERTON RD | Largo, FL 33778-1501 | (727) 584-4047 | (727) 584-7900 | 20 | 10-2742 |
| Fort Myers South Dialysis | 8850 GLADIOLUS DR | Fort Myers, FL 33908-5102 | (239) 415-1661 | (239) 415-7440 | 22 | 10-2744 |
| Temple Terrace Dialysis | 11306 N 53RD ST | Temple Terrace, FL 33617-2214 | (813) 989-2062 | (813) 989-3658 | 24 | 10-2748 |
| Orlando Southwest Dialysis | 6925 LAKE ELLENOR DR STE 650 | Orlando, FL 32809-4670 | (407) 852-1751 | (407) 852-1748 | 18 | 10-2750 |
| Celebration Dialysis | 1154 CELEBRATION BLVD | Kissimmee, FL 34747-4605 | (407) 566-1780 | (407) 566-1756 | 20 | 10-2751 |
| Bonita Springs Dialysis | 9134 BONITA BEACH RD SE | Bonita Springs, FL 34135-4281 | (239) 949-0444 | (239) 949-0450 | 16 | 10-2752 |
| Arcadia Dialysis Center | 1341 E OAK ST | Arcadia, FL 34266-8902 | (863) 491-8550 | (863) 491-8553 | 16 | 10-2757 |
| North Okaloosa Dialysis | 320 REDSTONE AVE W | Crestview, FL 32536-6433 | (850) 683-5700 | (850) 683-5704 | 15 | 10-2759 |
| Lakeland South Dialysis | 4774 S FLORIDA AVE | Lakeland, FL 33813-2181 | (863) 646-0462 | (863) 647-0802 | 20 | 10-2764 |
| Tallahassee South Dialysis | 2410 S ADAMS ST | Tallahassee, FL 32301-6325 | (850) 224-8757 | (850) 224-8766 | 20 | 10-2765 |
| Chipley Dialysis | 877 3RD ST STE 2 | Chipley, FL 32428-1855 | (850) 638-7783 | (850) 638-8550 | 20 | 10-2771 |
| Orlando Home Training Dialysis | 116 STURTEVANT ST STE 2 | Orlando, FL 32806-2021 | (407) 849-1567 | (407) 849-1657 | 0 | 10-2772 |
| St. Petersburg Dialysis | 1117 ARLINGTON AVE N | Saint Petersburg, FL 33705-1521 | (727) 896-9029 | (727) 896-7269 | 20 | 10-2773 |
| Orange City Dialysis | 2575 S VOLUNIA AVE STE 400 | Orange City, FL 32763-9116 | (386) 774-0101 | (386) 774-0249 | 16 | 10-2775 |
| Miami North Dialysis | 860 NE 125TH ST | North Miami, FL 33161-5743 | (305) 893-7887 | (305) 893-4429 | 17 | 10-2776 |
| Brandon East Dialysis | 114 E BRANDON BLVD | Brandon, FL 33511-5219 | (813) 657-2783 | (813) 657-2521 | 20 | 10-2779 |
| Miami East Dialysis | 1250 NW 7TH ST STE 106 | Miami, FL 33125-3744 | (305) 547-1496 | (305) 547-1516 | 16 | 10-2784 |
| Fort Myers North Dialysis | 16101 N CLEVELAND AVE | North Fort Myers, FL 33903-2148 | (239) 656-4403 | (239) 656-1886 | 12 | 10-2788 |
| Andover Dialysis | 626 S ANDOVER RD STE 900 | Andover, KS 67002-8910 | (316) 733-2984 | (316) 733-4138 | 16 | 17-2557 |
| Ocala Regional Kidney Center - North | 2620 W HWY 316 | Citra, FL 32113-3555 | (352) 591-4680 | (352) 591-4679 | 25 | 10-2793 |
| St. Petersburg South Dialysis | 2850 34TH ST S | Saint Petersburg, FL 33711-3817 | (727) 864-4050 | (727) 864-0013 | 20 | 10-2803 |
| East Ft. Lauderdale Dialysis Center | 1301 S ANDREWS AVE STE 101 | Fort Lauderdale, FL 33316-1823 | (954) 761-1273 | (954) 467-0384 | 18 | 10-2805 |
| Weston Dialysis Center | 2685 EXECUTIVE PARK DR STE 1 | Weston, FL 33331-3651 | (954) 389-1290 | (954) 384-8207 | 15 | 10-2807 |
| Davie City Dialysis | 7950 SW 30TH ST | Davie, FL 33328-1979 | (954) 577-2778 | (954) 577-2710 | 15 | 10-2808 |
| Naples Renal Center | 6625 HILLWAY CIR | Naples, FL 34112-8756 | (239) 775-9454 | (239) 732-1391 | 19 | 10-2809 |
| Coastal Kidney Center | 510 N MACARTHUR AVE | Panama City, FL 32401-3636 | (850) 914-0824 | (850) 914-9962 | 28 | 10-2813 |
| Melbourne Dialysis | 2235 S BACOCK ST | Melbourne, FL 32901-5305 | (321) 956-6252 | (321) 956-6464 | 16 | 10-2816 |
| Embassy Lakes Artificial Kidney Center | 11011 SHERIDAN ST STE 308 | Hollywood, FL 33026-1532 | (954) 430-9166 | (954) 430-9329 | 16 | 10-2817 |
| Davenport Dialysis | 45597 HIGHWAY 27 RIDGEVIEW PL | Davenport, FL 33897-4519 | (863) 419-7408 | (863) 420-9165 | 12 | 10-2819 |
| Lake Griffin East Dialysis | 401 E NORTH BLVD | Leesburg, FL 34748-5262 | (352) 315-0062 | (352) 315-0089 | 16 | 10-2822 |
| Winter Park Home PD Dialysis | 4100 METRIC DR STE 200 | Winter Park, FL 32792-6832 | (407) 681-8730 | (407) 681-8739 | 2 | 10-2823 |
| Ocala Regional Kidney Centers Home Dialysis Division | 2860 SE 1ST AVE | Ocala, FL 34471-0406 | (352) 622-8758 | (352) 622-8658 | 0 | 10-2825 |
| Sanford Dialysis | 1701 W 1ST ST | Sanford, FL 32771-1605 | (407) 268-9425 | (407) 268-9899 | 24 | 10-2827 |
| Apopka Dialysis | 640 EXECUTIVE PARK CT | Apopka, FL 32703-6075 | (407) 389-8980 | (407) 389-8984 | 24 | 10-2829 |
| St Cloud Dialysis | 4750 OLD CANOE CREEK RD | Saint Cloud, FL 34769-1430 | (407) 498-0018 | (407) 498-0881 | 23 | 10-2832 |
| Hialeah Artificial Kidney Center | 8524 NW 103RD ST | Hialeah, FL 33016-4870 | (305) 827-0576 | (305) 827-0871 | 16 | 10-2834 |
| Central Orlando Dialysis | 2548 N ORANGE BLOSSOM TRL STE 204 | Orlando, FL 32804-4863 | (407) 246-5081 | (407) 246-5192 | 24 | 10-2837 |
| Laurel Manor Dialysis Center at the Villages | 1950 LAUREL MANOR DR STE 190 | Lady Lake, FL 32162-5608 | (352) 259-0250 | (352) 259-0335 | 16 | 10-2838 |
| Miami Gardens Dialysis | 3363 NW 167TH ST | Miami Gardens, FL 33056-4254 | (305) 627-9311 | (305) 628-9389 | 16 | 10-2839 |
| Florida Renal Center | 5300 W FLAGLER ST | Coral Gables, FL 33134-1148 | (305) 443-5702 | (305) 443-5176 | 20 | 10-2840 |
| West Pensacola Dialysis Center | 598 N FAIRFIELD DR STE 100 | Pensacola, FL 32506-4320 | (850) 453-6066 | (850) 453-6681 | 16 | 10-2845 |
| Cape Coral South Dialysis | 3040 DEL PRADO BLVD S STE 4A | Cape Coral, FL 33904-7232 | (239) 549-0339 | (239) 549-1349 | 18 | 10-2847 |
| Regency Dialysis Center | 9535 REGENCY SQUARE BLVD N | Jacksonville, FL 32225-8128 | (904) 725-0526 | (904) 725-4726 | 16 | 10-2850 |
| Indian River Dialysis Center | 2150 45TH ST UNIT 102 | Vero Beach, FL 32967-6281 | (772) 567-2529 | (772) 567-2587 | 16 | 10-2851 |
| Casselberry Dialysis | 4970 S US HWY 17/92 | Casselberry, FL 32707-3888 | (321) 207-7135 | (321) 207-0254 | 20 | 10-2857 |
| Winter Park Hemo Dialysis | 4100 METRIC DR STE 300 | Winter Park, FL 32792-6832 | (407) 681-7600 | (407) 681-7690 | 24 | 10-2858 |
| Winter Park Dialysis | 3727 N GOLDENROD RD STE 101 | Winter Park, FL 32792-8611 | (407) 657-5262 | (407) 677-8641 | 12 | 10-2859 |
| West Beach Dialysis Center | 16201 PANAMA CITY BEACH PKWY | Panama City Beach, FL 32413-5307 | (850) 233-0837 | (850) 233-8436 | 8 | 10-2863 |
| Miramar Kidney Center | 2501 DYKES RD STE 200 | Miramar, FL 33027-4223 | (954) 431-6939 | (954) 431-6993 | 16 | 10-2866 |
| Jacksonville South Dialysis Center | 14965 OLD SAINT AUGUSTINE RD | Jacksonville, FL 32258-9481 | (904) 880-9494 | (904) 880-0295 | 16 | 10-2873 |
| Aventura Kidney Center | 22 SW 11TH ST FL 2 | Hallandale Beach, FL 33009-7065 | (954) 458-0887 | (954) 458-0948 | 12 | 10-2875 |
| Advanced Dialysis Center of Fort Lauderdale | 911 E OAKLAND PARK BLVD | Oakland Park, FL 33334-2725 | (954) 318-7000 | (954) 318-7001 | 20 | 10-2878 |
| Winter Garden Dialysis | 1222 WINTER GARDEN VINELAND | Winter Garden, FL 34787-4449 | (407) 877-0364 | (407) 877-3641 | 16 | 10-2880 |
| Orlando Park Dialysis | 5397 W COLONIAL DR STE 120 | Orlando, FL 32808-7647 | (407) 532-3109 | (407) 532-4881 | 24 | 10-2884 |
| Greater Tampa at Home | 4204 N MACDILL AVE STE 1B NORT | Tampa, FL 33607-6364 | (813) 872-8216 | (813) 872-8469 | 4 | 10-2885 |
| East Tampa Dialysis | 1701 E 9TH AVE | Ybor City, FL 33605-3801 | (813) 247-1820 | (813) 247-3129 | 21 | 10-2886 |
| Wesley Chapel Dialysis | 2255 GREEN HEDGES WAY | Wesley Chapel, FL 33544-8183 | (813) 973-0153 | (813) 973-0673 | 6 | 10-2887 |
| Gateway Dialysis | 5705 LEE BLVD STE 16 | Lehigh Acres, FL 33971-6342 | (239) 479-5251 | (239) 479-5275 | 16 | 10-2888 |
| Pinellas West Shore Dialysis | 3451 66TH ST N STE A | Saint Petersburg, FL 33710-1568 | (727) 345-8389 | (727) 345-8410 | 12 | 10-2889 |
| Ave Maria Dialysis | 5340 USEPPA DR | Ave Maria, FL 34142-5051 | (239) 304-0198 | (239) 348-1723 | 16 | 10-2890 |
| Palm Breeze Dialysis | 14942 TAMiami TRL STE E | North Port, FL 34287-2705 | (941) 429-0443 | (941) 429-2240 | 16 | 10-2892 |
| Kendall Kidney Center | 8364 MILLS DR STE 1740 | Miami, FL 33183-4806 | (305) 273-3783 | (305) 273-3873 | 17 | 10-2897 |
| Poinciana Dialysis | 1002 CYPRESS PKWY | Kissimmee, FL 34759-3328 | (321) 697-5658 | (321) 697-5435 | 26 | 10-2898 |
| Rome Dialysis | 20 RIVERBEND DR SW STE 100 | Rome, GA 30161-6066 | (706) 236-9550 | (706) 236-9308 | 21 | 11-2505 |
| Athens West Dialysis | 1747 LANGFORD DR BLDG 500 | Watkinsville, GA 30677-7370 | (706) 583-1785 | (706) 583-1943 | 28 | 11-2513 |
| Brunswick Dialysis | 53 SCRANTON CONNECTOR | Brunswick, GA 31525-1862 | (912) 264-8657 | (912) 265-6542 | 14 | 11-2514 |
| Oak Street Dialysis | 2704 N OAK ST BLDG H | Valdosta, GA 31602-1723 | (229) 247-4857 | (229) 245-8658 | 23 | 11-2515 |
| Jonesboro Dialysis | 129 KING ST | Jonesboro, GA 30236-3656 | (770) 471-2381 | (770) 477-8027 | 20 | 11-2517 |
| Southwest Atlanta Dialysis Center | 3620 MARTIN LUTHER KING DR SW | Atlanta, GA 30331-3711 | (404) 696-7303 | (404) 699-1656 | 30 | 11-2523 |
| Douglasville Dialysis | 3899 LONGVIEW DR | Douglasville, GA 30135-1373 | (770) 949-8403 | (770) 949-8406 | 20 | 11-2526 |
| Washington Dialysis Center | 154 WASHINGTON PLZ | Washington, GA 30673-2074 | (706) 678-5855 | (706) 678-6903 | 25 | 11-2527 |
| Americus Dialysis | 227 N LEE ST | Americus, GA 31709-3525 | (229) 928-2257 | (229) 928-0695 | 19 | 11-2528 |
| Jesup Dialysis | 301 PEACHTREE ST | Jesup, GA 31545-0245 | (912) 427-8946 | (912) 427-3164 | 16 | 11-2532 |
| Douglas Dialysis | 190 WESTSIDE DR STE A | Douglas, GA 31533-3534 | (912) 384-3439 | (912) 383-6324 | 23 | 11-2535 |
| Elberton Dialysis Center | 894 ELBERT ST | Elberton, GA 30635-2628 | (706) 283-9833 | (706) 283-9844 | 18 | 11-2545 |

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|---|---------------------------------|-------------------------------|----------------|----------------|----|---------|
| Laurens County Dialysis | 2400 BELLEVUE RD STE 8 | Dublin, GA 31021-2856 | (478) 272-5190 | (478) 275-2433 | 26 | 11-2546 |
| Eastlake Dialysis | 1757 CANDLER RD | Decatur, GA 30032-3276 | (404) 289-2313 | (404) 289-2450 | 20 | 11-2553 |
| Hinesville Dialysis | 522 ELMA G MILES PKWY | Hinesville, GA 31313-4021 | (912) 368-4850 | (912) 368-7247 | 16 | 11-2555 |
| Thomaston Dialysis | 1065 US HIGHWAY 19 NORTH | Thomaston, GA 30286-2230 | (706) 648-6364 | (706) 648-3505 | 23 | 11-2557 |
| St. Mary's Dialysis | 2714 OSBORNE RD | Saint Marys, GA 31558-4049 | (912) 214-2806 | (912) 214-2807 | 16 | 11-2558 |
| Fort Valley Dialysis Center | 557 BLUEBIRD BLVD | Fort Valley, GA 31030-5083 | (478) 825-7208 | (478) 825-3114 | 13 | 11-2559 |
| Atlanta Dialysis | 567 NORTH AVE NE STE 200 | Atlanta, GA 30308-2721 | (404) 853-1662 | (404) 853-3674 | 28 | 11-2561 |
| Ponce City Dialysis | 567 NORTH AVE NE STE 100 | Atlanta, GA 30308-2721 | (404) 745-9580 | (404) 745-9155 | 25 | 11-2562 |
| Linden Dialysis | 121 LINDEN AVE NE | Atlanta, GA 30308-2432 | (404) 817-9700 | (404) 817-6644 | 28 | 11-2566 |
| Atlanta Airport Dialysis | 2685 METROPOLITAN PKWY SW ST | Atlanta, GA 30315-7926 | (404) 761-2630 | (404) 761-2618 | 20 | 11-2568 |
| Milledgeville Dialysis | 400 S WAYNE ST | Milledgeville, GA 31061-3446 | (478) 453-9489 | (478) 453-3100 | 12 | 11-2571 |
| East Cobb Dialysis | 4880 LOWER ROSWELL RD STE 770 | Marietta, GA 30068-4375 | (770) 321-0675 | (770) 509-8283 | 13 | 11-2572 |
| Columbus Dialysis Center | 6228 BRADLEY PARK DR STE B | Columbus, GA 31904-3604 | (706) 596-8222 | (706) 596-8381 | 22 | 11-2573 |
| Wylds Road Dialysis | 1815 WYLDSD RD | Augusta, GA 30909-4430 | (706) 733-0522 | (706) 733-0432 | 20 | 11-2579 |
| Cobb Dialysis | 3885 MEDICAL PARK DR STE 110 | Austell, GA 30106-1109 | (770) 941-3898 | (800) 294-9884 | 21 | 11-2581 |
| Dialysis Center of Middle Georgia - Macon | 2494 2ND ST | Macon, GA 31206 | (478) 464-1872 | (478) 464-0792 | 16 | 11-2583 |
| Paudling Dialysis | 4019 JOHNS RD | Dallas, GA 30132-3420 | (770) 445-3571 | (770) 445-3898 | 16 | 11-2594 |
| Southern Lane Dialysis | 1840 SOUTHERN LN | Decatur, GA 30033-4033 | (404) 325-8884 | (404) 325-8879 | 16 | 11-2596 |
| East Macon Dialysis Center | 165 EMERY HWY STE 101 | Macon, GA 31217-3617 | (478) 755-1144 | (478) 755-1127 | 24 | 11-2602 |
| Moultrie Dialysis Center | 2419 S MAIN ST | Moultrie, GA 31768-6531 | (229) 890-1221 | (229) 890-1226 | 10 | 11-2603 |
| Brunswick South Dialysis | 2930 SPRINGDALE RD | Brunswick, GA 31520-4838 | (912) 267-1507 | (912) 267-9768 | 16 | 11-2608 |
| North Fulton Dialysis | 1250 NORTHMEADOW PKWY STE 1 | Roswell, GA 30076-4914 | (770) 569-2888 | (770) 569-2861 | 20 | 11-2617 |
| Dialysis Center of Middle Georgia - Warner Robins | 509 N HOUSTON RD | Warner Robins, GA 31093-8844 | (478) 328-1800 | (478) 929-5499 | 12 | 11-2620 |
| Candler County Dialysis | 325 CEDAR ST | Metter, GA 30439-4043 | (912) 225-9849 | (912) 225-9850 | 20 | 11-2624 |
| Abercorn Dialysis | 11706 MERCY BLVD STE 9 | Savannah, GA 31419-1751 | (912) 961-6006 | (912) 961-9257 | 12 | 11-2631 |
| Decatur Dialysis Center | 1987 CANDLER RD | Decatur, GA 30032-4212 | (404) 286-1700 | (404) 286-1710 | 20 | 11-2633 |
| Williams Street Dialysis | 2812 WILLIAMS ST | Savannah, GA 31404-4134 | (912) 354-5005 | (912) 353-7509 | 20 | 11-2636 |
| Baxley Dialysis | 539 FAIR ST | Baxley, GA 31513-0112 | (912) 366-0202 | (912) 366-0333 | 13 | 11-2638 |
| DeRenne Dialysis | 5303 MONTGOMERY ST | Savannah, GA 31405-5138 | (912) 352-1354 | (912) 352-7489 | 16 | 11-2639 |
| Greensboro Dialysis | 1220 SILOAM RD | Greensboro, GA 30642-2810 | (706) 453-7222 | (706) 453-0022 | 15 | 11-2640 |
| Atlanta West Dialysis | 2538 MARTIN LUTHER KING JR DR | Atlanta, GA 30311-1779 | (404) 699-1300 | (404) 699-1144 | 20 | 11-2643 |
| Snapping Dialysis | 5255 SNAPPINGER PARK DR STE 111 | Decatur, GA 30035-4066 | (770) 981-0558 | (770) 981-4828 | 24 | 11-2646 |
| McDonough Dialysis Center | 114 DUNN ST | McDonough, GA 30253-2347 | (770) 898-4999 | (770) 898-0059 | 20 | 11-2651 |
| East Point Dialysis Center | 2669 CHURCH ST | East Point, GA 30344-3115 | (404) 765-1780 | (404) 765-9939 | 28 | 11-2655 |
| Fayetteville Dialysis | 1279 HIGHWAY 54 W STE 110 | Fayetteville, GA 30214-4551 | (678) 817-9974 | (678) 817-9930 | 19 | 11-2657 |
| Centennial Atlanta Dialysis | 418 DECATUR ST SE | Atlanta, GA 30312-1801 | (404) 524-1606 | (404) 525-3502 | 18 | 11-2660 |
| Effingham North Dialysis | 1451 GA HWY 21 S STE A | Springfield, GA 31329-5244 | (912) 754-4289 | (912) 754-6564 | 12 | 11-2661 |
| Nephrology Center of South Augusta | 1631 GORDON HWY STE 1B | Augusta, GA 30906-2221 | (706) 790-8300 | (706) 790-9944 | 19 | 11-2671 |
| Cumming Dialysis | 911 MARKET PLACE BLVD STE 3 | Cumming, GA 30041-7938 | (678) 513-6486 | (678) 947-5446 | 12 | 11-2681 |
| Perry Dialysis Center | 1014 KEITH DR | Perry, GA 31069-2947 | (478) 777-8082 | (478) 777-8083 | 16 | 11-2683 |
| Newman Dialysis | 242 BULLSBORO DR | Newman, GA 30263-1295 | (770) 304-5850 | (770) 304-5855 | 21 | 11-2689 |
| Cartersville Renal Center | 419 E MAIN ST | Cartersville, GA 30121-3349 | (678) 721-1045 | (678) 721-1252 | 17 | 11-2691 |
| Forest Park Dialysis Center | 380 FOREST PKWY STE C | Forest Park, GA 30297-2107 | (404) 361-0646 | (404) 361-0727 | 18 | 11-2692 |
| Gainesville Dialysis | 2545 FLINTRIDGE RD STE 130 | Gainesville, GA 30501-7428 | (770) 536-7194 | (770) 535-1597 | 17 | 11-2693 |
| Northlake Dialysis | 1350 MONTREAL RD STE 200 | Tucker, GA 30084-8144 | (678) 406-0825 | (678) 406-0830 | 19 | 11-2695 |
| Sweetwater Dialysis | 7117 S SWEETWATER RD | Lithia Springs, GA 30122-2446 | (678) 945-3600 | (678) 945-3623 | 17 | 11-2706 |
| Ellijay Dialysis | 449 INDUSTRIAL BLVD STE 240 | Ellijay, GA 30540-6724 | (706) 719-5354 | (706) 719-5355 | 12 | 11-2709 |
| East Georgia Dialysis | 1989 STAMBUK LN | Statesboro, GA 30458-2642 | (912) 871-5394 | (912) 681-4330 | 29 | 11-2710 |
| Iris City Dialysis | 521 N EXPRESSWAY STE 1509 | Griffin, GA 30223-2073 | (770) 228-3177 | (770) 229-8431 | 28 | 11-2711 |
| East Dekalb Dialysis | 2853 CANDLER RD STE 203 | Decatur, GA 30034-1421 | (404) 241-0402 | (404) 328-0232 | 16 | 11-2715 |
| Vidalia First Street Dialysis | 906 E 1ST ST | Vidalia, GA 30474-4207 | (912) 538-8908 | (912) 538-8909 | 21 | 11-2723 |
| Montezuma Dialysis | 114 DEVAUGHN AVE | Montezuma, GA 31063-1708 | (478) 472-7099 | (478) 472-7128 | 12 | 11-2724 |
| Wrightsville Dialysis | 2240 W ELM ST | Wrightsville, GA 31096-2016 | (478) 864-8701 | (478) 864-8716 | 12 | 11-2725 |
| Loring Heights Dialysis | 1741 COMMERCE DR NW STE 405 | Atlanta, GA 30318-3107 | (404) 351-5758 | (404) 351-9740 | 20 | 11-2727 |
| Bakers Ferry Dialysis | 3645 BAKERS FERRY RD SW | Atlanta, GA 30331-3712 | (404) 691-1932 | (404) 691-2786 | 20 | 11-2729 |
| Grovepark Dialysis | 794 MCDONOUGH RD | Jackson, GA 30233-1572 | (770) 504-0365 | (770) 504-8761 | 12 | 11-2741 |
| West Georgia Dialysis | 1216 STARK AVE | Columbus, GA 31906-2500 | (706) 320-0103 | (706) 320-1906 | 20 | 11-2742 |
| Lake Hearn Dialysis | 1155 LAKE HEARN DR NE STE 100 | Atlanta, GA 30342-1566 | (404) 847-9850 | (404) 847-9261 | 20 | 11-2745 |
| Dialysis of Lithonia | 2485 PARK CENTRAL BLVD | Decatur, GA 30035-3903 | (678) 418-9808 | (678) 418-9802 | 24 | 11-2746 |
| Sugarloaf Dialysis | 1705 BELLE MEADE CT STE 110 | Lawrenceville, GA 30043-5895 | (770) 513-2833 | (770) 513-7611 | 20 | 11-2758 |
| Buford Dialysis | 1550 BUFORD HWY STE 1E | Buford, GA 30518-3666 | (770) 831-2379 | (770) 831-6983 | 21 | 11-2760 |
| Northwest Georgia Dialysis | 260 HOSPITAL RD | Canton, GA 30114-2409 | (678) 880-3939 | (770) 479-9466 | 19 | 11-2765 |
| Southern Crescent Dialysis Center | 275 UPPER RIVERDALE RD SW STE 8 | Riverdale, GA 30274-2556 | (770) 907-7022 | (770) 907-7587 | 20 | 11-2771 |
| Spivey Peritoneal and Home Dialysis Center | 7444 HANNOVER PKWY S STE 150 | Stockbridge, GA 30281-7847 | (770) 507-0988 | (770) 389-9432 | 0 | 11-2774 |
| Mountain Park Dialysis | 5235 MEMORIAL DR | Stone Mountain, GA 30083-3112 | (404) 296-1344 | (404) 296-4706 | 16 | 11-2777 |
| Medlock Bridge Dialysis | 10680 MEDLOCK BRIDGE RD STE 10 | Duluth, GA 30097-8420 | (770) 622-2167 | (770) 622-5542 | 16 | 11-2778 |
| North Henry Dialysis | 3546 HIGHWAY 138 SE STE 150 | Stockbridge, GA 30281-4170 | (770) 507-7169 | (678) 289-9223 | 24 | 11-2784 |
| Union City Dialysis | 6851 SHANNON PKWY STE 200 | Union City, GA 30291-2049 | (770) 774-9033 | (770) 774-3189 | 20 | 11-2788 |
| Athens East Dialysis | 2026 S MILLEDGE AVE STE A2 | Athens, GA 30605-6480 | (706) 549-3082 | (706) 549-3802 | 19 | 11-2789 |
| Southstar Adamsville Dialysis | 3651 BAKERS FERRY RD SW | Atlanta, GA 30331-3712 | (404) 472-1856 | (404) 472-3970 | 20 | 11-2790 |
| Tifton Dialysis | 624 LOVE AVE | Tifton, GA 31794-4406 | (229) 382-1497 | (229) 386-4748 | 16 | 11-2794 |
| Cordele Dialysis Center | 1013 E 16TH AVE | Cordele, GA 31015-1539 | (229) 273-0163 | (229) 273-5849 | 20 | 11-2796 |
| Kidney Dialysis Center | 640 MARTIN LUTHER KING JR BLVD | Macon, GA 31201-3297 | (478) 742-5850 | (478) 742-5860 | 16 | 11-2803 |
| Snellville Dialysis | 2135 MAIN ST E STE 130 | Snellville, GA 30078-6424 | (770) 979-3117 | (770) 979-3640 | 28 | 11-2806 |
| Arbor Place Dialysis | 9559 HIGHWAY 5 STE 1 | Douglasville, GA 30135-1573 | (678) 391-0993 | (678) 391-0977 | 13 | 11-2807 |
| Kennestone Dialysis | 200 COBB PKWY N STE 318 | Marietta, GA 30062-3558 | (678) 797-1110 | (678) 797-1176 | 20 | 11-2810 |
| Pooler Dialysis | 54 TRADERS WAY | Pooler, GA 31322-4158 | (912) 748-1018 | (912) 748-4187 | 16 | 11-2811 |
| Shamrock Dialysis | 1016 CLAXTON DAIRY RD STE 1A | Dublin, GA 31021-7971 | (478) 275-4200 | (478) 275-4225 | 16 | 11-2813 |
| Peachtree City Dialysis | 2830 W HWY 54 BLDG 100 STE J AN | Peachtree City, GA 30269-1026 | (678) 364-9165 | (678) 364-9823 | 16 | 11-2815 |
| Georgia Dialysis for Adolescents and Pediatrics | 4434 HUGH HOWELL RD | Tucker, GA 30084-4905 | (770) 491-7187 | (770) 491-7192 | 16 | 11-2816 |
| Satilla River Dialysis | 308 CARSWELL AVE | Waycross, GA 31501-4762 | (912) 285-1663 | (912) 285-3078 | 16 | 11-2817 |
| North Atlanta Home Training | 5775 PEACHTREE DUNWOODY RD | Atlanta, GA 30342-1556 | (404) 250-0925 | (404) 250-9933 | 5 | 11-2820 |
| Classic City Dialysis | 1686 PRINCE AVE | Athens, GA 30606-6021 | (706) 850-7400 | (706) 850-7404 | 20 | 11-2821 |
| Andover Dialysis | 488 S MAIN ST | Andover, OH 44003-9602 | (440) 293-6028 | (440) 293-6219 | 14 | 36-2694 |
| Colonial Springs Dialysis | 2840 EAST WEST CONNECTOR STE | Austell, GA 30106-6852 | (770) 222-2236 | (770) 222-4907 | 17 | 11-2829 |
| Magnolia Oaks Dialysis | 2377 HWY 196 W | Hinesville, GA 31313-8036 | (912) 368-2710 | (912) 368-2714 | 20 | 11-2831 |
| North Carrollton Dialysis | 195 PARKWOOD CIR | Carrollton, GA 30117-8756 | (770) 832-8959 | (770) 832-8796 | 12 | 11-2840 |
| McAfee Dialysis | 1987 CANDLER RD STE C | Decatur, GA 30032-4212 | (404) 284-8596 | (404) 284-8595 | 20 | 11-2841 |
| Darien Dialysis | 5873 HIGHWAY 17 NORTH | Darien, GA 31305-4015 | (912) 289-3234 | (912) 289-3235 | 8 | 11-2848 |
| Buckhead Home Training | 1575 NORTHSIDE DR NW STE 355 | Atlanta, GA 30318-4210 | (404) 352-1870 | (404) 352-3107 | 4 | 11-2851 |
| Sunrise on Central Dialysis | 540 CENTRAL AVE SW | Atlanta, GA 30312-2735 | (404) 581-9314 | (404) 681-4718 | 19 | 11-2852 |
| Lake Hartwell Dialysis | 1065 E FRANKLIN ST | Hartwell, GA 30643-2205 | (470) 407-7348 | (470) 407-7349 | 12 | 11-2854 |
| McDuffie Dialysis | 1621 MCNEIL CIRCLE | Thomson, GA 30824-8060 | (706) 595-3054 | (706) 595-3907 | 17 | 11-2855 |
| Valdosta Home Training | 401 NORTHSIDE DR STE A | Valdosta, GA 31602-1872 | (229) 247-9286 | (229) 247-9190 | 3 | 11-2857 |
| Troup County Dialysis | 140 SLOAN BASS RD | La Grange, GA 30240-5809 | (706) 882-0193 | (706) 882-1895 | 33 | 11-2858 |
| Savannah Gateway Dialysis | 5973 OGEECHEE RD | Savannah, GA 31419-8901 | (912) 925-1920 | (912) 925-2935 | 17 | 11-2859 |
| Walton County Dialysis | 225 PLAZA DR | Monroe, GA 30655-3184 | (770) 207-6942 | (770) 267-6811 | 12 | 11-2863 |
| Turner Hill Dialysis | 7301 STONECREST CONCOURSE ST | Lithonia, GA 30038-6902 | (770) 484-8475 | (770) 484-8916 | 20 | 11-2866 |
| West Hiram Dialysis | 76 HIGHLAND PAVILION CT STE 124 | Hiram, GA 30141-3170 | (678) 384-1180 | (678) 384-0662 | 17 | 11-2867 |
| Columbus Home Training | 1200 BROOKSTONE CENTRE PKWY | Columbus, GA 31904-2934 | (706) 322-2935 | (706) 317-4862 | 4 | 11-2869 |
| McFarland Dialysis | 6225 ATLANTA HWY STE 117 | Alpharetta, GA 30004-8799 | (770) 569-1275 | (770) 475-1932 | 17 | 11-2870 |
| Ellijay Home Training | 449 INDUSTRIAL BLVD STE 245 | Ellijay, GA 30540-3772 | (706) 276-6040 | (706) 276-6041 | 0 | 11-2872 |
| Old National Dialysis | 5615 OLD NATIONAL HWY STE A | College Park, GA 30349-3817 | (404) 762-9243 | (404) 762-5304 | 17 | 11-2875 |
| Victory Dialysis | 2401 SHELBY ST | Columbus, GA 31903-3360 | (706) 682-5327 | (706) 682-6059 | 12 | 11-2876 |
| Tri County Dialysis | 2540 FLAT SHOALS RD | Atlanta, GA 30349-4314 | (770) 991-6479 | (770) 991-5206 | 17 | 11-2877 |
| South Fulton Home Training | 1275 E CLEVELAND AVE 1ST FLR | East Point, GA 30344-3433 | (404) 305-9080 | (404) 305-9084 | 3 | 11-2880 |

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| Meriwether Greenville Dialysis | 4130 WHITE HOUSE PKWY | Warm Springs, GA 31830-2214 | (706) 655-3642 | (706) 655-3754 | 11 | 11-2881 |
| Newton County Dialysis | 10132 CARLIN DR | Covington, GA 30014-3651 | (770) 385-8008 | (770) 385-7287 | 17 | 11-2883 |
| Sumter County Dialysis | 1432 E FORTSYTH ST | Americus, GA 31709-3808 | (229) 924-9709 | (229) 924-6002 | 12 | 11-2885 |
| Savannah Riverside Dialysis | 540 E OGLETHORPE AVE | Savannah, GA 31401-4121 | (912) 236-3053 | (912) 238-1024 | 16 | 11-2891 |
| Locust Grove Dialysis | 521 STANLEY K TANGER BLVD | Locust Grove, GA 30248-2591 | (770) 914-1432 | (770) 957-7565 | 12 | 11-2892 |
| Rainbow Dialysis-Lahaina | 305 KEAWE ST STE 503 | Lahaina, HI 96761-2734 | (808) 661-8372 | (808) 661-9484 | 6 | 12-2528 |
| Nampa Dialysis Center | 846 PARCENTRE WAY | Nampa, ID 83651-1790 | (208) 467-5180 | (208) 467-4475 | 15 | 13-2501 |
| Table Rock Dialysis Center | 5610 W GAGE ST STE B | Boise, ID 83706-1332 | (208) 658-8111 | (208) 658-8127 | 25 | 13-2502 |
| Burley Dialysis Center | 741 N OVERLAND AVE | Burley, ID 83318-3440 | (208) 677-5483 | (208) 677-5498 | 12 | 13-2503 |
| Twin Falls Dialysis Center | 582 POLE LINE RD | Twin Falls, ID 83301-3042 | (208) 733-2006 | (208) 733-2051 | 14 | 13-2505 |
| Treasure Valley Dialysis Center | 3045 E ST LUKES ST STE 105 | Meridian, ID 83642-3507 | (208) 887-2174 | (208) 887-9437 | 17 | 13-2513 |
| Caldwell Dialysis Center | 4716 BEACON LN | Caldwell, ID 83605-4834 | (208) 454-8260 | (208) 454-8204 | 12 | 13-2518 |
| Moscow Dialysis Center | 212 RODEO DR STE 110 | Moscow, ID 83843-9791 | (208) 882-5925 | (208) 882-5926 | 8 | 13-2521 |
| Syringa Home Training | 1070 N CURTIS RD STE 125 | Boise, ID 83706-1249 | (208) 375-4027 | (208) 375-4239 | 0 | 13-2532 |
| Fruitland Dialysis | 815 NW 13TH ST | Fruitland, ID 83619-2316 | (208) 764-1487 | (208) 764-1488 | 12 | 13-2533 |
| Loop Renal Center | 1101 S CANAL ST | Chicago, IL 60607-4901 | (312) 341-2543 | (312) 341-9498 | 28 | 14-2505 |
| Evanston Renal Center | 1922 DEMPSTER ST | Evanston, IL 60202-1016 | (847) 869-5336 | (847) 869-5313 | 22 | 14-2511 |
| Metro East Dialysis | 5105 W MAIN ST | Belleville, IL 62226-4728 | (618) 233-9018 | (618) 233-5647 | 36 | 14-2527 |
| Lincoln Park Dialysis | 2484 N ELSTON AVE | Chicago, IL 60647-2002 | (773) 278-4403 | (773) 489-6986 | 25 | 14-2528 |
| Emerald Dialysis | 710 W 43RD ST | Chicago, IL 60609-3435 | (773) 843-5668 | (773) 523-8225 | 24 | 14-2529 |
| Logan Square Dialysis | 2838 N KIMBALL AVE | Chicago, IL 60618-7524 | (773) 342-3738 | (773) 342-8186 | 28 | 14-2534 |
| Granite City Dialysis Center | 9 AMERICAN VLG | Granite City, IL 62040-3706 | (618) 452-5858 | (618) 452-6868 | 20 | 14-2537 |
| Mount Vernon Dialysis | 4102 N WATER TOWER PL | Mount Vernon, IL 62864-6583 | (618) 244-3407 | (618) 242-6137 | 16 | 14-2541 |
| South Holland Renal Center | 16110 LA SALLE ST | South Holland, IL 60473-1299 | (708) 331-7697 | (708) 331-7698 | 27 | 14-2544 |
| Olympia Fields Dialysis Center | 4557 LINCOLN HWY STE B | Matteson, IL 60443-2385 | (708) 503-1112 | (708) 503-1116 | 24 | 14-2548 |
| Lake County Dialysis Services | 565 LAKEVIEW PKWY STE 176 | Vernon Hills, IL 60061-1822 | (847) 918-0592 | (847) 549-1281 | 18 | 14-2552 |
| Sun Health Dialysis | 2121 ONEIDA ST STE 104 | Joliet, IL 60435-6546 | (815) 725-7886 | (815) 725-7876 | 17 | 14-2553 |
| Skyline Home Dialysis | 7009 W BELMONT AVE | Chicago, IL 60634-4533 | (773) 637-7303 | (773) 637-7343 | 0 | 14-2560 |
| Sauget Dialysis | 2061 GOOSE LAKE RD | Sauget, IL 62206-2822 | (618) 332-7801 | (618) 332-7815 | 24 | 14-2561 |
| Waukegan Home Training | 3350 GRAND AVE STE 101 | Waukegan, IL 60085-2206 | (847) 599-6057 | (847) 599-9052 | 0 | 14-2567 |
| Country Hills Dialysis | 4215 W 167TH ST | Country Club Hills, IL 60478-2017 | (708) 206-1845 | (708) 957-7521 | 24 | 14-2575 |
| Waukegan Renal Center | 3350 GRAND AVE STE 100 | Waukegan, IL 60085-2206 | (847) 782-0640 | (847) 599-9563 | 24 | 14-2577 |
| Effingham Dialysis | 904 MEDICAL PARK DR STE 1 | Effingham, IL 62401-2193 | (217) 342-9558 | (217) 342-1049 | 16 | 14-2580 |
| Jacksonville Dialysis | 1515 W WALNUT ST | Jacksonville, IL 62650-1150 | (217) 243-3042 | (217) 243-1365 | 14 | 14-2581 |
| Lincoln Dialysis | 2100 5TH ST | Lincoln, IL 62656-9115 | (217) 732-6798 | (217) 732-7076 | 14 | 14-2582 |
| Litchfield Dialysis | 915 ST FRANCIS WAY | Litchfield, IL 62056-1775 | (217) 324-2200 | (217) 324-2077 | 12 | 14-2583 |
| Macon County Dialysis | 1090 W MCKINLEY AVE | Decatur, IL 62526-3208 | (217) 877-9351 | (217) 877-2137 | 23 | 14-2584 |
| Mattoon Dialysis | 6051 DEVELOPMENT DR | Charleston, IL 61920-9467 | (217) 345-2550 | (217) 345-5770 | 18 | 14-2585 |
| Springfield Central Dialysis | 600 N GRAND AVE W | Springfield, IL 62702-2538 | (217) 528-0556 | (217) 528-4065 | 24 | 14-2586 |
| Taylorville Dialysis | 901 W SPRESSER ST | Taylorville, IL 62568-1831 | (217) 824-5460 | (217) 824-5967 | 12 | 14-2587 |
| Springfield Montvale Dialysis | 2930 MONTVALE DR STE A | Springfield, IL 62704-5376 | (217) 793-2781 | (217) 793-2845 | 17 | 14-2590 |
| Carpentersville Dialysis | 2203 RANDALL RD | Carpentersville, IL 60110-3355 | (847) 426-6456 | (847) 426-4795 | 13 | 14-2598 |
| Decatur East Wood Dialysis | 794 E WOOD ST | Decatur, IL 62523-1155 | (217) 425-6403 | (217) 425-8724 | 18 | 14-2599 |
| TRC Children's Dialysis Center | 1333 N KINGSBURY ST STE 100 | Chicago, IL 60642-2687 | (312) 642-2631 | (312) 642-2695 | 8 | 14-2604 |
| Benton Dialysis | 1151 ROUTE 14 W | Benton, IL 62812-1500 | (618) 435-4850 | (618) 435-4852 | 13 | 14-2608 |
| Centralia Dialysis | 1231 STATE ROUTE 161 | Centralia, IL 62801-6739 | (618) 533-2535 | (618) 533-3911 | 14 | 14-2609 |
| Stonestown Dialysis | 1302 E STATE ST | Rockford, IL 61104-2228 | (815) 968-5794 | (815) 968-8669 | 12 | 14-2615 |
| Alton Dialysis | 309 HOMER ADAMS PKWY | Alton, IL 62002-5929 | (618) 462-0186 | (618) 462-0213 | 18 | 14-2619 |
| Rushville Dialysis | 112 SULLIVAN DRIVE | Rushville, IL 62681-1293 | (217) 322-2652 | (217) 322-4893 | 8 | 14-2620 |
| Hazel Crest Renal Center | 3470 W 183RD ST | Hazel Crest, IL 60429-2428 | (708) 799-3101 | (708) 799-3320 | 20 | 14-2622 |
| Arlington Heights Renal Center | 17 W GOLF RD | Arlington Heights, IL 60005-3905 | (847) 437-2188 | (847) 437-1891 | 20 | 14-2628 |
| Illini Renal Dialysis | 1004 W ANTHONY DR | Champaign, IL 61821-1205 | (217) 355-7020 | (217) 355-7313 | 24 | 14-2633 |
| Maryville Dialysis | 2102 VADALABENE DR STE 1 | Maryville, IL 62062-5632 | (618) 288-1196 | (618) 288-1294 | 16 | 14-2634 |
| Chicago Heights Dialysis | 177 W JOE ORR RD STE B | Chicago Heights, IL 60411-1733 | (708) 755-9000 | (708) 755-9017 | 16 | 14-2635 |
| Jerseyville Dialysis | 917 S STATE ST | Jerseyville, IL 62052-2344 | (618) 498-9532 | (618) 498-1012 | 17 | 14-2636 |
| Beverly Dialysis | 8109 SOUTH WESTERN AVE | Chicago, IL 60620-5939 | (773) 778-0173 | (773) 778-0193 | 16 | 14-2638 |
| Sycamore Dialysis | 2200 GATEWAY DR | Sycamore, IL 60178-3113 | (815) 758-0205 | (815) 758-0244 | 14 | 14-2639 |
| Churchview Dialysis | 417 WARE AVE | Rockford, IL 61107-6413 | (815) 397-4123 | (815) 397-3059 | 14 | 14-2640 |
| Marengo City Dialysis | 910 GREENLEE ST STE B | Marengo, IL 60152-8200 | (815) 568-5800 | (815) 568-5900 | 23 | 14-2643 |
| Rockford Dialysis | 3339 N ROCKTON AVE | Rockford, IL 61103-2839 | (815) 636-4493 | (815) 637-4814 | 22 | 14-2647 |
| Whiteside Dialysis | 4406 E LINCOLNWAY | Sterling, IL 61081-9749 | (815) 535-0447 | (815) 535-9474 | 16 | 14-2648 |
| Montclare Dialysis Center | 7009 W BELMONT AVE | Chicago, IL 60634-4533 | (773) 889-6051 | (773) 889-6030 | 16 | 14-2649 |
| Buffalo Grove Dialysis | 1291 W DUNDEE RD | Buffalo Grove, IL 60089-4009 | (847) 253-9400 | (847) 253-9484 | 16 | 14-2650 |
| Dixon Kidney Center | 1131 N GALENA AVE | Dixon, IL 61021-1015 | (815) 284-0595 | (815) 284-0547 | 13 | 14-2651 |
| Schaumburg Renal Center | 1156 S ROSELLE RD | Schaumburg, IL 60193-4072 | (847) 524-4310 | (847) 524-4311 | 22 | 14-2654 |
| Mt. Greenwood Dialysis | 3401 W 111TH ST | Chicago, IL 60655-3329 | (773) 445-0558 | (773) 445-0829 | 16 | 14-2660 |
| Stony Creek Dialysis | 6246 W 95TH ST | Oak Lawn, IL 60453-2702 | (708) 233-9027 | (708) 233-9429 | 16 | 14-2661 |
| Roxbury Dialysis Center | 622 ROXBURY RD | Rockford, IL 61107-5089 | (815) 397-0713 | (815) 397-0796 | 16 | 14-2665 |
| Lake Villa Dialysis | 37809 N IL ROUTE 59 | Lake Villa, IL 60046-7332 | (847) 245-4872 | (847) 245-4873 | 12 | 14-2666 |
| Little Village Dialysis | 2335 W CERMAK RD | Chicago, IL 60608-3811 | (773) 523-2939 | (773) 523-3797 | 16 | 14-2668 |
| Manteno Dialysis | 1 E DIVISION ST | Manteno, IL 60950-1507 | (815) 468-8944 | (815) 468-8993 | 15 | 14-2671 |
| Olney Dialysis Center | 117 N BOONE ST | Olney, IL 62450-2109 | (618) 393-4234 | (618) 393-4614 | 8 | 14-2674 |
| Kankakee County Dialysis | 581 WILLIAM R LATHAM SR DR STE | Bourbonnais, IL 60914-2439 | (815) 936-3088 | (815) 936-3756 | 16 | 14-2685 |
| Maryville Home Dialysis | 2102 VADALABENE DR STE B | Maryville, IL 62062-5632 | (618) 288-1521 | (618) 288-1759 | 0 | 14-2686 |
| Edens Home Dialysis | 8950 GROSS POINT RD STE 300 | Skokie, IL 60077-1860 | (847) 966-8043 | (847) 966-8087 | 0 | 14-2687 |
| Wayne County Dialysis | 303 NW 11TH ST STE 1 | Fairfield, IL 62837-1203 | (618) 842-7204 | (618) 842-7279 | 9 | 14-2688 |
| Vandalia Dialysis | 301 MATTES AVE | Vandalia, IL 62471-2061 | (618) 283-1366 | (618) 283-1390 | 8 | 14-2693 |
| Woodridge Home Dialysis | 7425 JAMES AVE STE 103 | Woodridge, IL 60517-2335 | (630) 968-0081 | (630) 968-0129 | 0 | 14-2696 |
| Harvey Dialysis | 16641 S HALSTED ST STE A | Harvey, IL 60426-6112 | (708) 210-9500 | (708) 210-9150 | 18 | 14-2698 |
| Edwardsville Dialysis | 235 S BUCHANAN ST | Edwardsville, IL 62025-2108 | (618) 692-9217 | (618) 692-9439 | 8 | 14-2701 |
| Pittsfield Dialysis | 640 W WASHINGTON ST | Pittsfield, IL 62363-1350 | (217) 285-2780 | (217) 285-4549 | 5 | 14-2708 |
| Adams County Dialysis | 436 N 10TH ST | Quincy, IL 62301-2601 | (217) 223-7913 | (217) 223-1369 | 19 | 14-2711 |
| Big Oaks Dialysis | 5623 W TOUHY AVE | Niles, IL 60714-4019 | (847) 647-3140 | (847) 647-5006 | 12 | 14-2712 |
| Robinson Dialysis | 1215 N ALLEN ST STE B | Robinson, IL 62454-1100 | (618) 544-7092 | (618) 544-7370 | 9 | 14-2714 |
| Cobblestone Dialysis | 836 DUNDEE AVE STE A | Elgin, IL 60120-3068 | (847) 888-9386 | (847) 888-9394 | 16 | 14-2715 |
| Crystal Springs Dialysis | 720 COG CIRCLE STE A | Crystal Lake, IL 60014-7301 | (815) 459-4945 | (815) 459-4836 | 16 | 14-2716 |
| Kenwood Dialysis | 4259 S COTTAGE GROVE AVE STE 1 | Chicago, IL 60653-2929 | (773) 285-3621 | (773) 924-5670 | 32 | 14-2717 |
| Stony Island Dialysis | 8725 S STONY ISLAND AVE | Chicago, IL 60617-2709 | (773) 221-7320 | (773) 221-7410 | 32 | 14-2718 |
| West Lawn Dialysis | 7000 S PULASKI RD | Chicago, IL 60629-5842 | (773) 284-5324 | (773) 284-5616 | 12 | 14-2719 |
| Kenwood Home Training | 4259 S COTTAGE GROVE AVE STE 2 | Chicago, IL 60653-2929 | (773) 924-5948 | (773) 924-6061 | 0 | 14-2720 |
| Woodlawn Dialysis | 5060 S STATE ST | Chicago, IL 60609-5328 | (773) 285-1840 | (773) 285-3485 | 32 | 14-2721 |
| Grand Crossing Dialysis | 7319 S COTTAGE GROVE AVE | Chicago, IL 60619-1909 | (773) 783-3491 | (773) 783-6046 | 12 | 14-2728 |
| Palos Park Dialysis | 13155 S LA GRANGE RD | Orland Park, IL 60462-1162 | (708) 923-0928 | (708) 923-0945 | 12 | 14-2732 |
| Springfield South Dialysis | 2930 S 6TH ST | Springfield, IL 62703-5944 | (217) 528-1745 | (217) 528-8792 | 12 | 14-2733 |
| Danville Home Training | 3 POLAND RD | Danville, IL 61834-7463 | (217) 446-0583 | (217) 442-0796 | 0 | 14-2734 |
| Barrington Creek Dialysis | 28160 W NORTHWEST HWY | Lake Barrington, IL 60010-2324 | (847) 381-1325 | (847) 381-1793 | 12 | 14-2736 |
| Morris Dialysis | 1551 CREEK DR | Morris, IL 60450-6857 | (815) 416-0475 | (815) 416-0547 | 9 | 14-2740 |
| Renal Center New Lenox | 1890 SILVER CROSS BLVD PAVILION | New Lenox, IL 60451-9528 | (815) 320-3049 | (815) 320-3241 | 19 | 14-2741 |
| Renal Center West Joliet | 1051 ESSINGTON RD STE 160 | Joliet, IL 60435-2893 | (815) 725-3275 | (815) 725-3833 | 29 | 14-2742 |
| Glen Dialysis | 2601 COMPASS RD STE 145 | Glenview, IL 60026-8089 | (847) 657-7574 | (847) 657-8022 | 16 | 14-2746 |
| Driftwood Dialysis | 1808 S WEST AVE | Freeport, IL 61032-6712 | (815) 232-0295 | (815) 232-1635 | 12 | 14-2747 |
| Crimson Ridge Home Training | 2540 HAUSER ROSS DR STE 200 | Sycamore, IL 60178-3171 | (815) 748-3508 | (815) 748-3825 | 0 | 14-2748 |
| Shiloh Dialysis | 1095 N GREEN MOUNT RD | Belleville, IL 62221-3303 | (618) 628-1108 | (618) 628-1459 | 16 | 14-2753 |
| Silverbridge Home Training | 2410 ALFT LN STE 101 | Elgin, IL 60124-8090 | (847) 289-5628 | (847) 695-3764 | 0 | 14-2757 |
| Moline Home Training | 4650 38TH AVE | Moline, IL 61265-6706 | (309) 736-4260 | (309) 736-4296 | 2 | 14-2762 |
| Timber Creek Dialysis | 1001 S ANNIE GLIDDEN RD | Dekalb, IL 60115-8250 | (815) 748-3074 | (815) 748-3148 | 12 | 14-2763 |

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|--|--------------------------------|---------------------------------|----------------|----------------|----|---------|
| Tazewell County Dialysis | 1021 COURT ST STE A | Pekin, IL 61554-4817 | (309) 478-1000 | (309) 346-1369 | 8 | 14-2767 |
| Lawndale Dialysis | 3934 W 24TH ST | Chicago, IL 60623-3371 | (773) 277-0578 | (773) 542-1381 | 16 | 14-2768 |
| Red Bud Dialysis | 1500 E MARKET ST LOT 4 | Red Bud, IL 62278-2143 | (618) 282-3444 | (618) 282-3578 | 8 | 14-2772 |
| Flossmoor Home Dialysis | 19720 GOVERNORS HWY STE 2 | Flossmoor, IL 60422-2025 | (708) 799-7239 | (708) 799-1252 | 4 | 14-2775 |
| Joliet Home Dialysis | 368 S WEBER RD | Romeoville, IL 60446-6571 | (815) 254-6657 | (815) 254-6648 | 0 | 14-2776 |
| Garfield Kidney Center | 414 N HOMAN AVE | Chicago, IL 60624-1646 | (773) 265-0750 | (773) 826-6429 | 24 | 14-2777 |
| West Side Dialysis | 1600 W 13TH ST STE 3 | Chicago, IL 60608-1306 | (312) 243-9286 | (312) 733-2466 | 12 | 14-2783 |
| New Lenox Home Training | 1890 SILVER CROSS BLVD STE 465 | New Lenox, IL 60451-9545 | (815) 462-4258 | (815) 462-4290 | 3 | 14-2785 |
| Chicago Ridge Dialysis | 10511 S HARLEM AVE | Chicago Ridge, IL 60415-1291 | (708) 361-2863 | (708) 361-2954 | 16 | 14-2793 |
| Matteson Home Training | 4747 LINCOLN MALL DR STE 225 | Matteson, IL 60443-3822 | (708) 679-1050 | (708) 679-1088 | 0 | 14-2805 |
| Machesney Park Dialysis | 7170 N PERRYVILLE RD | Machesney Park, IL 61115-7700 | (815) 885-8132 | (815) 885-8178 | 12 | 14-2806 |
| Salem Home Training | 1201 RICKER RD | Salem, IL 62881-4263 | (618) 740-0778 | (618) 740-0779 | 0 | 14-2807 |
| Alsip Home Training | 11500 S PULASKI RD | Alsip, IL 60803-1610 | (708) 385-7145 | (708) 385-7487 | 4 | 14-2808 |
| Tinley Park Dialysis | 16767 80TH AVE | Tinley Park, IL 60477-2361 | (708) 429-4738 | (708) 429-4984 | 14 | 14-2810 |
| Northside Home Training | 2550 W ADDISON ST STE A4 | Chicago, IL 60618-5939 | (773) 281-2217 | (773) 549-2580 | 0 | 14-2811 |
| Vermilion County Dialysis | 26 E WEST NEWELL RD | Danville, IL 61834-7488 | (217) 431-1470 | (217) 431-1753 | 12 | 14-2812 |
| Montgomery County Dialysis | 1822 SENATOR MILLER DR | Hillsboro, IL 62049-2401 | (217) 532-3000 | (217) 532-3000 | 8 | 14-2813 |
| Calumet City | 1200 SIBLEY BLVD | Calumet City, IL 60409-2327 | (708) 862-6454 | (708) 862-6540 | 12 | 14-2817 |
| O'Fallon Dialysis | 1941 FRANK SCOTT PKWY E STE B | Shiloh, IL 62269-7387 | (618) 622-0592 | (618) 622-0650 | 12 | 14-2818 |
| Collinsville Dialysis | 101 LANTER CT STE 109-111 | Collinsville, IL 62234-6124 | (618) 344-2016 | (618) 344-2102 | 8 | 14-2822 |
| Forest City Dialysis | 198 N SPRINGFIELD AVE | Rockford, IL 61101-5086 | (815) 962-8914 | (815) 962-8952 | 12 | 14-2825 |
| Huntley Dialysis | 10370 HALIGUS RD STE 100 | Huntley, IL 60142-9582 | (847) 669-8145 | (847) 669-8165 | 12 | 14-2828 |
| Park Manor Dialysis | 9505 S COLFAX AVE | Chicago, IL 60617-4976 | (773) 978-5446 | (773) 978-5549 | 16 | 14-2831 |
| Washington Heights Dialysis | 10620 S HALSTED ST | Chicago, IL 60628-2310 | (773) 779-8149 | (773) 779-8195 | 16 | 14-2835 |
| Foxpoint Dialysis | 1300 SCHAEFER RD STE J | Granite City, IL 62040-6859 | (618) 451-8730 | (618) 451-8738 | 12 | 14-2838 |
| Irving Park Dialysis | 4323 N PULASKI RD | Chicago, IL 60641-2155 | (773) 279-8714 | (773) 279-8624 | 14 | 14-2840 |
| Owen Center Home Training | 3927 W RIVERSIDE BLVD | Rockford, IL 61101-9507 | (815) 963-8010 | (815) 963-7921 | 0 | 14-2842 |
| Edgemont Dialysis | 8 WIEUX CARRE DR | East Saint Louis, IL 62203-1923 | (618) 398-3809 | (618) 398-3881 | 12 | 14-2847 |
| Downers Grove Home Training | 3050 FINLEY RD STE 300 A | Downers Grove, IL 60515-1370 | (630) 968-2099 | (630) 968-2417 | 0 | 14-2849 |
| Kankakee River Dialysis | 455 W COURT ST STE 100 | Kankakee, IL 60901-3692 | (815) 932-5169 | (815) 932-5189 | 24 | 14-2850 |
| Norwood Park Dialysis | 7435 W TALCOTT AVE STE 101 | Chicago, IL 60631-3707 | (773) 763-7180 | (773) 763-7199 | 14 | 14-2851 |
| Ford City Dialysis | 8159 S CICERO AVE | Chicago, IL 60652-2017 | (773) 735-8820 | (773) 585-5536 | 12 | 14-2854 |
| Salt Creek Dialysis | 196 WEST NORTH AVE | Villa Park, IL 60181-1226 | (630) 279-3350 | (630) 279-3378 | 12 | 14-2855 |
| Brickyard Dialysis | 2640 N NARRAGANSETT AVE STE D | Chicago, IL 60639-1096 | (773) 622-6345 | (773) 622-6470 | 12 | 14-2857 |
| Geneva Crossing Dialysis | 546 S SCHMALE RD | Carol Stream, IL 60188-2419 | (630) 260-4086 | (630) 260-4116 | 12 | 14-2858 |
| Brighton Park Dialysis | 4737 S CALIFORNIA AVE | Chicago, IL 60632-2015 | (773) 523-2441 | (773) 523-2468 | 16 | 14-2860 |
| Oak Meadows Dialysis | 5020 W 95TH ST | Oak Lawn, IL 60453-2402 | (708) 229-0778 | (708) 425-2916 | 12 | 14-2863 |
| Beach Park Dialysis | 3119 N LEWIS AVE | Waukegan, IL 60087-2254 | (847) 782-8250 | (847) 782-8772 | 12 | 14-2864 |
| Northgrove Dialysis | 2491 INDUSTRIAL DR STE 200 | Highland, IL 62249-1355 | (618) 651-1393 | (618) 651-1389 | 12 | 14-2866 |
| Melrose Park Dialysis | 1985 N MANNHEIM RD | Melrose Park, IL 60160-1012 | (708) 343-4862 | (708) 343-4869 | 12 | 14-2867 |
| Rutgers Park Dialysis | 8604 WOODWARD AVE | Woodridge, IL 60517-3171 | (311) 260-9226 | (311) 260-9244 | 12 | 14-2869 |
| Marshall Square Dialysis | 2950 W 26TH ST | Chicago, IL 60623-4128 | (773) 916-4807 | (773) 916-4825 | 12 | 14-2871 |
| Ogden Dialysis | 6001 W OGDEN AVE | Cicero, IL 60804-3739 | (708) 683-2946 | (708) 683-2965 | 12 | 14-2872 |
| Belvidere Dialysis | 1751 HENRY LUCKOW LN | Belvidere, IL 61008-1702 | (815) 544-0311 | (815) 544-9292 | 12 | 142795 |
| Lawrenceburg Dialysis Center | 721 RUDOLPH WAY | Greendale, IN 47025-8378 | (812) 537-4240 | (812) 537-4671 | 16 | 15-2511 |
| Marion County Dialysis | 3834 S EMERSON AVE BLDG B | Indianapolis, IN 46203-5902 | (317) 787-3171 | (317) 786-8319 | 24 | 15-2512 |
| Comprehensive Renal Care - Gary | 4802 BROADWAY | Gary, IN 46408-4509 | (219) 887-1199 | (219) 887-1605 | 40 | 15-2521 |
| Comprehensive Renal Care-Hammond | 222 DOUGLAS ST | Hammond, IN 46320-1960 | (219) 932-1199 | (219) 932-2393 | 32 | 15-2522 |
| Jasper Dialysis | 671 3RD AVE STE A | Jasper, IN 47546-3653 | (812) 482-1791 | (812) 482-1865 | 20 | 15-2523 |
| Comprehensive Renal Care - Valparaiso | 606 LINCOLNWAY | Valparaiso, IN 46383-5728 | (219) 531-1299 | (219) 531-1094 | 22 | 15-2527 |
| North Evansville Dialysis | 1151 W BUENA VISTA RD | Evansville, IN 47710-3334 | (812) 401-0140 | (812) 401-0151 | 12 | 15-2536 |
| Quad Counties Dialysis | 528 N GRANDSTAFF DR | Auburn, IN 46706-1660 | (260) 927-0100 | (260) 927-1196 | 9 | 15-2539 |
| Blue River Valley Renal Center | 2309 S MILLER ST SUITE 100 | Shelbyville, IN 46176-9350 | (317) 398-0486 | (317) 398-0493 | 12 | 15-2545 |
| Comprehensive Renal Care - Michigan City | 9836 WEST 400 NORTH | Michigan City, IN 46360-2910 | (219) 878-1989 | (219) 878-9569 | 16 | 15-2546 |
| Comprehensive Renal Care - Munster | 9100 CALUMET AVE | Munster, IN 46321-2806 | (219) 836-1299 | (219) 836-9447 | 24 | 15-2549 |
| Comprehensive Renal Care - East Chicago | 4302 FIR ST UNIT 404 | East Chicago, IN 46312-3078 | (219) 397-1199 | (219) 397-1625 | 12 | 15-2561 |
| Daviess County Dialysis | 310 NE 14TH ST | Washington, IN 47501-2137 | (812) 254-9950 | (812) 254-9960 | 14 | 15-2568 |
| East Evansville Dialysis | 1312 PROFESSIONAL BLVD | Evansville, IN 47714-8007 | (812) 491-6300 | (812) 401-7554 | 25 | 15-2569 |
| Tell City Dialysis Center | 1602 MAIN ST | Tell City, IN 47586-1310 | (812) 547-1140 | (812) 547-1150 | 12 | 15-2574 |
| Merrillville Dialysis | 9223 TAFT ST | Merrillville, IN 46410-6911 | (219) 793-9035 | (219) 793-9171 | 16 | 15-2581 |
| Vincennes Dialysis | 700 WILLOW ST STE 101 | Vincennes, IN 47591-1029 | (812) 882-0546 | (812) 882-0938 | 20 | 15-2592 |
| Westville Dialysis | 3749 COMMERCIAL DR LAFAYETTE | Indianapolis, IN 46222-1676 | (317) 299-4693 | (317) 299-5461 | 17 | 15-2596 |
| Lafayette Home Dialysis | 2 EXECUTIVE DR STE B | Lafayette, IN 47905-4878 | (765) 446-0603 | (765) 446-3755 | 0 | 15-2597 |
| Greensburg Dialysis | 1531 N COMMERCE EAST DR STE 6 | Greensburg, IN 47240-3259 | (812) 662-6570 | (812) 662-6572 | 9 | 15-2615 |
| Indy South Dialysis | 972 E EMERSON PKWY STE E | Greenwood, IN 46143-6202 | (317) 881-0641 | (317) 881-5451 | 12 | 15-2616 |
| Corydon Dialysis Center | 1937 OLD HWY 135 NW | Corydon, IN 47112-2013 | (812) 738-5200 | (812) 738-4935 | 12 | 15-2619 |
| Carmel Dialysis | 180 E CARMEL DR | Carmel, IN 46032-2633 | (317) 575-8916 | (317) 575-9136 | 12 | 15-2620 |
| Kendallville Renal Center | 602 N SAWYER RD | Kendallville, IN 46755-2566 | (260) 599-0423 | (260) 599-0447 | 20 | 15-2625 |
| Chesterton Dialysis | 711 PLAZA DR STE 6 | Chesterton, IN 46304-5506 | (219) 926-6049 | (219) 929-9201 | 12 | 15-2628 |
| Princeton Dialysis | 2227 SHERMAN DR | Princeton, IN 47670-1062 | (812) 385-2906 | (812) 385-3293 | 12 | 15-2629 |
| Portage Dialysis | 5823 US HIGHWAY 6 | Portage, IN 46368-4851 | (219) 764-0564 | (219) 764-0809 | 16 | 15-2630 |
| North Vernon Dialysis | 2340 N STATE HWY 7 | North Vernon, IN 47265-7183 | (812) 352-8150 | (812) 352-8204 | 10 | 15-2636 |
| Plainfield Renal Center | 1410 NETWORK DR | Plainfield, IN 46168-9024 | (317) 838-8089 | (317) 838-9062 | 12 | 15-2637 |
| Hoosier Hills Dialysis | 813 S KINGSTON DR | Bloomington, IN 47408-6342 | (812) 333-1697 | (812) 333-1945 | 24 | 15-2642 |
| Newburgh Dialysis | 4311 HIGHWAY 261 STE A | Newburgh, IN 47630-2653 | (812) 853-2010 | (812) 853-3601 | 16 | 15-2644 |
| Avon Dialysis | 9200 ROCKVILLE RD STE D | Indianapolis, IN 46234-2670 | (317) 209-2544 | (317) 209-2741 | 12 | 15-2645 |
| Scottsburg Dialysis | 1619 W MCCLAIN AVE | Scottsburg, IN 47170-1161 | (812) 752-5249 | (812) 752-6313 | 8 | 15-2646 |
| Fort Wayne South Dialysis | 302 E PETTIT AVE | Fort Wayne, IN 46806-3007 | (260) 456-0451 | (260) 458-9269 | 20 | 15-2647 |
| Fort Wayne West Dialysis | 4916 ILLINOIS RD STE 118 | Fort Wayne, IN 46804-5116 | (260) 434-0483 | (260) 435-1527 | 12 | 15-2648 |
| Appleseed Dialysis | 1833 MAGNAVOX WAY | Fort Wayne, IN 46804-1539 | (260) 432-1036 | (260) 432-2085 | 4 | 15-2649 |
| Jeffersonville Dialysis | 365 QUARTERMASTER CT | Jeffersonville, IN 47130-3670 | (812) 288-2296 | (812) 288-4153 | 12 | 15-2651 |
| Paoli Dialysis | 555 WEST LONGEST ST | Paoli, IN 47454-9670 | (812) 723-3571 | (812) 723-4823 | 12 | 15-2652 |
| Summit City Dialysis | 3233 E COLISEUM BLVD | Fort Wayne, IN 46805-1561 | (260) 373-1599 | (260) 373-1555 | 24 | 15-2653 |
| Mishawaka Dialysis | 1420 TRINITY PL | Mishawaka, IN 46545-5005 | (574) 231-7204 | (574) 231-7205 | 16 | 15-2655 |
| Brownsville Dialysis | 124 E NORTHFIELD DR STE N | Brownsville, IN 46112-2601 | (317) 858-3561 | (317) 858-4967 | 10 | 15-2656 |
| Eagle Highlands Dialysis | 6925 SHORE TR | Indianapolis, IN 46254-4675 | (317) 295-0423 | (317) 295-0245 | 16 | 15-2658 |
| South Bend West Dialysis | 5660 NIMTZ PKWY | South Bend, IN 46628-6205 | (574) 231-7570 | (574) 231-7571 | 12 | 15-2659 |
| Indy East Dialysis | 1208 N ARLINGTON AVE | Indianapolis, IN 46219-3203 | (317) 353-6315 | (317) 353-6358 | 16 | 15-2661 |
| Vincennes Home Dialysis | 700 WILLOW ST STE 102 | Vincennes, IN 47591-1029 | (812) 886-9034 | (812) 886-9036 | 0 | 15-2662 |
| Elkhart Dialysis | 1401 N MICHIGAN ST | Elkhart, IN 46514-2633 | (574) 262-5295 | (574) 262-8895 | 12 | 15-2664 |
| Spring Street Dialysis | 1601 SPRING ST | Jeffersonville, IN 47130-2903 | (812) 284-2098 | (812) 284-2680 | 13 | 15-2666 |
| Irish Dialysis | 4350 S IRONWOOD DR | South Bend, IN 46614-3073 | (574) 299-4529 | (574) 299-4737 | 12 | 15-2668 |
| Three Rivers Dialysis | 6721 OLD TRAIL RD STE 100 | Fort Wayne, IN 46809-2655 | (260) 478-8582 | (260) 478-8566 | 20 | 15-2676 |
| Whitewater Valley Dialysis | 2302 CHESTER BLVD | Richmond, IN 47374-1221 | (765) 935-5128 | (765) 935-5749 | 12 | 15-2680 |
| Egales Dialysis | 5301 PEARL DR STE 300 | Evansville, IN 47712-8111 | (812) 467-0161 | (812) 467-0139 | 13 | 15-2682 |
| Brazil Dialysis | 115 S MURPHY AVE | Brazil, IN 47834-8396 | (812) 442-8481 | (812) 442-8490 | 9 | 15-2683 |
| La Porte Dialysis | 1406 E LINCOLNWAY STE A | La Porte, IN 46350-8047 | (219) 324-3080 | (219) 324-9528 | 12 | 15-2684 |
| Sullivan Dialysis | 2232 N HOSPITAL BLVD STE 1 | Sullivan, IN 47882-7674 | (812) 268-5593 | (812) 268-5693 | 13 | 15-2685 |
| University Dialysis of Indy | 550 UNIVERSITY BLVD ROOM 1140 | Indianapolis, IN 46202-5149 | (317) 635-8729 | (317) 635-9512 | 31 | 15-2686 |
| Home Dialysis of Indianapolis | 8803 N MERIDIAN ST STE 150 | Indianapolis, IN 46260-5376 | (317) 574-1798 | (317) 574-1825 | 0 | 15-2687 |
| Metro Point Dialysis | 1218 N PENNSYLVANIA ST | Indianapolis, IN 46202-2411 | (317) 686-0548 | (317) 635-7559 | 16 | 15-2688 |
| Terre Haute Dialysis | 504 6TH AVE | Terre Haute, IN 47807-1025 | (812) 231-8560 | (812) 232-8501 | 13 | 15-2689 |
| Freedom Dialysis | 800 N MAIN ST | Evansville, IN 47711-5052 | (812) 423-5368 | (812) 423-5419 | 13 | 15-2690 |
| Fall Creek Dialysis | 3820 N COLLEGE AVE | Indianapolis, IN 46205-2755 | (317) 926-5125 | (317) 926-4439 | 20 | 15-2694 |
| Whiting Dialysis | 816 119TH ST | Whiting, IN 46394-1401 | (219) 473-0712 | (219) 473-0931 | 9 | 15-2698 |
| Speedway Dialysis | 2636 W MICHIGAN ST | Indianapolis, IN 46222-3727 | (317) 423-0956 | (317) 423-0868 | 13 | 15-2700 |

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|------------------------------------|---------------------------------|---------------------------------|----------------|----------------|----|---------|
| Batesville Dialysis Center | 232 STATE ROAD 129 S | Batesville, IN 47006-7694 | (812) 934-5666 | (812) 934-5657 | 12 | 152507 |
| Franklin Dialysis | 1140 W JEFFERSON ST STE A | Franklin, IN 46131-2101 | (317) 736-4304 | (317) 736-5787 | 14 | 152603 |
| Fort Wayne North Dialysis | 415 E DUPONT RD | Fort Wayne, IN 46825-2051 | (260) 637-0431 | (260) 637-6641 | 12 | 152681 |
| Central Des Moines Dialysis | 1215 PLEASANT ST STE 106 | Des Moines, IA 50309-1409 | (515) 241-5715 | (515) 241-5782 | 20 | 16-2501 |
| West Des Moines Dialysis | 6800 LAKE DR STE 185 | West Des Moines, IA 50266-2544 | (515) 221-2944 | (515) 221-1903 | 10 | 16-2506 |
| Creston Dialysis | 1700 W TOWNLINE ST | Creston, IA 50801-1054 | (641) 278-3009 | (641) 278-3128 | 8 | 16-2514 |
| Cedar Valley Dialysis | 1661 W RIDGEWAY AVE | Waterloo, IA 50701-4541 | (319) 226-6425 | (319) 226-6421 | 24 | 16-2516 |
| Renal Center of Storm Lake | 1426 LAKE AVE | Storm Lake, IA 50588-1910 | (712) 732-6900 | (712) 732-6906 | 16 | 16-2518 |
| Atlantic Dialysis | 1500 E 10TH ST | Atlantic, IA 50022-1935 | (712) 243-7485 | (712) 243-7486 | 6 | 16-2520 |
| Newton Dialysis | 204 N 4TH AVE E STE 134 | Newton, IA 50208-3135 | (641) 792-2600 | (641) 792-2701 | 8 | 16-2523 |
| West Union Dialysis | 405 HIGHWAY 150 N | West Union, IA 52175-1003 | (563) 422-5734 | (563) 422-5830 | 16 | 16-2526 |
| Shenandoah Dialysis | 300 PERSHING AVE | Shenandoah, IA 51601-2355 | (712) 246-5220 | (712) 246-5226 | 12 | 16-2527 |
| Harlan Dialysis | 2802 12TH ST | Harlan, IA 51537-2303 | (319) 472-7235 | (319) 472-7236 | 8 | 16-2528 |
| Riverpoint Dialysis Unit | 501 SW 7TH ST STE B | Des Moines, IA 50309-4538 | (515) 283-1300 | (515) 283-1316 | 16 | 16-2529 |
| East Des Moines Dialysis | 1301 PENNSYLVANIA AVE STE 208 | Des Moines, IA 50316-2365 | (515) 262-5995 | (515) 262-8350 | 16 | 16-2533 |
| Center Ridge Dialysis | 38630 CENTER RIDGE RD | North Ridgeville, OH 44039-2837 | (440) 327-2070 | (440) 327-1563 | 14 | 36-2776 |
| Council Bluffs Dialysis Center | 300 W BROADWAY STE 150 | Council Bluffs, IA 51503-9077 | (712) 388-0261 | (712) 388-0269 | 24 | 16-2539 |
| Black Hawk Dialysis | 3421 W 9TH ST | Waterloo, IA 50702-5401 | (319) 272-8700 | (319) 272-8695 | 18 | 16-2541 |
| Cedar Valley Waverly Dialysis | 220 10th ST SW | Waverly, IA 50677-2930 | (319) 352-8019 | (319) 352-8032 | 16 | 16-2542 |
| Buchanan County Dialysis | 1600 1ST ST E | Independence, IA 50644-3155 | (319) 334-7437 | (319) 334-7414 | 12 | 16-2544 |
| Iowa Falls Mary Greeley Dialysis | 701 WASHINGTON AVE STE E | Iowa Falls, IA 50126-2109 | (641) 648-5241 | (641) 648-3628 | 8 | 16-2547 |
| Marshalltown Mary Greeley Dialysis | 3120 S 2ND ST | Marshalltown, IA 50158-4614 | (641) 752-1819 | (641) 752-4836 | 24 | 16-2548 |
| Ames Mary Greeley Dialysis | 2322 E 13TH ST | Ames, IA 50010-5669 | (515) 239-6800 | (515) 233-8151 | 16 | 16-2549 |
| Renal Center of Fort Dodge | 117 S 25TH ST | Fort Dodge, IA 50501-4357 | (515) 206-6583 | (515) 206-6606 | 16 | 16-2550 |
| Cedar Rapids Dialysis | 5945 COUNCIL ST NE | Cedar Rapids, IA 52402-5858 | (319) 294-7088 | (319) 294-4196 | 12 | 16-2552 |
| Green Country Dialysis | 5250 UTICA RIDGE RD | Davenport, IA 52807-3872 | (563) 355-7913 | (563) 355-4007 | 12 | 16-2554 |
| Ankeny Dialysis | 2625 N ANKENY BLVD | Ankeny, IA 50023-4704 | (515) 963-3174 | (515) 964-3620 | 12 | 16-2557 |
| Five Seasons Dialysis | 1002 4TH AVE SE STE A | Cedar Rapids, IA 52403-2425 | (319) 363-1538 | (319) 364-0982 | 16 | 16-2558 |
| EA Motto Dialysis | 1228 E RUSHOLME ST STE 1000 | Davenport, IA 52803-2467 | (563) 322-0101 | (563) 322-2092 | 24 | 16-2559 |
| Ottumwa Dialysis | 1005 PENNSYLVANIA AVE STE 101 | Ottumwa, IA 52501-6408 | (641) 682-1531 | (641) 682-0794 | 12 | 16-2560 |
| Sioux City Dialysis | 5865 SUNNYBROOK DR | Sioux City, IA 51106-4203 | (712) 274-8068 | (712) 276-3877 | 12 | 16-2561 |
| PELLA DIALYSIS | 1117 HAZEL ST DIALYSIS UNIT | Pella, IA 50219-1338 | (641) 628-8826 | (641) 628-8830 | 9 | 16-2566 |
| Windsor Heights Dialysis | 1119 73RD ST | Windsor Heights, IA 50324-1313 | (515) 274-9303 | (515) 255-6418 | 12 | 16-2567 |
| Hawkeye Dialysis | 701 TAMA ST STE 150 | Marion, IA 52302-4806 | (319) 900-4702 | (319) 900-4731 | 12 | 16-2570 |
| Johnson County Dialysis | 10453 W 84TH TER | Lenexa, KS 66214-1641 | (913) 492-2044 | (913) 492-2451 | 26 | 17-2501 |
| Wichita Dialysis Center | 909 N TOPEKA ST | Wichita, KS 67214-3620 | (316) 263-9090 | (316) 265-0842 | 23 | 17-2503 |
| Topeka Dialysis | 634 SW MULVANE ST STE 300 | Topeka, KS 66606-1678 | (785) 234-2277 | (785) 234-2396 | 50 | 17-2508 |
| Lenexa Dialysis | 8630 HALSEY ST | Lenexa, KS 66215-2880 | (913) 894-1100 | (913) 894-6915 | 17 | 17-2509 |
| Ottawa Dialysis | 1325 S ASH ST STE 206 | Ottawa, KS 66067-3413 | (785) 242-5300 | (785) 242-7615 | 12 | 17-2510 |
| Independence Dialysis Center | 801 W MYRTLE ST | Independence, KS 67301-3239 | (620) 331-6117 | (620) 331-6484 | 12 | 17-2511 |
| Conyers Dialysis | 1501 MILLSTEAD RD NE | Conyers, GA 30012-3838 | (770) 761-8097 | (770) 761-8141 | 17 | 11-2828 |
| East Wichita Dialysis Center | 320 N HILLSIDE ST | Wichita, KS 67214-4918 | (316) 684-3200 | (316) 684-6298 | 24 | 17-2519 |
| Wyandotte County Dialysis | 5001 STATE AVE | Kansas City, KS 66102-3459 | (913) 287-5724 | (913) 596-1370 | 21 | 17-2523 |
| Lawrence Dialysis | 330 ARKANSAS ST STE 100 | Lawrence, KS 66044-1394 | (785) 843-2000 | (785) 843-0574 | 15 | 17-2524 |
| Renal Treatment Centers - Winfield | 1315 E 4TH AVE | Winfield, KS 67156-2457 | (620) 221-4100 | (620) 221-2272 | 12 | 17-2526 |
| Renal Treatment Centers - Newton | 1223 WASHINGTON RD | Newton, KS 67114-4855 | (316) 283-9950 | (316) 283-4478 | 12 | 17-2529 |
| Parsons Dialysis Center | 1902 S US HIGHWAY 59 BLDG B | Parsons, KS 67357-4948 | (620) 421-1081 | (620) 421-1958 | 12 | 17-2530 |
| Renal Treatment Centers - Derby | 1635 E FREEDOM ST STE 100 | Derby, KS 67037-7702 | (316) 618-9149 | (316) 618-9150 | 19 | 17-2533 |
| Sabetha Dialysis | 106 N 12TH ST | Sabetha, KS 66534-1810 | (785) 284-0100 | (785) 284-0101 | 10 | 17-2534 |
| Wyandotte West Dialysis | 11014 HASKELL AVE | Kansas City, KS 66109-4404 | (913) 721-9780 | (913) 721-9818 | 17 | 17-2536 |
| Pratt Dialysis Center | 203 WATSON ST STE 110 | Pratt, KS 67124-3092 | (620) 672-7006 | (620) 672-7063 | 12 | 17-2537 |
| Olathe Dialysis | 732 W FRONTIER LN | Olathe, KS 66061-7202 | (913) 390-4937 | (913) 390-5194 | 12 | 17-2541 |
| NE Wichita Dialysis Center | 2630 N WEBB RD STE 100 BLDG 104 | Wichita, KS 67226-8174 | (316) 636-5719 | (316) 636-5738 | 12 | 17-2542 |
| Wyandotte Central Dialysis | 3737 STATE AVE | Kansas City, KS 66102-3830 | (913) 233-0536 | (913) 233-0903 | 20 | 17-2544 |
| Leavenworth Dialysis | 831 W EISENHOWER RD | Lansing, KS 66043-2206 | (913) 675-3157 | (913) 675-3181 | 20 | 17-2545 |
| Dialysis Center of Hutchinson | 1901 N WALDRON ST | Hutchinson, KS 67502-1129 | (620) 728-0440 | (620) 728-0499 | 24 | 17-2546 |
| Maize Dialysis Center | 10001 N GRADY AVE | Maize, KS 67101-3747 | (316) 773-1400 | (316) 773-1412 | 24 | 17-2548 |
| Paola Dialysis | 1605 E PEORIA ST | Paola, KS 66071-1893 | (913) 294-8417 | (913) 294-9132 | 12 | 17-2553 |
| Nall Dialysis | 10787 NALL AVE STE 130 | Overland Park, KS 66211-1375 | (913) 649-2671 | (913) 649-2869 | 13 | 17-2555 |
| Lawrence Home Training | 3510 CLINTON PKWY STE 110 | Lawrence, KS 66047-2145 | (785) 841-0490 | (785) 830-8697 | 6 | 17-2559 |
| Gardner Dialysis | 328 E MAIN ST | Gardner, KS 66030-1314 | (913) 884-8488 | (913) 884-8243 | 16 | 17-2560 |
| Emporia Dialysis | 1616 INDUSTRIAL RD STE 2004 | Emporia, KS 66801-6222 | (620) 340-8043 | (620) 340-8063 | 13 | 17-2561 |
| Wanamaker Dialysis | 3711 SW WANAMAKER RD | Topeka, KS 66610-1368 | (785) 273-1824 | (785) 273-1881 | 24 | 17-2563 |
| Manhattan Dialysis | 519 MCCALL RD STE 100 | Manhattan, KS 66502-5038 | (785) 539-5743 | (785) 539-5781 | 12 | 17-2564 |
| Nottingham Dialysis | 10410 W 134TH PL | Olathe, KS 66062-6139 | (913) 764-0358 | (913) 764-0328 | 12 | 17-2565 |
| Mission Dialysis | 2852 W 47TH AVE | Kansas City, KS 66103-3243 | (913) 403-1843 | (913) 403-1848 | 12 | 17-2566 |
| Hopefield Dialysis | 2425 S ROUSE ST | Pittsburg, KS 66762-6606 | (620) 231-0794 | (620) 231-0901 | 13 | 17-2567 |
| Overland Park Dialysis | 12201 W 110TH ST | Overland Park, KS 66210-4045 | (913) 451-5984 | (913) 327-5401 | 16 | 17-2571 |
| Air Capital Dialysis | 1812 S SENECA ST STE 110 | Wichita, KS 67213-4104 | (316) 263-1248 | (316) 263-1521 | 17 | 17-2572 |
| Free State Dialysis | 1918 E 23RD ST | Lawrence, KS 66046-5069 | (785) 312-9377 | (785) 832-1498 | 12 | 17-2573 |
| Walnut River Dialysis | 701 W CENTRAL AVE | El Dorado, KS 67042-2117 | (316) 321-1368 | (316) 321-1375 | 17 | 17-2574 |
| Dialysis of Central Kentucky | 2807 RING ROAD | Elizabethtown, KY 42701-9114 | (270) 735-1883 | (270) 360-8982 | 17 | 18-2504 |
| Taylor County Dialysis Center | 1595 OLD LEBANON RD | Campbellsville, KY 42718-3372 | (270) 465-0787 | (270) 789-3626 | 13 | 18-2518 |
| Hopkinsville Dialysis | 115 N VIRGINIA ST | Hopkinsville, KY 42240-3143 | (270) 887-5622 | (270) 886-9784 | 17 | 18-2519 |
| Crestview Hills Dialysis | 400 CENTRE VIEW BLVD | Crestview Hills, KY 41017-3478 | (859) 341-5561 | (859) 341-5746 | 20 | 18-2529 |
| Eastern Kentucky Dialysis | 167 WEDDINGTON BRANCH RD | Pikeville, KY 41501-3204 | (606) 432-4477 | (606) 432-4201 | 12 | 18-2538 |
| South Hill Dialysis | 525 ALEXANDRIA PIKE STE 120 | Southgate, KY 41071-3243 | (859) 442-5539 | (859) 442-5587 | 12 | 18-2542 |
| Gardenside Dialysis | 70 N GARDENMILE RD | Henderson, KY 42420-5529 | (270) 830-0050 | (270) 830-0051 | 15 | 18-2544 |
| Owensboro Dialysis Center | 1930 E PARRISH AVE | Owensboro, KY 42303-1443 | (270) 926-0120 | (270) 691-9865 | 25 | 18-2547 |
| Paintsville Dialysis Center | 4750 S KY ROUTE 321 | Hagerhill, KY 41222-9012 | (606) 789-1101 | (606) 789-7818 | 12 | 18-2548 |
| Christian County Dialysis | 200 BURLEY AVE | Hopkinsville, KY 42240-8725 | (270) 707-0701 | (270) 707-0780 | 13 | 18-2549 |
| Raven Rock Dialysis | 483 GATEWAY INDUSTRIAL PARK | Jenkins, KY 41537-9209 | (606) 832-2070 | (606) 832-2345 | 11 | 18-2566 |
| Bardstown Dialysis Center | 210 W JOHN FITCH AVE | Bardstown, KY 40004-1115 | (502) 350-1130 | (502) 350-1125 | 10 | 18-2568 |
| Louisville Dialysis | 8037 DIXIE HWY | Louisville, KY 40258-1344 | (502) 937-9111 | (502) 937-3911 | 24 | 18-2570 |
| LaGrange Dialysis | 240 PARKER DR | La Grange, KY 40031-1200 | (502) 222-5527 | (502) 225-6356 | 12 | 18-2572 |
| Leitchfield Dialysis | 912 WALLACE AVE STE 106 | Leitchfield, KY 42754-2405 | (270) 230-0163 | (270) 230-0173 | 10 | 18-2574 |
| Springhurst Dialysis | 10201 CHAMPION FARMS DR | Louisville, KY 40241-6150 | (502) 425-2131 | (502) 425-2151 | 18 | 18-2577 |
| Louisa Dialysis | 2145 HWY 2565 | Louisa, KY 41230-9166 | (606) 638-3403 | (606) 638-3404 | 15 | 18-2580 |
| West Broadway Dialysis | 720 W BROADWAY | Louisville, KY 40202-2240 | (502) 584-2059 | (502) 584-2835 | 24 | 18-2581 |
| Turfway Dialysis | 11 SPIRAL DR STE 15 | Florence, KY 41042-1394 | (859) 371-1263 | (859) 647-6085 | 16 | 18-2582 |
| Cold Spring Dialysis | 430 CROSS ROADS BLVD | Cold Spring, KY 41076-2341 | (859) 441-3981 | (859) 441-4582 | 12 | 18-2583 |
| Turfway PD Training | 11 SPIRAL DR STE 15A | Florence, KY 41042-1394 | (859) 647-2802 | (859) 647-6012 | 4 | 18-2586 |
| Maysville Dialysis | 489 TUCKER DR | Maysville, KY 41056-9111 | (606) 759-0923 | (606) 759-4915 | 12 | 18-2589 |
| Meadows East Dialysis | 2529 SIX MILE LN | Louisville, KY 40220-2934 | (502) 499-4384 | (502) 499-4990 | 12 | 18-2592 |
| Williamstown Dialysis | 103 BARNES RD STE A | Williamstown, KY 41097-9468 | (859) 823-0500 | (859) 823-0588 | 12 | 18-2595 |
| Madisonville Dialysis Center | 255 E NORTH ST | Madisonville, KY 42431-1641 | (270) 821-7824 | (270) 821-6659 | 21 | 18-2597 |
| South Williamson Dialysis | 204 APPALACHIAN PLAZA | South Williamson, KY 41503-9404 | (606) 237-6221 | (606) 237-6223 | 17 | 18-2598 |
| Shepherdsville Dialysis Center | 150 BROOKS WAY STE 15 | Brooks, KY 41009-6105 | (502) 955-2153 | (502) 955-2174 | 12 | 18-2600 |
| Hamburg Dialysis | 1745 ALYSHEBA WAY | Lexington, KY 40509-9013 | (859) 543-0084 | (859) 543-0619 | 12 | 18-2601 |
| Bourbon County Dialysis | 213 LETTON DR PARIS TOWNE SQ | Paris, KY 40361-2251 | (859) 988-1117 | (859) 988-1978 | 12 | 18-2603 |
| 12th Street Covington Dialysis | 1500 JAMES SIMPSON JR WAY STE E | Covington, KY 41011-0802 | (859) 261-4345 | (859) 261-4378 | 17 | 18-2604 |
| Versailles Dialysis | 480 LEXINGTON RD STE E | Versailles, KY 40383-1918 | (859) 256-0110 | (859) 256-0115 | 12 | 18-2606 |
| Radcliff Dialysis | 180 E LINCOLN TRAIL BLVD | Radcliff, KY 40160-1254 | (270) 352-2252 | (270) 352-5380 | 12 | 18-2611 |
| Shelbyville Road Dialysis | 4600 SHELBYVILLE RD STE 310 | Louisville, KY 40207-2391 | (502) 893-4791 | (502) 893-4793 | 12 | 18-2614 |
| Dialysis of Warren County | 391 SUWANNEE TRAIL ST | Bowling Green, KY 42103-7956 | (270) 746-5805 | (270) 746-5375 | 15 | 18-2615 |
| General Butler Dialysis | 329 FLOYD DR STE B | Carrollton, KY 41008-8261 | (502) 732-4713 | (502) 732-8352 | 8 | 18-2616 |

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|-------------------------------------|---------------------------------|-----------------------------------|----------------|----------------|----|---------|
| Owensboro Home Dialysis | 3250 KIDRON VALLEY WAY | Owensboro, KY 42303-2398 | (270) 691-9605 | (270) 691-9563 | 0 | 18-2626 |
| Kentucky Wildcat Specialty Dialysis | 2130 NICHOLASVILLE RD STE 5 | Lexington, KY 40503-2520 | (859) 277-9911 | (859) 277-8450 | 10 | 18-2627 |
| Portland Dialysis | 2118 PORTLAND AVE | Louisville, KY 40212-1032 | (502) 776-4371 | (502) 772-7259 | 13 | 18-2630 |
| Shelby County Dialysis | 50 CHURCH VIEW ST | Shelbyville, KY 40065-1663 | (502) 647-0127 | (502) 633-4991 | 13 | 18-2635 |
| Walton Dialysis | 13250 SERVICE RD | Walton, KY 41094-9565 | (859) 485-0321 | (859) 485-0327 | 13 | 18-2636 |
| Bridgeview Dialysis | 2480 US HWY 41 N STE J | Henderson, KY 42420-2376 | (270) 830-8061 | (270) 831-2925 | 13 | 18-2637 |
| Lost River Dialysis | 737 DISHMAN LN | Bowling Green, KY 42101-4098 | (270) 846-1054 | (270) 846-2866 | 12 | 18-2638 |
| Barren County Dialysis | 310 N L ROGERS WELLS BLVD | Glasgow, KY 42141-1300 | (270) 659-5580 | (270) 659-5582 | 25 | 18-2644 |
| Westbank Chronic Renal Center | 3631 BEHRMAN PL | New Orleans, LA 70114-0906 | (504) 366-0808 | (504) 367-3816 | 29 | 19-2507 |
| Fleur de Lis Dialysis | 5555 BULLARD AVE STE 110 | New Orleans, LA 70128-3450 | (504) 240-2696 | (504) 240-2877 | 25 | 19-2523 |
| Chateau Dialysis | 720 VILLAGE RD | Kenner, LA 70065-2751 | (504) 469-2796 | (504) 469-7587 | 16 | 19-2534 |
| Bogalusa Kidney Care | 2108 AVENUE F | Bogalusa, LA 70427-5027 | (985) 735-7811 | (985) 735-1501 | 15 | 19-2540 |
| Magnolia Dialysis | 1125 S BURNSIDE AVE | Gonzales, LA 70737-4248 | (225) 255-4070 | (225) 255-4071 | 17 | 19-2551 |
| Slidell Kidney Care | 662 ROBERT BLVD | Slidell, LA 70458-1648 | (985) 649-5197 | (985) 649-5218 | 25 | 19-2556 |
| New Orleans Uptown Dialysis | 1401 FOUCHER ST # 4 | New Orleans, LA 70115-3515 | (504) 897-8530 | (504) 897-8790 | 20 | 19-2581 |
| Lake Charles Southwest Dialysis | 300 18th ST | Lake Charles, LA 70601-7342 | (337) 433-6831 | (337) 433-6613 | 20 | 19-2597 |
| DeRidder Dialysis | 239 E 1ST ST | DeRidder, LA 70634-4105 | (337) 462-0950 | (337) 460-1933 | 12 | 19-2598 |
| Kenner Regional Dialysis Center | 200 W ESPLANADE AVE STE 100 | Kenner, LA 70065-2473 | (504) 471-0931 | (504) 471-0317 | 14 | 19-2599 |
| Culpeper Dialysis | 430 SOUTHRIDGE PKWY | Culpeper, VA 22701-3791 | (540) 825-9332 | (540) 825-9356 | 24 | 49-2543 |
| Dialysis Systems of Covington | 210 GREENBRIAR BLVD | Covington, LA 70433-7235 | (985) 875-1915 | (985) 875-1918 | 12 | 19-2613 |
| Washington Parish Dialysis | 724 WASHINGTON ST | Franklinton, LA 70438-1790 | (985) 795-1111 | (985) 795-0000 | 14 | 19-2615 |
| East Baton Rouge Dialysis | 1333 ONEAL LANE | Baton Rouge, LA 70816-1957 | (225) 226-1444 | (225) 272-9857 | 24 | 19-2616 |
| Metairie Dialysis Center | 7100 AIRLINE DR | Metairie, LA 70003-5950 | (504) 731-1969 | (504) 731-8533 | 12 | 19-2678 |
| River Parishes Dialysis | 2880 W AIRLINE HWY | La Place, LA 70068-2922 | (985) 603-7160 | (985) 603-7161 | 17 | 19-2681 |
| Oakwood Dialysis Center | 148 HECTOR AVE | Gretna, LA 70056-2531 | (504) 376-1603 | (504) 376-2364 | 19 | 19-2683 |
| Garden District Dialysis | 2620 JENA ST | New Orleans, LA 70115-6325 | (504) 269-6004 | (504) 269-6011 | 14 | 19-2689 |
| Marrero Dialysis | 1908 JUTLAND DR | Harvey, LA 70058-2359 | (504) 347-6224 | (504) 347-6257 | 17 | 19-2694 |
| Brookmore Dialysis | 1815 E 70TH ST | Shreveport, LA 71105-5301 | (318) 797-7940 | (318) 797-8143 | 13 | 19-2695 |
| Crescent City Dialysis Center | 3909 BIENVILLE ST STE 1B | New Orleans, LA 70119-5151 | (504) 483-7117 | (504) 483-8937 | 17 | 19-2696 |
| River Bend Dialysis | 1057 PAUL MAILLARD RD ST B1350 | Luling, LA 70070-4349 | (985) 331-1156 | (985) 331-1112 | 15 | 19-2707 |
| Red River Dialysis | 9205 LINWOOD AVE | Shreveport, LA 71106-7006 | (318) 603-0548 | (318) 603-8905 | 13 | 19-2711 |
| Westwego Dialysis | 1 WESTBANK EXPRESSWAY | Westwego, LA 70094-4156 | (504) 347-6942 | (504) 347-6957 | 13 | 19-2713 |
| NOLA Dialysis | 5646 READ BLVD STE 150 | New Orleans, LA 70127-3145 | (504) 248-2137 | (504) 248-1832 | 14 | 19-2715 |
| Essen Lane Dialysis | 7703 PICARDY AVE | Baton Rouge, LA 70808-4338 | (225) 769-8669 | (225) 766-0095 | 21 | 19-2716 |
| Marigny Dialysis | 2345 ST CLAUDE AVE | New Orleans, LA 70117-8352 | (504) 947-4197 | (504) 943-9545 | 19 | 19-2717 |
| Algiers Dialysis | 2924 GENERAL DEGAULLE DR | New Orleans, LA 70114-6440 | (504) 367-0006 | (504) 367-0340 | 13 | 19-2719 |
| Scotlandville Dialysis | 7797 HOWELL BLVD | Baton Rouge, LA 70807-5583 | (225) 357-6929 | (225) 355-1008 | 17 | 19-2720 |
| Youngsville Dialysis | 314 YOUNGSHIRE HWY STE 125 | Lafayette, LA 70508-4524 | (337) 837-5044 | (337) 837-5609 | 13 | 19-2721 |
| Fremaux Dialysis | 1566 SHORTCUT HWY | Slidell, LA 70458-8126 | (985) 643-9237 | (985) 726-0400 | 13 | 19-2724 |
| Mid City Dialysis | 2920 FLORIDA BLVD | Baton Rouge, LA 70802-2723 | (225) 387-8558 | (225) 387-8250 | 13 | 19-2725 |
| Gentilly Dialysis | 4720 PARIS AVE | New Orleans, LA 70122-2553 | (504) 283-9098 | (504) 282-3888 | 21 | 19-2735 |
| Prairieville Dialysis | 17123 COMMERCE CENTRE DR | Prairieville, LA 70769-3481 | (225) 877-2001 | (225) 877-2002 | 17 | 19-2736 |
| Earhart Dialysis | 7730 EARHART BLVD | New Orleans, LA 70125-2504 | (504) 861-1256 | (504) 861-5082 | 15 | 19-2738 |
| COVINGTON TRACE DIALYSIS | 3999 HWY 190 E SERVICE RD STE A | Covington, LA 70433-4914 | (985) 276-1998 | (985) 276-6856 | 13 | 19-2750 |
| Walker South Dialysis | 28375 WALKER RD S | Walker, LA 70785-6029 | (225) 664-2099 | (225) 791-6079 | 13 | 19-2729 |
| Boyd Dialysis | 925 UNION ST STE 1 | Bangor, ME 04041-3051 | (207) 941-1298 | (207) 941-1304 | 21 | 20-2512 |
| Lincoln Lakes Regional Dialysis | 250 ENFIELD RD | Lincoln, ME 04457-0367 | (207) 794-6095 | (207) 794-6190 | 8 | 20-2513 |
| Eastern Maine Dialysis | 11 SHORT ST | Ellsworth, ME 04605-1718 | (207) 667-9294 | (207) 667-9414 | 12 | 20-2514 |
| Brewer Dialysis | 403 WILSON ST | Brewer, ME 04412-1521 | (207) 989-0027 | (207) 989-0306 | 13 | 20-2517 |
| Rockville Dialysis Center | 15204 OMEGA DR STE 110 | Rockville, MD 20850-4813 | (301) 947-2427 | (240) 683-2440 | 17 | 21-2511 |
| Easton Dialysis Center | 500 CADMUS LN STE 201 | Easton, MD 21601-4094 | (410) 822-8659 | (410) 822-5138 | 15 | 21-2512 |
| Howard County Dialysis | 9999 HARPERS FARM RD STE 110E | Columbia, MD 21044-3023 | (410) 997-4244 | (410) 730-8235 | 24 | 21-2516 |
| Berlin Dialysis Center | 9952 NORTH MAIN ST BLDG #3 | Berlin, MD 21811-1049 | (410) 641-1321 | (410) 641-1538 | 28 | 21-2520 |
| Downtown Dialysis Center | 821 N EUTAW ST STE 401 | Baltimore, MD 21201-6304 | (410) 383-3455 | (410) 383-3468 | 31 | 21-2522 |
| Whitesquare Dialysis | 1 N NASHUA CT STE E | Baltimore, MD 21221-3131 | (410) 687-5580 | (410) 687-8559 | 18 | 21-2523 |
| Catonsville Dialysis | 1581 SULPHUR SPRING RD STE 112 | Baltimore, MD 21227-2599 | (410) 242-7766 | (410) 242-5788 | 30 | 21-2528 |
| Kidney Care of Largo | 1300 MERCANTILE LN STE 194 | Upper Marlboro, MD 20774-5339 | (301) 925-4100 | (301) 925-4810 | 29 | 21-2530 |
| Carroll County Dialysis Facility | 193 STONER AVE STE 120 | Westminster, MD 21157-5782 | (410) 871-1762 | (410) 871-1766 | 19 | 21-2537 |
| Kidney Care of Laurel | 14631 LAUREL BOWIE RD UNITS 10 | Laurel, MD 20707-4403 | (301) 725-3559 | (301) 725-3599 | 18 | 21-2538 |
| Mercy Dialysis | 315 N CALVERT ST STE 300 | Baltimore, MD 21202-3611 | (410) 332-1122 | (410) 332-1151 | 30 | 21-2542 |
| Bertha Sirk Dialysis Center | 5820 YORK RD STE 10 | Baltimore, MD 21212-3620 | (410) 532-9311 | (410) 532-5833 | 16 | 21-2543 |
| Landover Dialysis | 1200 MERCANTILE LN STE 105 | Upper Marlboro, MD 20774-5389 | (301) 322-2861 | (301) 322-5829 | 22 | 21-2545 |
| Baltimore County Dialysis Center | 3689 OFFUTT RD STE A | Randallstown, MD 21133-3515 | (410) 922-2475 | (410) 922-1506 | 28 | 21-2546 |
| Greenspring Dialysis Center | 4701 MOUNT HOPE DR STE C | Baltimore, MD 21215-3246 | (410) 585-0467 | (410) 585-0491 | 36 | 21-2551 |
| Renal Care of Lanham | 4451 PARLIAMENT PL STE R | Lanham, MD 20706-1872 | (301) 429-7300 | (301) 459-2409 | 31 | 21-2552 |
| Harbor Park Dialysis | 111 CHERRY HILL RD | Baltimore, MD 21225-1392 | (410) 354-3037 | (410) 354-3095 | 21 | 21-2556 |
| Ellicott City Dialysis | 3419 PLUMTREE DR STE 103 | Ellicott City, MD 21042-3871 | (410) 750-8071 | (410) 750-8075 | 18 | 21-2560 |
| Lakeside Dialysis | 10401 HOSPITAL DR STE G2 | Clinton, MD 20735-3113 | (301) 856-6550 | (301) 856-5693 | 13 | 21-2564 |
| Chestertown Dialysis Center | 100 BROWN ST | Chestertown, MD 21620-1435 | (410) 778-9555 | (410) 778-9623 | 9 | 21-2565 |
| Owings Mills Dialysis Center | 11221 DOLFELD BLVD STE 118 | Owings Mills, MD 21117-3254 | (410) 363-2019 | (410) 363-2047 | 25 | 21-2574 |
| Wheaton Dialysis Center | 11941 GEORGIA AVE | Wheaton, MD 20902-2001 | (301) 949-9620 | (301) 949-9783 | 24 | 21-2576 |
| Falls Road Dialysis | 1423 CLARKVIEW RD STE 500 | Baltimore, MD 21209-2189 | (410) 828-4643 | (410) 823-8305 | 12 | 21-2588 |
| Takoma Park Dialysis | 1502 UNIVERSITY BLVD E | Hyattsville, MD 20783-4620 | (301) 408-1202 | (301) 434-9278 | 21 | 21-2590 |
| Silver Spring Dialysis | 8040 GEORGIA AVE STE 150 | Silver Spring, MD 20910-4959 | (301) 608-8961 | (301) 608-8966 | 27 | 21-2593 |
| Bel Air Dialysis | 2225 OLD EMMORTON RD STE 105 | Bel Air, MD 21015-6122 | (410) 515-2078 | (410) 515-3425 | 24 | 21-2594 |
| 25th Street Dialysis | 920 E 25TH ST | Baltimore, MD 21218-5503 | (410) 235-1611 | (410) 235-3721 | 21 | 21-2595 |
| Frederick Dialysis | 140 THOMAS JOHNSON DR STE 100 | Frederick, MD 21702-4475 | (301) 695-0900 | (301) 695-2808 | 27 | 21-2598 |
| Harford Road Dialysis Center | 5800 HARFORD RD | Baltimore, MD 21214-1847 | (410) 444-1544 | (410) 444-2787 | 19 | 21-2605 |
| Dulaney Towson Dialysis Center | 113 WEST RD STE 201 | Towson, MD 21204-2318 | (410) 825-3690 | (410) 825-3697 | 14 | 21-2612 |
| Pasadena Dialysis | 8037 GOVERNOR RITCHE HWY STE | Pasadena, MD 21122-7121 | (410) 590-4615 | (410) 766-6718 | 30 | 21-2613 |
| Dundalk Dialysis | 14 COMMERCE ST | Dundalk, MD 21222-4307 | (410) 284-9000 | (410) 284-5584 | 12 | 21-2616 |
| Rivertowne Dialysis | 6169 LIVINGSTON RD | Oxon Hill, MD 20745-3006 | (301) 839-4105 | (301) 839-4106 | 21 | 21-2621 |
| Middlebrook Dialysis | 12401 MIDDLEBROOK RD STE 160 | Germantown, MD 20874-1523 | (301) 540-6020 | (301) 540-6030 | 21 | 21-2625 |
| Renal Care of Bowie | 4861 TESLA DR STE G, H, J | Bowie, MD 20715-4318 | (301) 809-5342 | (301) 809-5539 | 24 | 21-2626 |
| Cedar Lane Dialysis | 6334 CEDAR LN STE 101 | Columbia, MD 21044-3898 | (410) 531-5390 | (410) 531-7958 | 13 | 21-2628 |
| Glen Burnie Dialysis | 6934 AVIATION BLVD STE K | Glen Burnie, MD 21061-2593 | (410) 553-6951 | (410) 766-0513 | 30 | 21-2631 |
| Windsor Dialysis | 2707 N ROLLING RD STE 104-105 | Windsor Mill, MD 21244-2157 | (410) 944-2649 | (410) 944-2726 | 18 | 21-2632 |
| Catonsville North Dialysis | 5401 BALTIMORE NATIONAL PIKE | Baltimore, MD 21229-2102 | (410) 869-4618 | (410) 869-4704 | 25 | 21-2634 |
| Pikesville Dialysis | 6609 REISTERSTOWN RD STE 100 | Baltimore, MD 21215-2662 | (410) 358-1745 | (410) 358-1526 | 22 | 21-2636 |
| Germantown Dialysis | 20111 CENTURY BLVD STE C | Germantown, MD 20874-9165 | (301) 540-4601 | (301) 540-2908 | 22 | 21-2638 |
| Cambridge Dialysis Center | 704 CAMBRIDGE PLAZA | Cambridge, MD 21613-2531 | (410) 228-2791 | (410) 221-1298 | 22 | 21-2639 |
| Renal Care of Seat Pleasant | 6274 CENTRAL AVE | Seat Pleasant, MD 20743-6128 | (301) 336-6274 | (301) 336-3946 | 21 | 21-2640 |
| Aberdeen Dialysis | 780 W BEL AIR AVE | Aberdeen, MD 21001-2236 | (410) 273-9333 | (410) 273-9337 | 15 | 21-2650 |
| Seton Drive Dialysis | 4800 SETON DR | Baltimore, MD 21215-3210 | (410) 585-0446 | (410) 585-0448 | 12 | 21-2653 |
| Ballenger Creek Dialysis | 5205 CHAIRMANS CT STE 101 | Frederick, MD 21703-2916 | (301) 662-6572 | (301) 644-0676 | 28 | 21-2654 |
| Northwest Dialysis Center | 2245 ROLLING RUN DR STE 1 | Windsor Mill Manor, MD 21244-1858 | (410) 265-0158 | (410) 944-4686 | 15 | 21-2655 |
| District Heights Dialysis | 5701 SILVER HILL RD | District Heights, MD 20747-1102 | (301) 817-0010 | (301) 817-0019 | 18 | 21-2657 |
| Kidney HOME Center | 2270 ROLLING RUN DR STE 600 | Windsor Mill, MD 21244-1864 | (410) 265-0618 | (410) 265-0614 | 21 | 21-2659 |
| Calverton Dialysis | 4780 CORRIDOR PL STE C | Beltsville, MD 20705-1165 | (301) 595-0231 | (301) 595-3439 | 12 | 21-2663 |
| Washington County Dialysis | 246 EASTERN BLVD N STE 104 | Hagerstown, MD 21740-5965 | (301) 797-7839 | (301) 393-9046 | 0 | 21-2667 |
| Forest Landing Dialysis | 2220 COMMERCE RD STE 1 | Forest Hill, MD 21050-2560 | (410) 638-6020 | (410) 638-7180 | 24 | 21-2668 |
| Charles County Dialysis | 4475 REGENCY PL STE 102 & 103 | White Plains, MD 20695-3072 | (301) 932-9874 | (301) 638-2846 | 15 | 21-2672 |
| Deer Creek Home Training | 602 S ATWOOD RD STE 106 | Bel Air, MD 21014-4198 | (410) 838-4613 | (410) 838-4924 | 4 | 21-2673 |
| Glen Burnie Home Training | 6934 AVIATION BLVD STE H | Glen Burnie, MD 21061-2593 | (410) 760-4976 | (410) 761-1040 | 6 | 21-2674 |
| PG County South Dialysis | 5442 SAINT BARNABAS RD | Oxon Hill, MD 20745-3622 | (301) 894-0572 | (301) 630-1389 | 22 | 21-2675 |
| Rock Creek Dialysis | 5544 NORBECK RD | Rockville, MD 20853-2441 | (301) 460-2090 | (301) 460-2094 | 12 | 21-2678 |

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|-----------------------------------|--------------------------------|-------------------------------------|----------------|----------------|----|---------|
| Annapolis Dialysis | 1127 WEST ST STE 100 | Annapolis, MD 21401-3615 | (410) 626-6139 | (410) 268-1294 | 16 | 21-2682 |
| Corral Hills Dialysis | 4797 MARLBORO PIKE | Capitol Heights, MD 20743-5213 | (301) 420-1513 | (301) 420-3912 | 19 | 21-2683 |
| Queen Anne Home Training | 125 SHOREWAY DR STE 330 | Queenstown, MD 21658-1683 | (410) 827-4527 | (410) 827-3148 | 2 | 21-2689 |
| Eastern Boulevard Dialysis | 246 EASTERN BLVD N STE 105 | Hagerstown, MD 21740-6666 | (301) 745-4251 | (301) 797-4637 | 22 | 21-2691 |
| Forestville Dialysis | 3424 DONNELL DR | Forestville, MD 20747-3209 | (301) 568-0381 | (301) 736-1704 | 19 | 21-2695 |
| Brandywine Dialysis | 7651 MATAPEAKE BUSINESS DR ST | Brandywine, MD 20613-3038 | (301) 782-7863 | (301) 782-3731 | 22 | 21-2698 |
| Glenarden Dialysis | 9701 PHILADELPHIA CT STE A | Lanham, MD 20706-4431 | (301) 918-3830 | (301) 306-5129 | 24 | 21-2699 |
| Kidney HOME Downtown | 200 SAINT PAUL ST STE 5 | Baltimore, MD 21202-2025 | (410) 244-5638 | (410) 244-6405 | 4 | 21-2702 |
| Briggs Chaney Dialysis | 13875 OUTLET DR | Silver Spring, MD 20904-4971 | (301) 890-8976 | (301) 890-1505 | 18 | 21-2706 |
| Greenbelt Home Training | 10210 GREENBELT RD STE 100 | Lanham, MD 20706-6223 | (301) 794-0142 | (301) 794-4857 | 4 | 21-2710 |
| Odenton Dialysis | 1360 BLAIR DR STE L & M | Odenton, MD 21113-1343 | (410) 674-3918 | (410) 672-8947 | 19 | 21-2711 |
| Largo Town Center Dialysis | 1101 MERCANTILE LN STE 104 | Largo, MD 20774-5360 | (301) 341-7480 | (301) 773-7206 | 22 | 21-2713 |
| Friendly Farms Home Dialysis | 10905 FORT WASHINGTON RD STE | Fort Washington, MD 20744-5843 | (301) 292-0540 | (301) 292-3493 | 4 | 21-2714 |
| Mt Rainier Dialysis | 2303 VARNUM ST | Mount Rainier, MD 20712-1459 | (301) 277-5350 | (301) 985-6875 | 16 | 21-2720 |
| Union Memorial Dialysis | 201 E UNIVERSITY PKWY | Baltimore, MD 21218-2829 | (410) 554-4535 | (410) 554-4544 | 27 | 21-2721 |
| Good Samaritan Dialysis | 5601 LOCH RAVEN BLVD | Baltimore, MD 21239-2945 | (443) 444-4095 | (443) 444-4098 | 53 | 21-2722 |
| Laurel Lakes Dialysis | 14500 LAUREL PL | Laurel, MD 20707-4961 | (301) 497-5454 | (301) 776-2531 | 13 | 21-2724 |
| Ridge Road Dialysis | 530 E RIDGEVILLE BLVD | Mount Airy, MD 21771-5252 | (301) 829-5162 | (301) 829-5254 | 13 | 21-2725 |
| Gaithersburg Dialysis | 202 PERRY PKWY STE 3 | Gaithersburg, MD 20877-2172 | (301) 987-0912 | (301) 947-6115 | 16 | 21-2728 |
| Edgewood Dialysis | 1415 S MOUNTAIN RD STE 105 | Joppa, MD 21085-3236 | (410) 671-6059 | (410) 612-9206 | 16 | 21-2731 |
| LA PLATA Dialysis | 6700 CRAIN HWY STE 103 | La Plata, MD 20646-4950 | (301) 934-2784 | (301) 934-8094 | 19 | 21-2732 |
| Golden Mile Dialysis | 1306 W PATRICK ST STE 5 | Frederick, MD 21703-4869 | (301) 696-1090 | (301) 696-1095 | 13 | 21-2733 |
| Loch Raven Dialysis | 5315 YORK RD | Baltimore, MD 21212-3830 | (410) 323-8790 | (410) 323-8795 | 16 | 21-2735 |
| Caroline County Dialysis | 842 S 5TH AVE | Denton, MD 21629-1398 | (410) 479-4639 | (410) 479-4644 | 13 | 21-2736 |
| Livingston Village Dialysis | 11700 LIVINGSTON RD | Fort Washington, MD 20744-5150 | (301) 292-1804 | (301) 292-9828 | 19 | 21-2737 |
| Timonium Dialysis | 1840 YORK RD STE A | Lutherville Timonium, MD 21093-5121 | (410) 252-8313 | (410) 252-8239 | 22 | 21-2738 |
| Greenmount Central Dialysis | 423 E NORTH AVE | Baltimore, MD 21202-5915 | (443) 220-0780 | (443) 220-0526 | 20 | 21-2739 |
| Severn River Dialysis | 163 JENNIFER RD STE A | Annapolis, MD 21401-3043 | (410) 224-4302 | (410) 224-4980 | 16 | 21-2743 |
| Weymouth Dialysis | 330 LIBBEY INDUSTRIAL PKWY STE | Weymouth, MA 02189-3122 | (781) 331-7700 | (781) 331-3046 | 34 | 22-2517 |
| Woburn Dialysis | 23 WARREN AVE | Woburn, MA 01801-7906 | (781) 935-7700 | (781) 933-7690 | 16 | 22-2520 |
| Boston Dialysis | 660 HARRISON AVE | Boston, MA 02118-2304 | (617) 859-7000 | (617) 859-4579 | 37 | 22-2526 |
| Brookline Dialysis | 322 WASHINGTON ST | Brookline, MA 02445-6850 | (617) 734-7794 | (617) 734-6999 | 22 | 22-2529 |
| New Bedford Dialysis | 237-B STATE RD | North Dartmouth, MA 02747-2612 | (508) 992-0629 | (508) 999-1319 | 25 | 22-2530 |
| Northeast Cambridge Dialysis | 799 CONCORD AVE | Cambridge, MA 02138-1048 | (617) 547-7700 | (617) 864-4724 | 18 | 22-2533 |
| Physicians Dialysis Fitchburg | 515 ELECTRIC AVE | Fitchburg, MA 01420-5371 | (978) 343-4100 | (978) 343-4559 | 19 | 22-2536 |
| Wellington Circle Dialysis Center | 10 CABOT RD STE 103B | Medford, MA 02155-5275 | (781) 306-9740 | (781) 306-9745 | 16 | 22-2542 |
| Salem Northeast Dialysis | 207 HIGHLAND AVE STE 2 | Salem, MA 01970-1829 | (978) 744-2075 | (978) 542-1976 | 22 | 22-2543 |
| North Andover Renal Center | 201 SUTTON ST | North Andover, MA 01845-1612 | (978) 975-1119 | (978) 975-0444 | 22 | 22-2545 |
| Burlington Regional Dialysis | 31 MALL RD STE 1B | Burlington, MA 01803-4138 | (781) 270-3580 | (781) 270-3653 | 17 | 22-2556 |
| PD-Worcester | 19 GLENNIE ST STE A | Worcester, MA 01605-3918 | (508) 421-9539 | (508) 421-6653 | 26 | 22-2564 |
| Shrewsbury Street Dialysis | 267 SHREWSBURY ST | Worcester, MA 01604-4623 | (774) 530-6353 | (774) 530-6348 | 17 | 22-2592 |
| North Oakland Dialysis | 450 N TELEGRAPH RD STE 600 | Pontiac, MI 48341-1037 | (248) 333-2230 | (248) 333-9589 | 36 | 23-2511 |
| Cornerstone Dialysis | 23857 GREENFIELD RD | Southfield, MI 48075-3122 | (248) 569-6111 | (248) 569-1049 | 25 | 23-2512 |
| Dearborn Dialysis | 1185 MONROE ST | Dearborn, MI 48124-2814 | (313) 274-8100 | (313) 274-8103 | 25 | 23-2520 |
| New Center Dialysis | 7700 2ND AVE | Detroit, MI 48202-2411 | (313) 870-9473 | (313) 871-1742 | 17 | 23-2529 |
| Bay City Dialysis | 3170 S PROFESSIONAL DR | Bay City, MI 48706-2839 | (989) 686-8782 | (989) 686-8563 | 16 | 23-2531 |
| West Branch Dialysis | 599 COURT ST | West Branch, MI 48661-9310 | (989) 345-8422 | (989) 345-8431 | 34 | 23-2534 |
| Southgate Dialysis | 14752 NORTHLINE RD | Southgate, MI 48195-2698 | (734) 284-0005 | (734) 284-0124 | 10 | 23-2535 |
| Motor City Dialysis | 4727 SAINT ANTOINE ST STE 101 | Detroit, MI 48201-1461 | (313) 831-6842 | (313) 831-6415 | 0 | 23-2539 |
| Macomb Kidney Center | 28295 SCHOENHERR RD STE A | Warren, MI 48089-4300 | (586) 558-8160 | (586) 558-8159 | 20 | 23-2540 |
| Evergreen Park Dialysis | 926 E MCDOWELL RD STE 100 | Phoenix, AZ 85006-2503 | (602) 252-1418 | (602) 252-1928 | 20 | 03-2655 |
| Redford Dialysis | 22711 GRAND RIVER AVE | Detroit, MI 48219-3113 | (313) 255-0171 | (313) 255-8036 | 32 | 23-2543 |
| Kresge Dialysis | 4145 CASS AVE | Detroit, MI 48201-1707 | (313) 833-4330 | (313) 833-4257 | 32 | 23-2545 |
| Novi Dialysis | 27150 PROVIDENCE PKWY STE A | Novi, MI 48374-1272 | (248) 449-6947 | (248) 449-6995 | 21 | 23-2549 |
| Garden West Dialysis | 5715 N VENODY RD | Westland, MI 48185-2830 | (734) 261-9418 | (734) 261-1371 | 24 | 23-2550 |
| Brighton Dialysis | 7960 GRAND RIVER RD STE 210 | Brighton, MI 48114-7336 | (810) 225-6288 | (810) 225-6291 | 19 | 23-2551 |
| Alpena Dialysis | 301 OXBOW DR | Alpena, MI 49707-1447 | (989) 356-3128 | (989) 358-0072 | 13 | 23-2553 |
| Gaylord Dialysis | 1989 WALDEN DR | Gaylord, MI 49735-8241 | (989) 731-6418 | (989) 731-4776 | 12 | 23-2556 |
| Muskegon Dialysis | 1250 MERCY DR STE 201 | Muskegon, MI 49444-1830 | (231) 737-0075 | (231) 733-0606 | 28 | 23-2562 |
| PD-Grand Haven | 16964 ROBBINS RD STE 203 | Grand Haven, MI 49417-2796 | (616) 847-2825 | (616) 847-4428 | 12 | 23-2563 |
| PD-Grand Rapids | 801 CHERRY ST SE | Grand Rapids, MI 49506-1440 | (616) 458-5100 | (616) 458-5200 | 36 | 23-2565 |
| Ypsilanti Dialysis | 2766 WASHTEANAW RD | Ypsilanti, MI 48197-1506 | (734) 528-9280 | (734) 528-1139 | 16 | 23-2568 |
| Grand Blanc Dialysis Center | 3625 GENESYS PKWY | Grand Blanc, MI 48439-8070 | (810) 953-8800 | (810) 953-8808 | 16 | 23-2569 |
| PD-Highland Park | 64 VICTOR ST | Highland Park, MI 48203-3128 | (313) 852-7700 | (313) 852-7704 | 28 | 23-2570 |
| Jackson Dialysis | 234 W LOUIS GLICK HWY | Jackson, MI 49201-1326 | (517) 841-1712 | (517) 841-1724 | 21 | 23-2571 |
| Ludington Dialysis | 7 N ATKINSON DR STE 210 | Ludington, MI 49431-1953 | (231) 843-4609 | (231) 843-9209 | 17 | 23-2572 |
| Clarkston Dialysis | 6770 DIXIE HWY STE 205 | Clarkston, MI 48346-2089 | (248) 620-0958 | (248) 620-1204 | 22 | 23-2575 |
| State Fair Dialysis | 19800 WOODWARD AVE | Detroit, MI 48203-5102 | (313) 893-8610 | (313) 893-8865 | 17 | 23-2578 |
| Schaeffer Drive Dialysis | 18100 SCHAEFFER HWY | Detroit, MI 48235-2600 | (313) 861-4354 | (313) 861-4369 | 20 | 23-2583 |
| English Village Dialysis | 11707 WHITTIER AVE | Detroit, MI 48224-1537 | (313) 509-1653 | (313) 509-1655 | 17 | 23-2584 |
| Saginaw Dialysis | 311 HOYT AVE | Saginaw, MI 48607-1105 | (989) 771-5094 | (989) 771-5053 | 13 | 23-2586 |
| PD-Grand Rapids East | 1230 EKHART ST NE | Grand Rapids, MI 49503-1372 | (616) 742-8930 | (616) 742-0456 | 25 | 23-2588 |
| Downriver Kidney Center | 5600 ALLEN RD | Allen Park, MI 48101-2604 | (313) 382-5933 | (313) 382-5942 | 24 | 23-2592 |
| Romulus Dialysis | 31470 ECORSE RD | Romulus, MI 48174-1963 | (734) 722-5455 | (734) 722-5682 | 12 | 23-2596 |
| Greenview Dialysis | 18544 W 8 MILE RD | Southfield, MI 48075-4194 | (248) 569-1729 | (248) 569-2471 | 24 | 23-2600 |
| Flushing Dialysis Center | 3469 PIERSON PL STE A | Flushing, MI 48133-2704 | (810) 733-5004 | (810) 733-5384 | 19 | 23-2601 |
| Southfield West Dialysis | 21900 MELROSE AVE STE 4 | Southfield, MI 48075-7967 | (248) 356-8079 | (248) 356-8151 | 18 | 23-2604 |
| Davison Dialysis | 1011 S STATE RD | Davison, MI 48423-1903 | (810) 658-8224 | (810) 658-8232 | 15 | 23-2605 |
| Newaygo County Dialysis | 1317 W MAIN ST | Fremont, MI 49412-1478 | (231) 924-4535 | (231) 924-4865 | 14 | 23-2607 |
| Flint Dialysis Center | 2 HURLEY PLZ STE 115 | Flint, MI 48503-5904 | (810) 239-9920 | (810) 262-6676 | 20 | 23-2608 |
| Oak Park Dialysis | 13481 W 10 MILE RD | Oak Park, MI 48237-4633 | (248) 582-9750 | (248) 582-9760 | 20 | 23-2613 |
| Battle Creek Dialysis | 220 E GOODALE AVE | Battle Creek, MI 49037-2728 | (269) 968-8401 | (269) 968-8410 | 20 | 23-2617 |
| Westland Dialysis | 36588 FORD RD | Westland, MI 48185-3769 | (734) 721-1030 | (734) 721-0833 | 16 | 23-2622 |
| Ballenger Pointe Dialysis | 2262 S BALLENGER HWY | Flint, MI 48503-3447 | (810) 232-9004 | (810) 235-8006 | 20 | 23-2624 |
| Rochester Hills Dialysis | 1886 W AUBURN RD STE 100 | Rochester Hills, MI 48309-3865 | (248) 299-7901 | (248) 299-7883 | 20 | 23-2628 |
| East Dearborn Dialysis | 13200 W WARREN AVE | Dearborn, MI 48126-2410 | (313) 582-0131 | (313) 582-0881 | 16 | 23-2631 |
| Chelsea Dialysis | 1620 COMMERCE PARK DR STE 200 | Chelsea, MI 48118-2136 | (734) 475-9710 | (734) 475-9720 | 9 | 23-2632 |
| Fenton Dialysis | 17420 SILVER PKWY | Fenton, MI 48430-4429 | (810) 750-9200 | (810) 750-9210 | 12 | 23-2635 |
| Commerce Township Dialysis | 120 W COMMERCE RD | Commerce Township, MI 48382-3915 | (248) 363-4862 | (248) 363-5238 | 12 | 23-2637 |
| Ionia Dialysis | 2622 HEARTLAND BLVD | Ionia, MI 48846-8757 | (616) 522-0265 | (616) 522-0298 | 12 | 23-2638 |
| Kalamazoo Central Dialysis | 535 S BURDICK ST STE 110 | Kalamazoo, MI 49007-5261 | (269) 343-0251 | (269) 343-0266 | 10 | 23-2639 |
| Grosse Pointe Dialysis | 18000 E WARREN AVE STE 100 | Detroit, MI 48224-1336 | (313) 343-5371 | (313) 343-6015 | 24 | 23-2643 |
| Lansing Home Training | 4530 S HAGADORN RD STE B | East Lansing, MI 48823-5304 | (517) 333-8450 | (517) 333-8449 | 0 | 23-2646 |
| Clinton Township Dialysis | 15918 19 MILE RD STE 110 | Clinton Township, MI 48038-1101 | (586) 412-9195 | (586) 412-9196 | 19 | 23-2647 |
| Gladwin Dialysis | 673 QUARTER ST | Gladwin, MI 48624-1954 | (989) 246-0128 | (989) 246-0175 | 16 | 23-2649 |
| Dearborn Home Dialysis | 23030 PARK ST | Dearborn, MI 48124-2854 | (313) 792-7343 | (313) 792-8341 | 0 | 23-2653 |
| Orchard Square Dialysis | 1900 S TELEGRAPH RD STE 200 | Bloomfield Hills, MI 48302-0238 | (248) 451-0954 | (248) 451-0681 | 20 | 23-2656 |
| West Bloomfield Dialysis | 610 W MAPLE RD STE 215 | West Bloomfield, MI 48322-4406 | (248) 539-1025 | (248) 539-2986 | 10 | 23-2661 |
| Burton Dialysis | 4015 DAVISON RD | Burton, MI 48509-1401 | (810) 715-1312 | (810) 715-1356 | 12 | 23-2663 |
| Riverwood Dialysis | 24467 W 10 MILE RD | Southfield, MI 48033-2931 | (248) 352-3137 | (248) 352-3827 | 16 | 23-2665 |
| Mt Morris Dialysis | 6141 N SAGINAW RD | Mount Morris, MI 48458-2403 | (810) 787-8134 | (810) 787-8527 | 13 | 23-2672 |
| Mt Pleasant Dialysis | 404 S CRAPO ST | Mount Pleasant, MI 48858-2944 | (989) 779-8724 | (989) 779-8894 | 15 | 23-2675 |
| Alma Dialysis | 1730 WRIGHT AVE | Alma, MI 48801-1024 | (989) 463-2366 | (989) 463-2667 | 17 | 23-2676 |
| Greenville Dialysis | 101 S GREENVILLE WEST DR | Greenville, MI 48838-1598 | (616) 225-9500 | (616) 225-9007 | 10 | 23-2677 |
| Apple Avenue Dialysis | 2480 E APPLE AVE UNIT E | Muskegon, MI 49442-4471 | (231) 773-0597 | (231) 777-7050 | 17 | 23-2678 |
| Town Center Dialysis | 323 N MICHIGAN AVE | Saginaw, MI 48602-4240 | (989) 791-3624 | (989) 791-3841 | 13 | 23-2680 |

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|------------------------------------|---------------------------------|-----------------------------------|----------------|----------------|----|---------|
| Harper Woods Dialysis | 19265 VERNIER RD | Harper Woods, MI 48225-1010 | (313) 640-0271 | (313) 640-7683 | 24 | 23-2684 |
| Riverview Dialysis | 18236 FORT ST | Riverview, MI 48193-7439 | (734) 283-4513 | (734) 283-4570 | 21 | 23-2686 |
| Ann Arbor Dialysis | 3147 OAK VALLEY DR | Ann Arbor, MI 48103-9248 | (734) 213-5269 | (734) 222-6073 | 16 | 23-2687 |
| Norton Shores Dialysis | 955 SEMINOLE RD | Norton Shores, MI 49441-4341 | (231) 780-0246 | (231) 780-0261 | 12 | 23-2689 |
| Walker Dialysis | 2680 WALKER AVE NW STE A | Walker, MI 49544-1385 | (616) 735-1172 | (616) 735-1383 | 17 | 23-2690 |
| Grayling Home Training | 125 E MICHIGAN AVE | Grayling, MI 49738-1740 | (989) 344-0805 | (989) 344-0785 | 0 | 23-2692 |
| Beltline Home Training | 330 E BELTLINE AVE NE STE 210 | Grand Rapids, MI 49506-1267 | (616) 285-7081 | (616) 285-7096 | 0 | 23-2693 |
| Bloomfield Hills Home Dialysis | 42886 WOODWARD AVE | Bloomfield Hills, MI 48304-5033 | (248) 334-7501 | (248) 334-7384 | 0 | 23-2697 |
| Bad Axe Dialysis | 897 N VAN DYKE RD | Bad Axe, MI 48413-7912 | (989) 269-7657 | (989) 269-7645 | 13 | 23-2698 |
| Oakwood Renal Services | 18100 OAKWOOD BLVD STE 206 | Dearborn, MI 48124-0085 | (313) 438-7959 | (313) 438-7960 | 18 | 23-2702 |
| Riverbend Dialysis | 415 S TELEGRAPH RD | Monroe, MI 48161-1611 | (734) 241-5704 | (734) 457-5361 | 13 | 23-2704 |
| Roscommon Dialysis | 10450 N ROSCOMMON RD | Roscommon, MI 48653-9296 | (989) 275-0362 | (989) 275-0409 | 13 | 23-2705 |
| Spartan Dialysis | 4530 S HAGADORN RD STE A | East Lansing, MI 48823-5304 | (517) 333-8414 | (517) 333-8430 | 12 | 23-2706 |
| Starwood Dialysis | 3425 STARR RD STE B | Royal Oak, MI 48073-2100 | (248) 549-0208 | (248) 549-0240 | 17 | 23-2708 |
| Starwood Home Training | 3425 STARR RD STE A | Royal Oak, MI 48073-2100 | (248) 549-0208 | (248) 549-0228 | 0 | 23-2710 |
| Grand Blanc Home Training | 8195 S SAGINAW ST STE C | Grand Blanc, MI 48439-1885 | (810) 695-1078 | (810) 695-6942 | 0 | 23-2711 |
| Partridge Creek Dialysis | 46360 GRATIOT AVE | Chesterfield, MI 48051-2800 | (586) 949-5417 | (586) 949-5691 | 24 | 23-2713 |
| Alger Heights Dialysis | 705 28TH ST SE | Grand Rapids, MI 49548-1303 | (616) 475-0553 | (616) 475-4266 | 20 | 23-2714 |
| Mid Valley PD Home Training | 1205 N MICHIGAN AVE | Saginaw, MI 48602-4729 | (989) 771-9381 | (989) 771-9407 | 0 | 23-2717 |
| East China Dialysis | 4180 HOSPITAL DR | East China, MI 48054-2232 | (810) 326-0032 | (810) 326-0151 | 13 | 23-2718 |
| Fashion Square Dialysis | 5641 BAY RD | Saginaw, MI 48604-2509 | (989) 249-1350 | (989) 249-1170 | 13 | 23-2719 |
| Colmare Dialysis | 6302 DIXIE HWY | Bridgeport, MI 48722-9566 | (989) 777-0780 | (989) 777-0717 | 12 | 23-2723 |
| Belleville Dialysis | 10850 BELLEVILLE RD | Van Buren Township, MI 48111-5304 | (734) 697-7604 | (734) 697-7261 | 12 | 23-2724 |
| Novi Home Training | 27225 PROVIDENCE PKWY STE 300 | Novi, MI 48374-1271 | (248) 449-5996 | (248) 449-6232 | 0 | 23-2726 |
| Roseville Commons Dialysis | 18001 E 10 MILE RD STE B | Roseville, MI 48066-3803 | (586) 771-2286 | (586) 771-2581 | 24 | 23-2736 |
| Wyoming Street Dialysis | 13945 WYOMING ST | Detroit, MI 48238-2333 | (313) 931-2954 | (313) 931-3084 | 13 | 23-2738 |
| Troy Dialysis | 2391 FIFTEEN MILE RD | Sterling Heights, MI 48310 | (586) 795-2920 | (586) 795-2708 | 13 | 23-2739 |
| Livonia Dialysis | 37290 S MILE RD | Livonia, MI 48154-1848 | (734) 793-9854 | (734) 793-9855 | 12 | 23-2741 |
| Edina Dialysis Center | 6565 FRANCE AVE S STE 109 | Edina, MN 55435-2137 | (952) 920-8371 | (952) 929-0539 | 12 | 24-2501 |
| Minneapolis Dialysis Unit | 825 S 8TH ST SLP 42 | Minneapolis, MN 55404-1208 | (612) 347-5972 | (612) 347-5876 | 32 | 24-2503 |
| West St. Paul Dialysis Unit | 1555 LIVINGSTON AVE | West St Paul, MN 55118-3411 | (651) 455-2995 | (651) 455-4368 | 20 | 24-2505 |
| Faribault Dialysis Unit | 201 LYNDALE AVE S STE F | Faribault, MN 55021-5758 | (507) 334-0306 | (507) 332-8935 | 10 | 24-2508 |
| Montevideo Dialysis Center | 824 N 11TH ST MONTEVIDEO HOSP | Montevideo, MN 56265-1629 | (320) 269-7451 | (320) 269-6911 | 6 | 24-2511 |
| Maplewood Dialysis Center | 2785 WHITE BEAR AVE N STE 201 | Maplewood, MN 55109-1320 | (651) 779-2222 | (651) 779-9736 | 16 | 24-2512 |
| St. Paul Dialysis | 555 PARK ST STE 180 | Saint Paul, MN 55103-2192 | (651) 291-8855 | (651) 291-0514 | 16 | 24-2513 |
| Coon Rapids Dialysis Unit | 3960 COON RAPIDS BLVD NW STE 3 | Coon Rapids, MN 55433-2598 | (763) 421-8717 | (763) 421-4789 | 16 | 24-2514 |
| Burnsville Dialysis Unit | 501 E NICOLLET BLVD STE 150 | Burnsville, MN 55337-6784 | (952) 892-1117 | (952) 892-6644 | 20 | 24-2515 |
| Arden Hills Dialysis Unit | 3900 NORTHWOODS DR STE 110 | Arden Hills, MN 55112-6911 | (651) 483-3159 | (651) 483-9156 | 12 | 24-2518 |
| Redwood Falls Dialysis | 1104 E BRIDGE ST | Redwood Falls, MN 56283-1808 | (507) 637-2076 | (507) 637-9968 | 8 | 24-2522 |
| Minnetonka Dialysis Unit | 17809 HUTCHINS DR | Minnetonka, MN 55345-4100 | (952) 470-9944 | (952) 470-9842 | 10 | 24-2526 |
| Cass Lake Dialysis Facility | 602 3RD ST NW | Cass Lake, MN 56633-3395 | (218) 335-4095 | (218) 335-4188 | 8 | 24-2528 |
| Wyoming Dialysis | 5657 257TH ST | Wyoming, MN 55092-8068 | (651) 408-8938 | (651) 462-8176 | 12 | 24-2531 |
| St. Paul Capitol Dialysis | 555 PARK ST STE 230 | Saint Paul, MN 55103-2193 | (651) 221-3318 | (651) 224-4187 | 16 | 24-2533 |
| River City Dialysis | 1970 NORTHWESTERN AVE S | Stillwater, MN 55082-6567 | (651) 430-0067 | (651) 430-0140 | 12 | 24-2535 |
| Woodbury Dialysis | 1850 WEIR DR STE 3 | Woodbury, MN 55125-2260 | (651) 730-4522 | (651) 730-5089 | 12 | 24-2536 |
| University Dialysis Unit Riverside | 1045 WESTGATE DR STE 90 | Saint Paul, MN 55114-1079 | (651) 645-1847 | (651) 645-1890 | 24 | 24-2539 |
| Pipestone Dialysis | 916 4TH AVE SW | Pipestone, MN 56164-1890 | (507) 825-6623 | (507) 825-6627 | 7 | 24-2541 |
| Bloomington Dialysis Unit of TRC | 8591 LYNDALE AVE S | Bloomington, MN 55420-2237 | (952) 703-5888 | (952) 703-5889 | 20 | 24-2547 |
| Home Dialysis Unit | 825 S 8TH ST STE 1202 | Minneapolis, MN 55404-1223 | (612) 347-4458 | (612) 341-7944 | 0 | 24-2552 |
| Minneapolis NE Dialysis | 1049 10TH AVE SE | Minneapolis, MN 55414-1312 | (612) 331-6088 | (612) 331-6090 | 12 | 24-2553 |
| St. Louis Park Dialysis Center | 3505 LOUISIANA AVE S | Saint Louis Park, MN 55426-4121 | (952) 285-1400 | (952) 285-1406 | 28 | 24-2554 |
| Eden Prairie Dialysis | 14852 SCENIC HEIGHTS RD STE 255 | Eden Prairie, MN 55344-2320 | (952) 934-2411 | (952) 934-3851 | 12 | 24-2556 |
| Eagan Dialysis Unit | 2750 BLUE WATER RD SUITE 300 | Eagan, MN 55121-1773 | (651) 688-0132 | (651) 688-0905 | 16 | 24-2557 |
| Richfield Dialysis | 6601 LYNDALE AVE S STE 150 | Richfield, MN 55423-2490 | (612) 869-2118 | (612) 869-2219 | 12 | 24-2563 |
| New Hope Dialysis Center | 5640 INTERNATIONAL PKWY | New Hope, MN 55428-3047 | (763) 537-0300 | (763) 537-0340 | 12 | 24-2564 |
| St. Paul Capitol Dialysis At Home | 555 PARK ST STE 110 | Saint Paul, MN 55103-2193 | (651) 221-3437 | (651) 224-5012 | 5 | 24-2565 |
| Cottage Grove Dialysis | 8800 E POINT DOUGLAS RD S STE 1 | Cottage Grove, MN 55016-4160 | (651) 459-5655 | (651) 459-6696 | 12 | 24-2566 |
| Scott County Dialysis | 7456 S PARK DR | Savage, MN 55378-3635 | (952) 226-4766 | (952) 226-4770 | 12 | 24-2567 |
| Minneapolis Uptown Dialysis | 3601 LYNDALE AVE S | Minneapolis, MN 55409-1103 | (612) 825-4583 | (612) 825-4651 | 12 | 24-2568 |
| East River Road Dialysis | 5301 E RIVER RD STE 117 | Fridley, MN 55421-3778 | (763) 571-5556 | (763) 571-7882 | 12 | 24-2569 |
| Maple Grove Dialysis Unit | 15655 GROVE CIR N | Maple Grove, MN 55369-4489 | (763) 420-2804 | (763) 420-7162 | 12 | 24-2571 |
| Highland Park Dialysis | 1559 7TH ST W | Saint Paul, MN 55102-4243 | (651) 222-7139 | (651) 224-3655 | 12 | 24-2573 |
| Sun Ray Dialysis Unit | 1744 OLD HUDSON RD | Saint Paul, MN 55106-6118 | (651) 793-5191 | (651) 774-6520 | 12 | 24-2574 |
| Robbinsdale Dialysis | 3461 W BROADWAY AVE | Robbinsdale, MN 55422-2955 | (763) 521-4865 | (763) 522-6754 | 16 | 24-2582 |
| Moorhead Dialysis | 1710 CENTER AVE W | Dilworth, MN 56529-1309 | (218) 233-3354 | (218) 233-3482 | 12 | 24-2584 |
| Dialysis at Mankato Clinic | 1400 MADISON AVE STE 400 | Mankato, MN 56001-5476 | (507) 385-0432 | (507) 385-1584 | 12 | 24-2585 |
| Northfield Dialysis | 2004 JEFFERSON RD | Northfield, MN 55057-3253 | (507) 645-6762 | (507) 645-2372 | 8 | 24-2588 |
| East Valley Dialysis | 14050 PILOT KNOB RD STE 100 | Apple Valley, MN 55124-6647 | (952) 423-4062 | (952) 423-6974 | 16 | 24-2589 |
| Central Avenue Dialysis | 10994 BALTIMORE ST NE | Blaine, MN 55449-4601 | (763) 786-5026 | (763) 786-4138 | 12 | 24-2591 |
| Historical Hastings Dialysis | 1828 MARKET BLVD | Hastings, MN 55033-3494 | (651) 438-2155 | (651) 438-2164 | 8 | 24-2594 |
| Glencoe Dialysis | 1123 HENNEPIN AVE N | Glencoe, MN 55336-2234 | (320) 864-1901 | (320) 864-3361 | 8 | 24-2596 |
| Rochester Dialysis | 2660 S BROADWAY STE A | Rochester, MN 55904-6264 | (507) 288-1617 | (507) 289-0672 | 12 | 24-2600 |
| Larpenteur Ave Dialysis | 1739 LEXINGTON AVE N | Roseville, MN 55113-6522 | (651) 489-9260 | (651) 489-9119 | 12 | 24-2603 |
| Lakeville Dialysis | 20184 HERITAGE DR | Lakeville, MN 55044-6855 | (952) 985-5438 | (952) 469-9742 | 8 | 24-2605 |
| NEW ULM DIALYSIS | 701 N BROADWAY | New Ulm, MN 56073-1201 | (507) 354-1216 | (507) 354-0416 | 12 | 24-2606 |
| Mankato Uptown Dialysis | 1802 COMMERCE DR | North Mankato, MN 56003-1800 | (507) 225-0258 | (507) 229-0263 | 16 | 24-2697 |
| Phalen Dialysis | 862 ARCADE ST | Saint Paul, MN 55106-3852 | (651) 776-0466 | (651) 776-7838 | 12 | 24-2701 |
| Jackson North Dialysis | 571 E BEASLEY RD SUITE A | Jackson, MS 39206-3042 | (601) 957-1999 | (601) 956-3165 | 46 | 25-2501 |
| Singing River Dialysis | 4907 TELEPHONE RD | Pascagoula, MS 39567-1823 | (228) 762-0701 | (228) 696-2955 | 30 | 25-2516 |
| Ocean Springs Dialysis | 13150 PONCE DE LEON DR | Ocean Springs, MS 39564-2460 | (228) 818-3201 | (228) 818-6468 | 16 | 25-2519 |
| Canton Renal Center | 620 E PEACE ST | Canton, MS 39046-4729 | (601) 859-3382 | (601) 859-8591 | 22 | 25-2521 |
| Jackson Southwest Dialysis | 1828 RAYMOND RD | Jackson, MS 39204-4126 | (601) 373-7897 | (601) 373-7899 | 18 | 25-2533 |
| Jackson South Dialysis | 1015 120 FRONTAGE RD | Jackson, MS 39204-5807 | (601) 373-9154 | (601) 960-0749 | 28 | 25-2535 |
| Renal Care of Lexington | 22579 DEPOT ST | Lexington, MS 39095-7339 | (662) 834-3355 | (662) 834-3587 | 22 | 25-2549 |
| Brandon Renal Center | 101 CHRISTIAN DR | Brandon, MS 39042-2678 | (601) 824-9764 | (601) 824-9761 | 24 | 25-2549 |
| Lucedale Dialysis | 652 MANILA ST | Lucedale, MS 39452-5962 | (601) 947-8701 | (601) 947-8980 | 16 | 25-2556 |
| Renal Care of Carthage | 312 ELLIS ST | Carthage, MS 39051-3809 | (601) 267-6856 | (601) 267-6859 | 15 | 25-2562 |
| Gulf Islands Home Training | 3200 MALLET RD STE F | D'Bererville, MS 39540-9305 | (228) 354-9578 | (228) 354-9580 | 0 | 25-2583 |
| St. Louis Dialysis Center | 2610 CLARK AVE | Saint Louis, MO 63103-2502 | (314) 534-0909 | (314) 534-0661 | 25 | 26-2503 |
| Northland Dialysis | 2750 CLAY EDWARDS DR STE 100 | North Kansas City, MO 64116-3257 | 816-842-2056 | 816-221-6091 | 21 | 26-2504 |
| Harrisonville Renal Center | 308 GALAXIE AVE | Harrisonville, MO 64701-2084 | (816) 380-2004 | (816) 380-7692 | 12 | 26-2523 |
| Crystal City Dialysis Center | 960 S TRUMAN BLVD | Festus, MO 63028-3714 | (636) 937-5761 | (636) 937-5774 | 12 | 26-2524 |
| DEBALVIERE DIALYSIS | 324 DE BALVIERE AVE | Saint Louis, MO 63112-1804 | (314) 367-9111 | (314) 367-9248 | 32 | 26-2527 |
| Liberty Dialysis | 2525 GLENN HENDREN DR | Liberty, MO 64068-9625 | (816) 781-4422 | (816) 792-2101 | 14 | 26-2530 |
| Hope Again Dialysis Center | 1207 STATE ROUTE VV | Kennett, MO 63857-3823 | (573) 888-0222 | (573) 888-0019 | 16 | 26-2534 |
| Rolla Dialysis | 1503 E 10TH ST | Rolla, MO 65401-3696 | (573) 364-6475 | (573) 364-9254 | 16 | 26-2536 |
| Lake St. Louis Dialysis | 200 BREVCO PLZ STE 201 | Lake Saint Louis, MO 63367-2950 | (636) 561-4799 | (636) 561-4533 | 14 | 26-2541 |
| Hospital Hill Dialysis | 900 E 21ST ST | Kansas City, MO 64108-2703 | (816) 842-9286 | (816) 221-0169 | 21 | 26-2551 |
| Florissant Dialysis | 10887 W FLORISSANT AVE | Saint Louis, MO 63136-2405 | (314) 524-5737 | (314) 524-5752 | 20 | 26-2561 |
| Washington Square Dialysis | 1112 WASHINGTON SQ | Washington, MO 63090-5336 | (636) 390-8233 | (636) 390-2771 | 16 | 26-2562 |
| Kansas City Renal Center | 4333 MADISON AVE STE 100 | Kansas City, MO 64111-3434 | (816) 756-0645 | (816) 756-1726 | 24 | 26-2564 |
| Shrewsbury Dialysis | 7303 WATSON RD STE 7 | Saint Louis, MO 63119-4405 | (314) 752-5913 | (314) 832-2527 | 12 | 26-2572 |
| South County Dialysis | 4145 UNION RD | Saint Louis, MO 63129-1064 | (314) 894-1851 | (314) 894-3879 | 12 | 26-2574 |
| St. Joseph Dialysis | 5514 CORPORATE DR STE 100 | Saint Joseph, MO 64507-7754 | (816) 671-1948 | (816) 671-1909 | 25 | 26-2576 |
| Cameron Dialysis | 1003 W 4TH ST | Cameron, MO 64429-1466 | (816) 632-6056 | (816) 632-6058 | 11 | 26-2578 |
| Chillicothe Dialysis | 588 E BUSINESS 36 | Chillicothe, MO 64601-3721 | (660) 707-1092 | (660) 707-0491 | 9 | 26-2580 |

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|--------------------------------------|----------------------------------|----------------------------------|----------------|----------------|----|---------|
| Marshall Renal Center | 359 W MORGAN ST | Marshall, MO 65340-1929 | (660) 886-9080 | (660) 886-9033 | 8 | 26-2581 |
| St. Louis West Dialysis | 400 N LINDERBEGH BLVD | Saint Louis, MO 63141-7814 | (314) 989-0886 | (314) 989-0596 | 21 | 26-2583 |
| St. Louis West Home Training | 9632 OLIVE BLVD | Olivette, MO 63132-3002 | (314) 569-8902 | (314) 995-7071 | 0 | 26-2585 |
| Hazelwood Dialysis | 637 DUNN RD STE 125 | Hazelwood, MO 63042-1757 | (314) 731-8039 | (314) 731-8084 | 24 | 26-2589 |
| Crestwood Dialysis | 9560 WATSON RD STE A | Saint Louis, MO 63126-1541 | (314) 842-0322 | (314) 842-0351 | 12 | 26-2591 |
| Platte Woods Dialysis | 7667 NW PRAIRIE VIEW RD | Kansas City, MO 64151-1544 | 816-746-5542 | 816-746-5654 | 14 | 26-2596 |
| St. Peters Dialysis | 300 FIRST EXECUTIVE AVE STE A | Saint Peters, MO 63376-1655 | 636-441-6070 | 636-441-6367 | 12 | 26-2599 |
| Lamplighter Dialysis | 12654 LAMPLIGHTER SQUARE SHPK | Saint Louis, MO 63128-2746 | (314) 729-7979 | (314) 729-7958 | 16 | 26-2606 |
| Hampton Avenue Dialysis | 1425 HAMPTON AVE | Saint Louis, MO 63139-3115 | (314) 781-4022 | (314) 781-4063 | 12 | 26-2607 |
| RTC-Columbia Dialysis | 1701 E BROADWAY STE G102 | Columbia, MO 65201-8029 | (573) 442-0573 | (573) 442-3498 | 12 | 26-2611 |
| Lees Summit Renal Center | 100 NE MISSOURI RD STE 100 | Lees Summit, MO 64086-4702 | (816) 524-3312 | (816) 524-3321 | 17 | 26-2617 |
| North St. Louis County Dialysis | 13015 NEW HALLS FERRY RD | Florissant, MO 63033-3228 | (314) 931-1113 | (314) 931-1133 | 24 | 26-2625 |
| Eastland Dialysis | 19101 E VALLEY VIEW PKWY STE E | Independence, MO 64055-6907 | (816) 795-6018 | (816) 795-9572 | 20 | 26-2626 |
| Eureka Dialysis Center | 419 MERAMEC BLVD | Eureka, MO 63025-3906 | (636) 587-2063 | (636) 587-2778 | 13 | 26-2628 |
| Westport Renal Center | 3947 BROADWAY ST | Kansas City, MO 64111-2516 | (816) 531-1181 | (816) 531-1186 | 24 | 26-2631 |
| Timberlake Dialysis | 12110 HOLMES RD | Kansas City, MO 64145-1707 | 816-942-3827 | 816-942-3153 | 12 | 26-2634 |
| Dexter Dialysis | 2010 N OUTER RD | Dexter, MO 63841-8001 | 573-624-3452 | 573-624-3188 | 8 | 26-2635 |
| Villa of Waterbury | 929 WATERBURY FALLS DR | O Fallon, MO 63368-2202 | 636-329-0697 | 636-329-1089 | 6 | 26-2636 |
| Hannibal Dialysis | 119 PROGRESS RD | Hannibal, MO 63401-6628 | 573-406-0165 | 573-406-0144 | 15 | 26-2637 |
| Maple Valley Dialysis | 649 MAPLE VALLEY DR | Farmington, MO 63640-1993 | 573-747-0946 | 573-747-0536 | 12 | 26-2640 |
| Lake St. Louis at Home | 200 BREVCOW PLZ STE 202 | Lake Saint Louis, MO 63367-2950 | 636-625-4460 | 636-625-4463 | 3 | 26-2641 |
| Sikeston Jaycee Regional Dialysis | 135 PLAZA DR STE 101 | Sikeston, MO 63801-5148 | (573) 472-7230 | (573) 472-7214 | 18 | 26-2643 |
| Grandview Dialysis | 13812 S US HIGHWAY 71 | Grandview, MO 64030-3685 | (816) 763-1179 | (816) 763-1390 | 12 | 26-2644 |
| Chambers Dialysis | 10241 LEWIS AND CLARK BLVD | Saint Louis, MO 63136-5505 | (314) 868-5982 | (314) 868-5918 | 20 | 26-2646 |
| Arnold Dialysis | 102 RICHARDSON KING | Arnold, MO 63010-6023 | 636-467-5619 | 636-467-5997 | 8 | 26-2647 |
| Town and Country West Dialysis | 12855 N 40 DR STE LL4 | Saint Louis, MO 63141-8657 | (314) 542-0049 | (314) 542-0057 | 12 | 26-2648 |
| Bowles Avenue Dialysis | 1011 BOWLES AVE STE 210 | Fenton, MO 63026-2384 | (636) 326-7130 | (636) 326-8011 | 12 | 26-2649 |
| Swope Dialysis | 4407 S 50TH TER | Kansas City, MO 64130-2855 | (816) 924-1201 | (816) 924-1799 | 19 | 26-2651 |
| South City Dialysis | 3740 S JEFFERSON AVE | Saint Louis, MO 63118-3905 | (314) 664-6687 | (314) 772-1614 | 12 | 26-2654 |
| Columbia Home Training | 3320 BLUFF CREEK DR STE 105 | Columbia, MO 65201-3662 | (573) 443-1084 | (573) 256-2155 | 0 | 26-2655 |
| Springfield North Dialysis | 1007 E KEARNEY ST | Springfield, MO 65803-3433 | (417) 873-9926 | (417) 865-1602 | 16 | 26-2656 |
| Excelsior Springs Dialysis | 1745 W JESSE JAMES RD | Excelsior Springs, MO 64024-1801 | (816) 637-2685 | (816) 637-2635 | 13 | 26-2662 |
| Kansas Avenue Dialysis | 604 KANSAS AVE | Clinton, MO 64735-3069 | (660) 890-0830 | (660) 890-0789 | 13 | 26-2663 |
| Washington Home Training | 1040 WASHINGTON SQ | Washington, MO 63090-5302 | (636) 239-8980 | (636) 239-1761 | 0 | 26-2665 |
| North County Kidney Care Dialysis | 1554 SIERRA VISTA PLZ | Saint Louis, MO 63138-2040 | (314) 438-0864 | (314) 355-1857 | 20 | 26-2673 |
| Shoal Creek Dialysis | 8260 N BOOTH AVE | Kansas City, MO 64158-7201 | 816-792-2502 | 816-792-2635 | 16 | 26-2676 |
| Natural Bridge Dialysis | 8980 NATURAL BRIDGE RD | Saint Louis, MO 63121-3917 | (314) 426-2064 | (314) 426-2462 | 20 | 26-2683 |
| Westfall Dialysis | 8029 WEST FLORISSANT AVE | Jennings, MO 63136-1400 | (314) 382-2869 | (314) 383-0795 | 20 | 26-2685 |
| Cross Keys Dialysis | 14001 NEW HALLS FERRY RD STE 13 | Florissant, MO 63033-2708 | (314) 839-7416 | (314) 839-7464 | 16 | 26-2686 |
| Silver Creek Dialysis | 2011 E 32ND ST STE 101 | Joplin, MO 64804-3018 | (417) 627-9490 | (417) 627-9459 | 8 | 26-2687 |
| Robidoux Dialysis | 802 JULES ST | Saint Joseph, MO 64501-1944 | (816) 233-3340 | (816) 233-3470 | 16 | 26-2691 |
| Rolla Home Training | 1702 E 10TH ST STE B | Rolla, MO 65401-4600 | (573) 458-2013 | (573) 458-2094 | 0 | 26-2692 |
| House Springs Dialysis | 40 WALTERS PL | House Springs, MO 63051-1491 | (636) 375-5270 | (636) 375-5302 | 20 | 26-2693 |
| Blue Ridge Dialysis | 8608 E 63RD ST | Kansas City, MO 64133-4725 | (816) 353-6100 | (816) 353-6106 | 20 | 26-2694 |
| Great Falls Dialysis | 3400 10TH AVE S STE 1 | Great Falls, MT 59405-3473 | (406) 727-0411 | (406) 453-0080 | 17 | 27-2509 |
| Hastings Dialysis Center | 1900 N SAINT JOSEPH AVE | Hastings, NE 68901-2652 | (402) 463-4893 | (402) 463-7049 | 12 | 28-2501 |
| Scottsbluff Dialysis Center | 820 W 42ND ST STE 1600 | Scottsbluff, NE 68361-5017 | (308) 220-3572 | (308) 220-3592 | 20 | 28-2502 |
| Capital City Dialysis | 307 N 46TH ST | Lincoln, NE 68503-3714 | (402) 466-5123 | (402) 466-8351 | 12 | 28-2503 |
| Omaha West Dialysis | 13014 W DODGE RD | Omaha, NE 68154-2148 | (402) 445-8950 | (402) 445-8955 | 21 | 28-2506 |
| Omaha South Dialysis | 3339 L ST | Omaha, NE 68107-2500 | (402) 734-0772 | (402) 734-0891 | 20 | 28-2511 |
| Dodge County Dialysis | 1949 E 23RD AVE S | Fremont, NE 68025-2452 | (402) 721-7005 | (402) 721-7480 | 12 | 28-2512 |
| Sorensen Park Dialysis | 6212 N 73RD PLAZA STE 100 | Omaha, NE 68134-1801 | (402) 571-4147 | (402) 573-9208 | 12 | 28-2514 |
| Omaha Central Dialysis | 144 S 40TH ST | Omaha, NE 68131-9004 | (402) 558-0818 | (402) 558-2286 | 17 | 28-2516 |
| McCook Dialysis Center | 801 W C ST STE 4 | McCook, NE 69001-3592 | (308) 345-1916 | (308) 345-1928 | 8 | 28-2517 |
| Cornhusker Dialysis | 505 CORNHUSKER RD STE 107 | Bellevue, NE 68005-7911 | (402) 292-2813 | (402) 292-2823 | 12 | 28-2518 |
| Grand Island Dialysis | 203 E STOLLEY PARK RD STE G | Grand Island, NE 68801-8256 | (308) 384-4067 | (308) 382-0461 | 12 | 28-2522 |
| South Lincoln Dialysis | 3401 PLANTATION DR STE 140 | Lincoln, NE 68516-4712 | (402) 421-6011 | (402) 421-6052 | 8 | 28-2526 |
| Omaha Harrison Dialysis | 6610 S 168TH ST STE 8 | Omaha, NE 68135-5412 | (402) 896-4609 | (402) 896-1439 | 12 | 28-2529 |
| N. E. Nebraska Dialysis | 610 S 13TH ST | Norfolk, NE 68701-4969 | (402) 371-9559 | (402) 371-7167 | 24 | 28-2530 |
| Omaha Florence Dialysis | 7454 N 30TH ST | Omaha, NE 68112-2722 | (402) 451-0723 | (402) 453-0228 | 12 | 28-2531 |
| Omaha Home Training | 8021 CASS ST | Omaha, NE 68114-3525 | (402) 393-2346 | (402) 391-1185 | 6 | 28-2533 |
| Beatrice Dialysis | 5200 HOSPITAL PKWY | Beatrice, NE 68310-6909 | (402) 223-7848 | (402) 228-1760 | 8 | 28-2534 |
| Las Vegas Dialysis Center | 150 S VALLEY VIEW BLVD | Las Vegas, NV 89107-3110 | (702) 878-0908 | (702) 878-8292 | 40 | 29-2501 |
| North Las Vegas Dialysis Center | 7025 N LAS VEGAS BLVD | North Las Vegas, NV 89030-5801 | (702) 639-0469 | (702) 639-0221 | 28 | 29-2504 |
| Sparks Dialysis Center | 777 VISTA BLVD STE 100 | Sparks, NV 89434-6656 | (775) 356-3978 | (775) 356-3971 | 24 | 29-2505 |
| Fayetteville Road Dialysis | 285 PARACLETTE DR | Raeford, NC 28376-9493 | (910) 878-0052 | (910) 875-2902 | 19 | 34-2727 |
| Pahrump Dialysis Center | 330 S LOLA LN STE 100 | Pahrump, NV 89048-0879 | (775) 751-4300 | (775) 751-4310 | 20 | 29-2511 |
| South Las Vegas Dialysis Center | 2250 S RANCHO DR STE 115 | Las Vegas, NV 89102-4456 | (702) 795-1771 | (702) 795-1794 | 22 | 29-2512 |
| Summerlin Dialysis Center | 653 N TOWN CENTER DR STE 70 | Las Vegas, NV 89144-0503 | (702) 360-6908 | (702) 360-7806 | 20 | 29-2515 |
| Floral Park Home Dialysis | 1 CINSLEY AVE | Floral Park, NY 11001-3249 | (516) 437-0789 | (516) 327-9505 | 0 | 33-2750 |
| Fort Stockton Dialysis | 387 INTERSTATE 10 W STE C | Fort Stockton, TX 79735-2700 | (432) 336-8041 | (432) 336-8205 | 8 | 67-2639 |
| Reno Dialysis Center | 1500 E 2ND ST STE 101 | Reno, NV 89502-1189 | (775) 329-2100 | (775) 329-2106 | 25 | 29-2518 |
| Sierra Rose Dialysis Center | 685 SIERRA ROSE DR | Reno, NV 89511-2060 | (775) 829-6580 | (775) 829-6581 | 18 | 29-2520 |
| Southern Hills Dialysis Center | 9280 W SUNSET RD STE 110 | Las Vegas, NV 89148-4861 | (702) 318-3167 | (702) 318-3196 | 23 | 29-2521 |
| Anthem Village Dialysis | 2530 ANTHEM VILLAGE DR | Henderson, NV 89052-5548 | (702) 614-0590 | (702) 614-7419 | 18 | 29-2522 |
| Sienna Henderson Dialysis Center | 2865 SIENNA HEIGHTS DR STE 141 | Henderson, NV 89052-4168 | (702) 260-0348 | (702) 407-9672 | 17 | 29-2524 |
| Desert Springs Dialysis | 2110 E FLAMINGO RD STE 108 | Las Vegas, NV 89119-5191 | (702) 696-9768 | (702) 791-6926 | 18 | 29-2525 |
| South Meadows Dialysis Center | 10085 DOUBLE R BLVD STE 160 | Reno, NV 89521-4867 | (775) 852-4200 | (775) 852-4263 | 25 | 29-2526 |
| Fallon Dialysis | 1103 NEW RIVER PKWY | Fallon, NV 89406-6899 | (775) 428-2077 | (775) 428-2184 | 21 | 29-2528 |
| Centennial Dialysis Center | 8775 W DEER SPRINGS WAY | Las Vegas, NV 89149-0416 | (702) 395-2488 | (702) 645-5007 | 20 | 29-2531 |
| The Nevada Dialysis Center | 1510 W WARM SPRINGS RD STE 10 | Henderson, NV 89014-3586 | (702) 451-2131 | (702) 451-5502 | 20 | 29-2534 |
| Las Vegas Pediatrics Dialysis Center | 7271 W SAHARA AVE STE 120 | Las Vegas, NV 89117-2862 | (702) 227-3049 | (702) 227-8882 | 4 | 29-2536 |
| Five Star Dialysis Center | 2400 TECH CENTER CT | Las Vegas, NV 89128-0804 | (702) 869-3771 | (702) 869-6366 | 16 | 29-2538 |
| Carson City Dialysis Center | 3246 N CARSON ST STE 110 | Carson City, NV 89706-0248 | (775) 886-6450 | (775) 886-6452 | 24 | 29-2539 |
| Winnemucca Dialysis | 830 FAIRGROUNDS RD | Winnemucca, NV 89445-2011 | (775) 623-3234 | (775) 623-1361 | 12 | 29-2546 |
| Spring Valley Dialysis | 3855 S JONES BLVD STE 101 | Las Vegas, NV 89103-2296 | (702) 248-0379 | (702) 248-0323 | 17 | 29-2547 |
| Cheyenne Dialysis | 3291 N BUFFALO DR BLDG A, STE 13 | Las Vegas, NV 89129-7441 | (702) 396-1045 | (702) 396-1530 | 26 | 29-2548 |
| Pelican Point Dialysis | 7316 W CHEYENNE AVE | Las Vegas, NV 89129-6201 | (702) 395-0227 | (702) 395-1540 | 25 | 29-2552 |
| Lake Mead Dialysis | 713 E LAKE MEAD BLVD | North Las Vegas, NV 89030-6751 | (702) 642-0216 | (702) 633-5128 | 25 | 29-2553 |
| East Sunrise Dialysis | 1750 E DESERT INN RD STE 100 | Las Vegas, NV 89169-3202 | (702) 474-7052 | (702) 474-4019 | 21 | 29-2554 |
| The District Dialysis | 2300 CORPORATE CIR STE 100 | Henderson, NV 89074-7725 | (702) 487-5576 | (702) 834-3059 | 25 | 29-2555 |
| Sahara Dialysis | 2350 STOCKTON AVE | Las Vegas, NV 89104-3823 | (702) 457-7099 | (702) 457-0287 | 25 | 29-2557 |
| Nashua Dialysis | 38 TYLER ST STE 100 | Nashua, NH 03060-2912 | (603) 598-1665 | (603) 598-1174 | 22 | 30-2507 |
| Derry Dialysis | 1 ACTION BLVD STE 2 | Londonderry, NH 03053-3428 | (603) 421-9724 | (603) 421-9731 | 13 | 30-2511 |
| Bedford Dialysis | 15 CONSTITUTION DR STE 1C | Bedford, NH 03110-6002 | (603) 471-1904 | (603) 471-1907 | 13 | 30-2513 |
| Rockingham County Dialysis | 18 PELHAM RD STE 1 | Salem, NH 03079-4818 | (603) 870-9487 | (603) 870-9498 | 10 | 30-2517 |
| Manchester Dialysis | 903 HANOVER ST | Manchester, NH 03104-5420 | (603) 621-4903 | (603) 621-4906 | 10 | 30-2519 |
| Lumberton Dialysis | 1261 ROUTE 38 STE B | Hainesport, NJ 08036-2702 | (609) 914-4420 | (609) 845-3099 | 20 | 31-2508 |
| Holmdel Dialysis | 3053 STATE ROUTE 35 | Hazlet, NJ 07730-1526 | (732) 203-0321 | (732) 203-0279 | 18 | 31-2510 |
| Cherry Hill Dialysis | 1030 KINGS HWY N STE 100 | Cherry Hill, NJ 08034-1907 | (856) 321-0111 | (856) 482-0263 | 19 | 31-2513 |
| Freehold Dialysis | 300 CRAIG RD | Manalapan, NJ 07726-8742 | (732) 303-1589 | (732) 303-1895 | 18 | 31-2517 |
| Shore Dialysis | 300 W SYLVANIA AVE STE 1 | Neptune, NJ 07753-6017 | (732) 988-3684 | (732) 988-2054 | 16 | 31-2520 |
| Delran Dialysis | 8008 ROUTE 130 | Delran, NJ 08075-1869 | (856) 764-0800 | (856) 764-0917 | 13 | 31-2521 |
| East Orange Dialysis | 14-20 PROSPECT ST | East Orange, NJ 07017-2238 | (973) 672-2025 | (973) 675-1381 | 21 | 31-2522 |
| Renal Center of Westwood | 363 OLD HOOK RD | Westwood, NJ 07675-3201 | (201) 664-6649 | (201) 664-5542 | 16 | 31-2523 |
| Summit Dialysis | 1139 SPRUCE DR | Mountainside, NJ 07092-2221 | (908) 232-7800 | (908) 232-9188 | 22 | 31-2528 |

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|--|----------------------------------|-----------------------------------|----------------|----------------|----|---------|
| Bridgewater Dialysis Center | 2121 US HIGHWAY 22 | Bound Brook, NJ 08805-1546 | (732) 469-7202 | (732) 469-7078 | 15 | 31-2530 |
| Atlantic Artificial Kidney Center | 6 INDUSTRIAL WAY W STE B | Eatontown, NJ 07724-2258 | (732) 460-1414 | (732) 460-0080 | 27 | 31-2537 |
| Perth Amboy Dialysis | 271 KING ST | Perth Amboy, NJ 08861-4488 | (732) 442-3836 | (732) 826-2428 | 21 | 31-2540 |
| Old Bridge Dialysis | 262 TEXAS RD STE 101 | Old Bridge, NJ 08857-4008 | (732) 591-4931 | (732) 561-3448 | 13 | 31-2541 |
| Jersey City Dialysis | 1310 5TH ST | North Bergen, NJ 07047-1710 | (201) 770-9220 | (201) 770-9225 | 18 | 31-2545 |
| Burlington North Dialysis | 1164 E ROUTE 130 | Burlington, NJ 08016-2954 | (609) 747-9840 | (609) 747-9846 | 13 | 31-2548 |
| Plainfield Dialysis | 1200 RANDOLPH RD MUHLENBURG | Plainfield, NJ 07060-3361 | (908) 757-6030 | (908) 757-6282 | 20 | 31-2558 |
| Edison Dialysis | 29 MERIDIAN RD | Edison, NJ 08820-2823 | (732) 205-9883 | (732) 205-9890 | 20 | 31-2559 |
| Bayonne Renal Center | 434-436 BROADWAY | Bayonne, NJ 07002-3628 | (201) 436-1664 | (201) 436-5133 | 21 | 31-2561 |
| Bricktown Dialysis Center | 525 JACK MARTIN BLVD STE 200 | Brick, NJ 08724-7737 | (732) 836-9669 | (732) 836-9709 | 18 | 31-2562 |
| Renal Center of Sewell | 660 WOODBURY-GLASSBORO RD S | Sewell, NJ 08080-3738 | (856) 464-1172 | (856) 464-5281 | 21 | 31-2565 |
| Vineland Dialysis | 1318 S MAIN RD STE 3B | Vineland, NJ 08360-6516 | (856) 691-0875 | (856) 692-0306 | 18 | 31-2566 |
| Neptune Dialysis Center | 2180 BRADLEY AVE | Neptune, NJ 07753-4427 | (732) 775-2725 | (732) 775-0500 | 18 | 31-2567 |
| Middletown Dialysis Center | 500 STATE ROUTE 35 UNION SQUA | Red Bank, NJ 07701-5038 | (732) 576-9900 | (732) 576-9908 | 15 | 31-2569 |
| Renal Center of Newark | 571 CENTRAL AVE | Newark, NJ 07107-1463 | (973) 484-4994 | (973) 484-4434 | 18 | 31-2570 |
| Renal Center of Trenton | 601 HAMILTON AVE | Trenton, NJ 08629-1915 | (609) 393-2388 | (609) 393-7927 | 18 | 31-2571 |
| Renal Center of Newton | 7 EAST CUNLION ST | Newton, NJ 07860-1801 | (973) 940-0965 | (973) 940-0969 | 21 | 31-2572 |
| Somerset Dialysis Center | 240 CHURCHILL AVE | Somerset, NJ 08873-3451 | (732) 937-5000 | (732) 937-5872 | 18 | 31-2574 |
| Parkside Dialysis | 580 FREILINGHUYSEN AVE | Newark, NJ 07114-1361 | (973) 733-9450 | (973) 733-9455 | 18 | 31-2581 |
| Willingboro Dialysis | 230 VAN SCIVER PKWY | Willingboro, NJ 08046-1131 | (609) 871-3431 | (609) 871-4122 | 18 | 31-2584 |
| Hillside Dialysis | 1529 N BROAD ST | Hillside, NJ 07205-1603 | (973) 474-1199 | (973) 474-1198 | 20 | 31-2587 |
| Marlton Dialysis | 769 ROUTE 70 E STE C100 | Marlton, NJ 08053-2361 | (856) 797-7044 | (856) 797-7049 | 15 | 31-2590 |
| Pennsauken Dialysis Center | 7024 KAIGHN AVE | Pennsauken, NJ 08109-4417 | (856) 486-1145 | (856) 486-4338 | 21 | 31-2593 |
| Lourdes Inova Dialysis | 3716 CHURCH RD | Mount Laurel, NJ 08054-1104 | (856) 222-0386 | (856) 235-0592 | 24 | 31-2594 |
| St. Joseph's Wayne Dialysis | 57 WILLOWBROOK BLVD 2ND FLOC | Wayne, NJ 07470-7045 | (973) 890-2792 | (973) 890-2796 | 20 | 31-2597 |
| Millville Dialysis | 3 ELIZABETH ST | Millville, NJ 08332-2509 | (856) 327-4580 | (856) 327-4584 | 18 | 31-2599 |
| Durham Corners Dialysis | 241 DURHAM AVE | South Plainfield, NJ 07080-2504 | (908) 222-2971 | (908) 753-0783 | 18 | 31-2607 |
| Princeton Junction Dialysis | 88 PRINCETON HIGHTSTOWN RD S | Princeton Junction, NJ 08550-1100 | (609) 799-0084 | (609) 275-7441 | 13 | 31-2610 |
| St. Joseph's SJRMC Dialysis | 703 MAIN ST | Paterson, NJ 07503-2621 | (973) 754-3570 | (973) 754-2882 | 8 | 31-2613 |
| St. Joseph's Paterson Dialysis | 11 GETTY AVE 275 HOSPITAL PLAZA | Paterson, NJ 07503 | (973) 684-3490 | (973) 247-2740 | 60 | 31-2614 |
| Hackensack Dialysis | 113 W ESSEX ST | Maywood, NJ 07607-1020 | (201) 843-3875 | (201) 843-0632 | 36 | 31-2615 |
| Fair Lawn Dialysis | 18-01 POLLITT DR | Fair Lawn, NJ 07410-2813 | (201) 796-3873 | (201) 703-3543 | 20 | 31-2616 |
| Lourdes Mt. Laurel Dialysis | 130 GAITHER DR STE 172 | Mount Laurel, NJ 08054-1715 | (856) 222-4195 | (856) 235-4842 | 20 | 31-2617 |
| New Brunswick Dialysis | 303 GEORGE ST STE G-8 | New Brunswick, NJ 08901-2020 | (732) 937-4791 | (732) 937-4795 | 18 | 31-2621 |
| Lourdes Camden Dialysis | 1601 HADDON AVE | Camden, NJ 08103-3109 | (856) 541-0647 | (856) 541-2698 | 22 | 31-2622 |
| Renal Center of Succasunna | 175 RIGHTER RD | Succasunna, NJ 07876-1324 | (973) 584-3294 | (973) 584-3298 | 12 | 31-2623 |
| Renal Center of Morristown | 100 MADISON AVE | Morristown, NJ 07960-6136 | (973) 538-8201 | (973) 538-8203 | 11 | 31-2624 |
| Woodbridge Dialysis | 541 MAIN ST ATTN DAVITA DIALYS | Woodbridge, NJ 07095-1104 | (732) 750-0639 | (732) 750-0612 | 19 | 31-2629 |
| Renal Center of Englewood | 300 GRAND AVE STE 103 | Englewood, NJ 07631-6300 | (201) 731-3149 | (201) 731-3172 | 0 | 31-2631 |
| Teterboro Dialysis | 502 RT 46 W | Teterboro, NJ 07608-1118 | (201) 288-0249 | (201) 288-2640 | 18 | 31-2632 |
| North Haledon Dialysis | 953 BELMONT AVE | North Haledon, NJ 07508-2548 | (973) 427-4675 | (973) 423-0906 | 19 | 31-2633 |
| West Orange Dialysis | 375 MOUNT PLEASANT AVE STE 34 | West Orange, NJ 07052-2750 | (973) 243-7069 | (973) 731-1348 | 19 | 31-2636 |
| Radbun Dialysis | 15-00 POLLITT DR | Fair Lawn, NJ 07410-2732 | (201) 796-1385 | (201) 794-0150 | 21 | 31-2637 |
| East Brunswick Dialysis | 629 CRANBURY RD STE 101 | East Brunswick, NJ 08816-4096 | (732) 238-1909 | (732) 967-8173 | 19 | 31-2638 |
| East Paterson Dialysis | 680 BROADWAY STE 103 | Paterson, NJ 07514-1526 | (973) 357-8079 | (973) 279-1825 | 18 | 31-2643 |
| Main Street Dialysis | 668 MAIN ST | Lumberton, NJ 08048-5016 | (609) 265-7865 | (609) 267-6876 | 10 | 31-2644 |
| Millburn Dialysis | 25 E WILLOW ST STE 2 | Millburn, NJ 07041-1416 | (973) 379-7309 | (973) 379-5175 | 18 | 31-2645 |
| Wall Township Home Training | 5100 BELMAR BLVD STE 1 | Wall Township, NJ 07727-4028 | (732) 938-2780 | (732) 938-2654 | 0 | 31-2646 |
| Dialysis at Deborah | 107 TRENTON RD | Browns Mills, NJ 08015-3202 | (609) 893-3950 | (609) 893-3704 | 16 | 31-2648 |
| Matawan Dialysis | 764 HIGHWAY 34 STE A | Matawan, NJ 07747-6614 | (732) 583-1085 | (732) 566-3632 | 19 | 31-2649 |
| Atlantic County Dialysis | 400 W BLACK HORSE PIKE STE 3 | Pleasantville, NJ 08232-2636 | (609) 646-7202 | (609) 646-7962 | 13 | 31-2651 |
| Dialysis at Palisades Medical Center | 7650 RIVER RD STE 150 | North Bergen, NJ 07047-6528 | (201) 861-1031 | (201) 758-2794 | 19 | 31-2652 |
| Jersey City Grand Home Dialysis | 422 GRAND ST | Jersey City, NJ 07302-4240 | (201) 332-6413 | (201) 536-8093 | 0 | 31-2653 |
| Metuchen Dialysis | 319 LAKE AVE | Metuchen, NJ 08840-1804 | (732) 906-5714 | (732) 906-2373 | 10 | 31-2654 |
| Monroe Township Dialysis | 298 APPLGARTRH RD | Monroe Township, NJ 08831-3754 | (609) 409-4259 | (609) 395-7697 | 10 | 31-2655 |
| Renal Center of Hamilton | 1013 WHITE HORSE AVE | Hamilton Township, NJ 08610-1424 | (609) 438-3002 | (609) 438-3011 | 19 | 31-2657 |
| Ocean County Dialysis | 635 BAY AVE STE 215 | Toms River, NJ 08753-3349 | (732) 341-2730 | (732) 557-4186 | 10 | 31-2661 |
| Plainsboro Dialysis | 100 PLAINSBORO RD STE 1A | Plainsboro, NJ 08536-1914 | (609) 275-5550 | (609) 275-5568 | 9 | 31-2667 |
| Rahway Dialysis | 800 HARRISON ST | Rahway, NJ 07065-3512 | (732) 680-0373 | (732) 680-0376 | 18 | 31-2669 |
| Lyndhurst Dialysis | 554-A NEW YORK AVE | Lyndhurst, NJ 07071-1532 | (201) 933-4782 | (201) 804-7545 | 19 | 31-2670 |
| Jersey City Summit Dialysis | 414 SUMMIT AVE | Jersey City, NJ 07306-3101 | (201) 420-8431 | (201) 459-0967 | 21 | 31-2671 |
| Hillsborough Dialysis | 220 TRIANGLE RD | Hillsborough, NJ 08844-8102 | (908) 369-0398 | (908) 369-2151 | 10 | 31-2672 |
| Bridgeton Dialysis | 333 IRVING AVE | Bridgeton, NJ 08302-2123 | (856) 575-4200 | (856) 453-0174 | 17 | 31-2673 |
| Brooklawn Dialysis | 700 CRESCENT BLVD STE 10B | Brooklawn, NJ 08030-2797 | (856) 456-1230 | (856) 742-7094 | 18 | 31-2675 |
| Jackson Township Dialysis | 260 N COUNTY LINE RD STE 120 | Jackson, NJ 08527-4473 | (732) 364-2055 | (732) 901-1905 | 10 | 31-2679 |
| Hamilton Street Dialysis | 920 HAMILTON ST STE C 3 | Somerset, NJ 08873-3600 | (732) 220-1593 | (732) 448-0567 | 10 | 31-2680 |
| Renal Center of Monroe | 300 OVERLOOK DR PONDVIEW PLA | Monroe Township, NJ 08831-5589 | (609) 642-8124 | (609) 642-8128 | 18 | 31-2681 |
| Irvington Dialysis | 468 CHANCELLOR AVE STE WS-3 | Irvington, NJ 07111-4001 | (973) 373-0294 | (973) 371-1595 | 19 | 31-2683 |
| Franklin Park Dialysis | 3079 STATE ROUTE 27 UNIT H | Franklin Park, NJ 08823-1364 | (732) 305-7855 | (732) 798-6625 | 19 | 31-2684 |
| Merchantville Dialysis | 5000 N CRESCENT BLVD STE 1A | Pennsauken, NJ 08109-2151 | (856) 910-8798 | (856) 910-8794 | 19 | 31-2685 |
| Parsippany Dialysis | 900 LANIDEX PLZ STE 120 | Parsippany, NJ 07054-2707 | (973) 739-7080 | (973) 739-7085 | 10 | 31-2691 |
| GloUCEster County Dialysis | 1217 S BLACK HORSE PIKE | Williamstown, NJ 08094-1958 | (856) 740-1890 | (856) 740-1895 | 19 | 31-2694 |
| Mays Landing Dialysis | 4403 E BLACK HORSE PIKE STE L LO | Mays Landing, NJ 08330-3103 | (609) 813-2050 | (609) 813-2055 | 10 | 31-2695 |
| South Dean Dialysis | 100 W FOREST AVE STE G | Englewood, NJ 07631-4033 | (201) 816-9733 | (201) 816-9735 | 19 | 31-2697 |
| Newark Mt Pleasant Dialysis | 262 BROAD ST STE 262 | Newark, NJ 07104-3809 | (973) 268-7184 | (973) 268-2802 | 21 | 31-2698 |
| Upper Deerfield Dialysis | 21 CORNWELL DR | Bridgeton, NJ 08302-3632 | (856) 453-2380 | (856) 453-2385 | 10 | 31-2700 |
| Sayreville Dialysis | 2909 WASHINGTON RD STE 130 | Parlin, NJ 08859-1588 | (732) 316-4960 | (732) 316-4966 | 10 | 31-2702 |
| North Plainfield Dialysis | 1260 ROUTE 22 E STE 30 | North Plainfield, NJ 07060 | (908) 754-5190 | (908) 754-5195 | 19 | 31-2703 |
| Elmora Dialysis | 547 MORRIS AVE | Elizabeth, NJ 07208-1985 | (908) 436-9201 | (908) 436-9206 | 19 | 31-2704 |
| Paramus Dialysis | 820 N ROUTE 17 | Paramus, NJ 07652-3104 | (201) 493-4901 | (201) 493-4906 | 19 | 31-2708 |
| Four Corners Dialysis Center | 801 W BROADWAY | Farmington, NM 87401-5650 | (505) 325-2827 | (505) 326-7425 | 36 | 32-2503 |
| Shiprock Dialysis Center | US HWY 491 N PO BOX 2156 | Shiprock, NM 87420-2156 | (505) 368-4125 | (505) 368-4235 | 20 | 32-2515 |
| Las Cruces Renal Center | 3961 E LOHMAN AVE STE 29 | Las Cruces, NM 88011-8272 | (575) 532-9437 | (575) 521-7348 | 20 | 32-2527 |
| Artesia Dialysis | 1903 W MAIN ST | Artesia, NM 88210-3718 | (575) 746-8818 | (575) 746-9229 | 12 | 32-2537 |
| Mesilla Valley Dialysis | 2550 S TELSHPOR BLVD | Las Cruces, NM 88011-4907 | (575) 522-3519 | (575) 522-5481 | 13 | 32-2544 |
| Sandia Peak Dialysis | 10410 COPPER POINT WAY NE | Albuquerque, NM 87123-1158 | (505) 299-0657 | (505) 299-6686 | 12 | 32-2556 |
| San Juan Dialysis | 4525 ROWE AVE | Farmington, NM 87402-3013 | (505) 326-9102 | (505) 326-6633 | 20 | 32-2561 |
| Del Norte Dialysis | 5201 SAN MATEO BLVD NE | Albuquerque, NM 87109-2414 | (505) 884-4820 | (505) 888-9407 | 17 | 32-2549 |
| Little Neck Dialysis | 252-17 NORTHERN BLVD | Little Neck, NY 11362-1355 | (718) 279-3589 | (718) 279-3593 | 17 | 33-2500 |
| South Bronx Dialysis Center | 1940 WEBSTER AVE STE 100 | Bronx, NY 10457-4261 | (718) 229-9212 | (718) 583-7335 | 21 | 33-2506 |
| Huntington on Broadway Dialysis | 256 BROADWAY | Huntington Station, NY 11746-1403 | (631) 423-4320 | (631) 423-2832 | 18 | 33-2513 |
| South Brooklyn Nephrology Center | 3915 AVENUE V STE 104 | Brooklyn, NY 11234-5156 | (718) 252-4400 | (718) 252-6490 | 23 | 33-2516 |
| Richmond Kidney Center | 1366 VICTORY BLVD | Staten Island, NY 10301-3907 | (718) 816-6200 | (718) 816-6235 | 29 | 33-2525 |
| Freeport Kidney Center | 351 S MAIN ST | Freeport, NY 11520-5114 | (516) 623-1786 | (516) 546-5074 | 21 | 33-2529 |
| Ithaca Dialysis Center | 201 DATES DR STE 206 | Ithaca, NY 14850-1345 | (607) 272-1693 | (607) 273-5580 | 12 | 33-2536 |
| Catskill Dialysis Center | 139 FORESTBURGH RD | Monticello, NY 12701-2348 | (845) 796-3300 | (845) 796-3303 | 14 | 33-2546 |
| Renal Care of Buffalo | 550 ORCHARD PARK RD BLDG B, ST | West Seneca, NY 14224-2646 | (716) 677-0089 | (716) 677-0096 | 24 | 33-2548 |
| Oyster Bay Dialysis | 17 E OLD COUNTRY RD | Hicksville, NY 11801-4270 | (516) 681-2786 | (516) 933-7836 | 25 | 33-2552 |
| Medford Kidney Center | 1725 N OCEAN AVE | Medford, NY 11763-2649 | (631) 289-8000 | (631) 289-8079 | 10 | 33-2555 |
| Utica Avenue Dialysis Center | 1305 UTICA AVE | Brooklyn, NY 11203-5911 | (718) 629-3900 | (718) 629-6315 | 30 | 33-2556 |
| Port Chester Dialysis and Renal Center | 3020 WESTCHESTER AVE STE 100 | Purchase, NY 10577-2510 | (914) 701-5232 | (914) 253-8495 | 13 | 33-2559 |
| Bronx Dialysis Center | 1615 EASTCHESTER RD | Bronx, NY 10461-2603 | (718) 892-7700 | (718) 892-7207 | 25 | 33-2563 |
| Riverdale Dialysis Center | 170 W 233RD ST | Bronx, NY 10463-5639 | (718) 884-4300 | (718) 884-9605 | 31 | 33-2565 |
| Hudson Valley Dialysis Center | 155 WHITE PLAINS RD | Tarrytown, NY 10591-5523 | (914) 332-7599 | (914) 332-7571 | 18 | 33-2571 |
| Peekskill Cortlandt Dialysis Center | 2050 E MAIN ST STE 15 | Cortlandt Manor, NY 10567-2502 | (914) 788-9326 | (914) 788-9330 | 14 | 33-2574 |
| Bronx River Dialysis | 1616 BRONXDALE AVE | Bronx, NY 10462-3302 | (718) 430-9800 | (718) 430-6854 | 30 | 33-2576 |

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| Queens Dialysis Center | 11801 GUY R BREWER BLVD | Jamaica, NY 11434-2101 | (718) 341-6711 | (718) 525-8611 | 22 | 33-2583 |
| Boston Post Road Dialysis Center | 4026 BOSTON RD | Bronx, NY 10475-1122 | (718) 862-9245 | (718) 862-9238 | 25 | 33-2588 |
| Soundview Dialysis Center | 1622 BRUCKNER BLVD STE 24 | Bronx, NY 10473-4553 | (718) 861-2334 | (718) 861-4323 | 18 | 33-2590 |
| Port Washington Dialysis Center | 50 SEAVIEW BLVD | Port Washington, NY 11050-4615 | (516) 484-3460 | (516) 484-7949 | 18 | 33-2591 |
| Lynbrook Dialysis Center | 147 SCRANTON AVE | Lynbrook, NY 11563-2808 | (516) 596-4101 | (516) 596-4290 | 18 | 33-2592 |
| Dyker Heights Dialysis Center | 1435 86TH ST | Brooklyn, NY 11228-3435 | (718) 256-5800 | (718) 256-4835 | 20 | 33-2596 |
| Northtowns Dialysis Center | 4041 DELAWARE AVE STE 150 | Tonawanda, NY 14150-6828 | (716) 871-8103 | (716) 871-8107 | 18 | 33-2597 |
| Midwood Dialysis | 1915 OCEAN AVE | Brooklyn, NY 11230-6801 | (718) 258-7700 | (718) 258-9273 | 34 | 33-2598 |
| White Plains Dialysis Center | 611 W HARTSDALE AVE 1ST FL | White Plains, NY 10607-1811 | (914) 898-3702 | (914) 898-3720 | 16 | 33-2599 |
| Suburban Dialysis Center | 705 MAPLE RD | Williamsville, NY 14221-3291 | (716) 630-6640 | (716) 630-6647 | 22 | 33-2600 |
| Yonkers Dialysis Center | 575 YONKERS AVE | Yonkers, NY 10704-2601 | (914) 377-2370 | (914) 377-2970 | 21 | 33-2602 |
| Queens Village Dialysis Center | 22202 HEMPSTEAD AVE STE 170 | Queens Village, NY 11429-2123 | (718) 217-6200 | (718) 217-4191 | 25 | 33-2603 |
| Sheepshead Bay Renal Care Center | 26 BRIGHTON 11TH ST | Brooklyn, NY 11235-5304 | (718) 743-5955 | (718) 743-5939 | 16 | 33-2604 |
| Orchard Park Dialysis Center | 3801 TAYLOR RD | Orchard Park, NY 14127-2232 | (716) 209-7200 | (716) 209-7206 | 24 | 33-2608 |
| Central New York Dialysis Center | 910 ERIE BLVD E | Syracuse, NY 13210-1048 | (315) 410-8040 | (315) 410-8030 | 30 | 33-2615 |
| Haven Dialysis | 60 HAVEN AVE STE B3 | New York, NY 10032-2605 | (212) 928-9071 | (212) 927-2645 | 24 | 33-2621 |
| Millennium Dialysis | 1408 OCEAN AVE 2ND FLR | Brooklyn, NY 11230-3814 | (718) 677-7600 | (718) 677-4159 | 20 | 33-2635 |
| Cleve Hill Dialysis Center | 3520 MAIN ST STE 400 | Amherst, NY 14226 | (716) 815-5715 | (716) 815-5746 | 24 | 33-2649 |
| Celia Dill Dialysis Center | 667 STONELEIGH AVE STE 123, BAR | Carmel, NY 10512-2455 | (845) 278-4150 | (845) 279-6902 | 16 | 33-2651 |
| Eastchester Road Dialysis Center | 1515 JARRETT PL | Bronx, NY 10461-2606 | (718) 822-4940 | (718) 822-3083 | 12 | 33-2656 |
| Bedford Park Dialysis Center | 3117 WEBSTER AVE 1ST FLR | Bronx, NY 10467-4905 | (718) 920-1530 | (718) 920-1520 | 21 | 33-2662 |
| Yonkers East Dialysis Center | 5 ODELL PLZ STE 131 | Yonkers, NY 10701-1406 | (914) 376-0296 | (914) 376-3510 | 21 | 33-2669 |
| Long Island Renal Care | 3460 GREAT NECK RD | Amityville, NY 11701-1915 | (631) 532-6969 | (631) 532-6968 | 24 | 33-2670 |
| NEOMY Dialysis Center | 1122 CONEY ISLAND AVE | Brooklyn, NY 11230-2345 | (718) 434-1444 | (718) 434-1445 | 31 | 33-2671 |
| Borough Park Dialysis | 4102 13TH AVE | Brooklyn, NY 11219-1389 | (718) 435-2112 | (718) 435-0354 | 32 | 33-2678 |
| Southtowns Dialysis Center | 4910 CAMP RD STE 100 | Hamburg, NY 14075-2617 | (716) 649-4072 | (716) 649-1937 | 25 | 33-2679 |
| Niagara Falls Kidney Care Center | 621 10TH ST | Niagara Falls, NY 14301-1813 | (716) 278-4639 | (716) 278-4637 | 17 | 33-2682 |
| Newark Wayne Dialysis Center | 1120 S MAIN ST | Newark, NY 14513-2171 | (315) 331-6958 | (315) 331-6521 | 14 | 33-2701 |
| Jamestown Dialysis Center | 207 FOOTE AVE | Jamestown, NY 14701-7077 | (716) 664-8226 | (716) 664-8349 | 18 | 33-2703 |
| Orange Dialysis Center | 100 CRYSTAL RUN RD STE 102 | Middletown, NY 10941-4042 | (845) 692-8220 | (845) 692-8655 | 20 | 33-2707 |
| Waters Place Dialysis Center | 1733 EASTCHESTER RD | Bronx, NY 10461-2315 | (718) 822-1968 | (718) 822-6030 | 24 | 33-2708 |
| Lowville Dialysis | 7785 N STATE ST STE 1 | Lowville, NY 13367-1229 | (315) 377-3090 | (315) 376-9983 | 8 | 33-2709 |
| Staten Island Dialysis Center | 1139 HYLAN BLVD | Staten Island, NY 10305-2061 | (718) 816-4913 | (718) 816-6340 | 18 | 33-2711 |
| Niagara Dialysis Center | 2932 MILITARY RD | Niagara Falls, NY 14304-1252 | (716) 297-4059 | (716) 297-4969 | 13 | 33-2720 |
| Williamsbridge Dialysis Center | 3525 WHITE PLAINS RD STE B | Bronx, NY 10467-5705 | (718) 547-4562 | (718) 231-2350 | 25 | 33-2728 |
| Williamsbridge Home Dialysis Center | 3525 WHITE PLAINS RD STE A | Bronx, NY 10467-5705 | (718) 652-1013 | (718) 652-4096 | 0 | 33-2729 |
| Corning Dialysis | 8 W PULTENEY ST STE 101 | Corning, NY 14830-2274 | (607) 962-2790 | (607) 962-2991 | 10 | 33-2732 |
| Schuyler Dialysis | 220 STEUBEN ST | Montour Falls, NY 14865-9740 | (607) 210-1997 | (607) 210-1996 | 4 | 33-2733 |
| Ivy Dialysis | 602 IVY ST | Elmira, NY 14905-1646 | (607) 737-4186 | (607) 737-4446 | 20 | 33-2735 |
| Clinton Hill Dialysis | 1275 BEDFORD AVE | Brooklyn, NY 11216-2711 | (718) 623-0633 | (718) 623-0638 | 28 | 33-2749 |
| East Islip Dialysis | 200 CARLETON AVE | East Islip, NY 11730-1222 | (631) 581-0897 | (631) 224-3355 | 21 | 33-2752 |
| Julia and Israel Waldbaum Dialysis | 100 COMMUNITY DR WALDBAUM | Great Neck, NY 11021-5501 | (516) 487-3058 | (516) 487-4918 | 34 | 33-2754 |
| Hertel Avenue Dialysis | 989 HERTEL AVE STE 380 | Buffalo, NY 14207-2355 | (716) 871-4172 | (716) 447-0230 | 17 | 33-2757 |
| Seaway Dialysis | 699 E RIDGE RD STE 11 | Rochester, NY 14621-1936 | (585) 266-7348 | (585) 266-4685 | 24 | 33-2759 |
| Melrose Dialysis | 459 E 149TH ST | Bronx, NY 10455-1314 | (718) 585-4951 | (718) 292-9823 | 24 | 33-2761 |
| Brooklyn Community Dialysis | 730 64TH ST | Brooklyn, NY 11220-4714 | (718) 759-0129 | (718) 759-0191 | 24 | 33-2764 |
| Jamaica Hillside Dialysis | 171-19 HILLSIDE AVE | Jamaica, NY 11432-4548 | (718) 526-2051 | (718) 739-3303 | 25 | 33-2766 |
| Dunkirk Dialysis | 3958 VINEYARD DR | Dunkirk, NY 14048-3522 | (716) 366-1931 | (716) 366-2105 | 14 | 33-2767 |
| Buffalo Downtown Dialysis | 500 ELLICOTT ST STE 100 | Buffalo, NY 14203-1550 | (716) 845-5101 | (716) 845-5106 | 13 | 33-2768 |
| Atlas Park Dialysis | 8000 COOPER AVE | Glendale, NY 11385-7739 | (718) 326-2789 | (718) 416-4269 | 25 | 33-2769 |
| Ozone Park Dialysis | 100-02 ROCKAWAY BLVD | Ozone Park, NY 11417-2217 | (718) 843-0694 | (718) 323-2438 | 25 | 33-2771 |
| Crossways Park Dialysis | 113 CROSSWAYS PARK DR STE 102 | Woodbury, NY 11797-2044 | (516) 921-0914 | (516) 364-0164 | 17 | 33-2773 |
| Westchester Home Training | 955 YONKERS AVE STE 201 | Yonkers, NY 10704-3063 | (914) 237-7659 | (914) 237-7894 | 0 | 33-2774 |
| Sandford Boulevard Dialysis | 120 E SANDFORD BLVD | Mount Vernon, NY 10550-4512 | (914) 665-2035 | (914) 667-5126 | 8 | 33-2778 |
| Mount Hope Dialysis | 1940 WEBSTER AVE 2ND FL, STE 20 | Bronx, NY 10457-4261 | (718) 901-9122 | (718) 901-9116 | 16 | 33-2784 |
| Hutchinson River Dialysis | 2331 EASTCHESTER RD | Bronx, NY 10469-5910 | (718) 547-0612 | (718) 653-0294 | 19 | 33-2785 |
| Laconia Dialysis | 3440 BOSTON RD | Bronx, NY 10469-2512 | (718) 798-0538 | (718) 652-2495 | 24 | 33-2786 |
| Clearview Dialysis | 45-60 FRANCIS LEWIS BLVD | Bayside, NY 11361-3047 | (718) 224-2398 | (718) 631-6710 | 25 | 33-2787 |
| Greenpoint Dialysis | 146 MESEROLE ST 2ND FL | Brooklyn, NY 11206-2582 | (718) 388-6039 | (718) 963-0941 | 24 | 33-2788 |
| Lock City Dialysis | 475 S TRANSIT ST STE 900 | Lockport, NY 14094-5562 | (716) 439-0590 | (716) 439-0595 | 9 | 33-2789 |
| Allerton Dialysis | 2554 WHITE PLAINS RD | Bronx, NY 10467-8141 | (718) 231-1285 | (718) 231-3461 | 25 | 33-2790 |
| Wingate Dialysis | 550 KINGSTON AVE | Brooklyn, NY 11203-1702 | (718) 221-5342 | (718) 221-2149 | 20 | 33-2793 |
| Rockland County Dialysis | 203 W ROUTE 59 | Nanuet, NY 10954-2218 | (845) 501-7590 | (845) 501-7585 | 20 | 33-2794 |
| Mount Eden Dialysis | 1490 MACCOMBS RD | Bronx, NY 10452-2101 | (718) 588-2347 | (718) 293-8906 | 21 | 33-2796 |
| Long Island City Dialysis | 30-46 NORTHERN BLVD FL 2 | Long Island City, NY 11101-2816 | (718) 752-1601 | (718) 752-1606 | 32 | 33-2798 |
| Staten Island South Dialysis | 30 SNEDEN AVE | Staten Island, NY 10312-3637 | (718) 356-2678 | (718) 356-6376 | 16 | 33-2799 |
| Longwood Dialysis | 931 BRUCKNER BLVD | Bronx, NY 10459-4525 | (718) 378-0921 | (718) 378-1423 | 36 | 33-2801 |
| West Farms Dialysis | 1820 E TREMONT AVE | Bronx, NY 10460-3131 | (718) 824-0245 | (718) 824-1775 | 25 | 33-2804 |
| Getty Square Dialysis | 11 ROMAINE AVE | Yonkers, NY 10705-2337 | (914) 377-1989 | (914) 377-8425 | 11 | 33-2805 |
| Grand Boulevard Dialysis | 860 GRAND BLVD | Deer Park, NY 11729-5706 | (631) 243-7770 | (631) 243-7775 | 20 | 33-2808 |
| Flatlands Dialysis | 1641 E 16TH ST FL 5 | Brooklyn, NY 11229-1107 | (718) 645-1615 | (718) 645-9263 | 25 | 33-2811 |
| Downtown Brooklyn Dialysis | 133 MILL ST | Brooklyn, NY 11231-3841 | (718) 855-8285 | (718) 522-4964 | 28 | 33-2812 |
| Westchester Home Training | 34 MARCONI ST STE 110 | Bronx, NY 10461-2755 | (929) 286-5280 | (929) 286-5281 | 0 | 33-2813 |
| Stuyvesant Heights Dialysis | 2064 ATLANTIC AVE | Brooklyn, NY 11233-3162 | (718) 346-0475 | (718) 346-4695 | 24 | 33-2815 |
| East Patchogue Dialysis | 479 E MAIN ST | Patchogue, NY 11772-3147 | (631) 447-2401 | (631) 447-2406 | 13 | 33-2817 |
| Kings Highway Dialysis | 5518 AVENUE N | Brooklyn, NY 11234-4006 | (718) 258-0609 | (718) 258-0269 | 20 | 33-2821 |
| Asheville Kidney Center | 1600 CENTREPARK DR | Asheville, NC 28805-6206 | (828) 251-1224 | (828) 251-4695 | 52 | 34-2506 |
| Wilson Dialysis | 2833 WOOTEN BLVD SW | Wilson, NC 27889-8625 | (252) 206-1471 | (252) 206-7157 | 37 | 34-2507 |
| Southeastern Dialysis Center - Wilmington | 2215 YAUPON DR | Wilmington, NC 28401-7334 | (910) 343-0664 | (910) 343-0674 | 32 | 34-2511 |
| Elizabeth City Dialysis | 1840 W CITY DR | Elizabeth City, NC 27909-9632 | (252) 338-2217 | (252) 338-4051 | 29 | 34-2515 |
| Southeastern Dialysis Center - Whiteville | 608 PECAN LN | Whiteville, NC 28472-2949 | (910) 642-0233 | (910) 642-6239 | 24 | 34-2521 |
| South Charlotte Dialysis | 10504 PARK RD | Charlotte, NC 28210-8405 | (980) 399-4784 | 9803994817x3063 | 27 | 34-2523 |
| Union County Dialysis | 615 COMFORT LN | Monroe, NC 27573-4513 | (704) 225-0944 | (704) 225-9233 | 37 | 34-2526 |
| Goldboro Dialysis | 2609 HOSPITAL DR | Goldboro, NC 27534-9424 | (919) 734-1410 | (919) 731-7346 | 25 | 34-2531 |
| Southeastern Dialysis Center - Jacksonville | 14 OFFICE PARK DR | Jacksonville, NC 28546-7325 | (910) 353-6888 | (910) 353-6839 | 38 | 34-2532 |
| Southeastern Dialysis Center - Kenansville | 133 LIMESTONE RD | Kenansville, NC 28349-9019 | (910) 441-3045 | (910) 441-3063 | 17 | 34-2535 |
| Dialysis Care of Rockingham County | 251 W KINGS HWY | Eden, NC 27288-5009 | (336) 623-7906 | (336) 623-7428 | 25 | 34-2536 |
| Dialysis Care of Richmond County | 771 CHERAW RD | Hamlet, NC 28345-7158 | (910) 582-5822 | (910) 582-1320 | 30 | 34-2539 |
| Edenton Dialysis | 212 MEDICAL ARTS DR | Edenton, NC 27932-8607 | (252) 482-0763 | (252) 482-0863 | 20 | 34-2541 |
| Vance County Dialysis | 854 S BECKFORD DR | Henderson, NC 27536-3487 | (252) 492-4239 | (252) 492-5713 | 42 | 34-2543 |
| Dialysis Care of Rowan County | 111 DORSETT DR | Salisbury, NC 28144-2278 | (704) 637-2107 | (704) 639-9272 | 34 | 34-2546 |
| Charlotte Dialysis | 2321 W MOREHEAD ST STE 102 | Charlotte, NC 28208-5145 | (704) 333-5535 | (704) 333-3862 | 33 | 34-2548 |
| Durham Dialysis | 201 HOOD ST | Durham, NC 27701-3715 | (919) 680-0002 | (919) 680-0012 | 29 | 34-2550 |
| Dialysis Care of Moore County | 16 REGIONAL DR | Pinehurst, NC 28374-8850 | (910) 295-2124 | (910) 295-2336 | 25 | 34-2555 |
| Sylva Dialysis Center | 655 ASHEVILLE HWY | Sylva, NC 28779-2747 | (828) 586-3340 | (828) 586-3350 | 16 | 34-2556 |
| Southeastern Dialysis Center - Burgaw | 704 S DICKERSON ST | Burgaw, NC 28425-4904 | (910) 259-9925 | (910) 259-7067 | 17 | 34-2558 |
| Dialysis Care of Anson County | 280 WALTON ST | Wadesboro, NC 28170-7581 | (980) 575-0145 | (980) 575-0162 | 15 | 34-2560 |
| Roxboro Dialysis | 1005 RIDGE RD | Roxboro, NC 27573-4513 | (336) 598-5196 | (336) 598-5054 | 37 | 34-2562 |
| Hendersonville Dialysis Center | 1250 7TH AVE E | Hendersonville, NC 28792-2610 | (828) 697-1602 | (828) 693-0127 | 33 | 34-2564 |
| Dialysis Care of Rutherford County | 226 COMMERCIAL ST | Forest City, NC 28043-2851 | (828) 248-3660 | (828) 248-3825 | 30 | 34-2566 |
| Burlington Dialysis | 873 HEATHER RD | Burlington, NC 27215-6288 | (336) 570-3494 | (336) 227-8615 | 18 | 34-2567 |
| Ahoshkie Dialysis | 129 HERTFORD COUNTY HIGH RD | Ahoshkie, NC 27910-8131 | (252) 332-3896 | (252) 332-3971 | 16 | 34-2570 |
| Dialysis Care of Franklin County | 1706 NC HWY 39 N | Louisburg, NC 27549-8329 | (919) 496-0300 | (919) 496-0188 | 27 | 34-2571 |
| Mt. Olive Dialysis | 105 MICHAEL MARTIN RD | Mount Olive, NC 28365-1112 | (919) 658-0878 | (919) 658-0873 | 20 | 34-2573 |
| Dialysis Care of Edgecombe County | 3206 WESTERN BLVD | Tarboro, NC 27886-1828 | (252) 641-9004 | (252) 641-9007 | 35 | 34-2577 |
| Southeastern Dialysis Center - Elizabethtown | 101 DIALYSIS DR | Elizabethtown, NC 28337-9048 | (910) 862-7022 | (910) 862-6312 | 19 | 34-2578 |

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| Dialysis Care of Hoke County | 403 S MAIN ST | Raeeford, NC 28376-3222 | (910) 875-6561 | (910) 875-6652 | 24 | 34-2579 |
| Southeastern Dialysis Center - Shallotte | 4770 SHALLLOTTE AVE | Shallotte, NC 28470-6596 | (910) 754-5563 | (910) 754-5569 | 15 | 34-2582 |
| Dialysis Care of Montgomery County | 323 W MAIN ST | Biscoe, NC 27009-9528 | (910) 428-4052 | (910) 428-4535 | 20 | 34-2583 |
| Dialysis Care of Martin County | 100 MEDICAL DR | Williamston, NC 27892-2156 | (252) 792-2386 | (252) 792-4832 | 15 | 34-2584 |
| Goldsboro South Dialysis | 1704 WAYNE MEMORIAL DR | Goldsboro, NC 27534-2240 | (919) 739-6505 | (919) 739-6506 | 22 | 34-2587 |
| Dialysis Care of Kannapolis | 1607 N MAIN ST | Kannapolis, NC 28081-2317 | (704) 933-0809 | (704) 933-6964 | 25 | 34-2592 |
| Cherokee Dialysis Center | 53 ECHOTA CHURCH RD | Cherokee, NC 28719-9702 | (828) 497-6866 | (828) 497-2598 | 20 | 34-2602 |
| Weaverline Dialysis | 329 MERRIMON AVE | Weaverline, NC 28787-9253 | (828) 658-1441 | (828) 658-1563 | 20 | 34-2604 |
| Durham West Dialysis | 4307 WESTERN PARK PL | Durham, NC 27705-1204 | (919) 384-0712 | (919) 384-0853 | 25 | 34-2616 |
| Charlotte East Dialysis | 5627 ALBEMARLE RD | Charlotte, NC 28212-3611 | (704) 535-3962 | (704) 531-4878 | 34 | 34-2627 |
| Chadbourne Dialysis Center | 210 STRAWBERRY BLVD | Chadbourne, NC 28431-1418 | (910) 654-3190 | (910) 654-5747 | 17 | 34-2628 |
| Waynesville Dialysis Center | 11 PARK TERRACE DR | Clyde, NC 28721-7445 | (828) 627-2907 | (828) 627-2924 | 24 | 34-2629 |
| Copperfield Dialysis | 1030 VINEHAVEN DR NE | Concord, NC 28025-2438 | (704) 795-7552 | (704) 795-7567 | 27 | 34-2631 |
| Forest Hills Dialysis | 1605 MEDICAL PARK DR W | Wilson, NC 27893-2799 | (252) 265-0020 | (252) 265-0645 | 31 | 34-2637 |
| Southern Pines Dialysis Center | 209 WINDSTAR PL | Southern Pines, NC 28387-7086 | (910) 692-6218 | (910) 692-9473 | 18 | 34-2638 |
| Reidsville Dialysis | 1307 FREEWAY DR | Reidsville, NC 27320-7104 | (336) 348-6857 | (336) 348-6861 | 27 | 34-2640 |
| McDowell County Dialysis | 100 SPAULDING RD STE 2 | Marion, NC 28752-5116 | (828) 659-9790 | (828) 659-9794 | 13 | 34-2645 |
| Smoky Mountain Dialysis | 1611 ANDREWS RD | Murphy, NC 28906-5100 | (828) 835-4910 | (828) 835-7394 | 13 | 34-2649 |
| Greene County Dialysis Center | 1025 KINGSOLD BLVD | Snow Hill, NC 28580-1616 | (252) 747-9987 | (252) 747-9990 | 21 | 34-2650 |
| MAXTON DIALYSIS | 202 E DR MARTIN LUTHER KING JR | Maxton, NC 28364-1861 | (910) 844-2693 | (910) 844-2696 | 14 | 34-2651 |
| Wallace Dialysis | 5650 S NC 41 HWY | Wallace, NC 28466-6094 | (910) 285-6424 | (910) 285-6928 | 20 | 34-2659 |
| Mayland Dialysis Center | 575 ALTPASS HWY | Spruce Pine, NC 28777-3012 | (828) 766-8122 | (828) 765-6946 | 9 | 34-2660 |
| North Charlotte Dialysis Center | 6620 OLD STATESVILLE RD | Charlotte, NC 28269-6768 | (704) 599-1355 | (704) 599-1511 | 36 | 34-2663 |
| Marshville Dialysis Center | 7260 E MARSHVILLE BLVD | Marshville, NC 28103-1191 | (704) 624-5000 | (704) 624-5040 | 12 | 34-2666 |
| Southport Dialysis Center | 1513 N HOWE ST STE 15 | Southport, NC 28461-2770 | (910) 454-0273 | (910) 454-0277 | 11 | 34-2669 |
| Harrisburg Dialysis Center | 3310 PERRY ST | Concord, NC 28027-3901 | (704) 792-1144 | (704) 792-1164 | 28 | 34-2670 |
| Wake Forest Dialysis Center | 11001 INGLESIDE PL | Raleigh, NC 27614-8577 | (919) 556-0968 | (919) 556-7497 | 21 | 34-2675 |
| Carthage Dialysis | 165 SAVANNAH GARDEN DR | Carthage, NC 28327-6161 | (910) 947-1052 | (910) 947-1060 | 12 | 34-2679 |
| Southpoint Dialysis | 415 W NC HWY 54 | Durham, NC 27713-7516 | (919) 544-5536 | (919) 544-5667 | 16 | 34-2683 |
| Cape Fear Dialysis | 3005 ENTERPRISE DR | Wilmington, NC 28405-2181 | (910) 796-8684 | (910) 799-7758 | 32 | 34-2685 |
| North Burlington Dialysis | 2019 N CHURCH ST | Burlington, NC 27217-2928 | (336) 227-3450 | (336) 227-2084 | 18 | 34-2686 |
| Sandhills Dialysis | 809 S LONG DR STE B | Rockingham, NC 28379-4375 | (910) 895-9924 | (910) 997-5042 | 16 | 34-2690 |
| Mint Hill Dialysis | 11308 HAWTHORNE DR | Mint Hill, NC 28227-9300 | (704) 573-2549 | (704) 545-3747 | 21 | 34-2692 |
| Brevard Dialysis Center | 102 COLLEGE STATION DR STE 10 | Brevard, NC 28712-3355 | (828) 884-4075 | (828) 884-4073 | 13 | 34-2693 |
| Biltmore Home Training | 10 MCDOWELL ST STE 110 | Asheville, NC 28801-4104 | (828) 255-2839 | (828) 251-8366 | 13 | 34-2695 |
| Franklin Township Dialysis | 80 WESTGATE PLZ | Franklin, NC 28734-1422 | (828) 369-1957 | (828) 524-6576 | 12 | 34-2696 |
| Lumbee River Dialysis | 11016 RED SPRINGS RD | Red Springs, NC 28377-8060 | (910) 843-3205 | (910) 843-1694 | 15 | 34-2698 |
| New River Dialysis | 111 YOPP RD | Jacksonville, NC 28540-3509 | (910) 989-0157 | (910) 989-0328 | 25 | 34-2700 |
| Surf City Dialysis | 22807 US HIGHWAY 17 N | Hampstead, NC 28443-3178 | (910) 329-0706 | (910) 329-0841 | 14 | 34-2703 |
| Kerr Lake Dialysis | 1274 RUIN CREEK RD | Henderson, NC 27537-4168 | (252) 431-0233 | (252) 431-0252 | 17 | 34-2704 |
| Huntersville Dialysis | 9622 KINCEY AVE | Huntersville, NC 28078-9140 | (704) 912-3890 | (704) 948-1177 | 18 | 34-2707 |
| Albemarle Dialysis | 101 DAVITA LANE | Elizabeth City, NC 27909-3314 | (252) 338-0151 | (252) 338-0567 | 14 | 34-2708 |
| Alamance County Dialysis | 829 S MAIN ST | Graham, NC 27253-3763 | (336) 229-9169 | (336) 229-6378 | 13 | 34-2709 |
| Sampson County Home Training | 331 NORTH BLVD | Clinton, NC 28328-1911 | (910) 590-2777 | (910) 592-1646 | 5 | 34-2712 |
| Leland Dialysis | 1220 MAGNOLIA VILLAGE WAY | Leland, NC 28451-9464 | (910) 371-0391 | (910) 371-3304 | 16 | 34-2716 |
| Coastal Plains Dialysis | 209 NC HWY 111 S | Goldsboro, NC 27534-9253 | (919) 778-5766 | (919) 751-7672 | 12 | 34-2723 |
| Sharpsburg Dialysis | 191 SE RAILROAD ST | Sharpsburg, NC 27878-9500 | (252) 446-1791 | (252) 446-1796 | 10 | 34-2725 |
| Glen Raven Dialysis | 2210 W WEBB AVE | Burlington, NC 27217-1068 | (336) 538-9820 | (336) 538-9826 | 14 | 34-2726 |
| Garden City Dialysis Center | 1100 STEWART AVE STE 2 | Garden City, NY 11530-4839 | (516) 357-0004 | (516) 357-7377 | 31 | 33-2605 |
| Nash County Dialysis | 110 ENTERPRISE DR | Rocky Mount, NC 27804-9503 | (252) 451-0661 | (252) 451-0665 | 12 | 34-2728 |
| Catawba County Dialysis | 1900 3RD AVE LN SE | Hickory, NC 28602-2959 | (828) 304-0102 | (828) 322-4570 | 16 | 34-2729 |
| Spencer Dialysis | 1287 N SALISBURY AVE | Spencer, NC 28159-1834 | (704) 636-3545 | (704) 636-3275 | 14 | 34-2730 |
| BROOKSHIRE DIALYSIS | 5601 TUCKASEEGEE RD | Charlotte, NC 28208-2525 | (704) 395-6091 | (704) 395-4963 | 11 | 34-2731 |
| Bull City Dialysis | 3607 WITHERSPOON BLVD | Durham, NC 27707-6853 | (919) 401-8679 | (919) 401-6478 | 16 | 34-2732 |
| Durham Regional Dialysis | 3901 N ROXBORO ST STE 108 | Durham, NC 27704-2181 | (919) 471-2523 | (919) 471-8699 | 10 | 34-2734 |
| Sugar Creek Dialysis | 5100 REAGAN DR STE 10 | Charlotte, NC 28206-1353 | (704) 921-9823 | (704) 597-2902 | 10 | 34-2736 |
| Mebane Dialysis | 616 N FIRST ST | Mebane, NC 27302-2106 | (919) 563-1052 | (919) 563-1484 | 10 | 34-2739 |
| Roanoke-Chowan Dialysis | 626 W MAIN ST | Murfreesboro, NC 27855-1510 | (252) 396-0572 | (252) 396-0368 | 10 | 34-2740 |
| Downtown Durham Dialysis | 1100 N MIAMI BLVD STE 500A | Durham, NC 27703-2479 | (919) 530-1571 | (919) 530-8576 | 10 | 34-2741 |
| OAK CITY DIALYSIS | 3645 TRUST DR | Raleigh, NC 27616-2955 | (919) 876-6827 | (919) 876-2385 | 10 | 34-2744 |
| Robersonville Dialysis | 102 COYOTE LN | Robersonville, NC 27871-9514 | (252) 795-2010 | (252) 795-0343 | 10 | 34-2746 |
| Hickory Ridge Dialysis | 9562 ROCKY RIVER RD | Charlotte, NC 28215-9592 | (704) 921-4990 | (704) 921-9548 | 10 | 34-2747 |
| Perquimans Dialysis | 210 OCEAN HWY S | Hertford, NC 27944-7901 | (252) 426-3349 | (252) 426-3345 | 10 | 34-2749 |
| Rosewood Dialysis | 105 ADAIR DR | Goldsboro, NC 27530-4516 | (919) 581-9831 | (919) 735-4840 | 10 | 34-2752 |
| Kenly Dialysis | 9266 US HWY 301 SOUTH P.O. Box | Kenly, NC 27542 | (919) 284-1714 | (919) 284-0813 | 10 | 34-2753 |
| Pinehurst Home Training | 246 OLMSTEAD BLVD STE E | Pinehurst, NC 28374-6005 | (910) 255-0013 | (910) 215-0224 | 0 | 34-2754 |
| Arden Dialysis | 2621 HENDERSONVILLE RD | Arden, NC 28704-9226 | (828) 630-1038 | (828) 630-1055 | 14 | 34-2756 |
| Woe Valley Dialysis | 101 W WOODCROFT PKWY | Durham, NC 27713-9471 | (984) 250-7106 | (984) 250-7127 | 10 | 34-2758 |
| BLADENBORO DIALYSIS | 219 MARTIN LUTHER KING JR DR | Bladenboro, NC 28320-8682 | (910) 863-2046 | (910) 863-2380 | 14 | 34-2759 |
| Cannon Dialysis | 614 S CANNON BLVD | Kannapolis, NC 28083-5240 | (704) 273-3471 | (704) 273-3062 | 11 | 34-2760 |
| New Hanover Dialysis | 3147 S 17TH ST | Wilmington, NC 28412-1030 | (910) 794-6110 | (910) 794-4288 | 18 | 34-2717 |
| Research Triangle Park Dialysis | 4021 STIRRUP CREEK DR STE 400 | Durham, NC 27703-9352 | (919) 206-4606 | (919) 224-1449 | 10 | 34-2718 |
| Fargo Dialysis Center | 4474 23RD AVE S STE M | Fargo, ND 58104-8795 | (701) 281-3900 | (701) 282-2635 | 12 | 35-2502 |
| Mt. Auburn Dialysis | 2109 READING RD | Cincinnati, OH 45202-1417 | (513) 784-1800 | (513) 723-2355 | 29 | 36-2502 |
| Southland Dialysis | 3401 GLENDALE AVE STE 110 | Toledo, OH 43614-2490 | (419) 389-9681 | (419) 389-9196 | 28 | 36-2509 |
| Zanesville Dialysis | 3120 NEWARK RD | Zanesville, OH 43701-9659 | (740) 454-2911 | (740) 452-0847 | 22 | 36-2518 |
| Blue Ash Dialysis | 10600 MCKINLEY RD | Blue Ash, OH 45242-3716 | (513) 733-8215 | (513) 733-8293 | 18 | 36-2519 |
| Eastgate Dialysis | 4435 AICHOLTZ RD | Cincinnati, OH 45245-1690 | (513) 752-5544 | (513) 752-5736 | 16 | 36-2522 |
| Wright Field Dialysis | 1431 BUSINESS CENTER CT | Dayton, OH 45410-3300 | (937) 252-1867 | (937) 252-2256 | 5 | 36-2524 |
| Home Dialysis of Dayton South | 3030 S DIXIE DR | Kettering, OH 45409-1516 | (937) 296-1171 | (937) 296-1476 | 3 | 36-2541 |
| Home Dialysis of Dayton | 455 TURNER RD STE B | Dayton, OH 45415-3630 | (937) 278-8261 | (937) 275-4465 | 0 | 36-2542 |
| Columbus Dialysis | 226 GRACELAND BLVD STE 3-09A | Columbus, OH 43214-1532 | (614) 985-1732 | (614) 781-0906 | 21 | 36-2543 |
| Maumee Bay Dialysis | 3310 DUSTIN RD | Oregon, OH 43616-3302 | (419) 697-2191 | (419) 697-2177 | 18 | 36-2547 |
| Willow Dialysis Center | 1675 ALEX DR | Wilmington, OH 45177-2446 | (937) 383-3338 | (937) 383-3631 | 19 | 36-2551 |
| Ashtabula Dialysis | 1614 W 19TH ST | Ashtabula, OH 44004-3036 | (440) 964-9777 | (440) 964-8914 | 17 | 36-2554 |
| Shaker Square Dialysis | 12800 SHAKER BLVD STE 1 | Cleveland, OH 44120-2000 | (216) 491-4867 | (216) 491-4925 | 20 | 36-2560 |
| Belmont Dialysis | 68639 BANNOCK RD | Saint Clairsville, OH 43950-9736 | (740) 699-0220 | (740) 699-0703 | 10 | 36-2561 |
| Marietta Dialysis | 1019 PIKE ST | Marietta, OH 45750-3500 | (740) 376-2622 | (740) 376-2633 | 12 | 36-2563 |
| Middleburg Heights Dialysis | 7360 ENGLE RD | Middleburg Heights, OH 44130-3429 | (440) 891-5645 | (440) 891-5655 | 24 | 36-2572 |
| Swan Creek Dialysis | 5201 AIRPORT HWY | Toledo, OH 43615-6800 | (419) 214-0540 | (419) 214-0546 | 17 | 36-2587 |
| Midwest Springfield Dialysis | 2200 N LIMESTONE ST STE 104 | Springfield, OH 45503-2692 | (937) 390-3125 | (937) 390-6022 | 16 | 36-2592 |
| Southwest Ohio Dialysis | 215 S ALLISON AVE | Xenia, OH 45385-3694 | (937) 376-1453 | (937) 374-2930 | 21 | 36-2594 |
| Dayton North Dialysis | 455 TURNER RD STE A | Dayton, OH 45415-3630 | (937) 278-7861 | (937) 278-8336 | 24 | 36-2595 |
| Belden Community Dialysis | 4377 WHIPPLE AVE NW | Canton, OH 44718-2643 | (330) 649-9300 | (330) 491-4881 | 24 | 36-2600 |
| Fairfield Dialysis | 1210 HICKS BLVD | Fairfield, OH 45014-1921 | (513) 939-1110 | (513) 939-1202 | 14 | 36-2602 |
| Fairfield Home Training Dialysis | 1210 HICKS BLVD | Fairfield, OH 45014-1921 | (513) 939-1120 | (513) 939-1150 | 0 | 36-2608 |
| Winton Road Dialysis | 6550 WINTON RD | Cincinnati, OH 45224-1327 | (513) 591-2900 | (513) 591-0208 | 24 | 36-2611 |
| Summit Renal Center | 73 MASSILLON RD | Akron, OH 44312-1028 | (330) 733-1861 | (330) 733-4696 | 19 | 36-2613 |
| North Ridge Dialysis | 6830 N RIDGE RD | Madison, OH 44057-2637 | (440) 428-8377 | (440) 428-0615 | 12 | 36-2614 |
| Parma Dialysis Center | 6735 AMES RD | Parma, OH 44129-5601 | (440) 743-0690 | (440) 743-0685 | 20 | 36-2620 |
| Seneca Dialysis | 10 ST LAWRENCE DR | Tiffin, OH 44883-8310 | (419) 443-1051 | (419) 443-1142 | 13 | 36-2622 |
| White Ponds Dialysis | 791 WHITE POND CR | Akron, OH 44320-4202 | (330) 835-9083 | (330) 835-9353 | 22 | 36-2623 |
| Western Hills Dialysis | 3267 WESTBOURNE DR | Cincinnati, OH 45248-5110 | (513) 347-0444 | (513) 347-0150 | 16 | 36-2628 |
| Columbus East Dialysis | 299 OUTERBELT ST | Columbus, OH 43213-1529 | (614) 501-7224 | (614) 501-5197 | 25 | 36-2629 |
| Silverton Dialysis | 6929 SILVERTON AVE | Cincinnati, OH 45236-3701 | (513) 793-0555 | (513) 793-4183 | 16 | 36-2633 |
| Montgomery Home Training | 11135 MONTGOMERY RD | Cincinnati, OH 45249-2338 | (513) 810-4369 | (513) 810-4387 | 4 | 36-2634 |

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|--------------------------------------|---------------------------------|---------------------------------|----------------|----------------|----|---------|
| Mercy Canton Dialysis | 1320 MERCY DR NW | Canton, OH 44708-2614 | (330) 471-1729 | (330) 471-1759 | 18 | 36-2640 |
| Premiere Kidney Center of Newark | 65 S TERRACE AVE | Newark, OH 43055-1355 | (740) 522-2955 | (740) 522-2975 | 21 | 36-2644 |
| Midwest Fairborn Dialysis | 1266 N BROAD ST | Fairborn, OH 45324-5549 | (937) 879-0433 | (937) 879-0589 | 19 | 36-2645 |
| Butler County Dialysis | 3497 S DIXIE HWY | Franklin, OH 45005-5717 | (513) 993-5777 | (513) 422-1634 | 20 | 36-2647 |
| Columbus Downtown Dialysis | 415 E MOUND ST | Columbus, OH 43215-5532 | (614) 228-1773 | (614) 228-1881 | 24 | 36-2650 |
| Munroe Falls Dialysis | 265 N MAIN ST | Munroe Falls, OH 44262-1090 | (330) 689-1400 | (330) 689-1408 | 13 | 36-2651 |
| Darke County Dialysis | 1111 SWEITZER ST STE B | Greenville, OH 45331-1189 | (937) 548-7019 | (937) 548-6519 | 10 | 36-2659 |
| Home Dialysis Services of Sandusky | 2819 S HAYES AVE STE 8 | Sandusky, OH 44870-5391 | (419) 627-0477 | (419) 627-0466 | 0 | 36-2660 |
| Alliance Community Dialysis | 270 E STATE ST STE 110 | Alliance, OH 44601-4309 | (330) 821-1657 | (330) 821-1735 | 19 | 36-2669 |
| Belpre Dialysis | 2906 WASHINGTON BLVD | Belpre, OH 45714-1848 | (740) 401-0607 | (740) 401-0691 | 12 | 36-2671 |
| Northwood Dialysis | 611 LEMOYNE RD | Northwood, OH 43619-1811 | (419) 698-3423 | (419) 698-5165 | 13 | 36-2680 |
| Fairborn Dialysis | 3070 PRESIDENTIAL DR STE A | Beavercreek, OH 45324-6273 | (937) 426-6475 | (937) 426-2436 | 12 | 36-2683 |
| Strongsville Dialysis | 17792 PEARL RD | Strongsville, OH 44136-6909 | (440) 238-9270 | (440) 238-9275 | 18 | 36-2684 |
| White Oak Home Training Dialysis | 5520 CHEVIOT RD STE B | Cincinnati, OH 45247-7069 | (513) 385-3580 | (513) 385-4589 | 0 | 36-2687 |
| White Oak Dialysis | 5520 CHEVIOT RD STE B | Cincinnati, OH 45247-7069 | (513) 741-1062 | (513) 741-2819 | 20 | 36-2688 |
| Butler County Home Training Dialysis | 7335 YANKEE RD SUITE 101 | Liberty Township, OH 45044-0008 | (513) 755-2524 | (513) 755-3268 | 4 | 36-2689 |
| Kettering Dialysis | 5721 BIGGER RD | Kettering, OH 45440-2752 | (937) 435-4030 | (937) 435-4140 | 16 | 36-2690 |
| Hilliard Dialysis | 19133 HILLIARD BLVD | Rocky River, OH 44116-2907 | (216) 712-4700 | (216) 712-4704 | 18 | 36-2699 |
| Sandusky Dialysis Center | 211 LAKESIDE PARK | Sandusky, OH 44870-8639 | (419) 626-3809 | (419) 626-5107 | 17 | 36-2700 |
| McCarty Lane Dialysis | 500 MCCARTY LN | Jackson, OH 45640-7019 | (740) 286-1600 | (740) 286-1615 | 12 | 36-2701 |
| Eastgate Home Training | 4435 AICHOLTZ RD STE 800B | Cincinnati, OH 45245-1690 | (513) 752-8301 | (513) 752-8483 | 0 | 36-2702 |
| Eaton Dialysis | 105 E WASHINGTON JACKSON RD | Eaton, OH 45320-9789 | (937) 456-1174 | (937) 456-1945 | 12 | 36-2703 |
| Green Valley Dialysis | 1489 W WARM SPRINGS RD STE 12 | Henderson, NV 89014-7637 | (702) 450-8877 | (702) 450-8887 | 18 | 29-2517 |
| Las Vegas Renal Center | 2333 RENAISSANCE DR | Las Vegas, NV 89119-6191 | (702) 740-8580 | (702) 740-8684 | 14 | 29-2505 |
| Columbus West Dialysis | 1395 GEORGESVILLE RD | Columbus, OH 43228-3611 | (614) 279-8495 | (614) 279-8715 | 15 | 36-2707 |
| Wauseon Dialysis Center | 721 S SHOOP AVE | Wauseon, OH 43567-1729 | (419) 335-0695 | (419) 335-0812 | 13 | 36-2706 |
| Lebanon Dialysis Center | 918B COLUMBUS AVE | Lebanon, OH 45036-1402 | (513) 934-0272 | (513) 934-3410 | 16 | 36-2707 |
| Delhi Dialysis | 5040 DELHI PIKE | Cincinnati, OH 45238-5388 | (513) 922-5900 | (513) 922-5909 | 16 | 36-2708 |
| Pataskala Dialysis Center | 642 EAST BROAD ST | Pataskala, OH 43062-7627 | (740) 964-1306 | (740) 964-2698 | 8 | 36-2709 |
| Point Place Dialysis | 4747 SUDER AVE STE 107 | Toledo, OH 43611-2869 | (419) 727-9692 | (419) 727-9743 | 12 | 36-2712 |
| Anderson Dialysis Center | 7502 STATE RD STE 1160 | Cincinnati, OH 45255-2800 | (513) 624-0400 | (513) 624-0182 | 16 | 36-2715 |
| Grove City Dialysis | 4155 KENLOR DR | Grove City, OH 43123-2960 | (614) 801-0323 | (614) 801-0539 | 8 | 36-2716 |
| Akron Renal Center | 525 E MARKET ST BLDG 50 | Akron, OH 44304-1619 | (330) 375-6848 | (330) 375-3421 | 16 | 36-2719 |
| Dublin Dialysis | 6770 PERIMETER DR | Dublin, OH 43016-8063 | (614) 798-8359 | (614) 798-8442 | 12 | 36-2728 |
| Midwest Urbana Dialysis | 1430 E US HIGHWAY 36 | Urbana, OH 43078-9112 | (937) 484-4600 | (937) 484-4407 | 12 | 36-2729 |
| Rockside Dialysis | 4801 ACORN DR | Independence, OH 44131-2566 | (216) 525-0990 | (216) 525-3106 | 16 | 36-2731 |
| Logan Dialysis | 12880 GREY ST | Logan, OH 43138-9638 | (740) 380-6049 | (740) 380-6280 | 12 | 36-2732 |
| Forest Fair Dialysis | 1145 KEMPER MEADOW DR | Cincinnati, OH 45240-4118 | (513) 674-1691 | (513) 674-1697 | 16 | 36-2734 |
| US Grant Dialysis | 458 HOME ST | Georgetown, OH 45121-1408 | (937) 378-1323 | (937) 378-5130 | 12 | 36-2735 |
| Batavia Dialysis | 4000 GOLDEN AGE DR | Batavia, OH 45103-1913 | (513) 735-0700 | (513) 735-0087 | 12 | 36-2736 |
| Ohio Pike Dialysis | 1761 STATE ROUTE 125 | Amelia, OH 45102-2007 | (513) 797-0713 | (513) 797-0617 | 12 | 36-2739 |
| Hillsboro Regional Dialysis | 1487 N HIGH ST STE 1A | Hillsboro, OH 45133-8496 | (937) 393-9020 | (937) 393-9095 | 14 | 36-2741 |
| Norwood Dialysis | 2300 WALL ST STE O | Cincinnati, OH 45212-2789 | (513) 531-2111 | (513) 531-0236 | 25 | 36-2742 |
| Redbank Village Dialysis | 3960 RED BANK RD Suite 160 | Cincinnati, OH 45227-3421 | (513) 271-5420 | (513) 271-5437 | 12 | 36-2743 |
| Cherry Valley Dialysis | 1627 W MAIN ST | Newark, OH 43055-1345 | (740) 522-1699 | (740) 522-1555 | 25 | 36-2744 |
| Rivers Edge Dialysis | 1006 E STATE ST STE B | Athens, OH 45701-2158 | (740) 592-1364 | (740) 593-3876 | 13 | 36-2748 |
| Villa of Great Northern | 22710 FAIRVIEW CENTER DR STE 10 | Fairview Park, OH 44126-3607 | (440) 734-4630 | (440) 734-4659 | 8 | 36-2749 |
| Clermont County Dialysis | 5901 MONTCLAIR BLVD STE 100 | Milford, OH 45150-2547 | (513) 248-0593 | (513) 248-1853 | 12 | 36-2751 |
| Detroit Road Dialysis | 7901 DETROIT AVE | Cleveland, OH 44102-2828 | (216) 961-6498 | (216) 961-6802 | 24 | 36-2754 |
| St V Quadrangle Dialysis | 2302 COMMUNITY COLLEGE AVE | Cleveland, OH 44115-3117 | (216) 574-4805 | (216) 574-4901 | 13 | 36-2756 |
| Dover Community Dialysis | 899 E IRON AVE | Dover, OH 44622-2097 | (330) 364-6309 | (330) 364-6490 | 16 | 36-2765 |
| Amherst Dialysis | 3200 COOPER FOSTER PRK RD W | Lorain, OH 44053-3654 | (440) 989-1410 | (440) 989-1417 | 17 | 36-2766 |
| Steubenville Dialysis | 1799 SINCLAIR AVE SUITE 1 | Steubenville, OH 43953-3373 | (740) 346-2840 | (740) 346-2846 | 21 | 36-2772 |
| Flower Dialysis | 5308 HARROUR RD STE 60 | Sylvania, OH 43560-2114 | (419) 824-6074 | (419) 882-3830 | 12 | 36-2775 |
| Lexington Dialysis | 390 S BROAD ST | Lexington, TN 38351-2257 | (731) 968-0350 | (731) 968-0354 | 13 | 44-2622 |
| Adena Dialysis | 1180 N BRIDGE ST | Chillicothe, OH 45601-1793 | (740) 773-3733 | (740) 773-3741 | 17 | 36-2777 |
| National Trail Dialysis | 171 S TUTTLE RD | Springfield, OH 45505-1560 | (937) 328-7399 | (937) 328-7513 | 18 | 36-2780 |
| Park Side Dialysis | 241 W SCHROCK RD | Westerville, OH 43081-2874 | (614) 882-1734 | (614) 882-4529 | 17 | 36-2783 |
| Miamisburg Dialysis | 290 ALEXANDERSVILLE RD | Miamisburg, OH 45342-3611 | (937) 865-0633 | (937) 865-0735 | 11 | 36-2785 |
| Massillon Community Dialysis | 2112 LINCOLN WAY E | Massillon, OH 44646-7034 | (330) 837-7730 | (330) 837-7753 | 12 | 36-2789 |
| Fremont Regional Dialysis | 100 PINNACLE DR | Fremont, OH 43420-7400 | (419) 332-0310 | (419) 332-0296 | 13 | 36-2791 |
| Buckeye Dialysis | 3050 S DIXIE DR | Kettering, OH 45409-1516 | (937) 643-2337 | (937) 643-2487 | 17 | 36-2792 |
| Kingsville Dialysis | 5740 DIBBLE RD | Kingsville, OH 44048-9809 | (440) 224-1338 | (440) 224-2601 | 6 | 36-2793 |
| Lucas County Home Training | 2702 NAVARRE AVE STE 203 | Oregon, OH 43616-3224 | (419) 691-1514 | (419) 691-1594 | 2 | 36-2794 |
| Atrium Dialysis | 4421 ROOSEVELT BLVD STE D | Middletown, OH 45044-9024 | (513) 422-6879 | (513) 422-6911 | 16 | 36-2795 |
| Upper Valley Kidney Center | 3190 N COUNTY ROAD 25A | Troy, OH 45373-1337 | (937) 332-3733 | (937) 332-3794 | 22 | 36-2796 |
| Auburn Road Dialysis | 7611 AUBURN RD | Painesville, OH 44077-9608 | (440) 357-2927 | (440) 357-2976 | 13 | 36-2799 |
| Steubenville Home Training | 1799 SINCLAIR AVE STE 2 | Steubenville, OH 43953-3373 | (740) 346-2740 | (740) 346-2783 | 0 | 36-2801 |
| Apple Valley Dialysis | 1485 COSHOCTON AVE | Mount Vernon, OH 43050-1544 | (740) 392-3436 | (740) 392-3843 | 9 | 36-2802 |
| Five Rivers Dialysis | 4750 N MAIN ST | Dayton, OH 45405-5021 | (937) 278-5139 | (937) 278-5722 | 17 | 36-2803 |
| Mid Ohio Dialysis | 2148 W 4TH ST | Ontario, OH 44906-1200 | (419) 747-4039 | (419) 747-4046 | 14 | 36-2804 |
| Kenton Dialysis | 1207 E COLUMBUS ST KENTON RID | Kenton, OH 43326-1760 | (419) 675-4075 | (419) 675-1108 | 10 | 36-2805 |
| Harrison Dialysis | 10475 HARRISON AVE | Harrison, OH 45030-1941 | (513) 202-0373 | (513) 202-0819 | 13 | 36-2806 |
| Meadowhawk Dialysis | 491 COLEMAN'S XING COLEMAN'S | Marysville, OH 43040-7068 | (937) 642-0676 | (937) 642-0412 | 9 | 36-2807 |
| Hilliard Station Dialysis | 2447 HILLIARD ROME RD | Hilliard, OH 43026-8194 | (614) 876-3610 | (614) 876-3144 | 13 | 36-2808 |
| Kidney Center of Brunswick | 3812 CENTER RD STE 101 | Brunswick, OH 44212-3025 | (330) 220-4502 | (330) 220-4481 | 16 | 36-2809 |
| Canal Winchester Dialysis | 3568 GENDER RD | Canal Winchester, OH 43110-8007 | (614) 834-3564 | (614) 834-3597 | 15 | 36-2815 |
| Galion Dialysis | 865 HARDING WAY W | Galion, OH 44833-1637 | (419) 462-0897 | (419) 462-0927 | 17 | 36-2816 |
| Pike County Dialysis | 609 W EMMITT AVE | Waverly, OH 45690-1013 | (740) 941-1688 | (740) 941-1713 | 9 | 36-2817 |
| West Toledo Dialysis | 2900 CARSKADDON AVE | Toledo, OH 43606-1601 | (419) 531-0755 | (419) 531-0957 | 17 | 36-2818 |
| Ross Dialysis | 3825 KRAUS LN STE 5 | Fairfield, OH 45014-5867 | (513) 738-0276 | (513) 738-0305 | 13 | 36-2819 |
| Coventry Dialysis | 3235 MANCHESTER RD STE 9 | Akron, OH 44319-1458 | (330) 645-9453 | (330) 645-9484 | 13 | 36-2820 |
| Dayton South Dialysis | 4700 SPRINGBORO PIKE STE A | Moraine, OH 45439-1964 | (937) 294-7188 | (937) 294-7370 | 17 | 36-2821 |
| The Christ Hospital Dialysis | 2139 AUBURN AVE 1 WEST | Cincinnati, OH 45219-2906 | (513) 585-0314 | (513) 585-3942 | 15 | 36-2822 |
| Heart of Marion Dialysis | 1221 DELAWARE AVE | Marion, OH 43302-6419 | (740) 375-0849 | (740) 375-0869 | 13 | 36-2823 |
| West Chester Dialysis | 7760 W VOICE OF AMERICA PARK | West Chester, OH 45069-3317 | (513) 755-1510 | (513) 755-1461 | 17 | 36-2824 |
| Millersburg Dialysis | 1649 S WASHINGTON ST | Millersburg, OH 44654-8902 | (330) 674-0476 | (330) 674-1295 | 9 | 36-2825 |
| West Hamilton Dialysis | 1532 MAIN ST | Hamilton, OH 45013-1078 | (513) 737-0158 | (513) 737-3102 | 17 | 36-2826 |
| Ridge Park Dialysis | 4805 PEARL RD | Cleveland, OH 44109-5145 | (216) 398-6029 | (216) 398-6053 | 14 | 36-2828 |
| Huber Heights Dialysis | 7769 OLD COUNTRY COURT | Huber Heights, OH 45424-2097 | (937) 237-0769 | (937) 237-1981 | 15 | 36-2833 |
| Affinity Place Dialysis | 7700 AFFINITY PL | Cincinnati, OH 45231-3566 | (513) 521-0981 | (513) 521-1566 | 17 | 36-2834 |
| Twinsburg Dialysis | 2592 E AURORA RD STE 100 | Twinsburg, OH 44087-2148 | (330) 405-3030 | (330) 425-8969 | 15 | 36-2837 |
| Ravenna Dialysis | 600 ENTERPRISE PKWY | Ravenna, OH 44266-8054 | (330) 297-5846 | (330) 297-6357 | 9 | 36-2838 |
| Wooster Dialysis | 4190 BURBANK RD | Wooster, OH 44691-9077 | (330) 345-1130 | (330) 345-1336 | 12 | 36-2840 |
| Western Ridge Dialysis | 6909 GOOD SAMARITAN DR STE C | Cincinnati, OH 45247-5209 | (513) 353-0237 | (513) 353-0230 | 15 | 36-2849 |
| Heart of New Albany Dialysis | 6530 W CAMPUS OVAL STE 100 | New Albany, OH 43054-8726 | (614) 855-3445 | (614) 855-9695 | 8 | 36-2854 |
| Fallen Timbers Dialysis | 4330 KEYSTONE DR | Maumee, OH 43537-8795 | (419) 887-0762 | (419) 887-0773 | 12 | 36-2855 |
| Miracle Mile Dialysis | 4925 JACKMAN RD UNIT# 59 | Toledo, OH 43613-3574 | (419) 474-4989 | (419) 474-5112 | 12 | 36-2859 |
| Mallory Park Dialysis | 2808 GERMANTOWN ST | Dayton, OH 45417-4134 | (937) 262-8427 | (937) 262-8016 | 24 | 36-2860 |
| Trotwood Dialysis | 5680 SALEM BEND DR | Dayton, OH 45426-1462 | (937) 832-8432 | (937) 837-9510 | 12 | 36-2861 |
| Lawrence County Dialysis | 367 COUNTY RD 406 UNIT 11 | South Point, OH 45680-8766 | (740) 894-0830 | (877) 288-1208 | 9 | 36-2863 |
| Upper Sandusky Dialysis | 111 TARHE TRL | Upper Sandusky, OH 43351-8706 | (419) 209-0799 | (419) 209-0921 | 8 | 36-2864 |
| Canton Dialysis | 2912 W TUSCARAWAS ST | Canton, OH 44708-4643 | (330) 458-0150 | (330) 458-0164 | 27 | 36-2866 |
| Boettler Dialysis | 1587 BOETTLE RD STE 130 | Uniontown, OH 44685-7823 | (330) 896-0035 | (330) 896-4975 | 12 | 36-2867 |
| Loveland Dialysis | 8944 COLUMBIA RD STE 6 | Loveland, OH 45140-1121 | (513) 583-5326 | (513) 583-5134 | 13 | 36-2872 |
| Medina Square Dialysis | 740 N COURT ST | Medina, OH 44256-1748 | (330) 721-7824 | (330) 721-9540 | 8 | 36-2873 |

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|-------------------------------------|---------------------------------|-----------------------------------|----------------|----------------|----|---------|
| Navarre Dialysis | 517 PARK ST NW STE A | Navarre, OH 44662-9267 | (330) 879-5270 | (330) 879-5294 | 7 | 36-2884 |
| Starr Dialysis | 403 E BROADWAY ST | Toledo, OH 43605-2354 | (419) 691-3227 | (419) 691-3185 | 12 | 36-2885 |
| West Hamilton Home Training | 1532 MAIN ST STE B | Hamilton, OH 45013-1078 | (513) 737-0934 | (513) 737-1138 | 10 | 36-2886 |
| Minerva Park Dialysis | 4401 CLEVELAND AVE UNIT A | Columbus, OH 43224-1577 | (614) 478-9604 | (614) 478-9640 | 17 | 36-2888 |
| National Road Dialysis | 703 MAIN ST | Bridgeport, OH 43912-1315 | (740) 633-1903 | (740) 633-8831 | 12 | 36-2890 |
| Queen City Dialysis | 2290 FERGUSON RD | Cincinnati, OH 45238 | (513) 347-3626 | (513) 347-2680 | 17 | 36-2894 |
| Tulsa Dialysis Center | 5636 E SKELLY DR | Tulsa, OK 74135-6473 | (918) 660-0571 | (918) 660-0562 | 20 | 37-2504 |
| Midwest City Dialysis Center | 7221 E RENO AVE | Midwest City, OK 73110-4474 | (405) 869-9600 | (405) 869-9605 | 16 | 37-2511 |
| Tahlequah Dialysis Center | 1373 E BOONE ST | Tahlequah, OK 74464-3364 | (918) 431-0665 | (918) 431-0623 | 20 | 37-2512 |
| Shawnee Dialysis Center | 4409 N KICKAPOO AVE STE 113 | Shawnee, OK 74804-1224 | (405) 878-6762 | (405) 878-0063 | 16 | 37-2513 |
| Claremore Dialysis Center | 202 E BLUE STARR DR | Claremore, OK 74017-4223 | (918) 342-1119 | (918) 342-2644 | 16 | 37-2514 |
| Northwest Bethany Dialysis Center | 7800 NW 23RD ST STE A | Bethany, OK 73008-4948 | (405) 495-8606 | (405) 495-4356 | 16 | 37-2515 |
| Broken Arrow Dialysis Center | 1710 N 9TH ST | Broken Arrow, OK 74012-8283 | (918) 355-0657 | (918) 355-2800 | 16 | 37-2516 |
| Oklahoma City South Dialysis | 319 SW 59TH ST | Oklahoma City, OK 73109-8301 | (405) 634-3708 | (405) 636-1211 | 21 | 37-2518 |
| Duncan Dialysis Center | 2845 W ELK AVE BLDG 400 | Duncan, OK 73533-1981 | (580) 470-8542 | (580) 470-8891 | 12 | 37-2522 |
| Norman Dialysis Center | 1818 W LINDSEY ST STE B104 | Norman, OK 73069-4184 | (405) 360-9815 | (405) 360-9715 | 12 | 37-2527 |
| Pryor Dialysis | 909 E GRAHAM AVE | Pryor, OK 74361-2434 | (918) 825-3100 | (918) 825-3183 | 14 | 37-2529 |
| Heartland Dialysis | 325 NE 8TH ST | Oklahoma City, OK 73104-5800 | (405) 236-3043 | (405) 239-2390 | 32 | 37-2530 |
| Elk City Dialysis Center | 1601 W 2ND ST | Elk City, OK 73644-4427 | (580) 225-2700 | (580) 225-2701 | 12 | 37-2531 |
| Edmond Dialysis Center | 50 S BAUMANN AVE | Edmond, OK 73034-5676 | (405) 330-6646 | (405) 330-6221 | 12 | 37-2541 |
| Stilwell Dialysis Center | 81143 HWY 59 | Stilwell, OK 74960-1641 | (918) 696-5072 | (918) 696-5074 | 20 | 37-2545 |
| Central Tulsa Dialysis Center | 1124 S SAINT LOUIS AVE | Tulsa, OK 74120-5413 | (918) 585-5557 | (918) 585-3536 | 26 | 37-2546 |
| Tri-State Dialysis | 2510 N MAIN ST | Miami, OK 74354-1602 | (918) 540-1827 | (918) 542-1282 | 18 | 37-2547 |
| Okmulgee Dialysis Center | 201 S DELAWARE AVE | Okmulgee, OK 74447-5528 | (918) 756-3526 | (918) 756-1760 | 16 | 37-2548 |
| Muskogee Community Dialysis Center | 2316 W SHAWNEE ST | Muskogee, OK 74401-2228 | (918) 687-0016 | (918) 687-1858 | 16 | 37-2549 |
| Sapulpa Dialysis | 9647 RIDGEVIEW ST | Tulsa, OK 74131-6205 | (918) 224-9996 | (918) 224-9997 | 16 | 37-2560 |
| Clinton Dialysis Center | 150 S 31ST ST | Clinton, OK 73601-9118 | (580) 323-4349 | (580) 323-2793 | 16 | 37-2561 |
| Sooner Dialysis | 1561 N PORTER AVE | Norman, OK 73071-6621 | (405) 329-3830 | (405) 329-3791 | 20 | 37-2562 |
| McAlester Dialysis | 2 E CLARK BASS BLVD STE 101 | McAlester, OK 74501-4210 | (918) 423-7501 | (918) 423-7542 | 12 | 37-2564 |
| Durant Dialysis Center | 411 WESTSIDE DR | Durant, OK 74701-2932 | (580) 920-0808 | (580) 920-0828 | 16 | 37-2565 |
| Southcrest Dialysis | 10921 E 81ST ST | Tulsa, OK 74133-4227 | (918) 249-8402 | (918) 459-8794 | 24 | 37-2567 |
| Greenwood Dialysis Center | 1345 N LANSING AVE | Tulsa, OK 74106-5911 | (918) 585-8811 | (918) 585-5506 | 12 | 37-2569 |
| Chickasha Dialysis | 228 S 29TH ST | Chickasha, OK 73018-2502 | (405) 224-9901 | (405) 224-9909 | 12 | 37-2572 |
| Anadarko Dialysis Center | 414 SE 11TH ST | Anadarko, OK 73005-4442 | (405) 247-2299 | (405) 247-4888 | 10 | 37-2575 |
| Cleveland PD | 1059 SE 82ND ST | Oklahoma City, OK 73149-2999 | (405) 512-6912 | (405) 512-6918 | 2 | 37-2579 |
| McIntosh County Dialysis | 480 EUNICE BURNS RD | Eufaula, OK 74432-4000 | (918) 689-7919 | (918) 689-7981 | 11 | 37-2580 |
| Ardmore Dialysis Ranch | 2617 CROSSROADS DR | Ardmore, OK 74001-2574 | (580) 490-9844 | (580) 490-9831 | 28 | 37-2582 |
| Owasso Dialysis | 9521 N OWASSO EXPY | Owasso, OK 74055-5414 | (918) 376-9479 | (918) 376-2781 | 16 | 37-2585 |
| Rose Rock Dialysis | 9913 E RENO AVE | Midwest City, OK 73130-3505 | (405) 732-1576 | (405) 732-1062 | 12 | 37-2586 |
| Mid-Dei Home Training | 9230 N RENO AVE STE A | Midwest City, OK 73130-3337 | (405) 732-0744 | (405) 732-0651 | 6 | 37-2588 |
| Berkshire Home Training | 4800 W SAN ANTONIO ST STE 201 | Broken Arrow, OK 74012-6127 | (918) 249-9716 | (918) 254-4173 | 11 | 37-2591 |
| Redbird Smith Dialysis | 305 S J T STITES ST | Sallisaw, OK 74955-9302 | (918) 235-0290 | (918) 235-0351 | 12 | 37-2592 |
| Yukon Dialysis | 12801 NW 10TH ST STE 400 | Yukon, OK 73099-4179 | (405) 350-3017 | (405) 350-0023 | 13 | 37-2601 |
| Idabel Dialysis | 1319 S LYNN LN | Idabel, OK 74745-6845 | (580) 286-1108 | (580) 286-5064 | 13 | 37-2602 |
| Moore Dialysis | 620 S SANTA FE AVE STE C | Moore, OK 73160-2476 | (405) 799-2439 | (405) 799-2409 | 12 | 37-2603 |
| Lawton Dialysis | 1110 SW B AVE | Lawton, OK 73051-4229 | (580) 595-4987 | (580) 595-7296 | 12 | 37-2604 |
| Pauls Valley Dialysis | 2410 W GRANT AVE | Pauls Valley, OK 73075-9229 | (405) 207-9274 | (405) 207-9407 | 12 | 37-2605 |
| Wagoner Dialysis | 402 S WALL ST | Wagoner, OK 74467-5003 | (918) 485-4363 | (918) 485-3043 | 12 | 37-2606 |
| DTA Dialysis | 4800 W SAN ANTONIO ST STE 103 | Broken Arrow, OK 74012-6127 | (918) 307-1320 | (918) 252-9032 | 4 | 37-2607 |
| Garfield County Dialysis | 204 S VAN BUREN ST STE A | Enid, OK 73703-5812 | (580) 237-1264 | (580) 237-1463 | 13 | 37-2608 |
| Lake Hefner Dialysis | 6917 N MAY AVE | Oklahoma City, OK 73116-3238 | (405) 810-9533 | (405) 810-9632 | 16 | 37-2611 |
| Oregon Kidney Center | 3524 NE SANDY BLVD | Portland, OR 97232-1961 | (503) 236-7097 | (503) 236-8110 | 21 | 38-2500 |
| Salem Dialysis | 3550 LIBERTY RD S STE 100 | Salem, OR 97302-5700 | (503) 371-8047 | (503) 371-7455 | 25 | 38-2502 |
| Rogue Valley Dialysis | 760 GOLF VIEW DR UNIT 100 | Medford, OR 97504-9685 | (541) 776-4805 | (541) 773-6016 | 39 | 38-2505 |
| Redwood Dialysis | 201 SW L ST | Grants Pass, OR 97526-2913 | (541) 474-0776 | (541) 474-0122 | 12 | 38-2513 |
| Roseburg/Mercy Dialysis | 2410 NW EDENBOWER BLVD STE 1 | Roseburg, OR 97471-8830 | (541) 672-4608 | (541) 672-4817 | 24 | 38-2514 |
| Woodburn Dialysis | 1840 NEWBERG HWY STE 140 | Woodburn, OR 97071-3187 | (503) 982-2005 | (503) 982-2561 | 20 | 38-2516 |
| Four Rivers Dialysis Center | 515 EAST LN | Ontario, OR 97914-3953 | (541) 889-9557 | (541) 889-4649 | 13 | 38-2519 |
| Willamette Valley Renal Center | 1510 DIVISION ST SUITE 90 | Oregon City, OR 97045-1572 | (503) 557-1373 | (503) 557-1087 | 13 | 38-2520 |
| Salem North Dialysis | 1220 LIBERTY ST NE | Salem, OR 97301-7330 | (503) 315-2212 | (503) 315-2199 | 12 | 38-2530 |
| Lake Road Dialysis | 6902 SE LAKE RD STE 100 | Milwaukie, OR 97267-2148 | (503) 794-1288 | (503) 794-5916 | 21 | 38-2534 |
| Hermiston Community Dialysis Center | 1155 W LINDA AVE | Hermiston, OR 97838-9601 | (541) 289-1122 | (541) 289-1150 | 12 | 38-2544 |
| Sherwood Dialysis Center | 21035 SW PACIFIC HWY | Sherwood, OR 97140-8062 | (503) 925-0105 | (503) 925-1734 | 13 | 38-2546 |
| Meridian Park Dialysis Center | 19255 SW 65TH AVE STE 100 | Tualatin, OR 97062-9712 | (503) 692-8159 | (503) 692-1896 | 16 | 38-2549 |
| Hillsboro Dialysis Center | 2500 NE CENTURY BLVD BLDG E, ST | Hillsboro, OR 97124-7516 | (503) 681-9460 | (503) 615-8453 | 13 | 38-2550 |
| Blue Mountain Kidney Center | 72556 COYOTE RD ON AN INDIAN R | Pendleton, OR 97801-1002 | (541) 966-8563 | (541) 966-8573 | 17 | 38-2554 |
| Klamath Falls Dialysis | 2421 WASHBURN WAY STE B | Klamath Falls, OR 97603-4531 | (541) 882-3401 | (541) 273-7431 | 17 | 38-2557 |
| McMinnville Dialysis | 200 NE NORTON LN | McMinnville, OR 97128-8470 | (503) 435-0597 | (503) 435-0862 | 12 | 38-2558 |
| Cornell Road Dialysis | 1700 NW 167TH PL STE 230 | Beaverton, OR 97006-4872 | (503) 439-8829 | (503) 439-9942 | 17 | 38-2559 |
| Grants Pass II Dialysis | 1055 REDWOOD AVE | Grants Pass, OR 97527-5525 | (541) 479-0545 | (541) 479-4271 | 12 | 38-2565 |
| NE Salem Dialysis | 4792 PORTLAND RD NE | Salem, OR 97305-3920 | (503) 393-2142 | (503) 393-2521 | 13 | 38-2566 |
| Portland Gateway Dialysis | 9932 NE HALSEY ST | Portland, OR 97220-4495 | (503) 253-8170 | (503) 253-8573 | 16 | 38-2571 |
| Portland MLK Dialysis | 2737 NE MARTIN LUTHER KING JR | Portland, OR 97212-3037 | (503) 282-1253 | (503) 528-8420 | 20 | 38-2572 |
| Lancaster Drive Dialysis | 421 LANCASTER DR NE | Salem, OR 97301-4729 | (503) 581-6236 | (503) 363-0490 | 25 | 38-2577 |
| Gresham Station Dialysis | 878 NW BURNSIDE RD | Gresham, OR 97030-3718 | (503) 465-1068 | (503) 491-9229 | 7 | 38-2578 |
| Lincoln City Dialysis | 2817 NE WEST DEVILS LAKE RD | Lincoln City, OR 97367-5128 | (541) 996-2008 | (541) 996-2055 | 8 | 38-2580 |
| Foster Powell Dialysis | 6828 SE FOSTER RD | Portland, OR 97206-4546 | (503) 777-5780 | (503) 774-3002 | 17 | 38-2582 |
| Siskiyou Dialysis | 50 ROSSANLEY DR | Medford, OR 97501-1713 | (541) 414-2437 | (541) 414-2438 | 24 | 38-2583 |
| Cape Arago Dialysis | 1935 THOMPSON RD | Coos Bay, OR 97420-2040 | (541) 266-9937 | (541) 266-8506 | 12 | 38-2584 |
| Glen Creek Dialysis | 645 9TH ST NW STE 145 | Salem, OR 97304-3132 | (503) 365-6316 | (503) 365-8281 | 13 | 38-2585 |
| Deschutes River Dialysis | 61280 SE COOMBS PL | Bend, OR 97702-3704 | (541) 668-8901 | (541) 668-8928 | 12 | 38-2586 |
| Belle Vernon Dialysis | 350 TRI COUNTY LN | Rostraver Township, PA 15012-1990 | (724) 797-9163 | (724) 797-9172 | 12 | 39-2500 |
| Waverly Dialysis | 407 BALTIMORE PIKE | Morton, PA 19070-1042 | (610) 690-1100 | (610) 690-3618 | 20 | 39-2502 |
| Upland Dialysis Center | 1 MEDICAL CENTER BLVD STE 120 | Chester, PA 19013-3902 | (610) 447-2825 | (610) 490-0945 | 36 | 39-2508 |
| Northern Philadelphia Dialysis | 5933 N BROAD ST | Philadelphia, PA 19141-1801 | (215) 549-5000 | (215) 549-9558 | 24 | 39-2509 |
| West Philadelphia Dialysis | 7609 LINDBERGH BLVD | Philadelphia, PA 19153-2301 | (215) 937-1103 | (215) 937-0770 | 24 | 39-2513 |
| Philadelphia 42nd Street Dialysis | 4126 WALNUT ST | Philadelphia, PA 19104-3511 | (215) 387-0500 | (215) 387-6414 | 29 | 39-2521 |
| Thorndale Dialysis | 3243 LINCOLN HWY | Thorndale, PA 19372-1012 | (610) 384-3902 | (610) 380-1246 | 14 | 39-2522 |
| Bradford Dialysis | 665 E MAIN ST | Bradford, PA 16701-1816 | (814) 362-7417 | (814) 362-6327 | 23 | 39-2523 |
| Dialysis Center of Erie | 1641 SASSAFRAS ST | Erie, PA 16502-1858 | (814) 455-6455 | (814) 456-1188 | 28 | 39-2528 |
| Franklin Dialysis Center | 150 S INDEPENDENCE MALL W STE | Philadelphia, PA 19106-3400 | (215) 922-2801 | (215) 922-2817 | 28 | 39-2531 |
| McKeesport Dialysis | 2001 LINCOLN WAY | White Oak, PA 15131-2419 | (412) 678-0183 | (412) 678-8417 | 13 | 39-2532 |
| West Shore Dialysis | 550 N 12TH ST STE 110 | Lemoyne, PA 17043-1242 | (717) 737-3272 | (717) 730-7139 | 13 | 39-2534 |
| Cobbs Creek Dialysis | 1700 S 60TH ST | Philadelphia, PA 19142-1404 | (215) 730-0500 | (215) 730-0600 | 25 | 39-2536 |
| Meadville Dialysis | 19050 PARK AVENUE PLZ | Meadville, PA 16335-4012 | (814) 336-6044 | (814) 337-2294 | 17 | 39-2537 |
| Philadelphia PMC Dialysis | 3823 MARKET ST | Philadelphia, PA 19104-3145 | (215) 222-0671 | (215) 823-6949 | 27 | 39-2538 |
| Erie Dialysis | 350 E BAYFRONT PKWY STE A | Erie, PA 16507-2410 | (814) 454-0480 | (814) 454-0682 | 30 | 39-2543 |
| NE Philadelphia Dialysis Center | 518 KNORR ST | Philadelphia, PA 19111-4604 | (215) 745-4859 | (215) 745-9145 | 16 | 39-2555 |
| South Philadelphia Dialysis Center | 109 DICKINSON ST | Philadelphia, PA 19147-6107 | (215) 468-6616 | (215) 271-1180 | 20 | 39-2556 |
| Lebanon County Dialysis | 440 OAK ST | Lebanon, PA 17042-6243 | (717) 272-3050 | (717) 272-3963 | 16 | 39-2557 |
| Jefferson Dialysis | 14 CLAIRTON BLVD | Pittsburgh, PA 15236-3911 | (412) 653-6007 | (412) 653-5915 | 17 | 39-2573 |
| Corry Dialysis | 300 YORK ST | Corry, PA 16407-1420 | (814) 664-7520 | (814) 663-0295 | 12 | 39-2580 |
| Honesdale Dialysis Center | 600 MAPLE AVE STE 8 | Honesdale, PA 18431-1460 | (570) 253-0952 | (570) 253-0954 | 12 | 39-2582 |
| Palmerton Dialysis Center | 185 DELAWARE AVE STE C | Palmerton, PA 18071-1716 | (610) 826-5929 | (610) 826-4552 | 10 | 39-2584 |
| Paris Dialysis | 32 STEUBENVILLE PIKE | Paris, PA 15021-8529 | (724) 729-3350 | (724) 729-3353 | 17 | 39-2595 |
| Lewistown Dialysis Center | 611 ELECTRIC AVE | Lewistown, PA 17044-1128 | (717) 248-2344 | (717) 248-3240 | 23 | 39-2598 |

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| Delaware Valley Dialysis Center | 102 DAVITA DR | Milford, PA 18337-9390 | (570) 491-9210 | (570) 491-9220 | 16 | 39-2600 |
| Memphis Street Renal Center | 3310 MEMPHIS ST | Philadelphia, PA 19134-4510 | (215) 739-9558 | (215) 739-9586 | 18 | 39-2601 |
| Elizabethtown Dialysis | 844 N HANOVER ST | Elizabethtown, PA 17022-1303 | (717) 361-0151 | (717) 361-8875 | 13 | 39-2604 |
| Pocono Dialysis Center | 100 PLAZA CT STE B | East Stroudsburg, PA 18301-8258 | (570) 476-5630 | (570) 476-5634 | 16 | 39-2606 |
| PDI-Lancaster | 1412 E KING ST | Lancaster, PA 17602-3240 | (717) 392-1552 | (717) 392-4413 | 20 | 39-2609 |
| Northumberland Dialysis | 10933 W STATE ROUTE 61 | Mount Carmel, PA 17851-2575 | (570) 339-5558 | (570) 339-5997 | 13 | 39-2613 |
| Abington Dialysis | 3940A COMMERCIAL BLVD | Willow Grove, PA 19090-1705 | (215) 830-1115 | (215) 657-2674 | 22 | 39-2614 |
| Newtown Dialysis Center | 60 BLACKSMITH RD | Newtown, PA 18940-1847 | (267) 757-8060 | (267) 757-8066 | 18 | 39-2616 |
| Palmer Dialysis Center | 30 COMMUNITY DR | Easton, PA 18045-2669 | (610) 258-8855 | (610) 258-3322 | 20 | 39-2619 |
| Selinsgrove Dialysis | 1030 N SUSQUEHANNA TRAIL | Selinsgrove, PA 17870-7767 | (570) 374-1160 | (570) 374-3439 | 13 | 39-2628 |
| Radnor Dialysis | 170 N HENDERSON RD | King Of Prussia, PA 19406-2155 | (610) 337-6510 | (610) 337-6516 | 13 | 39-2630 |
| Jennersville Dialysis Center | 1011 W BALTIMORE PIKE STE 107 | West Grove, PA 19390-9400 | (610) 345-0188 | (610) 345-0245 | 18 | 39-2631 |
| Wyncote Dialysis | 1000 EASTON RD STE 250 | Wyncote, PA 19095-2934 | (215) 884-3398 | (215) 884-3424 | 24 | 39-2635 |
| Waynesburg Dialysis | 248 ELM DR | Waynesburg, PA 15370-8269 | (724) 627-3997 | (724) 627-5305 | 13 | 39-2641 |
| Dialysis Center at Oxford Court | 930 TOWN CENTER DR STE G100 | Langhorne, PA 19047-4260 | (215) 750-9831 | (215) 750-9837 | 13 | 39-2644 |
| Homestead Dialysis | 207 W 7TH AVE | West Homestead, PA 15120-1002 | (412) 476-8700 | (412) 476-8805 | 16 | 39-2662 |
| Warren Dialysis | 2 W CRESCENT PARK | Warren, PA 16365-2111 | (814) 728-5570 | (814) 728-5574 | 12 | 39-2666 |
| Huntingdon Valley Dialysis | 769 HUNTINGDON PIKE STE 18 | Huntingdon Valley, PA 19006-8362 | (215) 379-1788 | (215) 379-6779 | 23 | 39-2682 |
| PDI-Ebensburg | 429 MANOR DR STE 650 | Ebensburg, PA 15931-4917 | (814) 472-2642 | (814) 472-2138 | 9 | 39-2686 |
| PDI-Johnstown | 344 BUDFIELD ST | Johnstown, PA 15904-3214 | (814) 266-4949 | (814) 266-4948 | 21 | 39-2687 |
| Oak Springs Dialysis | 764 LOCUST AVE | Washington, PA 15301-2756 | (724) 229-7377 | (724) 225-0490 | 13 | 39-2692 |
| Pittsburgh Dialysis | 4312 PENN AVE | Pittsburgh, PA 15224-1310 | (412) 681-8556 | (412) 681-8537 | 12 | 39-2699 |
| McKeesport West Dialysis | 101 9TH ST | McKeesport, PA 15132-3953 | (412) 672-3720 | (412) 672-3724 | 16 | 39-2700 |
| PDI-Walnut Tower | 834 WALNUT ST | Philadelphia, PA 19107-5109 | (215) 629-1490 | (215) 629-5728 | 19 | 39-2702 |
| Clearfield Dialysis | 886 CLEARFIELD CURWENSVILLE | Clearfield, PA 16830-3519 | (814) 765-2543 | (814) 768-3594 | 17 | 39-2704 |
| Mt. Pocono Dialysis | 100 COMMUNITY DR STE 106 | Tobyhanna, PA 18466-8986 | (570) 839-0900 | (570) 839-1065 | 12 | 39-2705 |
| PDI-Ephrata | 67 W CHURCH ST | Stevens, PA 17578-9203 | (717) 335-7399 | (717) 335-0488 | 16 | 39-2706 |
| St Luke's Tamaqua Dialysis | 1215 E BROAD ST STE 20 | Tamaqua, PA 18252-2229 | (570) 668-3480 | (570) 668-3483 | 8 | 39-2708 |
| Elizabeth Dialysis | 201 MCKEESPORT RD | Elizabeth, PA 15037-1623 | (412) 384-1822 | (412) 384-1828 | 12 | 39-2710 |
| Market Street Dialysis | 3701 MARKET ST STE 100 | Philadelphia, PA 19104-5503 | (215) 387-2658 | (215) 387-4134 | 16 | 39-2718 |
| Lincoln Way Dialysis | 1303 LINCOLN WAY STE A | White Oak, PA 15131-1645 | (412) 673-1191 | (412) 678-1746 | 14 | 39-2719 |
| Dunmore Dialysis | 1212 ONEILL HWY | Dunmore, PA 18512-1717 | (570) 558-0190 | (570) 558-0195 | 12 | 39-2723 |
| Childs Dialysis | 101 MAIN ST | Childs, PA 18407-2905 | (570) 281-9201 | (570) 281-9185 | 8 | 39-2724 |
| Tunkhannock Dialysis | 5950 SR 6 | Tunkhannock, PA 18657-7905 | (570) 836-6139 | (570) 587-0882 | 12 | 39-2725 |
| Old Forge Dialysis | 325 S MAIN ST | Old Forge, PA 18518-1677 | (570) 457-3174 | (570) 457-3313 | 12 | 39-2726 |
| Scranton Dialysis | 475 MORGAN HWY | Scranton, PA 18508-2605 | (570) 341-8270 | (570) 341-8299 | 14 | 39-2729 |
| Riddle Dialysis Center | 100 GRANITE DR STE 106 | Media, PA 19063-5134 | (610) 892-4701 | (610) 892-2769 | 16 | 39-2739 |
| East End - Pittsburgh Dialysis | 7714 PENN AVE | Pittsburgh, PA 15221-2116 | (412) 241-6790 | (412) 241-6794 | 16 | 39-2748 |
| Callowhill Dialysis Center | 313 CALLOWHILL ST | Philadelphia, PA 19123-4103 | (215) 629-3580 | (215) 629-3588 | 20 | 39-2749 |
| Bloomfield - Pittsburgh Dialysis | 5171 LIBERTY AVE STE C | Pittsburgh, PA 15224-2254 | (412) 683-3212 | (412) 683-3216 | 24 | 39-2751 |
| Monroeville Dialysis | 2690 MONROEVILLE BLVD | Monroeville, PA 15146-2302 | (412) 856-5950 | (412) 856-5940 | 20 | 39-2752 |
| South Broad Street Dialysis | 1172 S BROAD ST | Philadelphia, PA 19146-3142 | (215) 875-6720 | (215) 875-6721 | 24 | 39-2753 |
| Franklin Dialysis at Home | 301 CALLOWHILL ST | Philadelphia, PA 19123-4103 | (215) 873-0711 | (215) 873-0718 | 0 | 39-2756 |
| Commonwealth Dialysis | 920 S WASHINGTON AVE | Scranton, PA 18505-3810 | (570) 344-5267 | (570) 963-2125 | 13 | 39-2761 |
| Willow Grove Dialysis | 1849 DAVISVILLE RD | Willow Grove, PA 19090-4111 | (215) 659-3426 | (215) 659-3547 | 24 | 39-2764 |
| Cottman Kidney Center | 7198 CASTOR AVE | Philadelphia, PA 19149-1105 | (215) 745-4060 | (215) 745-0139 | 24 | 39-2766 |
| Fayette County Dialysis | 201 MARY HIGGINSON LN STE A | Uniontown, PA 15401-2658 | (724) 437-9480 | (724) 437-9646 | 17 | 39-2767 |
| Allegheny Valley Dialysis | 1620 PACIFIC AVE HEIGHTS PLAZA S | Natrona Heights, PA 15065-2101 | (724) 224-4382 | (724) 224-7298 | 11 | 39-2768 |
| Northside Dialysis | 930 MADISON AVE | Pittsburgh, PA 15212-4937 | (412) 322-2520 | (412) 321-1283 | 21 | 39-2769 |
| Franklin Commons Dialysis | 720 JOHNSVILLE BLVD STE 800 | Warminster, PA 18974-3546 | (215) 682-7691 | (215) 682-7695 | 16 | 39-2771 |
| Pittsburgh Home Modality COE | 5171 LIBERTY AVE STE A | Pittsburgh, PA 15224-2254 | (412) 605-0415 | (412) 605-0853 | 0 | 39-2772 |
| Budfield Street Home Dialysis | 350 BUDFIELD ST STE 1 | Johnstown, PA 15904-3214 | (814) 254-4262 | (814) 254-4323 | 0 | 39-2775 |
| Frackville Dialysis | 950 MALL RD | Frackville, PA 17931-2505 | (570) 874-1238 | (570) 874-1863 | 12 | 39-2776 |
| Somerset County Dialysis | 229 S KIMBERLY AVE STE 100 | Somerset, PA 15501-2022 | (814) 445-6127 | (814) 445-5627 | 8 | 39-2778 |
| Thorn Run Dialysis | 1136 THORN RUN RD STE J1 | Moon Township, PA 15108-4301 | (412) 269-2304 | (412) 269-2840 | 15 | 39-2779 |
| Manheim Pike Dialysis | 1650 MANHEIM PIKE | Lancaster, PA 17601-3056 | (717) 519-6978 | (717) 581-0924 | 12 | 39-2785 |
| University City Dialysis | 3020 MARKET ST STE 100 | Philadelphia, PA 19104-2999 | (215) 382-2439 | (215) 386-0307 | 20 | 39-2787 |
| Buttonwood Dialysis | 449 N BROAD ST | Philadelphia, PA 19123-3628 | (215) 238-1201 | (215) 574-5065 | 24 | 39-2788 |
| State College Dialysis | 500 SCIENCE PARK RD STE 2 | State College, PA 16803-2218 | (814) 237-3082 | (814) 237-3653 | 12 | 39-2789 |
| Westtown Dialysis | 105 WESTTOWN RD | West Chester, PA 19382-8902 | (610) 701-2492 | (610) 429-5478 | 24 | 39-2791 |
| Grant One Dialysis | 9475 ROOSEVELT BLVD STE 9 | Philadelphia, PA 19114-2212 | (215) 673-0490 | (215) 677-3152 | 17 | 39-2792 |
| Broomall Dialysis | 2835 W CHESTER PIKE STE 2 | Broomall, PA 19008-1833 | (610) 356-2719 | (610) 356-3647 | 16 | 39-2794 |
| Lake Erie Home Dialysis | 2563 W 8TH ST | Erie, PA 16505-4430 | (814) 838-2849 | (814) 838-1584 | 0 | 39-2796 |
| Paxton Dialysis | 479 PORT VIEW DR STE B21 | Harrisburg, PA 17111-1229 | (717) 558-0290 | (717) 561-5167 | 17 | 39-2797 |
| Penn Hills Dialysis | 202 RODI RD | Penn Hills, PA 15235-3337 | (412) 371-1102 | (412) 241-4705 | 25 | 39-2798 |
| Harmarville Dialysis | 791 FREEPORT RD | Cheswick, PA 15024-1201 | (724) 274-9381 | (724) 274-9412 | 13 | 39-2800 |
| Carlisle Regional Dialysis | 419 VILLAGE DR STE 10 | Carlisle, PA 17015-6943 | (717) 218-5104 | (717) 241-0019 | 12 | 39-2801 |
| Suburban Campus Dialysis | 2100 HARRISBURG PIKE 3RD FLR | Lancaster, PA 17601-2644 | (717) 397-4019 | (717) 397-3758 | 30 | 39-2803 |
| Pocono Home Center | 3361 RTE 611 STE 1 | Bartonsville, PA 18321-7821 | (570) 629-1292 | (570) 629-2482 | 0 | 39-2804 |
| Bethel Park Dialysis | 6000 ALICIA DR | Bethel Park, PA 15102-1850 | (412) 833-2612 | (412) 835-2527 | 4 | 39-2808 |
| City Line Dialysis | 4508 CITY LINE AVE | Philadelphia, PA 19131-1509 | (215) 473-3071 | (215) 879-8305 | 17 | 39-2809 |
| Cheltenham Dialysis | 133 CHELTENHAM AVE | Cheltenham, PA 19012-1301 | (215) 635-1870 | (215) 635-1857 | 21 | 39-2810 |
| Montage Home Dialysis | 3409 BIRNEY AVE | Moosic, PA 18507-1505 | (570) 344-1745 | (570) 344-1097 | 0 | 39-2811 |
| Providence Square Home Training | 831 PROVIDENCE RD STE 1 | Secane, PA 19018-2921 | (610) 626-1816 | (610) 626-2174 | 0 | 39-2813 |
| St. Luke's Quakertown Dialysis | 1021 PARK AVE | Quakertown, PA 18951-1573 | (215) 536-8184 | (215) 538-2090 | 12 | 39-2815 |
| St. Luke's Bethlehem Dialysis | 1425 8TH AVE | Bethlehem, PA 18018-2256 | (484) 403-4304 | (610) 866-1739 | 36 | 39-2817 |
| St. Luke's Allentown Dialysis | 1901 HAMILTON ST STE 100 | Allentown, PA 18104-6460 | (610) 435-2590 | (610) 433-1386 | 13 | 39-2818 |
| Eagle Valley Dialysis | 166 EAGLES GLEN PLZ | East Stroudsburg, PA 18301-1349 | (570) 424-5307 | (570) 421-2561 | 13 | 39-2821 |
| Millcreek Dialysis | 2042 EDINBORO RD | Erie, PA 16509-3404 | (814) 866-1930 | (814) 868-2693 | 17 | 39-2822 |
| Girard Estates Dialysis | 1930 S BROAD ST STE 7 | Philadelphia, PA 19145-2328 | (215) 463-3120 | (215) 463-3107 | 21 | 39-2823 |
| Robinson Home Training | 5888 STEUBENVILLE PIKE STE 4 | McKees Rocks, PA 15136-1347 | (412) 787-0314 | (412) 788-2089 | 0 | 39-2824 |
| Tyrone Dialysis | 175 HOSPITAL DR | Tyrone, PA 16686-1808 | (814) 684-4390 | (814) 684-2402 | 8 | 39-2825 |
| Woodlyn Dialysis | 1310 MACDADE BLVD | Woodlyn, PA 19094-1501 | (610) 833-1713 | (610) 833-5103 | 16 | 39-2826 |
| Lehigh Avenue Dialysis | 1300 W LEHIGH AVE STE 106 | Philadelphia, PA 19132-2764 | (215) 223-1018 | (215) 223-1019 | 29 | 39-2827 |
| Race Street Dialysis | 230 N BROAD ST BOBST BLDG, 12TH | Philadelphia, PA 19102-1121 | (215) 563-9383 | (215) 563-9429 | 12 | 39-2831 |
| Leola Dialysis | 345 WEST MAIN ST STE 202 | Leola, PA 17540-2108 | (717) 556-0080 | (717) 556-0085 | 13 | 39-2833 |
| Quentin Circle Dialysis | 966 ISABEL DR | Lebanon, PA 17042-7482 | (717) 273-1026 | (717) 277-7204 | 8 | 39-2834 |
| Eynon Dialysis | 260 SCRANTON CARBONDALE HWY | Eynon, PA 18403-1029 | (570) 876-1874 | (570) 876-6894 | 13 | 39-2836 |
| Saint Charles Way Dialysis | 308 SAINT CHARLES WAY | York, PA 17402-4647 | (717) 430-5454 | (717) 741-3956 | 47 | 39-2838 |
| Hanover Dialysis | 1155 CARLISLE ST STE 610 | Hanover, PA 17331-1200 | (717) 632-1681 | (717) 632-0625 | 18 | 39-2839 |
| St. Luke's Home Training | 1901 HAMILTON ST STE 200 | Allentown, PA 18104-6460 | (610) 776-1479 | (610) 433-6306 | 0 | 39-2840 |
| St. Luke's Whitehall Dialysis | 1220 3RD ST | Whitehall, PA 18052-4905 | (610) 266-1706 | (610) 266-1574 | 13 | 39-2845 |
| Brown Street Dialysis | 4800 BROWN ST STE 201 | Philadelphia, PA 19139-2105 | (215) 581-4993 | (215) 883-1573 | 33 | 39-2848 |
| New Kensington Dialysis | 1 KENSINGTON SQ | New Kensington, PA 15068-6451 | (724) 335-2876 | (724) 339-6916 | 8 | 39-2852 |
| Ellwood City Dialysis | 807 LAWRENCE AVE | Ellwood City, PA 16117-1941 | (724) 752-1081 | (724) 752-9419 | 5 | 39-2855 |
| Progress Avenue Dialysis | 4390 STURBRIDGE DR | Harrisburg, PA 17110-3668 | (717) 545-2805 | (717) 545-3987 | 13 | 39-2858 |
| Coatesville Dialysis | 1129 W LINCOLN HWY | Coatesville, PA 19320-1836 | (610) 383-3866 | (610) 384-5270 | 13 | 39-2859 |
| Penn Trafford Dialysis | 4044 ROUTE 130 STE 100 | Irwin, PA 15642-7808 | (724) 744-0713 | (724) 744-5004 | 8 | 39-2860 |
| Point Breeze Dialysis | 2501 REED ST STE A | Philadelphia, PA 19146-3900 | (215) 334-0250 | (215) 271-4584 | 16 | 39-2861 |
| Concord Township Dialysis | 265 WILMINGTON W CHESTER PIKE | Chadds Ford, PA 19317-9039 | (610) 558-6965 | (610) 558-7806 | 13 | 39-2862 |
| Roaring Spring Dialysis | 96 JUNE DR | Roaring Spring, PA 16673-2316 | (814) 224-6290 | (814) 224-7525 | 8 | 39-2864 |
| Paoli Park Dialysis | 4 INDUSTRIAL BLVD STE 155 | Paoli, PA 19301-1614 | (610) 644-3941 | (610) 407-2805 | 9 | 39-2865 |
| Wissahickon Dialysis | 235 W CHELTEN AVE | Philadelphia, PA 19144-3802 | (215) 844-0637 | (215) 844-5685 | 26 | 39-2867 |
| Heritage Lake Dialysis | 20 EXPEDITION TRL STE 202 | Gettysburg, PA 17325-8599 | (717) 337-1012 | (717) 337-3834 | 9 | 39-2869 |
| North Wales Dialysis | 1551 S VALLEY FORGE RD | Lansdale, PA 19446-5461 | (215) 361-6192 | (215) 361-2032 | 13 | 39-2871 |
| Fairmount Dialysis | 1236 N 26TH ST | Philadelphia, PA 19121-4602 | (215) 763-3974 | (215) 765-1494 | 17 | 39-2873 |

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| Napoleon Place Dialysis | 420 NAPOLEON PL | Johnstown, PA 15901-2502 | (814) 535-8205 | (814) 535-7515 | 12 | 39-2875 |
| Neshaminy Dialysis | 2 NESHAMINY INTERPLEX DR STE 1 | Feasterville Trevose, PA 19053-6963 | (215) 245-6590 | (215) 245-6595 | 16 | 39-2879 |
| Harbison Dialysis | 6501 ROOSEVELT BLVD STE 6581 | Philadelphia, PA 19149-2918 | (215) 288-4671 | (215) 533-4501 | 17 | 39-2881 |
| Roosevelt Avenue Dialysis | 1695 ROOSEVELT AVE STE A | York, PA 17408-8521 | (717) 767-0189 | (717) 767-0194 | 12 | 39-2883 |
| Avonworth Dialysis | 259 MOUNT NEBO POINTE RD | Pittsburgh, PA 15237-1313 | (412) 364-3238 | (412) 364-0523 | 9 | 39-2886 |
| Duke Street Dialysis | 901 E MAIN ST STE 12 | Palmira, PA 17078-1923 | (717) 832-1390 | (717) 832-1395 | 13 | 39-2887 |
| Cedar Grove Dialysis | 4952 PARKSIDE AVE | Philadelphia, PA 19131-4746 | (215) 871-0810 | (215) 871-0817 | 25 | 39-2888 |
| St. Luke's Macungie Dialysis | 2500 ROUTE 100 STE 2 | Macungie, PA 18062-9600 | (610) 336-8350 | (610) 336-8354 | 12 | 39-2889 |
| Norristown Dialysis | 1700 MARKLEY ST STE 122 | Norristown, PA 19401-2902 | (610) 313-8760 | (610) 313-8766 | 13 | 39-2891 |
| Willow Lakes Dialysis | 226 WILLOW VALLEY LAKES DR C/O | Willow Street, PA 17584-9665 | (717) 947-3556 | (717) 947-3574 | 13 | 39-2892 |
| French Creek Dialysis | 991 PARK AVE | Meadville, PA 16335-3344 | (814) 336-2531 | (814) 337-7137 | 12 | 39-2894 |
| Rossmoyne Dialysis | 5072 RITTER RD STE 104 | Mechanicsburg, PA 17055-4823 | (717) 790-9039 | (717) 790-9752 | 12 | 39-2897 |
| North Providence Renal Center | 1635 MINERAL SPRING AVE | North Providence, RI 02904-4025 | (401) 354-5340 | (401) 353-7020 | 19 | 41-2506 |
| North Orangeburg Dialysis | 124 FIRE TOWER RD | Orangeburg, SC 29118-1401 | (803) 531-6202 | (803) 534-5263 | 27 | 42-2508 |
| Aiken Dialysis | 775 MEDICAL PARK DR | Aiken, SC 29801-6306 | (803) 641-4222 | (803) 641-4224 | 21 | 42-2512 |
| Greenwood Dialysis | 109 OVERLAND DR | Greenwood, SC 29646-4053 | (864) 227-6011 | (864) 227-2098 | 41 | 42-2515 |
| Walterboro Dialysis | 302 RUBY ST | Walterboro, SC 29488-2758 | (843) 549-6743 | (843) 549-5228 | 25 | 42-2528 |
| Central Bamberg Dialysis | 67 SUNSET DR | Bamberg, SC 29003-1181 | (803) 245-5166 | (803) 245-3315 | 20 | 42-2534 |
| Greer Kidney Center | 14152 E WADE HAMPTON BLVD | Greer, SC 29651-1554 | (864) 877-4432 | (864) 877-4662 | 31 | 42-2539 |
| Upstate Dialysis Center | 308 MILLS AVE | Greenville, SC 29605-4022 | (864) 271-3700 | (864) 271-7929 | 24 | 42-2540 |
| Santee Dialysis | 228 BRADFORD BLVD | Santee, SC 29142-8677 | (803) 854-3133 | (803) 854-3135 | 24 | 42-2547 |
| Lancaster SC Dialysis | 1100 W MEETING ST | Lancaster, SC 29720-2251 | (803) 313-6600 | (803) 313-6608 | 29 | 42-2549 |
| Allendale County Dialysis | 1241 BOUNDARY ST W | Fairfax, SC 29827-3611 | (803) 632-1587 | (803) 632-1611 | 21 | 42-2557 |
| South Orangeburg Dialysis | 1080 SUMMERS AVE | Orangeburg, SC 29115-4920 | (803) 539-0084 | (803) 539-0097 | 16 | 42-2565 |
| Downtown Greenville Dialysis | 297 PETE HOLLIS BLVD | Greenville, SC 29601-1143 | (864) 232-9456 | (864) 298-8038 | 21 | 42-2567 |
| Palmetto Dialysis | 317 PROFESSIONAL PARK RD | Clinton, SC 29125-7625 | (864) 833-0717 | (864) 833-6020 | 12 | 42-2578 |
| North Charleston Dialysis | 5900 RIVERS AVE STE E | North Charleston, SC 29406-6082 | (843) 747-3447 | (843) 747-3911 | 17 | 42-2585 |
| Pageland Dialysis | 505A S PEARL ST | Pageland, SC 29728-2222 | (843) 672-3491 | (843) 672-3504 | 16 | 42-2592 |
| Goose Creek Dialysis | 109 GREENLAND DR | Goose Creek, SC 29445-5354 | (843) 377-1199 | (843) 377-1262 | 17 | 42-2596 |
| Pendleton Dialysis | 7703 HIGHWAY 76 | Pendleton, SC 29670-1818 | (864) 646-7715 | (864) 646-7423 | 10 | 42-2597 |
| Faber Place Dialysis | 3801 FABER PLACE DR | North Charleston, SC 29405-8533 | (843) 377-1566 | (843) 377-1573 | 16 | 42-2598 |
| Fort Mill Dialysis | 1975 CAROLINA PLACE DR | Fort Mill, SC 29708-6922 | (803) 802-3027 | (803) 802-0319 | 30 | 42-2609 |
| Myrtle Beach Dialysis | 3919 MAYFAIR ST | Myrtle Beach, SC 29577-5773 | (843) 448-4920 | (843) 448-4930 | 16 | 42-2610 |
| Greer South Dialysis | 3254 BRUSHY CREEK RD | Greer, SC 29650-1000 | (864) 801-2065 | (864) 801-2742 | 21 | 42-2611 |
| Fountain Inn Dialysis | 298 CHAPMAN RD | Fountain Inn, SC 29644-6129 | (864) 862-2273 | (864) 862-2465 | 11 | 42-2616 |
| Jedburg Dialysis | 2897 W 5TH NORTH ST | Summerville, SC 29483-9674 | (843) 873-3955 | (843) 873-0266 | 18 | 42-2620 |
| Longs Dialysis | 90 CLOVERLEAF DR STE 306 | Longs, SC 29568-9262 | (843) 582-0582 | (843) 582-0448 | 10 | 42-2622 |
| Ridgeland Dialysis | 112 WEATHERSBY ST | Ridgeland, SC 29936-9514 | (843) 717-9379 | (843) 717-9384 | 10 | 42-2626 |
| Abbeville Dialysis | 904 W GREENWOOD ST | Abbeville, SC 29620-5687 | (864) 459-0347 | (864) 459-5879 | 10 | 42-2628 |
| Charles Towne Dialysis | 1964 ASHLEY RIVER RD STE D-3 | Charleston, SC 29407-4737 | (843) 852-3537 | (843) 852-3241 | 20 | 42-2632 |
| Charles Towne Home Program | 1964 ASHLEY RIVER RD STE D2 | Charleston, SC 29407-4782 | (843) 573-8767 | (843) 573-2394 | 4 | 42-2633 |
| Greer South Home Training | 3254 BRUSHY CRK RD STE A | Greer, SC 29650-1000 | (864) 877-9157 | (864) 801-2937 | 3 | 42-2638 |
| McCull Dialysis | 3595 US HWY 15-401 E | McCull, SC 29570-5918 | (843) 523-6274 | (843) 523-5418 | 16 | 42-2640 |
| Gaston Dialysis | 5224 HWY 321 | Gaston, SC 29053-9194 | (803) 796-7830 | (803) 796-3458 | 11 | 42-2641 |
| Harts Dialysis | 1015 S 4TH ST | Hartsville, SC 29550-5791 | (843) 332-5688 | (843) 332-1039 | 20 | 42-2642 |
| Pamplico Dialysis | 1520 FLAG DR | Florence, SC 29505-2854 | (843) 413-0857 | (843) 413-0864 | 20 | 42-2645 |
| Bluffton Dialysis | 101 OKATIE CENTER BLVD S | Bluffton, SC 29909-7547 | (843) 706-9900 | (843) 706-9949 | 12 | 42-2647 |
| Cypress Gardens Home Training | 526 BROAD ST | Sumter, SC 29150-3306 | (803) 773-5891 | (803) 773-6464 | 4 | 42-2648 |
| Market Commons Dialysis Center | 1350 FALLOW PKWY STE 100 | Myrtle Beach, SC 29577-2060 | (843) 839-0966 | (843) 839-0977 | 17 | 42-2649 |
| Wofford Dialysis | 8024 WHITE AVE | Spartanburg, SC 29303-2043 | (864) 583-4798 | (864) 583-8220 | 14 | 42-2656 |
| Cypress Gardens Dialysis | 418 BROAD ST | Sumter, SC 29150-4155 | (803) 418-5129 | (803) 418-0722 | 20 | 42-2661 |
| Flower Town Home Training | 2143 N MAIN ST | Summerville, SC 29486-7800 | (843) 875-1779 | (843) 875-7461 | 4 | 42-2665 |
| Manion Towne Dialysis | 2529 E HIGHWAY 76 | Marion, SC 29571-6347 | (843) 423-8861 | (843) 423-5334 | 12 | 42-2667 |
| Northridge Dialysis | 139 MARKET PLACE DR | North Augusta, SC 29860-9274 | (803) 279-2628 | (803) 279-2578 | 15 | 42-2669 |
| Kelley Corners Dialysis | 231 KELLEY ST | Lake City, SC 29560-2446 | (843) 394-3847 | (843) 394-3966 | 16 | 42-2674 |
| Sally Hill Dialysis | 1471 N CASHUA DR | Florence, SC 29501-6950 | (843) 664-9067 | (843) 661-7822 | 12 | 42-2675 |
| Coronaca Home Dialysis | 3337 HIGHWAY 72-221 E | Greenwood, SC 29649-9772 | (864) 229-0101 | (864) 229-0120 | 0 | 42-2678 |
| Red Bank Mills Dialysis | 5552 PLATT SPRINGS RD | Lexington, SC 29073-7518 | (803) 957-2369 | (803) 957-8628 | 16 | 42-2679 |
| Forest Acres Dialysis | 4450 ROSEWOOD DR | Columbia, SC 29209-2629 | (803) 695-3214 | (803) 695-3210 | 12 | 42-2682 |
| Saluda River Dialysis | 8080 AUGUSTA RD | Piedmont, SC 29673-9363 | (864) 900-4066 | (864) 900-4095 | 17 | 42-2683 |
| Boiling Springs Dialysis | 196 SLOANE GARDEN RD | Boiling Springs, SC 29316-1929 | (864) 814-7395 | (864) 814-7899 | 16 | 42-2684 |
| Sioux Falls Dialysis | 2326 W 69TH ST | Sioux Falls, SD 57108-5610 | (605) 332-1262 | (605) 339-6183 | 12 | 43-2503 |
| Rosebud Dialysis | 1 SOLDIER CREEK RD | Rosebud, SD 57570-0610 | (605) 747-2916 | (605) 747-2699 | 12 | 43-2504 |
| Mitchell Dialysis | 819 E SPRUCE ST STE 100 | Mitchell, SD 57301-4800 | (605) 996-0097 | (605) 996-0679 | 12 | 43-2505 |
| Moccasin Creek Dialysis | 3313 SE 6TH AVE | Aberdeen, SD 57401-5504 | (605) 225-7344 | (605) 225-1698 | 8 | 43-2515 |
| Cookeville Dialysis | 320 N WILLOW AVE | Cookeville, TN 38501-2337 | (931) 520-7763 | (931) 646-4866 | 17 | 44-2511 |
| Morristown Dialysis | 120 PEARCE DR | Morristown, TN 37814-3649 | (423) 587-3537 | (423) 587-3538 | 20 | 44-2517 |
| Dyersburg Dialysis | 1575 PARR AVE | Dyersburg, TN 38024-3151 | (731) 286-5184 | (731) 286-0174 | 20 | 44-2533 |
| Columbia Dialysis | 1705 GROVE ST | Columbia, TN 38401-3517 | (931) 381-4445 | (931) 381-9398 | 15 | 44-2539 |
| Whitebridge Dialysis | 103 WHITE BRIDGE PIKE STE 6 | Nashville, TN 37209-4539 | (615) 352-5535 | (615) 352-5875 | 16 | 44-2540 |
| Murfreesboro Dialysis | 1644 GATEWAY BLVD | Murfreesboro, TN 37129-2251 | (615) 217-9571 | (615) 217-9395 | 17 | 44-2549 |
| Clarksville Dialysis | 231 HILLCREST DR | Clarksville, TN 37043-5093 | (931) 645-9694 | (931) 647-5517 | 14 | 44-2556 |
| Appalachian Dialysis | 503 ELM ST | New Tazewell, TN 37825-7525 | (423) 626-1242 | (423) 626-6587 | 14 | 44-2567 |
| Memphis Central Dialysis | 889 DR M L KING JR AVE | Memphis, TN 38126-1928 | (901) 525-1719 | (901) 525-0341 | 26 | 44-2573 |
| Memphis East Dialysis | 6029 WALNUT GROVE RD STE C003 | Memphis, TN 38120-2112 | (901) 747-2316 | (901) 747-0634 | 28 | 44-2576 |
| Williamson County Dialysis | 3983 CAROTHERS PKWY STE E-4 | Franklin, TN 37067-5936 | (615) 794-4423 | (615) 794-1672 | 9 | 44-2587 |
| Selmer Dialysis | 771 MULBERRY AVE | Selmer, TN 38375-2333 | (731) 645-1031 | (731) 645-4375 | 24 | 44-2592 |
| Humboldt Dialysis | 2214 OSBORNE ST | Humboldt, TN 38343-3044 | (731) 824-2742 | (731) 824-2743 | 25 | 44-2598 |
| Brownsville Dialysis | 380 N DUPREE AVE | Brownsville, TN 38012-2332 | (731) 772-3735 | (731) 772-9794 | 21 | 44-2599 |
| North Jackson Dialysis | 217 STERLING FARM DR | Jackson, TN 38305-5727 | (731) 664-7444 | (731) 664-7470 | 24 | 44-2600 |
| Bolivar Dialysis | 515 PECAN DR | Bolivar, TN 38008-1611 | (731) 658-3828 | (731) 659-2840 | 18 | 44-2601 |
| Tipton County Dialysis | 107 TENNESSEE AVE | Covington, TN 38019-3902 | (901) 475-0410 | (901) 475-9040 | 13 | 44-2604 |
| Camden Dialysis | 168 W MAIN ST STE A | Camden, TN 38320-1767 | (731) 584-0447 | (731) 584-5256 | 13 | 44-2607 |
| Galleria Dialysis | 9160 US HIGHWAY 64 | Lakeland, TN 38002-4766 | (901) 380-1511 | (901) 380-5624 | 16 | 44-2611 |
| Hermitage Dialysis | 5530 OLD HICKORY BLVD STE 18 | Hermitage, TN 37076-2576 | (615) 232-2347 | (615) 232-7150 | 12 | 44-2617 |
| Lexington Dialysis | 756 N LEE HWY | Lexington, VA 24450-3724 | (540) 463-1121 | (540) 464-6302 | 20 | 49-2539 |
| Sumner Dialysis | 300 STEAM PLANT RD STE 130 | Gallatin, TN 37066-3056 | (615) 452-5131 | (615) 452-8970 | 14 | 44-2623 |
| Renal Care of Central Memphis | 1331 UNION AVE STE 101 | Memphis, TN 38104-7559 | (901) 278-5400 | (901) 278-5200 | 40 | 44-2637 |
| Blount Dialysis | 714 E HARPER AVE | Maryville, TN 37804-4028 | (865) 379-1070 | (865) 379-1090 | 28 | 44-2639 |
| Renal Care of Memphis North | 4913 RALEIGH COMMON DR STE 10 | Memphis, TN 38128-2485 | (901) 937-0650 | (901) 385-0740 | 19 | 44-2640 |
| Renal Care of Midtown Memphis | 1166 MONROE AVE | Memphis, TN 38104-6614 | (901) 722-2012 | (901) 722-2919 | 24 | 44-2646 |
| Collierville Dialysis | 791 W POPLAR AVE | Collierville, TN 38017-2543 | (901) 853-7809 | (901) 853-3538 | 13 | 44-2648 |
| Memphis South Dialysis | 1205 MARLIN RD | Memphis, TN 38116-5812 | (901) 346-6637 | (901) 346-7884 | 16 | 44-2649 |
| Memphis Graceland Renal Center | 4180 AUBURN RD | Memphis, TN 38116-6202 | (901) 332-8699 | (901) 332-8234 | 16 | 44-2650 |
| Whitehaven Renal Center | 3420 ELVIS PRESLEY BLVD | Memphis, TN 38116-3260 | (901) 396-3794 | (901) 396-9286 | 25 | 44-2655 |
| Tennessee Valley Dialysis Center | 107 WOODLAWN DR STE 2 | Johnson City, TN 37604-6287 | (423) 926-2976 | (423) 926-1232 | 16 | 44-2666 |
| TV Smokie Mountain Dialysis | 2320 KNOB CREEK STE 408 | Johnson City, TN 37604-2581 | (423) 232-1969 | (423) 262-0320 | 2 | 44-2668 |
| Livingston TN Dialysis | 308 OAK ST | Livingston, TN 38570-1729 | (629) 201-2034 | (629) 201-2057 | 8 | 44-2669 |
| Knoxville Dialysis | 2909 E MAGNOLIA AVE | Knoxville, TN 37914-4516 | (865) 525-7035 | (865) 524-2425 | 25 | 44-2670 |
| Smyrna Dialysis | 537 STONECREST PKWY | Smyrna, TN 37167-6884 | (615) 220-3024 | (615) 220-6238 | 8 | 44-2671 |
| Clarksville North Dialysis | 3071 CLAY LEWIS RD | Clarksville, TN 37040-5141 | (931) 552-0644 | (931) 552-6036 | 13 | 44-2672 |
| Memphis Southeast Dialysis | 1805 MORIAH WOODS BLVD STE 10 | Memphis, TN 38117-7121 | (901) 685-3192 | (901) 685-3645 | 24 | 44-2674 |
| Rocky Top Dialysis | 921 NEW HWY 68 | Sweetwater, TN 37874-2726 | (423) 337-5770 | (423) 337-9142 | 17 | 44-2676 |
| Galleria Home Training Dialysis | 9045 HIGHWAY 64 STE 102 | Lakeland, TN 38002-8394 | (901) 213-2955 | (901) 213-1724 | 0 | 44-2678 |
| Knoxville Central Dialysis | 9141 CROSS PARK DR STE 102 | Knoxville, TN 37923-4557 | (865) 531-4681 | (865) 690-9943 | 8 | 44-2681 |
| Memphis Downtown Dialysis | 2076 UNION AVE | Memphis, TN 38104-4138 | (901) 725-1169 | (901) 725-2778 | 28 | 44-2682 |

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|--|---------------------------------|-------------------------------|----------------|----------------|----|---------|
| Clinch River Dialysis | 702 N MAIN ST | Clinton, TN 37716-3143 | (865) 457-1114 | (865) 457-5576 | 17 | 44-2686 |
| Millington Dialysis | 8510 WILKINSVILLE RD STE 121 | Millington, TN 38053-1537 | (901) 873-3302 | (901) 837-3344 | 12 | 44-2689 |
| Capleville Dialysis Center | 7008 E SHELBY DR | Memphis, TN 38125-3416 | (901) 757-5001 | (901) 757-5263 | 24 | 44-2692 |
| Ripley Dialysis Center | 854 HWY 51 S | Ripley, TN 38063-5536 | (731) 221-1883 | (731) 221-8022 | 12 | 44-2696 |
| Nashville Home Training Dialysis | 1919 CHARLOTTE AVE STE 200 | Nashville, TN 37203-2245 | (615) 329-1162 | (615) 329-1368 | 7 | 44-2699 |
| Memphis Midtown Dialysis | 3430 SUMMER AVE | Memphis, TN 38122-3610 | (901) 454-0815 | (901) 454-6437 | 24 | 44-2704 |
| Sparta Dialysis | 150 SAM WALTON DR STE 800 | Sparta, TN 38583-8818 | (931) 739-3550 | (931) 739-3553 | 8 | 44-2708 |
| Wolf River Dialysis | 7990 TRINITY RD STE 101 | Cordova, TN 38018-7731 | (901) 751-3120 | (901) 751-3223 | 12 | 44-2709 |
| State Line Dialysis | 2049 E SHELBY DR | Memphis, TN 38116-7639 | (901) 348-1931 | (901) 348-8401 | 18 | 44-2710 |
| Bartlett Renal Center | 2920 COWINGTON PIKE | Memphis, TN 38128-6007 | (901) 248-6020 | (901) 377-0879 | 12 | 44-2711 |
| South Jackson Dialysis | 46 HARTS BRIDGE RD | Jackson, TN 38301-7512 | (731) 422-9568 | (731) 422-9556 | 16 | 44-2714 |
| Etowah Dialysis | 109 GRADY RD | Etowah, TN 37331-1903 | (423) 263-3666 | (423) 263-3758 | 16 | 44-2715 |
| Greeneville Dialysis | 110 HERITAGE CT | Greeneville, TN 37743-2081 | (423) 639-2110 | (423) 639-2071 | 12 | 44-2716 |
| Campbell Station Dialysis | 111 S CAMPBELL STATION RD | Farragut, TN 37934-2845 | (865) 777-2750 | (865) 777-2755 | 13 | 44-2721 |
| Medina Dialysis | 210 GRACE COVE | Medina, TN 38355-8738 | (731) 783-0527 | (731) 783-5420 | 12 | 44-2733 |
| Interstate Drive Dialysis | 1843 FOREMAN DR STE B | Cookeville, TN 38501-5933 | (931) 372-8853 | (931) 372-1777 | 12 | 44-2737 |
| Mt Juliet Dialysis | 1050 HERSHEL DR | Mount Juliet, TN 37122-6338 | (615) 758-1970 | (615) 758-1974 | 11 | 44-2738 |
| Airways Dialysis | 5247 AIRWAYS BLVD | Memphis, TN 38116-9401 | (901) 345-0671 | (901) 348-2068 | 13 | 44-2740 |
| Fort Campbell Dialysis | 1459 FORT CAMPBELL BLVD | Clarksville, TN 37042-3552 | (931) 552-6491 | (931) 648-7946 | 21 | 44-2742 |
| Woodbine Dialysis | 5209 LINBAR DR STE 605 | Nashville, TN 37211-1037 | (615) 333-9765 | (615) 333-9331 | 12 | 44-2743 |
| Briley Parkway Dialysis | 1321 BRIARVILLE RD | Madison, TN 37115-5145 | (615) 865-9363 | (615) 870-0906 | 16 | 44-2744 |
| River Oaks Dialysis | 8000 WOLF RIVER BLVD STE 106 | Germantown, TN 38138-1754 | (901) 757-4809 | (901) 757-3627 | 17 | 44-2747 |
| Lamar Crossing Dialysis | 2926 LAMAR AVE STE 101 | Memphis, TN 38114-5614 | (901) 743-9366 | (901) 743-9369 | 17 | 44-2748 |
| Metro Center Dialysis | 2292 ROSA L PARKS BLVD | Nashville, TN 37228-1306 | (615) 255-0653 | (615) 255-0482 | 12 | 44-2751 |
| Singleton Farms Dialysis | 4031 AUSTIN PEAY HWY | Memphis, TN 38128-2503 | (901) 379-0491 | (901) 379-0459 | 17 | 44-2753 |
| Lewis Creek Dialysis | 620 MALL BLVD STE E | Dyersburg, TN 38024-1649 | (731) 287-9448 | (731) 287-9623 | 13 | 44-2754 |
| Foreman Drive Home Training | 1843 FOREMAN DR STE 201 | Cookeville, TN 38501-5933 | (931) 372-2706 | (931) 372-8421 | 0 | 44-2758 |
| Riverdale Home Training | 5144 RIVERDALE RD STE 103 | Memphis, TN 38141-0271 | (901) 752-5425 | (901) 752-5516 | 0 | 44-2765 |
| Corpus Christi Dialysis | 2733 SWANTNER DR | Corpus Christi, TX 78404-2832 | (361) 855-4911 | (361) 855-4914 | 26 | 45-2514 |
| Island Dialysis | 5920 BROADWAY ST | Galveston, TX 77551-4305 | (409) 740-1109 | (409) 740-1464 | 27 | 45-2520 |
| Golden Triangle Dialysis | 1020 N 14TH ST | Beaumont, TX 77702-1103 | (409) 832-8423 | (409) 832-8431 | 30 | 45-2524 |
| Renal Center of North Denton | 4309 MESA DRIVE | Denton, TX 76207-3438 | (940) 566-2701 | (940) 483-8251 | 20 | 45-2528 |
| San Jacinto Dialysis | 11430 EAST FWY STE 330 | Houston, TX 77029-1959 | (713) 450-4991 | (713) 451-5766 | 17 | 45-2530 |
| Alice Renal Center | 2345 ALICE REGIONAL BLVD | Alice, TX 78332-7291 | (361) 664-1723 | (361) 664-1763 | 24 | 45-2537 |
| Kernville Dialysis | 515 GRANADA PL | Kernville, TX 78028-5992 | (830) 307-5471 | (830) 307-5472 | 18 | 45-2546 |
| Briarcrest Dialysis | 1640 BRIARCREST DR STE 100 | Bryan, TX 77802-2709 | (979) 260-4908 | (979) 268-5890 | 25 | 45-2550 |
| Texarkana Regional Dialysis | 5502 MEDICAL PARKWAY DR | Texarkana, TX 75503-4623 | (903) 832-9771 | (903) 791-1774 | 38 | 45-2552 |
| Live Oak Dialysis | 6700 RANDOLPH BLVD STE 101 | Live Oak, TX 78233-4222 | (210) 590-0103 | (210) 590-0813 | 20 | 45-2570 |
| Southwest San Antonio Dialysis Center | 7515 BARLITE BLVD | San Antonio, TX 78224-1311 | (210) 923-4566 | (210) 922-6256 | 24 | 45-2571 |
| Med Center Dialysis | 5610 ALMEDA RD | Houston, TX 77004-7515 | (713) 520-6878 | (713) 527-0575 | 72 | 45-2572 |
| Renal Center of Beaumont | 3050 LIBERTY AVE | Beaumont, TX 77702-1846 | (409) 838-6602 | (409) 838-9052 | 25 | 45-2577 |
| HEB Dialysis Center | 1809 FOREST RIDGE DR | Bedford, TX 76022-7961 | (817) 545-4509 | (817) 545-7392 | 21 | 45-2583 |
| Houston Dialysis | 900 S LOOP W STE 100 | Houston, TX 77054-4632 | (713) 748-0942 | (713) 741-7357 | 20 | 45-2584 |
| San Antonio West Dialysis | 4530 CALLAGHAN RD | San Antonio, TX 78228-2617 | (210) 431-9048 | (210) 431-8934 | 24 | 45-2587 |
| Southwest San Antonio Dialysis | 1620 SOMERSET RD | San Antonio, TX 78211-3021 | (210) 924-6684 | (210) 924-8332 | 16 | 45-2605 |
| Sagemont Dialysis | 1823 BROADWAY ST | Pearland, TX 77581-5605 | (281) 996-7913 | (281) 996-7858 | 17 | 45-2612 |
| Manzanita Dialysis Center | 4005 MANZANITA AVE STE 18 | Carmichael, CA 95608-1779 | (916) 971-1419 | (916) 971-1439 | 21 | 05-2604 |
| Stone Oak Dialysis | 731 CARNOUSTIE DR STE 101 | San Antonio, TX 78258-4800 | (210) 403-2162 | (210) 499-0884 | 20 | 45-2623 |
| Marshall Dialysis Center | 1301 S WASHINGTON AVE | Marshall, TX 75670-6215 | (903) 935-1158 | (903) 938-6341 | 15 | 45-2624 |
| Mainland Dialysis | 4201 GULF FWY | La Marque, TX 77568-3516 | (409) 938-1678 | (409) 938-1679 | 24 | 45-2635 |
| Brenham Dialysis | 2815 HIGHWAY 36 S | Brenham, TX 77833-8143 | (979) 251-7287 | (979) 836-2276 | 12 | 45-2641 |
| Northwest Kidney Center | 10985 NORTHWEST FWY | Houston, TX 77092-7305 | (713) 812-1217 | (713) 812-1693 | 24 | 45-2642 |
| Valley Ranch Dialysis | 22118 MARKET PLACE DR STE 100 | New Caney, TX 77357-2110 | (281) 577-0006 | (281) 354-1728 | 20 | 45-2646 |
| Channelview Dialysis | 777 SHELTON RD STE C | Channelview, TX 77530-3509 | (281) 860-0600 | (281) 860-9608 | 20 | 45-2647 |
| Renal Center of Lewisville | 1600 WATERS RIDGE DR STE B | Lewisville, TX 75057-6039 | (972) 436-7211 | (972) 436-4138 | 30 | 45-2648 |
| Central City Dialysis | 1310 MURCHISON DR STE 200 | El Paso, TX 79902-4821 | (915) 533-8503 | (915) 533-8379 | 28 | 45-2651 |
| Dialysis Care of McAllen | 411 LINDBERG AVE | McAllen, TX 78501-2921 | (956) 687-6701 | (956) 683-1901 | 32 | 45-2654 |
| Victoria Dialysis Center | 1405 VICTORIA STATION DR | Victoria, TX 77901-3092 | (361) 576-9907 | (361) 576-3979 | 27 | 45-2658 |
| Huntsville Dialysis | 5211 IH 45 S STE 20 | Huntsville, TX 77340-5651 | (936) 295-5500 | (936) 291-5022 | 26 | 45-2663 |
| Denison Dialysis Center | 123 N US HIGHWAY 75 | Denison, TX 75020-1544 | (903) 337-0731 | (903) 465-1659 | 21 | 45-2665 |
| Omni Dialysis Center | 9350 KIRBY DR STE 110 | Houston, TX 77054-2528 | (713) 665-4747 | (713) 665-3570 | 48 | 45-2667 |
| Weslaco Renal Center | 910 SOUTH UTAH | Weslaco, TX 78596-4270 | (956) 968-1895 | (956) 968-4886 | 49 | 45-2672 |
| NorthStar Dialysis Center | 380 W LITTLE YORK RD | Houston, TX 77076-1303 | (281) 448-4506 | (281) 448-4376 | 20 | 45-2675 |
| Lone Star Dialysis | 8560 MONROE RD | Houston, TX 77061-4815 | (713) 378-6094 | (713) 378-6398 | 48 | 45-2676 |
| Central Houston Dialysis | 610 S WAYSIDE DR UNIT B | Houston, TX 77011-4605 | (713) 928-9040 | (713) 928-9059 | 20 | 45-2677 |
| North Houston Dialysis Center | 8621 FULTON ST | Houston, TX 77022-2021 | (713) 699-3748 | (713) 699-3558 | 24 | 45-2678 |
| Dialysis Care of Greenville | 7215 INTERSTATE HWY 30 STE N | Greenville, TX 75402-7110 | (903) 455-0041 | (903) 455-0220 | 25 | 45-2694 |
| Waterloo Dialysis Center | 5310 BURNET RD UNIT 122 | Austin, TX 78756-2003 | (512) 420-9403 | (512) 420-9640 | 24 | 45-2696 |
| Brookriver Dialysis | 8101 BROOKRIVER DR | Dallas, TX 75247-4003 | (214) 951-7789 | (214) 951-8111 | 20 | 45-2703 |
| Reliant Dialysis | 1335 LA CONCHA LN | Houston, TX 77054-1809 | (713) 794-0600 | (713) 794-0999 | 24 | 45-2705 |
| North Loop East Dialysis | 7139 NORTH LOOP E | Houston, TX 77028-5903 | (713) 675-8499 | (713) 675-3510 | 16 | 45-2706 |
| Cielo Vista Dialysis | 7200 GATEWAY BLVD E STE B | El Paso, TX 79915-1301 | (915) 771-6893 | (915) 771-6897 | 24 | 45-2707 |
| Conroe Dialysis Center | 233 I-45 N | Conroe, TX 77304-2307 | (936) 760-2240 | (936) 760-2238 | 16 | 45-2708 |
| Northeast Texas Dialysis | 413B LOOP 59 | Atlanta, TX 75551-2015 | (903) 799-5843 | (903) 796-1137 | 13 | 45-2710 |
| Coastal Dialysis | 4300 S PADRE ISLAND DR STE 2-2 | Corpus Christi, TX 78411-4433 | (361) 855-9449 | (361) 855-9398 | 20 | 45-2715 |
| West Texas Dialysis | 5595 ALAMEDA AVE STE B | El Paso, TX 79905-2915 | (915) 881-0254 | (915) 772-2823 | 21 | 45-2720 |
| El Milagro Dialysis Unit | 2800 S INTERSTATE HWY 35 STE 12 | Austin, TX 78704-5700 | (512) 448-9750 | (512) 448-4617 | 24 | 45-2727 |
| Spring Branch Dialysis | 1425 BLALOCK RD STE 100 | Houston, TX 77055-4446 | (713) 932-7795 | (713) 932-7644 | 18 | 45-2728 |
| Cleveland Dialysis Center | 202 E FORT WORTH ST | Cleveland, TX 77327-4917 | (281) 659-9679 | (281) 659-0026 | 20 | 45-2731 |
| Floresville Dialysis | 543 10TH ST | Floresville, TX 78114-3107 | (830) 393-4010 | (830) 393-3056 | 12 | 45-2733 |
| Gonzales Dialysis Center | 1406 N SARAH DEWITT DR | Gonzales, TX 78629-2702 | (830) 672-4377 | (830) 672-4469 | 16 | 45-2734 |
| UT Southwestern-Dallas Dialysis | 204 E AIRPORT FWY | Irving, TX 75062-6305 | (972) 438-7375 | (972) 554-1489 | 36 | 45-2736 |
| Brownsville Renal Center | 2945 CENTRAL BLVD | Brownsville, TX 78520-8958 | (956) 542-8094 | (956) 542-0742 | 20 | 45-2737 |
| Pearsall Dialysis | 1305 N OAK ST | Pearsall, TX 78061-3414 | (830) 334-4690 | (830) 334-3380 | 12 | 45-2740 |
| Loma Vista Dialysis Center | 1382 LOMALAND DR STE A | El Paso, TX 79935-5204 | (915) 591-0834 | (915) 591-5029 | 48 | 45-2741 |
| Beeville Renal Center | 1905 N FRONTAGE RD | Beeville, TX 78102-2954 | (361) 358-4175 | (361) 358-4733 | 21 | 45-2742 |
| Tomball Dialysis Center | 27720A TOMBALL PKWY | Tomball, TX 77375-6472 | (281) 351-6802 | (281) 351-6805 | 25 | 45-2743 |
| Longview Dialysis Center | 3110 H G MOSLEY PKWY STE 100 | Longview, TX 75605-2941 | (430) 240-8224 | (903) 234-8521 | 35 | 45-2744 |
| South San Antonio Dialysis Center | 1313 SE MILITARY DR STE 111 | San Antonio, TX 78214-2850 | (210) 932-2434 | (210) 932-0073 | 24 | 45-2747 |
| Riverside Renal Center | 3710 FM 1889 | Robstown, TX 78380-5969 | (361) 387-0289 | (361) 387-0407 | 24 | 45-2751 |
| Memorial Dialysis Center | 4427 S ROBERTSON ST | New Orleans, LA 70115-6308 | (504) 899-1103 | (504) 899-1956 | 22 | 19-2608 |
| Mesa Vista Dialysis | 1211 E CLIFF DR STE C | El Paso, TX 79902-4734 | (915) 533-8147 | (915) 533-8593 | 25 | 45-2758 |
| Katy Dialysis Grand Parkway | 403 W GRAND PKWY S STE T | Katy, TX 77494-8358 | (281) 392-6063 | (281) 392-4331 | 20 | 45-2761 |
| Cyfair Dialysis Center | 9110 JONES RD STE 104 | Houston, TX 77065-3964 | (346) 277-0335 | (346) 277-0360 | 17 | 45-2762 |
| Renal Center of Port Arthur | 3730 DRYDEN RD | Port Arthur, TX 77642-2764 | (409) 983-4110 | (409) 983-4118 | 25 | 45-2763 |
| Edinburg Renal Center | 3902 S JACKSON RD | Edinburg, TX 78539-6676 | (956) 631-2401 | (956) 631-2664 | 33 | 45-2764 |
| Hill Country Dialysis (Ka Hill Country Dialysis Center of S) | 1250 DACY LN | Kyle, TX 78640-4921 | (512) 268-2523 | (512) 268-1542 | 12 | 45-2769 |
| UT Southwestern-Oakcliff Dialysis | 610 WYNNEWOOD DR | Dallas, TX 75224 | (214) 941-7807 | (214) 941-7813 | 36 | 45-2773 |
| Sherman Dialysis Center | 1724 W US HWY 82 STE 100 | Sherman, TX 75092-7037 | (903) 421-0394 | (903) 294-4189 | 25 | 45-2774 |
| Fourth Street Dialysis | 3101 N 4TH ST STE B | Longview, TX 75605-5146 | (903) 234-0112 | (903) 234-1341 | 12 | 45-2776 |
| Houston Kidney Center Southwest | 9980 W SAM HOUSTON PKWY S ST | Houston, TX 77099-5104 | (281) 530-1905 | (281) 530-1590 | 24 | 45-2780 |
| Houston Kidney Center Cypress Station | 72 CYPRESS CREEK PKWY | Houston, TX 77090-3531 | (281) 580-6157 | (281) 580-6850 | 32 | 45-2784 |
| Spring Dialysis | 607 TIMBERDALE LN STE 100 | Houston, TX 77090-3043 | (281) 880-7066 | (281) 880-8287 | 18 | 45-2787 |
| New Braunfels Dialysis | 798 GENERATIONS DR | New Braunfels, TX 78130-0005 | (830) 629-2848 | (830) 629-2779 | 24 | 45-2798 |
| Morgan Avenue Dialysis | 2222 S MORGAN AVE STE 104 | Corpus Christi, TX 78405-1900 | (361) 884-1113 | (361) 884-1623 | 20 | 45-2800 |
| Renal Center of Orange | 280 STRICKLAND DR | Orange, TX 77630-4750 | (409) 883-4001 | (409) 883-4330 | 16 | 45-2802 |

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| Henderson Dialysis Center | 1002 US HWY 79 N | Henderson, TX 75652-6008 | (903) 655-6922 | (903) 655-1719 | 13 | 45-2803 |
| Renal Center of Fort Worth | 251 UNIVERSITY DRIVE STE 101 | Fort Worth, TX 76107-1986 | (817) 870-5002 | (817) 870-0044 | 16 | 45-2819 |
| Dallas East Dialysis | 3402 N BUCKNER BLVD STE 308 | Dallas, TX 75228-5646 | (214) 660-9413 | (214) 660-9465 | 33 | 45-2822 |
| Katy Cinco Ranch Dialysis | 1265 ROCK CANYON DR | Katy, TX 77450-3831 | (281) 392-1616 | (281) 392-2544 | 12 | 45-2833 |
| Pearland Dialysis | 6516 BROADWAY ST STE 122 | Pearland, TX 77581-7879 | (281) 412-7422 | (281) 412-7791 | 20 | 45-2845 |
| Pin Oak Dialysis | 24968 KATY RANCH RD STE 500 | Katy, TX 77494-3404 | (281) 574-4387 | (281) 574-4349 | 20 | 45-2847 |
| Renal Center of Nederland | 8797 9TH AVE | Port Arthur, TX 77642-8011 | (409) 729-2212 | (409) 729-2656 | 16 | 45-2856 |
| Dallas Home Training | 6200 LBJ FREEWAY STE 100 | Dallas, TX 75240-6355 | (214) 466-7233 | (214) 393-4738 | 0 | 45-2857 |
| Memorial Dialysis Center | 11621 KATY FWY | Houston, TX 77079-1801 | (281) 558-5702 | (281) 597-8377 | 26 | 45-2755 |
| Midland Dialysis | 4901 JEFFERSON AVE | Midland, MI 48640-2905 | (989) 839-7770 | (989) 839-7777 | 24 | 23-2541 |
| Renal Center of Tyler | 510 SSW LOOP 323 STE 580 | Tyler, TX 75702-7693 | (903) 596-0102 | (903) 596-9704 | 20 | 45-2867 |
| Brookhollow Dialysis | 4918 W 34TH ST | Houston, TX 77092-6606 | (713) 681-3043 | (713) 683-6456 | 12 | 45-2868 |
| Odessa Dialysis | 1216 E 8TH ST | Odessa, TX 79761-4638 | (432) 888-9801 | (432) 888-9777 | 12 | 45-2873 |
| Physicians Dialysis North Houston | 7115 NORTH LOOP E | Houston, TX 77028-5948 | (713) 675-4794 | (713) 675-4126 | 20 | 45-2875 |
| Kilgore Dialysis Center | 2403 STATE HIGHWAY 42 N | Kilgore, TX 75662-5554 | (903) 988-8200 | (903) 988-8208 | 16 | 45-2885 |
| Physicians Dialysis South Houston | 5989 SOUTH LOOP E | Houston, TX 77033-1017 | (713) 641-6130 | (713) 641-6056 | 24 | 45-2886 |
| Renal Center of Carrollton | 4240 INTERNATIONAL PKWY STE 15 | Carrollton, TX 75007-1974 | (972) 306-8410 | (972) 306-8109 | 20 | 45-2887 |
| Cuero Lakeview Dialysis | 1105 E BROADWAY ST | Cuero, TX 77954-2108 | (361) 275-8648 | (361) 275-8691 | 16 | 45-2889 |
| South Austin Dialysis Center | 6114 S 1ST ST | Austin, TX 78745-4008 | (512) 447-8500 | (512) 447-8512 | 20 | 45-2892 |
| Pinecrest Dialysis Center | 913 E PINECREST DR | Marshall, TX 75670-7309 | (903) 934-9660 | (903) 934-8474 | 20 | 45-2893 |
| Oak Cliff Dialysis | 2000 S LLEWELLYN AVE | Dallas, TX 75224-1804 | (214) 943-0011 | (214) 943-0064 | 16 | 45-2894 |
| Gilmer Dialysis | 510 US HIGHWAY 271 N | Gilmer, TX 75644-5569 | (903) 843-9886 | (903) 843-9665 | 12 | 45-2897 |
| River Park Dialysis | 2010 S LOOP 336 W STE 200 | Conroe, TX 77304-3313 | (936) 760-3333 | (936) 441-3330 | 12 | 45-2898 |
| Downtown Houston Dialysis Center | 2207 CRAWFORD ST | Houston, TX 77002-8915 | (713) 655-0900 | (713) 655-0909 | 16 | 45-2899 |
| West Bountiful Dialysis | 724 W 500 S STE 300 | West Bountiful, UT 84087-1471 | (801) 296-9091 | (801) 296-9094 | 12 | 46-2520 |
| Timpanogos Dialysis Center | 1055 N 500 W STE 222 | Provo, UT 84604-3305 | (801) 356-8907 | (801) 356-2481 | 1 | 46-2524 |
| Utah Valley Dialysis Center | 1055 N 500 W STE 221 | Provo, UT 84604-3305 | (801) 373-5400 | (801) 373-6400 | 25 | 46-2525 |
| Lone Peak Dialysis | 1175 E 50 S STE 111 | American Fork, UT 84003-2845 | (801) 763-1304 | (801) 763-1305 | 12 | 46-2535 |
| Weber Valley Dialysis | 1920 W 250TH N | Marriott-Slaterville, UT 84404-9233 | (801) 731-4178 | (801) 731-1286 | 13 | 46-2539 |
| Mt Nebo Dialysis | 555 W STATE ROAD 164 STE 101 | Salem, UT 84653-5732 | (801) 798-7903 | (801) 798-7237 | 12 | 46-2551 |
| Traverse Point Dialysis | 1250 W SANDALWOOD DR | Lehi, UT 84043-4615 | (385) 374-1498 | (385) 374-1502 | 12 | 46-2554 |
| Orem Dialysis | 490 S STATE ST | Orem, UT 84058-6302 | (385) 314-3554 | (385) 314-3585 | 12 | 46-2555 |
| Three Chopt Dialysis | 8813 THREE CHOPT RD | Richmond, VA 23229-4774 | (804) 282-6791 | (804) 282-4937 | 16 | 49-2506 |
| Harrisonburg Dialysis | 871 MARTIN LUTHER KING JR WAY | Harrisonburg, VA 22801-4323 | (540) 434-1033 | (540) 434-1192 | 35 | 49-2507 |
| Puddledock Dialysis | 4650 PUDDLEDOCK RD | Prince George, VA 23875-1235 | (804) 957-5910 | (804) 957-5916 | 17 | 49-2511 |
| Camelot Dialysis Center | 1800 CAMELOT DR STE 100 | Virginia Beach, VA 23454-2440 | (757) 481-6879 | (757) 486-0187 | 25 | 49-2517 |
| CDC of Woodbridge | 2751 KILLARNEY DR | Woodbridge, VA 22192-4119 | (703) 897-7027 | (703) 897-1328 | 24 | 49-2521 |
| Covington Dialysis | 2504 VALLEY RIDGE RD | Covington, VA 24426-6339 | (540) 862-4419 | (540) 862-5768 | 13 | 49-2522 |
| Winchester Dialysis | 2301 VALOR DR | Winchester, VA 22601-6111 | (540) 667-0227 | (540) 535-1605 | 25 | 49-2523 |
| Staunton Dialysis | 29 IDLEWOOD BLVD | Staunton, VA 24401-9355 | (540) 885-8906 | (540) 885-0824 | 17 | 49-2528 |
| East End Dialysis Center | 2201 E MAIN ST STE 100 | Richmond, VA 23223-7071 | (804) 643-3055 | (804) 643-3059 | 16 | 49-2534 |
| Norfolk Dialysis Center | 962 NORFOLK SQ | Norfolk, VA 23502-3235 | (757) 461-0501 | (757) 455-5011 | 40 | 49-2537 |
| Sterling Dialysis | 46396 BENEDICT DR STE 100 | Sterling, VA 20164-6626 | (703) 444-8932 | (703) 444-9060 | 15 | 49-2541 |
| Parma Heights Dialysis | 9050 N CHURCH DR | Parma Heights, OH 44130-4701 | (440) 842-0895 | (440) 292-0234 | 17 | 36-2704 |
| Chesapeake Dialysis Center | 1400 CROSSWAYS BLVD CROSSWA | Chesapeake, VA 23320-0207 | (757) 523-0666 | (757) 523-4545 | 24 | 49-2545 |
| Manassas Dialysis | 10655 LOMOND DR STE 101 | Manassas, VA 20109-2877 | (703) 257-5445 | (703) 257-1050 | 20 | 49-2549 |
| Meherrin Dialysis Center | 201A WEAVER AVE | Emporia, VA 23847-1248 | (434) 348-3882 | (434) 348-9317 | 24 | 49-2551 |
| Hioaks Dialysis | 671 HIOAKS RD STE A | Richmond, VA 23225-4072 | (804) 272-0179 | (804) 320-1550 | 20 | 49-2556 |
| Arlington Dialysis | 4805 1st ST N | Arlington, VA 22203-2603 | (703) 527-0652 | (703) 527-0956 | 20 | 49-2559 |
| Martinsville Dialysis | 33 BRIDGE ST S | Martinsville, VA 24112-6214 | (276) 632-3743 | (276) 638-2716 | 20 | 49-2560 |
| Continental Dialysis Center of Alexandria | 5999 STEVENSON AVE STE 100 | Alexandria, VA 22304-3302 | (703) 751-6115 | (703) 751-3892 | 14 | 49-2562 |
| Hopewell Dialysis Center | 301 W BROADWAY AVE | Hopewell, VA 23860-2645 | (804) 452-2484 | (804) 452-1204 | 14 | 49-2563 |
| Charlottesville Dialysis | 1460 PANTOPS MOUNTAIN PL | Charlottesville, VA 22911-4600 | (434) 979-5997 | (434) 979-9409 | 24 | 49-2564 |
| Front Royal Dialysis | 1360 N SHENANDOAH AVE | Front Royal, VA 22630-3636 | (540) 622-2413 | (540) 631-0326 | 16 | 49-2573 |
| Newport News Dialysis Center | 711 79TH ST | Newport News, VA 23605-2767 | (757) 245-8090 | (757) 245-8178 | 32 | 49-2574 |
| Virginia Beach Dialysis Center | 740 INDEPENDENCE CIR | Virginia Beach, VA 23455-6438 | (757) 499-1301 | (757) 499-2499 | 20 | 49-2575 |
| Tyson's Corner Dialysis | 8391 OLD COURTHOUSE RD STE 16 | Vienna, VA 22182-3819 | (703) 827-8644 | (703) 827-0657 | 15 | 49-2580 |
| Amelia Dialysis | 15151 PATRICK HENRY HWY | Amelia Court House, VA 23002-4700 | (804) 207-6131 | (804) 207-6138 | 15 | 49-2583 |
| Fairfax Dialysis Center | 8501 ARLINGTON BLVD STE 100 | Fairfax, VA 22031-4625 | (703) 876-8445 | (703) 876-6786 | 24 | 49-2591 |
| Petersburg Dialysis | 20 MEDICAL PARK BLVD | Petersburg, VA 23805-9280 | (804) 861-0967 | (804) 861-0796 | 20 | 49-2594 |
| Henrico County Dialysis | 5270 CHAMBERLAYNE RD | Richmond, VA 23227-2950 | (804) 262-8077 | (804) 262-9125 | 26 | 49-2598 |
| Richmond Community Dialysis | 913 N 25TH ST | Richmond, VA 23223-6562 | (804) 643-0506 | (804) 648-0462 | 28 | 49-2599 |
| Great Bridge Dialysis Center | 745 BATTLEFIELD BLVD N STE 100 | Chesapeake, VA 23320-0305 | (757) 312-8346 | (757) 382-7844 | 26 | 49-2604 |
| Mechanicsville Dialysis | 8191 ATLEE RD | Mechanicsville, VA 23116-1807 | (804) 730-3149 | (804) 730-4187 | 22 | 49-2605 |
| Chester Dialysis | 10360 IRON BRIDGE RD | Chester, VA 23831-1426 | (804) 768-6770 | (804) 768-6775 | 24 | 49-2607 |
| Midlothian Dialysis | 14281 MIDLOTHIAN TPKE BLDG B | Midlothian, VA 23113-6560 | (804) 594-3520 | (804) 594-3531 | 17 | 49-2608 |
| Peninsula Dialysis Center | 716 DENBIGH BLVD STE D1 AND D2 | Newport News, VA 23608-4414 | (757) 875-1125 | (757) 875-1105 | 16 | 49-2617 |
| Greater Portsmouth | 3110 HIGH ST | Portsmouth, VA 23707-3427 | (757) 530-7461 | (757) 530-7486 | 36 | 49-2618 |
| Radford Dialysis | 600 E MAIN ST STE F | Radford, VA 24141-1826 | (540) 639-9561 | (540) 639-9567 | 17 | 49-2619 |
| Franconia Dialysis Center | 5695 KING CENTRE DR STE 105 | Alexandria, VA 22315-5746 | (703) 921-9506 | (703) 921-9564 | 14 | 49-2623 |
| Reston Dialysis Center | 530 HUNTMAR PARK DR STE D | Herndon, VA 20170-5144 | (703) 437-0414 | (703) 437-0498 | 17 | 49-2625 |
| Fair Oaks Dialysis | 3955 PENDER DR STE 110 | Fairfax, VA 22030-6091 | (703) 385-5315 | (703) 385-6731 | 13 | 49-2626 |
| Leigh Dialysis Center | 420 N CENTER DR BLDG 11-STE 128 | Norfolk, VA 23502-4019 | (757) 455-0060 | (757) 455-0065 | 24 | 49-2629 |
| Charlottesville North Dialysis | 1800 TIMBERWOOD BLVD STE C | Charlottesville, VA 22911-7544 | (434) 973-8555 | (434) 973-1088 | 13 | 49-2636 |
| Garrisonville Dialysis Center | 70 DOC STONE RD STE 101 | Stafford, VA 22556-4628 | (540) 658-1135 | (540) 658-1288 | 13 | 49-2637 |
| Charter Colony Dialysis Center | 2312 COLONY CROSSING PL | Midlothian, VA 23112-4280 | (804) 739-6383 | (804) 739-6083 | 20 | 49-2650 |
| Williamsburg Dialysis | 500 SENTARA CIR STE 103 | Williamsburg, VA 23188-5727 | (757) 206-1408 | (757) 206-1418 | 16 | 49-2651 |
| Haymarket Dialysis | 14664 GAP WAY | Gainesville, VA 20155-1683 | (703) 753-3520 | (703) 753-3528 | 13 | 49-2652 |
| Butler Farm Dialysis | 501 BUTLER FARM RD STE A | Hampton, VA 23666-1777 | (757) 766-1921 | (757) 766-6073 | 30 | 49-2653 |
| Leesburg Virginia Dialysis | 2240 CORNWALL ST NW STE 100 | Leesburg, VA 20176-2700 | (571) 258-1362 | (571) 258-1342 | 12 | 49-2654 |
| Midtowne Norfolk Dialysis | 2201 COLONIAL AVE | Norfolk, VA 23517-1928 | (757) 626-3111 | (757) 626-3341 | 28 | 49-2658 |
| Harbour View Dialysis | 1039 CHAMPIONS WAY STE 500 | Suffolk, VA 23435-3771 | (757) 484-2814 | (757) 484-6087 | 24 | 49-2659 |
| Jefferson Avenue Dialysis | 11234 JEFFERSON AVE | Newport News, VA 23601-2207 | (757) 595-6167 | (757) 595-6210 | 12 | 49-2660 |
| Forest Hill Avenue Dialysis | 4900 FOREST HILL AVE | Richmond, VA 23225-3146 | (804) 230-3594 | (804) 230-3971 | 16 | 49-2663 |
| Little Creek Dialysis | 1817 E LITTLE CREEK RD STE A | Norfolk, VA 23518-4203 | (757) 480-3780 | (757) 480-3783 | 12 | 49-2665 |
| Lynchburg Home Training | 2091 LANGHORNE RD | Lynchburg, VA 24501-1443 | (434) 847-2085 | (434) 846-1972 | 6 | 49-2667 |
| Royal Oak Dialysis | 1587 N MAIN ST | Marion, VA 24354-4317 | (276) 781-0461 | (276) 781-0527 | 13 | 49-2668 |
| Tidewater Home Dialysis | 230 CLEARFIELD AVE STE 106 | Virginia Beach, VA 23462-1832 | (757) 518-9439 | (757) 519-9519 | 0 | 49-2669 |
| Giles County Dialysis | 377 BOXWOOD LN | Pearisburg, VA 24134-1166 | (540) 921-1384 | (540) 921-1864 | 13 | 49-2671 |
| Lansdowne Dialysis | 44084 RIVERSIDE PKWY STE 100, 25 | Leesburg, VA 20176-5102 | (703) 724-3941 | (703) 724-9387 | 17 | 49-2672 |
| Princess Anne Dialysis | 3973 HOLLAND RD | Virginia Beach, VA 23452-2804 | (757) 340-3526 | (757) 340-4916 | 17 | 49-2675 |
| Hampton Roads Home Training | 11234 JEFFERSON AVE STE B | Newport News, VA 23601-2207 | (757) 595-5469 | (757) 595-5985 | 8 | 49-2678 |
| Two Rivers Dialysis | 100 WINTERS ST STE 12B | West Point, VA 23181-9534 | (804) 843-2516 | (804) 843-2318 | 13 | 49-2686 |
| SoCo Dialysis | 1384 ARMORY DR | Franklin, VA 23851-2421 | (757) 562-2137 | (757) 562-2005 | 13 | 49-2688 |
| Dale City Dialysis | 2920 DALE BLVD | Dale City, VA 22193-1120 | (703) 680-5837 | (703) 730-7461 | 17 | 49-2689 |
| Newington Dialysis | 8520 CINDER BED RD STE 100 | Lorton, VA 22079-1471 | (703) 339-6050 | (703) 339-6371 | 17 | 49-2690 |
| Newington Home Training | 8520 CINDER BED RD STE 200 | Lorton, VA 22079-1471 | (703) 339-6050 | (703) 339-6371 | 4 | 49-2691 |
| Park Hill Dialysis | 1151 HOSPITAL DR | Fredericksburg, VA 22401-8408 | (540) 373-2470 | (540) 374-5252 | 21 | 49-2692 |
| Bull Run Dialysis | 9420 FORESTWOOD LN STE 100 | Manassas, VA 20110-4757 | (703) 257-1749 | (703) 367-9136 | 21 | 49-2693 |
| Nansemond Dialysis | 3009 CORPORATE LN STE 130 | Suffolk, VA 23434-9344 | (757) 539-0618 | (757) 925-4530 | 13 | 49-2695 |
| Oceana Dialysis | 1375 OCEANA BLVD STE 114 | Virginia Beach, VA 23454-5579 | (757) 961-6239 | (757) 961-6665 | 17 | 49-2698 |
| Glenside Dialysis | 7001 W BROAD ST | Richmond, VA 23294-3701 | (804) 755-2368 | (804) 672-7612 | 21 | 49-2701 |
| Langley Dialysis | 5 W MERCURY BLVD | Hampton, VA 23669-2508 | (757) 723-4620 | (757) 728-3566 | 20 | 49-2703 |
| Rutherford Crossing Dialysis | 141 MARKET ST | Winchester, VA 22603-4750 | (540) 665-5169 | (540) 667-1805 | 13 | 49-2704 |
| Meherrin Home Training | 201B WEAVER AVE | Emporia, VA 23847-1248 | (434) 634-3084 | (434) 634-0671 | 0 | 49-2708 |
| Glenvar Dialysis | 3737 W MAIN ST STE 103 | Salem, VA 24153-2073 | (540) 380-3130 | (540) 380-3784 | 13 | 49-2709 |

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| Laburnum Dialysis | 4352 S LABURNUM AVE | Henrico, VA 23231-2418 | (804) 236-4699 | (804) 236-9235 | 17 | 49-2710 |
| Hopkins Road Dialysis | 5750 HOPKINS RD | North Chesterfield, VA 23234-6614 | (804) 275-8631 | (804) 275-8704 | 17 | 49-2712 |
| Lee's Hill Dialysis | 4701 SPOSTYLVANIA PKWY STE 109 | Fredericksburg, VA 22407-9435 | (540) 898-8004 | (540) 710-9584 | 15 | 49-2714 |
| Stone Ridge Dialysis | 24640 SOUTHPOINT DR STE 160 | Chantilly, VA 20152-4141 | (703) 327-4357 | (703) 542-5630 | 13 | 49-2717 |
| Kempsville Dialysis | 1920 CENTERVILLE TURNPIKE STE 1 | Virginia Beach, VA 23464-6859 | (757) 502-0360 | (757) 502-1206 | 17 | 49-2719 |
| Pentagon City Dialysis | 1785 S HAYES ST | Arlington, VA 22202-2714 | (703) 920-0980 | (703) 920-0983 | 10 | 49-2720 |
| Chantilly Dialysis | 14225 SULLYFIELD CIR STE A | Chantilly, VA 20151-1688 | (703) 263-0215 | (703) 378-7692 | 16 | 49-2722 |
| ANNANDALE DIALYSIS | 7060 COLUMBIA PIKE | Annandale, VA 22003-3104 | (703) 256-2569 | (703) 658-5395 | 18 | 49-2724 |
| Chatham Dialysis | 13912 US HWY 29 | Chatham, VA 24531-3669 | (434) 432-1790 | (434) 432-1785 | 17 | 49-2726 |
| DALEVILLE DIALYSIS | 245 COMMONS PKWY | Daleville, VA 24083-1701 | (540) 591-5235 | (540) 591-5246 | 17 | 49-2728 |
| Ashburn Dialysis | 19980 HIGHLAND VISTA DR STE 100 | Ashburn, VA 20147-4189 | (571) 223-0451 | (571) 223-0395 | 17 | 49-2731 |
| Merrimac Trail Dialysis | 469 MERRIMAC TRL | Williamsburg, VA 23185-4819 | (757) 258-3601 | (757) 258-3605 | 17 | 49-2732 |
| James River Home Dialysis | 13859 VILLAGE PLACE DR | Midlothian, VA 23114-3503 | (804) 378-2170 | (804) 378-2175 | 0 | 49-2733 |
| Fort Belvoir Dialysis | 8123 RICHMOND HWY | Alexandria, VA 22309-3613 | (703) 619-3801 | (703) 619-3805 | 13 | 49-2734 |
| Vienna Dialysis | 8605 WESTWOOD CENTER DR STE 2 | Vienna, VA 22182-2231 | (571) 633-0790 | (571) 633-0147 | 13 | 49-2735 |
| Peaks of Otter Dialysis | 570 WESTGATE SHOPPING CTR | Bedford, VA 24523-2643 | (540) 875-2601 | (540) 875-2622 | 13 | 49-2736 |
| Dan River Dialysis | 145 HOLT GARRISON PKWY STE 340 | Danville, VA 24540-5956 | (434) 425-7049 | (434) 425-7070 | 13 | 49-2738 |
| Continental Dialysis Center of Springfield | 8003 FORBES PL STE 110 | Springfield, VA 22151-2215 | (703) 321-7207 | (703) 321-8658 | 21 | 49-2535 |
| Port Warwick Dialysis | 445 ORIANA RD STE 18 | Newport News, VA 23608-3742 | (757) 898-9212 | (757) 898-9216 | 17 | 49-2706 |
| DaVita Mount Baker Kidney Center | 410 BIRCHWOOD AVE STE 100 | Bellingham, WA 98225-1783 | (360) 734-4243 | (360) 715-9858 | 26 | 50-2501 |
| Mid Columbia Kidney Center | 6825 BURDEN BLVD STE A | Pasco, WA 99301-5633 | (509) 545-0305 | (509) 545-0212 | 21 | 50-2504 |
| Federal Way Community Dialysis Center | 1015 S 348TH ST | Federal Way, WA 98003-7078 | (253) 661-9055 | (253) 661-9093 | 19 | 50-2513 |
| Mt Adams Kidney Center | 3220 PICARD PL | Sunnyside, WA 98944-8400 | (509) 837-2013 | (509) 837-5270 | 15 | 50-2514 |
| Lakewood Community Dialysis Center | 5919 LAKEWOOD TOWNE CENTER | Lakewood, WA 98499-6513 | (253) 512-2400 | (253) 512-0196 | 26 | 50-2519 |
| Olympic View Dialysis Center | 125 16TH AVE E FL 5C5B | Seattle, WA 98112-5211 | (206) 323-8900 | (206) 323-8899 | 20 | 50-2525 |
| Kent Dialysis Center | 21851 84TH AVE S | Kent, WA 98032-1958 | (253) 872-5474 | (253) 872-6968 | 19 | 50-2526 |
| Puyallup Dialysis | 802 30TH AVE SW STE C | Puyallup, WA 98373-2755 | (253) 845-3147 | (253) 845-0833 | 19 | 50-2534 |
| Spokane Valley Renal Center | 12610 E MIRABEAU PKWY STE 100 | Spokane Valley, WA 99216-1450 | (509) 228-9933 | (509) 228-9399 | 13 | 50-2537 |
| North Spokane Renal Center | 7701 N DIVISION ST | Spokane, WA 99208-5615 | (509) 465-1729 | (509) 465-1812 | 13 | 50-2538 |
| Yakima Dialysis Center | 1221 N 16TH AVE | Yakima, WA 98902-1347 | (509) 457-8333 | (509) 457-8334 | 22 | 50-2541 |
| Bellevue Dialysis Center | 3535 FACTORIA BLVD SE STE 150 | Bellevue, WA 98006-1293 | (425) 641-6514 | (425) 641-6518 | 12 | 50-2542 |
| Union Gap Dialysis | 1236 ANHTANUM RIDGE DR AHTANU | Union Gap, WA 98903-1813 | (509) 469-6292 | (509) 469-6299 | 13 | 50-2543 |
| Westwood Dialysis Center | 2615 SW TRENTON ST | Seattle, WA 98126-3745 | (206) 938-6738 | (206) 938-5217 | 15 | 50-2544 |
| Downtown Spokane Renal Center | 601 W 5TH AVE STE 101 | Spokane, WA 99204-2708 | (509) 363-0070 | (509) 363-0073 | 15 | 50-2547 |
| Vancouver Dialysis Center | 9120 NE VANCOUVER MALL DR STE 200 | Vancouver, WA 98662-9401 | (360) 891-5777 | (360) 891-1085 | 13 | 50-2550 |
| Tacoma Dialysis Center | 3401 S 19TH ST | Tacoma, WA 98405-1909 | (253) 573-1600 | (253) 573-1601 | 21 | 50-2551 |
| Ellensburg Dialysis Center | 2101 W DOLARWAY RD STE 1 | Ellensburg, WA 98926-7846 | (509) 852-2136 | (509) 852-2137 | 7 | 50-2552 |
| Graham Dialysis Center | 10219 196TH ST CT E STE C | Graham, WA 98338-7935 | (253) 875-5382 | (253) 875-2616 | 12 | 50-2554 |
| Olympia Dialysis Center | 335 COOPER POINT RD NW STE 100 | Olympia, WA 98502-4436 | (360) 357-6198 | (360) 943-6878 | 7 | 50-2555 |
| Chinook Kidney Center | 1315 AARON DR BLDG C1 | Richland, WA 99352-4678 | (509) 943-4598 | (509) 943-8563 | 19 | 50-2559 |
| Everett Dialysis Center | 8130 EVERGREEN WAY | Everett, WA 98203-6419 | (425) 353-6036 | (425) 353-1210 | 10 | 50-2560 |
| Mil Creek Dialysis Center | 18001 BOTHELL EVERETT HWY STE 100 | Bothell, WA 98012-1661 | (425) 481-5258 | (425) 481-3438 | 16 | 50-2561 |
| Seaview Dialysis Center | 101 18TH ST SE | Long Beach, WA 98631-2500 | (360) 642-3442 | (360) 642-3460 | 11 | 50-2562 |
| Whidbey Island Dialysis Center | 32650 STATE RD 20 BLDG D STE 100 | Oak Harbor, WA 98277-2641 | (360) 240-1596 | (360) 240-1730 | 6 | 50-2564 |
| Parkland Dialysis Center | 311 140TH ST S | Parkland, WA 98444-4526 | (253) 536-5961 | (253) 536-5967 | 22 | 50-2566 |
| Wenatchee Valley Dialysis | 116 OLDS STATION RD | Wenatchee, WA 98801-5936 | (509) 662-0385 | (509) 662-0656 | 20 | 50-2568 |
| East Wenatchee Dialysis | 300 COLORADO AVE | East Wenatchee, WA 98802-3800 | (509) 886-4950 | (509) 886-4957 | 14 | 50-2569 |
| Zillah Dialysis | 823 ZILLAH WEST RD STE 300 | Zillah, WA 98953-9548 | (509) 829-0209 | (509) 829-3052 | 9 | 50-2571 |
| Kennewick Dialysis | 3208 W 19TH AVE STE 101 | Kennewick, WA 99337-2318 | (509) 582-1677 | (509) 585-5535 | 11 | 50-2572 |
| Rilchuck Dialysis | 1250 STATE AVE | Marysville, WA 98270-3659 | (360) 651-0780 | (360) 651-0680 | 11 | 50-2577 |
| Tumwater Dialysis | 855 TROSPER RD SW STE 110 | Tumwater, WA 98512-8108 | (360) 352-7522 | (360) 352-7542 | 11 | 50-2578 |
| Rainier View Dialysis | 1822 112TH STREET EAST STE A | Tacoma, WA 98445-3724 | (253) 539-5659 | (253) 539-5950 | 11 | 50-2579 |
| Cascade Dialysis | 145 CASCADE PL STE 100 | Burlington, WA 98233-3156 | (360) 707-5373 | (360) 707-2503 | 7 | 50-2581 |
| Echo Valley Dialysis | 198 PONDEROSA RD | Colville, WA 99114-2003 | (509) 684-2285 | (509) 684-3799 | 7 | 50-2582 |
| Belfair Dialysis | 23961 NE STATE ROUTE 3 | Belfair, WA 98528-9698 | (360) 275-0141 | (360) 275-6348 | 5 | 50-2583 |
| Battle Ground Dialysis | 720 W MAIN ST STE 112 | Battle Ground, WA 98604-4474 | (360) 687-4677 | (360) 666-6623 | 11 | 50-2584 |
| Redondo Heights Dialysis | 27320 PACIFIC HWY S | Federal Way, WA 98003-2413 | (253) 529-7825 | (253) 528-0851 | 13 | 50-2585 |
| Renton Dialysis | 4110 NE 4TH ST STE E | Renton, WA 98059-5045 | (425) 226-2408 | (425) 226-2372 | 8 | 50-2586 |
| Cooks Hill Dialysis | 1815 COOKS HILL RD | Centralia, WA 98531-9170 | (360) 736-1188 | (360) 807-0824 | 7 | 50-2592 |
| Lynnwood Dialysis | 13619 MUKILTEO SPEEDWAY STE D | Lynnwood, WA 98087-1672 | (425) 741-3616 | (425) 741-8382 | 4 | 50-2595 |
| Wapato Dialysis | 502 W 1ST ST | Wapato, WA 98951-1106 | (509) 877-2085 | (509) 877-2035 | 7 | 50-2596 |
| Lake Tapps Dialysis | 16290 AUTO LN | Sumner, WA 98390-2568 | (253) 470-0188 | (253) 470-0215 | 10 | 50-2605 |
| Wheelling Dialysis | 500 MEDICAL PARK STE 100 | Wheelling, WV 26003-7600 | (304) 242-9135 | (304) 242-6097 | 17 | 51-2513 |
| New Martinsville Dialysis | 1 EAST BENJAMIN DR | New Martinsville, WV 26155-2705 | (304) 455-2700 | (304) 455-4151 | 10 | 51-2514 |
| West Virginia Dialysis | 300 PROSPERITY LN STE 150 | Logan, WV 25601-3743 | (304) 752-2700 | (304) 752-5656 | 13 | 51-2518 |
| Grand Central Dialysis | 800 GRAND CENTRAL MALL STE 8 | Vienna, WV 26105-4100 | (304) 917-4124 | (304) 917-4136 | 18 | 51-2519 |
| Greater Charleston Dialysis | 24 MACCORKLE AVE SW | South Charleston, WV 25303-1476 | (304) 720-2222 | (304) 720-2322 | 23 | 51-2520 |
| Renal Center of Moorefield | 8 LEE ST FLR 2 | Moorefield, WV 26836-1091 | (304) 530-1200 | (304) 530-1212 | 12 | 51-2522 |
| Point Pleasant Dialysis | 3683 OHIO RIVER RD | Point Pleasant, WV 25550-9244 | (304) 675-1500 | (304) 675-1505 | 12 | 51-2530 |
| Greater Boone Dialysis | 300 4TH ST | Danville, WV 25053 | (304) 307-6201 | (304) 307-6210 | 16 | 51-2531 |
| Renal Center of Keyser | 1080 NEW CREEK HIGHWAY | Keyser, WV 26726-9508 | (304) 788-5057 | (304) 788-5059 | 12 | 51-2537 |
| Mountaineer Dialysis | 2958 ROBERT C BYRD DR | Beckley, WV 25801-4448 | (304) 252-9183 | (304) 252-9194 | 17 | 51-2538 |
| Harrison County Dialysis | 95 ROSEBUD PLZ STE 101 | Clarksburg, WV 26301-9823 | (304) 624-0478 | (304) 624-0640 | 9 | 51-2540 |
| Wood County Dialysis | 214 GHON VLG | Parkersburg, WV 26101-7163 | (304) 422-3687 | (304) 422-5455 | 12 | 51-2547 |
| Fox River Dialysis | 1910 RIVERSIDE DR | Green Bay, WI 54301-2319 | (920) 436-4910 | (920) 437-1718 | 28 | 52-2501 |
| Wisconsin Avenue Dialysis | 3801 W WISCONSIN AVE | Milwaukee, WI 53208-3155 | (414) 937-8240 | (414) 937-8248 | 24 | 52-2502 |
| Janesville Dialysis | 1305 WOODMAN DR | Janesville, WI 53545-1068 | (608) 741-4181 | (608) 741-2369 | 12 | 52-2503 |
| WAUKESHA DIALYSIS | 721 AMERICAN AVE STE 204 | Waukesha, WI 53188-5071 | (262) 549-0754 | (262) 549-0782 | 12 | 52-2504 |
| Loomis Road Dialysis | 4120 W LOOMIS RD | Greenfield, WI 53221-2052 | (414) 761-4920 | (414) 761-4926 | 21 | 52-2507 |
| River Center Dialysis | 117 N JEFFERSON ST | Milwaukee, WI 53202-6160 | (414) 225-3740 | (414) 225-3744 | 20 | 52-2509 |
| Shawano Lake Dialysis | W 7305 ELM AVE | Shawano, WI 54166 | (715) 526-4310 | (715) 526-6010 | 15 | 52-2511 |
| FOX BROOK DIALYSIS | 18740 W BLUE MOUND RD | Brookfield, WI 53045-2936 | (262) 782-9856 | (262) 782-9984 | 8 | 52-2513 |
| OCONOMOWOC DIALYSIS | 1253 CORPORATE CENTER DR | Oconomowoc, WI 53066-4891 | (262) 560-0371 | (262) 560-0399 | 15 | 52-2517 |
| St. Croix Falls Dialysis Center | 744 E LOUISIANA ST | Saint Croix Falls, WI 54024-9501 | (715) 483-1555 | (715) 483-9639 | 9 | 52-2519 |
| MUKWONAGO DIALYSIS | 400 BAY VIEW RD STE F | Mukwonago, WI 53149-1770 | (262) 363-3561 | (262) 363-3564 | 10 | 52-2521 |
| MENOMONEE FALLS DIALYSIS | N87W17301 MAIN ST | Menomonee Falls, WI 53051-2760 | (262) 253-9768 | (262) 253-9870 | 12 | 52-2523 |
| WATERTOWN DIALYSIS | 1905 MARKET WAY STE 1004 | Watertown, WI 53094-7466 | (920) 262-1090 | (920) 262-1514 | 11 | 52-2525 |
| Fond du Lac Dialysis | 210 WISCONSIN AMERICAN DR ATT | Fond Du Lac, WI 54937-2999 | (920) 907-0689 | (920) 907-0760 | 9 | 52-2526 |
| Sheboygan Dialysis | 1338 N TAYLOR DR | Sheboygan, WI 53081-3042 | (920) 458-1724 | (920) 458-1763 | 14 | 52-2527 |
| Cedarburg Dialysis | N54 W 6135 MILL ST | Cedarburg, WI 53012-2021 | (262) 376-8011 | (262) 376-9369 | 10 | 52-2529 |
| Brookfield Dialysis | 19395 W CAPITOL DR BLDG C | Brookfield, WI 53045-2736 | (262) 781-0273 | (262) 781-0305 | 12 | 52-2532 |
| FORT ATKINSON DIALYSIS | 525 HANDEYSIDE LN | Fort Atkinson, WI 53538-1281 | (920) 563-8665 | (920) 563-8643 | 15 | 52-2533 |
| SPRING CITY DIALYSIS | 1260 SENTRY DR | Waukesha, WI 53186-5930 | (262) 446-5100 | (262) 446-5199 | 12 | 52-2535 |
| Bluemound PD | 601 N 99TH ST STE 300 | Milwaukee, WI 53226-4362 | (414) 778-1623 | (414) 778-1311 | 5 | 52-2536 |
| Lake Geneva Dialysis | 650 N EDWARDS BLVD | Lake Geneva, WI 53147-4595 | (262) 248-2502 | (262) 248-0316 | 16 | 52-2537 |
| South Ridge Dialysis | 7740 W LAYTON AVE | Greenfield, WI 53220-3707 | (414) 281-1313 | (414) 281-1722 | 22 | 52-2543 |
| West Appleton Dialysis | 10130 W APPLETON AVE STE 500 | Milwaukee, WI 53225-2579 | (414) 393-0600 | (414) 393-0910 | 26 | 52-2548 |
| Mannette Dialysis | 2706 CAHILL RD STE A | Marinette, WI 54143-3886 | (715) 732-2372 | (715) 732-2269 | 16 | 52-2551 |
| Green Bay Dialysis | 1751 DECKNER AVE | Green Bay, WI 54302-2630 | (920) 465-0430 | (920) 465-1311 | 10 | 52-2552 |
| Bay Shore Dialysis | 5650 N GREEN BAY AVE STE 150 | Glendale, WI 53209-4449 | (414) 351-1290 | (414) 351-1244 | 10 | 52-2554 |
| Sturgeon Bay Dialysis | 108 S 10TH AVE | Sturgeon Bay, WI 54235-1802 | (920) 746-7955 | (920) 746-7974 | 6 | 52-2556 |
| Titetown Dialysis | 120 SIEGLER ST | Green Bay, WI 54303-2636 | (920) 327-2120 | (920) 327-2150 | 17 | 52-2558 |
| Oshkosh West Dialysis | 855 N WESTHAVEN DR | Oshkosh, WI 54904-7668 | (920) 303-0650 | (920) 303-0645 | 10 | 52-2560 |
| Manitowoc Dialysis | 3303 DEWEY ST ATTN DIALYSIS UN | Manitowoc, WI 54220-5987 | (920) 652-0593 | (920) 686-0550 | 13 | 52-2562 |
| Wautoma Dialysis | 900 EAST DIVISION ST | Wautoma, WI 54982-6944 | (920) 787-1031 | (920) 787-1055 | 8 | 52-2563 |
| Bluemound Dialysis | 601 N 99TH ST STE 100 | Wauwatosa, WI 53226-4362 | (414) 755-6300 | (414) 755-6310 | 23 | 52-2566 |

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|------------------------------------|--------------------------------|---------------------------------|----------------|----------------|----|---------|
| Amery Dialysis | 970 ELDEN AVE | Amery, WI 54001-1448 | (534) 444-0005 | (534) 444-0006 | 14 | 52-2575 |
| Humboldt Ridge Dialysis | 2211 N HUMBOLDT BLVD | Milwaukee, WI 53212-3507 | (414) 336-7200 | (414) 336-7210 | 24 | 52-2577 |
| Oak Creek Dialysis | 8201 S HOWELL AVE STE 600 | Oak Creek, WI 53154-8336 | (414) 762-3784 | (414) 762-4012 | 12 | 52-2578 |
| MEQUON ROAD DIALYSIS | W175 N11056 STONEWOOD DR | Germantown, WI 53022-4799 | (262) 251-4047 | (262) 251-4171 | 12 | 52-2579 |
| Harbor View Dialysis | 3113 WASHINGTON AVE | Racine, WI 53405-3001 | (262) 632-0120 | (262) 637-1441 | 24 | 52-2583 |
| Willow Creek Dialysis | 1139 WARWICK WAY | Racine, WI 53406-5661 | (262) 884-2730 | (262) 884-2802 | 12 | 52-2584 |
| Prairie River Dialysis | 601 S CENTER AVE | Merrill, WI 54452-3404 | (715) 539-0613 | (715) 539-3948 | 6 | 52-2585 |
| Northern Star Dialysis | 311 ELM ST | Woodruff, WI 54568-9149 | (715) 356-0132 | (715) 356-6392 | 24 | 52-2586 |
| Stevens Point Dialysis | 1100 MERIDIAN DR | Plover, WI 54467-2385 | (715) 343-1266 | (715) 344-4179 | 12 | 52-2587 |
| Marshfield Dialysis | 123 NORTHDRIDGE ST | Marshfield, WI 54449-8341 | (715) 384-3478 | (715) 387-4690 | 17 | 52-2588 |
| Wisconsin Rapids Dialysis | 10418 HILL ST | Wisconsin Rapids, WI 54494-5221 | (715) 800-2420 | (715) 800-9211 | 18 | 52-2589 |
| Rhinelanders Dialysis | 1306 LINCOLN ST | Rhinelanders, WI 54501-3664 | (715) 350-7830 | (715) 350-7831 | 9 | 52-2591 |
| Waupaca Dialysis | 930 FURMAN DR | Waupaca, WI 54981-2200 | (715) 258-0934 | (715) 258-0926 | 10 | 52-2592 |
| Wausau Dialysis | 2600 STEWART AVE STE 144 | Wausau, WI 54401-1403 | (715) 841-1708 | (715) 845-6353 | 26 | 52-2593 |
| Mill Street Home Training | N54 W6135 MILL ST STE 500 | Cedarburg, WI 53012-2067 | (262) 377-2158 | (262) 377-2191 | 0 | 52-2595 |
| Lake Hallie Dialysis | 3636 EAST MELBY ST | Lake Hallie, WI 54729-8392 | (715) 833-8512 | (715) 833-8534 | 12 | 52-2596 |
| LAKE COUNTRY DIALYSIS | 2301 SUN VALLEY DR STE 101 | Delafield, WI 53018-2318 | (262) 646-3080 | (262) 646-3084 | 0 | 52-2597 |
| Capitol Court Dialysis | 4176 N 56TH ST | Milwaukee, WI 53216-1276 | (414) 445-2119 | (414) 445-3794 | 16 | 52-2598 |
| Siren Dialysis | 24670 STATE RD 35 70 STE 100 | Siren, WI 54872-4419 | (715) 349-4220 | (715) 349-4224 | 8 | 52-2600 |
| Chilton Dialysis | 425 M-B LN | Chilton, WI 53014-1604 | (920) 849-3390 | (920) 849-3432 | 12 | 52-2601 |
| Green Lake County Dialysis | 432 OAK ST | Berlin, WI 54923-1204 | (920) 361-1177 | (920) 361-1435 | 12 | 52-2605 |
| Hudson Dialysis | 421 STAGELINE RD | Hudson, WI 54016-7848 | (715) 381-8240 | (715) 381-8454 | 12 | 52-2606 |
| Sun Prairie Dialysis | 719 BUNNY TRL | Sun Prairie, WI 53590-8507 | (608) 825-6556 | (608) 825-2886 | 12 | 52-2607 |
| Lake Delton Dialysis | 14 COUNTY ROAD P | Wisconsin Dells, WI 53965-9764 | (608) 253-3597 | (608) 253-3948 | 12 | 52-2608 |
| Brown Deer Dialysis | 9127 N 76TH ST | Milwaukee, WI 53223-1905 | (414) 354-4319 | (414) 365-3519 | 20 | 52-2613 |
| Estabrook Park Dialysis | 733 EAST CAPITOL DR | Milwaukee, WI 53212-1307 | (414) 906-0144 | (414) 963-1231 | 13 | 52-2616 |
| Tokay Dialysis Center | 312 S FAIRMONT AVE STE A | Lodi, WI 53240-3840 | (209) 369-5418 | (209) 369-5963 | 12 | 52-2504 |
| Fresno Palm Bluffs Dialysis | 770 W PINEDALE AVE | Fresno, CA 93711-5744 | (559) 438-8512 | (559) 438-8696 | 25 | 52-2505 |
| Whittier Dialysis | 10055 WHITTWOOD DR | Whittier, CA 90603-2313 | (562) 947-1808 | (562) 947-1186 | 18 | 52-2509 |
| Creekside Dialysis Center | 141 PARKER ST | Vacaville, CA 95688-3921 | (707) 453-1325 | (707) 453-1329 | 12 | 52-2510 |
| Rosemead Springs Dialysis Center | 3212 ROSEMEAD BLVD | El Monte, CA 91731-2807 | (626) 280-3019 | (626) 280-2856 | 16 | 52-2511 |
| College Dialysis | 6035 UNIVERSITY AVE | San Diego, CA 92115-6341 | (619) 287-8796 | (619) 287-4862 | 33 | 52-2513 |
| Carmel Mountain Dialysis | 9850 CARMEL MOUNTAIN RD | San Diego, CA 92129-2892 | (858) 538-1083 | (858) 538-6734 | 16 | 52-2515 |
| Costa Mesa Dialysis | 1590 SCENIC AVE | Costa Mesa, CA 92626-1400 | (714) 540-9401 | (714) 540-9420 | 22 | 52-2518 |
| Banning Dialysis | 6090 W RAMSEY ST | Banning, CA 92220-3052 | (951) 845-4494 | (951) 845-4845 | 18 | 52-2520 |
| White Lane Dialysis | 7701 WHITE LN STE D | Bakersfield, CA 93309-0201 | (661) 396-7158 | (661) 396-7286 | 20 | 52-2521 |
| Stockton Home Training Dialysis | 5608 N PERSHING AVE | Stockton, CA 95207-4906 | (209) 954-9563 | (209) 954-9938 | 0 | 52-2523 |
| Turlock Dialysis Center | 50 W SYRACUSE AVE | Turlock, CA 95380-3143 | (209) 656-7299 | (209) 656-1715 | 16 | 52-2528 |
| Elk Grove Dialysis | 9281 OFFICE PARK CIR STE 105 | Elk Grove, CA 95758-8069 | (916) 691-0480 | (916) 691-0488 | 21 | 52-2529 |
| South Chico Dialysis Center | 2345 FOREST AVE | Chico, CA 95928-7641 | (530) 894-2180 | (530) 894-2647 | 18 | 52-2530 |
| Marysville Dialysis Center | 1015 8TH ST | Marysville, CA 95901-5271 | (530) 741-9801 | (530) 741-9805 | 15 | 52-2533 |
| Concord Dialysis Center | 2300 STANWELL DR STE C | Concord, CA 94520-4841 | (925) 677-7492 | (925) 677-7497 | 21 | 52-2535 |
| Citrus Valley Dialysis | 894 HARDT STREET | San Bernardino, CA 92408-2854 | (909) 388-6608 | (909) 388-6639 | 20 | 52-2541 |
| Crossroads Dialysis | 3214 YORBA LINDA BLVD | Fullerton, CA 92831-1707 | (714) 577-6940 | (714) 577-0530 | 24 | 52-2544 |
| Anaheim Hills Dialysis | 4201 E LA PALMA AVE | Anaheim, CA 92807-1815 | (714) 996-2900 | (714) 996-2969 | 21 | 52-2545 |
| Ontario Dialysis | 1950 S GROVE AVE STE 101-105 | Ontario, CA 91761-5693 | (909) 930-5566 | (909) 930-5690 | 20 | 52-2548 |
| University Dialysis Center | 333 UNIVERSITY AVE STE 100 | Sacramento, CA 95825-6533 | (916) 920-0877 | (916) 920-1931 | 21 | 52-2549 |
| Camarillo Dialysis | 2438 N PONDEROSA DR STE C101 | Camarillo, CA 93010-2465 | (805) 764-0171 | (805) 388-0360 | 18 | 52-2551 |
| Magnolia West Dialysis | 11161 MAGNOLIA AVE | Riverside, CA 92505-3605 | (951) 351-8090 | (951) 351-8099 | 30 | 52-2553 |
| Pismo Beach Dialysis | 320 JAMES WAY STE 110 | Pismo Beach, CA 93449-2875 | (805) 556-0577 | (805) 556-0510 | 14 | 52-2556 |
| Red Bluff Dialysis Center | 2455 SISTER MARY COLUMBA DR | Red Bluff, CA 96080-4364 | (530) 527-0052 | (530) 527-0059 | 15 | 52-2557 |
| Ash Tree Dialysis | 2666 N GROVE INDUSTRIAL DR STE | Fresno, CA 93727-1552 | (559) 251-1919 | (559) 251-1333 | 36 | 52-2563 |
| Almond-Wood Dialysis | 501 E ALMOND AVE | Madera, CA 93637-5661 | (559) 664-9252 | (559) 664-9255 | 22 | 52-2564 |
| Templeton Dialysis | 1310 LAS TABLAS RD STE 101 | Templeton, CA 93465-9746 | (805) 434-3473 | (805) 434-3246 | 16 | 52-2567 |
| Natatos Dialysis | 30 GOLDEN LAND CT BLDG G | Sacramento, CA 95834-2423 | (916) 285-6452 | (916) 285-9715 | 24 | 52-2569 |
| Norco Dialysis | 1901 TOWN AND COUNTRY DR STE | Norco, CA 92860-3611 | (951) 738-0185 | (951) 738-8490 | 20 | 52-2571 |
| Carquinez Dialysis | 125 CORPORATE PL STE C | Vallejo, CA 94590-6968 | (707) 556-3637 | (707) 556-3642 | 21 | 52-2572 |
| Ventura Dialysis | 2705 LOMA VISTA RD STE 101 | Ventura, CA 93003-1596 | (805) 643-7549 | (805) 643-6891 | 20 | 52-2575 |
| Tokay Home Dialysis Center | 777 S HAM LN STE L | Lodi, CA 95242-3593 | (209) 333-8909 | (209) 333-8914 | 0 | 52-2576 |
| Redlands Dialysis | 1722 ORANGE TREE LN | Redlands, CA 92374-2856 | (909) 307-0437 | (909) 307-0597 | 37 | 52-2578 |
| Long Beach Harbor (UCLA) | 1075 E PACIFIC COAST HWY | Long Beach, CA 90806-5089 | (562) 599-1511 | (562) 599-1922 | 12 | 52-2579 |
| Mar Vista Dialysis Center | 2020 SANTA MONICA BLVD STE 100 | Santa Monica, CA 90404-2139 | (310) 453-4900 | (310) 453-4966 | 20 | 52-2580 |
| Ceres Dialysis Center | 1768 MITCHELL RD STE 308 | Ceres, CA 95307-2156 | (209) 538-9853 | (209) 538-9858 | 16 | 52-2581 |
| Clearlake Dialysis | 14400 OLYMPIC DR | Clearlake, CA 95422-8809 | (707) 994-9785 | (707) 994-9790 | 12 | 52-2586 |
| Bellflower Dialysis Center | 17536 WOODRUFF AVE | Bellflower, CA 90706-4018 | (562) 804-3099 | (562) 804-1544 | 20 | 52-2588 |
| North Glendale Dialysis | 1505 WILSON TER STE 190 | Glendale, CA 91206-4015 | (818) 637-8348 | (818) 637-8354 | 36 | 52-2589 |
| West Sacramento Dialysis Center | 3450 INDUSTRIAL BLVD STE 100 | West Sacramento, CA 95691-5053 | (916) 371-4947 | (916) 371-8845 | 21 | 52-2591 |
| Stockton Kidney Center | 1523 E MARCH LN STE 200 | Stockton, CA 95210-5607 | (209) 472-3300 | (209) 472-0900 | 20 | 52-2592 |
| Exeter Dialysis | 1116 W VISALIA RD STE 106 | Exeter, CA 93221-1482 | (559) 592-1025 | (559) 592-4103 | 24 | 52-2594 |
| Santa Fe Springs Dialysis | 11147 WASHINGTON BLVD | Whittier, CA 90606-3007 | (562) 695-0827 | (562) 695-1132 | 16 | 52-2597 |
| Moreno Valley Dialysis | 22620 GOLDENCREST DR STE 101 | Moreno Valley, CA 92553-9032 | (951) 656-3804 | (951) 656-7508 | 24 | 52-2599 |
| San Jose at Home | 4460 STEVENS CREEK BLVD STE 50 | San Jose, CA 95129-1104 | (408) 985-2011 | (408) 985-2016 | 0 | 52-2602 |
| Joy of Dixon Dialysis Center | 1640 N LINCOLN ST | Dixon, CA 95620-9268 | (707) 693-8301 | (707) 693-8306 | 12 | 52-2603 |
| West Elk Grove Dialysis | 2208 KAUSEN DR STE 100 | Elk Grove, CA 95758-7174 | (916) 683-5992 | (916) 683-6025 | 22 | 52-2604 |
| Yosemite Street Dialysis Center | 1650 W YOSEMITE AVE | Manteca, CA 95337-5193 | (209) 824-5552 | (209) 825-1786 | 21 | 52-2606 |
| Northgate Dialysis Center | 650 LAS GALLINAS AVE | San Rafael, CA 94903-3620 | (415) 444-0376 | (415) 491-4014 | 12 | 52-2607 |
| Cornhouse Dialysis Center | 2005 NAGLEE AVE | San Jose, CA 95128-4801 | (408) 998-0183 | (408) 295-3790 | 25 | 52-2608 |
| Walnut Creek At Home | 400 N WIGET LN | Walnut Creek, CA 94598-2408 | (925) 979-9732 | (925) 979-9738 | 0 | 52-2611 |
| Sunset Dialysis Center | 3071 GOLD CANAL DR | Rancho Cordova, CA 95670-6129 | (916) 638-8429 | (916) 638-8039 | 24 | 52-2612 |
| Bixby Knolls Dialysis | 3744 LONG BEACH BLVD | Long Beach, CA 90807-3310 | (562) 424-1403 | (562) 424-4310 | 24 | 52-2614 |
| Magnolia West At Home | 3660 PARK SIERRA DR STE 103 | Riverside, CA 92505-3071 | (951) 373-4004 | (951) 373-4005 | 0 | 52-2617 |
| San Marcos Dialysis Center | 2135 MONTIEL RD BLDG B | San Marcos, CA 92069-3511 | (760) 975-0170 | (760) 975-0177 | 20 | 52-2618 |
| Canyon Springs Dialysis | 22555 ALESSANDRO BLVD BLDG 5 | Moreno Valley, CA 92553-8533 | (951) 653-6400 | (951) 867-3270 | 32 | 52-2622 |
| Downey Landing Dialysis Center | 11611 BELLFLOWER BLVD | Downey, CA 90241-5408 | (562) 862-0001 | (562) 862-0040 | 31 | 52-2624 |
| Hesperia Dialysis Center | 14135 MAIN ST STE 501 | Hesperia, CA 92345-8097 | (760) 947-7405 | (760) 949-7925 | 22 | 52-2626 |
| Riverside PD Central | 3660 PARK SIERRA DR STE 108 | Riverside, CA 92505-3071 | (951) 687-3900 | (951) 687-7998 | 11 | 52-2627 |
| Fountain Valley Dialysis | 17150 EUCLID ST STE 111 | Fountain Valley, CA 92708-4092 | (714) 966-1595 | (714) 966-1555 | 21 | 52-2630 |
| San Leandro Dialysis | 15555 E 14TH ST STE 520 | San Leandro, CA 94578-1949 | (510) 317-6510 | (510) 317-6515 | 24 | 52-2633 |
| Livermore Dialysis | 3201 DOOLAN RD STE 175 | Livermore, CA 94551-9610 | (925) 245-9780 | (925) 245-9785 | 24 | 52-2638 |
| Iowa Street Dialysis | 8333 IOWA ST STE 100 | Downey, CA 90241-4994 | (562) 923-5901 | (562) 923-6000 | 21 | 52-2639 |
| Westlake Daly City Dialysis Center | 2201 JUNIPERO SERRA BLVD STE A | Daly City, CA 94014-1908 | (650) 755-9480 | (650) 755-9485 | 31 | 52-2642 |
| Albion Dialysis | 3162 S WHITE RD STE 100 | San Jose, CA 95148-4007 | (408) 223-0620 | (408) 223-0625 | 18 | 52-2643 |
| Hanford At Home Dialysis | 900 N DOUTY ST | Hanford, CA 93230-3918 | (559) 587-9014 | (559) 587-9285 | 0 | 52-2644 |
| Fresno At Home Center | 6121 N THESTA ST STE 102 | Fresno, CA 93710-5294 | (559) 437-3856 | (559) 437-3878 | 0 | 52-2645 |
| Merced East Dialysis | 464 E YOSEMITE AVE STE B | Merced, CA 95340-8489 | (209) 205-1126 | (209) 205-1130 | 12 | 52-2647 |
| Carabello Dialysis Center | 757 E WASHINGTON BLVD | Los Angeles, CA 90021-2016 | (213) 745-2860 | (213) 745-2868 | 24 | 52-2649 |
| Sanger Sequoia Dialysis | 2517 JENSEN AVE BLDG B | Sanger, CA 93657-2251 | (559) 876-3852 | (559) 876-3930 | 16 | 52-2650 |
| Silver Lake Dialysis | 2723 W TEMPLE ST | Los Angeles, CA 90026-4723 | (213) 480-3039 | (213) 480-3287 | 30 | 52-2659 |
| Pasadena Foothills Dialysis | 3722 E COLORADO BLVD | Pasadena, CA 91107-3872 | (626) 432-4331 | (626) 432-4336 | 26 | 52-2660 |
| Gateway Plaza Dialysis | 1580 W ROSECRANS AVE | Compton, CA 90220-1001 | (310) 631-3085 | (310) 631-3670 | 16 | 52-2661 |
| Highland Ranch Dialysis Center | 7223 CHURCH ST STE A14 | Highland, CA 92346-6837 | (909) 862-9670 | (909) 862-9675 | 21 | 52-2663 |
| Delta View Dialysis | 1150 E LELAND RD | Pittsburg, CA 94565-5319 | (925) 427-0867 | (925) 427-0873 | 20 | 52-2664 |
| Redwood City Dialysis | 1000 MARSHALL ST | Redwood City, CA 94063-2065 | (650) 365-0129 | (650) 365-0232 | 24 | 52-2665 |
| Garfield Home Program | 228 N GARFIELD AVE STE 301 | Monterey Park, CA 91754-1709 | (626) 288-6379 | (626) 288-6383 | 0 | 52-2666 |
| Huntington Park Dialysis | 5942 RUGBY AVE | Huntington Park, CA 90255-2803 | (323) 585-7605 | (323) 585-7635 | 21 | 52-2667 |
| Pacific Dialysis | 2351 CLAY ST FL 4 | San Francisco, CA 94115-1931 | (415) 440-2852 | (415) 447-8305 | 30 | 52-2668 |

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|--------------------------------|--------------------------------|------------------------------------|----------------|----------------|----|---------|
| Davies Dialysis | 45 CASTRO ST SOUTH TOWER 2ND | San Francisco, CA 94114-1032 | (415) 252-7030 | (415) 252-7659 | 16 | 55-2669 |
| Hayward Mission Hills Dialysis | 1661 INDUSTRIAL PKWY W | Hayward, CA 94544-7046 | (510) 266-5743 | (510) 259-1270 | 24 | 55-2672 |
| Anaheim West Dialysis | 1821 W LINCOLN AVE | Anaheim, CA 92801-6731 | (714) 765-6510 | (714) 765-6515 | 20 | 55-2676 |
| Lemoore Dialysis | 1345 W BUSH ST | Lemoore, CA 93245-3303 | (559) 924-3175 | (559) 924-2485 | 16 | 55-2679 |
| Burlingame Dialysis | 1720 EL CAMINO REAL STE 12 | Burlingame, CA 94010-3225 | (650) 697-7601 | (650) 697-7926 | 13 | 55-2681 |
| Mills Dialysis | 100 S SAN MATEO DR | San Mateo, CA 94401-3805 | (650) 548-4985 | (650) 696-4639 | 19 | 55-2682 |
| Calvine Dialysis | 8243 E STOCKTON BLVD STE 100 | Sacramento, CA 95828-8204 | (916) 682-6655 | (916) 682-6554 | 24 | 55-2683 |
| Oxnard Dialysis | 1900 OUTLET CENTER DR | Oxnard, CA 93036-0677 | (805) 278-3815 | (805) 981-8596 | 20 | 55-2684 |
| Richmond Dialysis | 4200 MACDONALD AVE STE A | Richmond, CA 94805-2315 | (510) 236-8861 | (510) 236-2563 | 24 | 55-2688 |
| Los Alamitos Dialysis | 4141 KATELLA AVE | Los Alamitos, CA 90720-3406 | (714) 952-0175 | (714) 952-0180 | 24 | 55-2691 |
| Artesia Home Training | 16506 LAKEWOOD BLVD STE 100 | Bellflower, CA 90706-5165 | (562) 920-4084 | (562) 920-4136 | 0 | 55-2694 |
| Fremont Dialysis | 2599 STEVENSON BLVD | Fremont, CA 94538-2315 | (510) 796-4385 | (510) 713-1249 | 24 | 55-2698 |
| Fremont at Home | 39355 CALIFORNIA ST STE 101 | Fremont, CA 94538-1447 | (510) 494-1348 | (510) 797-2587 | 0 | 55-2699 |
| Cathedral City Dialysis | 30885 DATE PALM DR | Cathedral City, CA 92234-2958 | (760) 202-3491 | (760) 202-7015 | 21 | 55-2700 |
| Herndon Dialysis | 560 E HERNDON AVE STE 101 | Fresno, CA 93720-2907 | (559) 432-5278 | (559) 435-1422 | 48 | 55-2702 |
| North Sacramento Dialysis | 251 LATHROP WAY STE A | Sacramento, CA 95815-4223 | (916) 922-4721 | (916) 922-2189 | 24 | 55-2705 |
| Bermuda Dunes Dialysis | 78030 WILDCAT DR STE 101 | Palm Desert, CA 92211-1116 | (760) 345-5115 | (760) 360-3110 | 21 | 55-2707 |
| Mojave Sage Dialysis | 17207 JASMINE ST | Victorville, CA 92395-7786 | (760) 241-8167 | (760) 843-5685 | 24 | 55-2708 |
| Silicon Valley Dialysis | 725 RIDDER PARK DR STE 10 | San Jose, CA 95131-2431 | (408) 392-0390 | (408) 392-0405 | 32 | 55-2711 |
| Silicon Valley Home Training | 725 RIDDER PARK DR STE 50 | San Jose, CA 95131-2431 | (408) 392-0239 | (408) 392-0328 | 0 | 55-2712 |
| Laurel Meadows Dialysis | 3 ROSSI CIR STE A | Salinas, CA 93907-2356 | (831) 424-5726 | (831) 424-2565 | 24 | 55-2713 |
| Sun City Menifee Dialysis | 1702 ILLINOIS AVE | Perris, CA 92571-9371 | (951) 928-1369 | (951) 928-2150 | 24 | 55-2715 |
| South San Francisco at Home | 74 CAMARITAS AVE | South San Francisco, CA 94080-3133 | (650) 589-8562 | (650) 589-8494 | 0 | 55-2716 |
| Laguna Hills Dialysis | 25332 CABOT RD | Laguna Hills, CA 92653-5506 | (949) 380-1925 | (949) 380-1746 | 20 | 55-2718 |
| Sequoia Dialysis | 440 N 11TH AVE | Hanford, CA 93230-4404 | (559) 587-0105 | (559) 587-0293 | 20 | 55-2721 |
| Tully Dialysis | 614 TULLY RD STE 30 | San Jose, CA 95111-1048 | (408) 993-8959 | (408) 975-6223 | 32 | 55-2723 |
| Laurel Meadows Home Training | 3 ROSSI CIR STE B | Salinas, CA 93907-2356 | (831) 757-4360 | (831) 754-8955 | 0 | 55-2724 |
| Coalinga Dialysis | 1147 PHELPS AVE | Coalinga, CA 93210-9662 | (559) 934-0690 | (559) 934-0644 | 12 | 55-2726 |
| Firestone Blvd Dialysis | 11913 FIRESTONE BLVD | Norwalk, CA 90650-2904 | (562) 863-2127 | (562) 863-3052 | 24 | 55-2727 |
| Moorpark Dialysis | 883 PATRIOT DR STE C | Moorpark, CA 93021-3352 | (805) 517-1442 | (805) 517-1604 | 20 | 55-2728 |
| North Madera Dialysis | 720 N 1ST | Madera, CA 93637-3079 | (559) 664-8780 | (559) 664-8971 | 20 | 55-2729 |
| Tully Road Home Training | 1290 TULLY RD STE 60 | San Jose, CA 95122-3069 | (408) 275-0105 | (408) 275-0115 | 4 | 55-2731 |
| San Francisco Home Training | 1493 WEBSTER ST | San Francisco, CA 94115-3705 | (415) 346-3382 | (415) 346-3528 | 0 | 55-2736 |
| Santa Clara Dialysis | 777 LAWRENCE EXPRESSWAY STE 1 | Santa Clara, CA 95051-5197 | (408) 243-1130 | (408) 243-1139 | 24 | 55-2737 |
| Stevens Creek Dialysis | 275 DI SALVO AVE | San Jose, CA 95128-1628 | (408) 297-0103 | (408) 297-2265 | 24 | 55-2738 |
| Dinuba Dialysis | 510 E NORTH WAY | Dinuba, CA 93618-1653 | (559) 595-9462 | (559) 595-9471 | 20 | 55-2740 |
| Boyle Heights Dialysis | 1936 E 1ST ST | Los Angeles, CA 90033-3413 | (323) 268-2729 | (323) 268-2848 | 28 | 55-2742 |
| Los Gatos Dialysis | 14251 WINCHESTER BLVD STE 100 | Los Gatos, CA 95032-1811 | (408) 370-6756 | (408) 370-6787 | 18 | 55-2743 |
| Hawthorne Dialysis | 14204 PRAIRIE AVE | Hawthorne, CA 90250-7908 | (310) 349-1174 | (310) 349-1903 | 25 | 55-2744 |
| Calvine Home Training | 8231 E STOCKTON BLVD STE A | Sacramento, CA 95828-8202 | (916) 689-4254 | (916) 689-9563 | 6 | 55-2747 |
| San Leandro Marina Dialysis | 2551 MERCED ST | San Leandro, CA 94577-4207 | (510) 352-1207 | (510) 352-1294 | 24 | 55-2749 |
| Arvin Dialysis | 902 BEAR MOUNTAIN BLVD | Arvin, CA 93203-1317 | (661) 854-3699 | (661) 854-5118 | 16 | 55-2753 |
| Rancho Cucamonga Home Training | 8219 ROCHESTER AVE STE 120 | Rancho Cucamonga, CA 91730-0722 | (909) 466-5489 | (909) 477-2098 | 0 | 55-2757 |
| Bastanchury Dialysis | 1950 SUNNYCREST DR STE 1300 | Fullerton, CA 92835-3638 | (714) 578-0015 | (714) 578-5907 | 25 | 55-2759 |
| Archway Dialysis of Modesto | 3001 HEALTH CARE WAY BLDG E, S | Modesto, CA 95356-8503 | (209) 543-1720 | (209) 543-1596 | 20 | 55-2760 |
| Fairfield Downtown Dialysis | 1800 N TEXAS ST | Fairfield, CA 94533-4441 | (707) 399-9984 | (707) 399-9925 | 24 | 55-2763 |
| Channel Islands Dialysis | 3541 W 5TH ST STE A | Oxnard, CA 93030-6403 | (805) 984-5140 | (805) 984-5647 | 16 | 55-2764 |
| Archway Modesto Home Training | 3001 HEALTH CARE WAY BLDG E, S | Modesto, CA 95356-8510 | (209) 543-1721 | (209) 543-1750 | 4 | 55-2765 |
| Anaheim Springs Dialysis | 1324 S EUCLID ST | Anaheim, CA 92802-2002 | (714) 774-1518 | (714) 774-1549 | 25 | 55-2766 |
| Bakersfield Oak St Dialysis | 422 OAK ST | Bakersfield, CA 93304-1744 | (661) 631-0227 | (661) 631-0501 | 24 | 55-2769 |
| Roseville Dialysis | 1836 SIERRA GARDENS DR STE 150 | Roseville, CA 95661-2943 | (916) 772-0306 | (916) 772-0189 | 24 | 55-2771 |
| Walnut Creek West Dialysis | 1221 ROSSMOOR PKWY | Walnut Creek, CA 94595-2539 | (925) 295-9830 | (925) 295-0256 | 21 | 55-2772 |
| Bluff Rd Dialysis | 100 W WASHINGTON BLVD | Montebello, CA 90640-6211 | (323) 728-2984 | (323) 726-6747 | 24 | 55-2773 |
| Pomona Valley Dialysis | 2703 S TOWNE AVE | Pomona, CA 91766-6206 | (909) 590-4930 | (909) 591-8425 | 32 | 55-2774 |
| San Bernardino Home Training | 966 E HOSPITALITY LN | San Bernardino, CA 92408-2818 | (909) 796-8421 | (909) 478-7547 | 0 | 55-2776 |
| El Sobrante Dialysis | 3380 SAN PABLO DAM RD STE C-D | San Pablo, CA 94803-7218 | (510) 262-9230 | (510) 262-9203 | 20 | 55-2779 |
| Menifee Home Dialysis | 29878 HAUN RD STE 100 | Menifee, CA 92586-6531 | (951) 679-2396 | (951) 301-9725 | 0 | 55-2780 |
| Garden Grove Harbor Dialysis | 13054 N HARBOR BLVD | Garden Grove, CA 92843-1744 | (714) 539-3395 | (714) 539-3467 | 25 | 55-2781 |
| Fresno North Home Training | 6655 N MILBURN AVE | Fresno, CA 93722-2162 | (559) 451-0768 | (559) 447-1542 | 6 | 55-2782 |
| Glendora Foothills | 750 W ROUTE 66 STE Q | Glendora, CA 91740-4164 | (626) 335-2063 | (626) 914-1480 | 24 | 55-2785 |
| Arcadia Oaks Dialysis | 721 W HUNTINGTON DR | Arcadia, CA 91007-6734 | (626) 294-9682 | (626) 445-7455 | 20 | 55-2787 |
| Newport Irvine Dialysis | 4300 VON KARMAN AVE | Newport Beach, CA 92660-2004 | (949) 863-1382 | (949) 863-1407 | 17 | 55-2789 |
| Colton Ranch Dialysis | 1405 W VALLEY BLVD STE 100 | Colton, CA 92324-1963 | (909) 783-7948 | (909) 783-0125 | 32 | 55-2791 |
| Casa St Home Training | 35 CASA ST STE 110 | San Luis Obispo, CA 93405-1887 | (805) 785-0321 | (805) 785-0328 | 0 | 55-2792 |
| Avalon Dialysis | 5807 AVALON BLVD | Los Angeles, CA 90011-5303 | (323) 233-2452 | (323) 233-2549 | 24 | 55-2793 |
| San Rafael Dialysis | 1415 3RD ST | San Rafael, CA 94901-2826 | (415) 453-4437 | (415) 453-4616 | 24 | 55-2794 |
| Riverlakes Home Training | 3933 COFFEE RD STE A | Bakersfield, CA 93308-5024 | (661) 588-2326 | (661) 588-0037 | 0 | 55-2795 |
| Seven Oaks Dialysis | 4651 CORPORATE CT | Bakersfield, CA 93311-8704 | (661) 664-5887 | (661) 664-0145 | 24 | 55-2796 |
| Beverlywood Dialysis | 2080 CENTURY PARK E STE 210 | Los Angeles, CA 90067-2033 | (310) 772-0224 | (310) 772-0120 | 13 | 55-2800 |
| El Dorado Dialysis | 2977 REDONDO AVE | Long Beach, CA 90806-2445 | (562) 988-3418 | (562) 595-5819 | 25 | 55-2801 |
| Broadway Dialysis | 2624 STOCKTON BLVD | Sacramento, CA 95817-2210 | (916) 457-0113 | (916) 457-0116 | 34 | 55-2802 |
| Pacheco Dialysis | 1245 W PACHECO BLVD | Los Banos, CA 93635-8619 | (209) 827-3934 | (209) 827-3973 | 24 | 55-2804 |
| Visalia Vineyard Dialysis | 1140 S BEN MADDOX WAY | Visalia, CA 93292-3643 | (559) 635-1938 | (559) 625-5713 | 24 | 55-2806 |
| Tustin Ranch Dialysis | 721 WEST 1ST ST | Tustin, CA 92780-2903 | (714) 544-0079 | (714) 544-0071 | 25 | 55-2807 |
| Port City Dialysis | 1810 S FRESNO AVE | Stockton, CA 95206-1861 | (209) 946-0738 | (209) 946-0827 | 24 | 55-2808 |
| Golden Gate Dialysis | 2700 GEARY BLVD STE A | San Francisco, CA 94118-3406 | (415) 345-1869 | (415) 673-1206 | 24 | 55-2811 |
| Golden State Dialysis | 4200 N GOLDEN STATE BLVD | Turlock, CA 95382-8840 | (209) 634-0014 | (209) 634-0048 | 24 | 55-2812 |
| Upland Colonies Dialysis | 587 N MOUNTAIN AVE | Upland, CA 91786-5016 | (909) 931-4515 | (909) 981-5086 | 25 | 55-2813 |
| Deer Park Dialysis | 4401 MACK RD | Sacramento, CA 95823-4545 | (916) 738-3575 | (916) 429-2368 | 24 | 55-2814 |
| Ontario Mills Dialysis | 2403 S VINEYARD AVE STE D | Ontario, CA 91761-6471 | (909) 923-3850 | (909) 923-8568 | 25 | 55-2815 |
| Jurupa Valley Dialysis | 8080 LIMONITE AVE | Jurupa Valley, CA 92509-6107 | (951) 361-9405 | (951) 727-0027 | 25 | 55-2817 |
| South Gate Dialysis | 9848 ATLANTIC AVE | South Gate, CA 90280-5219 | (323) 569-1035 | (323) 569-1790 | 25 | 55-2821 |
| DaVita Huntington Dialysis | 390 S FAIR OAKS AVE STE 120 | Pasadena, CA 91105-2540 | (626) 564-2818 | (626) 564-2889 | 25 | 55-2822 |
| Casa Del Rio Home Training | 8331 BRIMHALL RD STE 902, BLDG | Bakersfield, CA 93312-2249 | (661) 387-6405 | (661) 387-6015 | 0 | 55-2823 |
| Westlake Village Dialysis | 30730 RUSSELL RANCH RD STE A | Westlake Village, CA 91362-6355 | (818) 707-7834 | (818) 707-7874 | 21 | 55-2824 |
| Circle City Dialysis | 1180 W 6TH ST STE 101 | Corona, CA 92882-3135 | (951) 808-9068 | (951) 808-9861 | 33 | 55-2826 |
| Marina Dialysis | 930 2ND AVE | Marina, CA 93933-6009 | (831) 384-7831 | (831) 384-7786 | 24 | 55-2828 |
| Lone Tree Ranch Dialysis | 4040 LONE TREE WAY | Antioch, CA 94531-6209 | (925) 777-3356 | (925) 777-3379 | 25 | 55-2829 |
| Serrano Dialysis | 1800 MEDICAL CENTER DR STE 150 | San Bernardino, CA 92411-1218 | (909) 887-2717 | (909) 887-3794 | 24 | 55-2830 |
| Rolling Hills Dialysis | 25210 CRENSHAW BLVD STE 110 | Torrance, CA 90505-6134 | (310) 530-1180 | (310) 530-1312 | 25 | 55-2832 |
| Vista Del Sol Dialysis | 15002 AMARGOSA RD | Victorville, CA 92394-1868 | (442) 255-4023 | (442) 255-4030 | 25 | 55-2834 |
| Warner Center Dialysis | 21040 CALIFA ST STE A | Woodland Hills, CA 91367-5103 | (818) 715-9602 | (818) 715-0042 | 24 | 55-2835 |
| Redhawk Dialysis | 44605 AVENIDA DE MISSIONES STE | Temecula, CA 92592-3098 | (951) 302-3675 | (951) 303-0716 | 25 | 55-2838 |
| Whitmore Dialysis | 1424 E WHITMORE AVE | Ceres, CA 95307-9215 | (209) 541-1460 | (209) 541-1461 | 24 | 55-2839 |
| Desert Sands Home Training | 78030 WILDCAT DR STE 102 | Palm Desert, CA 92211-1116 | (760) 772-5608 | (760) 345-8973 | 0 | 55-2840 |
| Oceanside Dialysis | 4182 OCEANSIDE BLVD | Oceanside, CA 92056-6003 | (760) 941-8393 | (760) 941-8430 | 21 | 55-2841 |
| San Ramon Valley Home Training | 1320 EL CAPITAN DR STE 210 | Danville, CA 94526-6258 | (925) 275-9280 | (925) 973-0430 | 0 | 55-2842 |
| Rowland Heights Dialysis | 17875 COLIMA RD UNIT A | City Of Industry, CA 91748-1729 | (626) 964-5849 | (626) 965-8380 | 33 | 55-2843 |
| Van Nuys Dialysis | 14434 SHERMAN WAY | Van Nuys, CA 91405-2340 | (818) 787-8225 | (818) 787-8313 | 37 | 55-2844 |
| Palms Valley Dialysis | 38454 5TH ST W | Palmdale, CA 93551-4480 | (661) 225-9416 | (661) 225-9867 | 33 | 55-2845 |
| Vista Heights Dialysis | 12220 PERRIS BLVD STE A | Moreno Valley, CA 92557-7417 | (951) 242-5112 | (951) 242-9913 | 37 | 55-2846 |
| Arena Dialysis | 2980 ADVANTAGE WAY | Sacramento, CA 95834-9666 | (916) 575-7658 | (916) 575-8910 | 24 | 55-2847 |
| Eastridge Dialysis | 3501 E CAPITOL EXPY | San Jose, CA 95122-1024 | (408) 929-2274 | (408) 929-2296 | 24 | 55-2848 |
| Petaluma River Dialysis | 417 N MCDOWELL BLVD | Petaluma, CA 94954-2339 | (707) 773-1293 | (707) 773-1585 | 24 | 55-2849 |
| La Habra Dialysis | 1611 W WHITTIER BLVD | La Habra, CA 90631-3618 | (562) 267-0430 | (562) 266-0045 | 37 | 55-2852 |
| Torrance Emerald Dialysis | 20821 HAWTHORNE BLVD | Torrance, CA 90503-4609 | (310) 214-1715 | (310) 214-1710 | 25 | 55-2854 |

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| Curto Home Training | 125 CORPORATE PL STE B | Vallejo, CA 94590-6921 | (707) 642-1240 | (707) 642-1349 | 0 | 55-2855 |
| Bidwell Dialysis | 966 EAST AVE | Chico, CA 95926-1309 | (530) 892-9937 | (530) 342-3199 | 24 | 55-2857 |
| Mayfair Dialysis | 4930 PARAMOUNT BLVD | Lakewood, CA 90712-2904 | (424) 296-6870 | (562) 531-0715 | 36 | 55-2858 |
| Indio Dialysis | 82900 AVENUE 42 STE E | Indio, CA 92203-9658 | (760) 342-6842 | (760) 342-6807 | 37 | 55-2860 |
| Rose Point Dialysis | 400 N PALM AVE | Wasco, CA 90680-7610 | (661) 758-2360 | (661) 758-2768 | 16 | 55-2861 |
| Santa Rosa Springs Dialysis | 18 EAST FULTON RD | Santa Rosa, CA 95403-7580 | (707) 544-5043 | (707) 544-5063 | 36 | 55-2862 |
| Bristol Dialysis | 1232 S BRISTOL ST | Santa Ana, CA 92704-3422 | (714) 662-4573 | (714) 557-2369 | 25 | 55-2873 |
| San Gabriel Dialysis | 825 E BROADWAY | San Gabriel, CA 91776-1901 | (626) 287-1270 | (626) 287-1255 | 25 | 55-2875 |
| Rancho San Bernardino Dialysis | 2015 N RIVERSIDE AVE | Rialto, CA 92377-4601 | (909) 421-4532 | (909) 421-4574 | 37 | 55-2876 |
| Beach Dialysis | 12456 BEACH BLVD | Stanton, CA 90680-3930 | (714) 373-9447 | (714) 373-9435 | 25 | 55-2877 |
| San Bruno Dialysis | 841 SAN BRUNO AVE W | San Bruno, CA 94066-3443 | (650) 794-1138 | (650) 794-1125 | 24 | 55-2878 |
| La Mirada Dialysis | 14337 IMPERIAL HWY | La Mirada, CA 90638-1942 | (562) 321-2085 | (562) 321-2992 | 21 | 55-2882 |
| Harbor Vermont Home Training | 21608 S VERMONT AVE | Torrance, CA 90502-1940 | (310) 212-7529 | (310) 212-7209 | 0 | 55-2883 |
| Glendale Heights Dialysis | 6850 SAN FERNANDO RD | Glendale, CA 91201-1642 | (818) 563-6102 | (818) 563-6138 | 33 | 55-2885 |
| Baldwin Park Dialysis | 14101 FRANCISQUITO AVE | Baldwin Park, CA 91706-6100 | (626) 337-1847 | (626) 337-0129 | 25 | 55-2889 |
| Rose City Dialysis | 1382 LOCUST ST | Pasadena, CA 91106-1515 | (626) 395-7769 | (626) 395-7723 | 25 | 55-2891 |
| Milpitas Dialysis | 660 E CALAVERAS BLVD | Milpitas, CA 95035-5442 | (408) 945-6536 | (408) 945-6549 | 24 | 55-2894 |
| Eastvale Dialysis | 14260 SCHLEISMAN RD | Eastvale, CA 92880-4020 | (951) 735-2024 | (951) 735-2094 | 25 | 55-2895 |
| Carson Pavilion Dialysis | 20930 CHICO ST | Carson, CA 90746-3603 | (310) 638-1345 | (310) 635-0464 | 25 | 55-2896 |
| Gardena Dialysis | 1201 W 155TH ST | Gardena, CA 90247-4096 | (310) 538-6804 | (310) 538-6836 | 25 | 55-2897 |
| Pearl Dialysis | 1492 CONSTITUTION BLVD | Salinas, CA 93905-3807 | (831) 442-1132 | (831) 444-0238 | 24 | 55-2898 |
| Lake Jackson Dialysis | 450 THIS WAY ST STE A | Lake Jackson, TX 77566-5152 | (979) 299-6565 | (979) 299-6568 | 24 | 67-2500 |
| Transmountain Dialysis | 5800 WOODROW BEAN | El Paso, TX 79924-5060 | (915) 759-6532 | (915) 759-6534 | 36 | 67-2501 |
| Jacinto Dialysis Center | 11515 MARKET STREET RD | Houston, TX 77029-2305 | (713) 453-0505 | (713) 453-0599 | 16 | 67-2503 |
| Rock Prairie Road Dialysis | 1724 BIRMINGHAM RD STE 101 | College Station, TX 77845-4063 | (979) 704-6903 | (979) 704-6906 | 24 | 67-2504 |
| Sun City Dialysis Center | 600 NEWMAN ST | El Paso, TX 79902-5543 | (915) 351-2010 | (915) 351-2018 | 20 | 67-2508 |
| Meridian Dialysis Center | 7520 SPENCER HWY | Pasadena, TX 77050-1917 | (281) 542-9765 | (281) 542-9731 | 25 | 67-2511 |
| Northwest Medical Center Dialysis | 5284 MEDICAL DR STE 100 | San Antonio, TX 78229-4849 | (210) 616-9699 | (210) 616-9504 | 24 | 67-2515 |
| Rivercenter Dialysis | 1123 N MAIN AVE STE 150 | San Antonio, TX 78212-4738 | (210) 270-7887 | (210) 270-7892 | 22 | 67-2516 |
| North Shepherd Dialysis | 7272 N SHEPHERD DR BLDG B | Houston, TX 77091-2435 | (713) 697-1115 | (713) 697-1116 | 30 | 67-2518 |
| Southcross Dialysis Center | 4602 E SOUTHCROSS BLVD | San Antonio, TX 78222-4911 | (210) 648-5988 | (210) 648-9929 | 24 | 67-2519 |
| Lancaster Dialysis | 2424 W PLEASANT RUN RD | Lancaster, TX 75146-4005 | (972) 223-9292 | (972) 223-2027 | 25 | 67-2520 |
| Ias Palmas Dialysis Center | 803 CASTROVILLE RD STE 415 | San Antonio, TX 78237-3148 | (210) 438-9290 | (210) 438-9289 | 24 | 67-2521 |
| South Shore Dialysis Center | 212 GULF FWY S STE G3 | League City, TX 77573-3956 | (281) 554-6050 | (281) 316-1385 | 12 | 67-2522 |
| Manymont Dialysis Center | 2391 NE LOOP 410 STE 211 | San Antonio, TX 78217-5675 | (210) 646-8788 | (210) 646-9324 | 26 | 67-2523 |
| Angleton Dialysis | 102 E HOSPITAL DR | Angleton, TX 77515-4146 | (979) 864-4330 | (979) 864-4339 | 20 | 67-2524 |
| Gracias Dialysis | 12430 STATE HIGHWAY 249 STE H | Houston, TX 77086-3339 | (281) 999-0348 | (281) 999-0383 | 21 | 67-2529 |
| Grapevine Dialysis | 1651 W NORTHWEST HWY | Grapevine, TX 76051-3100 | (817) 251-0675 | (817) 421-0417 | 25 | 67-2531 |
| Bayou City Dialysis | 10655 EASTEX FWY | Houston, TX 77093-4323 | (713) 695-8986 | (713) 695-8948 | 16 | 67-2535 |
| Upper Valley Dialysis | 7933 N MESA ST STE H | El Paso, TX 79932-1699 | (915) 832-0555 | (915) 832-0554 | 24 | 67-2536 |
| Summit Dialysis Center | 3150 POLK ST | Houston, TX 77003-4631 | (713) 228-3500 | (713) 228-2136 | 12 | 67-2537 |
| Willowbrook Dialysis | 12120 JONES RD STE G | Houston, TX 77070-5280 | (281) 890-7288 | (281) 890-7248 | 12 | 67-2538 |
| Carrollton Dialysis | 1544 VALWOOD PKWY STE 114 | Carrollton, TX 75006-8425 | (972) 243-7001 | (972) 243-8865 | 12 | 67-2548 |
| Bear Creek Dialysis | 4978 HIGHWAY 6 N STE I | Houston, TX 77084-2764 | (281) 859-5020 | (281) 859-4969 | 12 | 67-2549 |
| Mansfield Dialysis Center | 352 MATLOCK RD STE 120 | Mansfield, TX 76063-2081 | (817) 453-8167 | (817) 473-2610 | 25 | 67-2550 |
| DaVita Downtown Dallas Dialysis | 3515 SWISS AVE STE A | Dallas, TX 75204-6223 | (214) 828-2280 | (214) 827-7204 | 16 | 67-2553 |
| Garland Dialysis | 776 E CENTERVILLE RD | Garland, TX 75041-4640 | (972) 278-2757 | (972) 278-2675 | 20 | 67-2555 |
| Downtown San Antonio Dialysis | 615 E QUINCY ST | San Antonio, TX 78215-1600 | (210) 222-1260 | (210) 222-1499 | 20 | 67-2556 |
| DaVita East Dialysis | 11989 PELLICANO DR | El Paso, TX 79936-6287 | (915) 856-6363 | (915) 856-9777 | 24 | 67-2558 |
| Deerbrook Dialysis | 9660 FM 1960 BYPASS RD W | Humble, TX 77338-4039 | (281) 312-6362 | (281) 312-6370 | 24 | 67-2560 |
| Wharton Dialysis | 103 W AHL DAG ST | Wharton, TX 77488-2407 | (979) 282-8484 | (979) 282-8489 | 26 | 67-2572 |
| Boerne Dialysis Center | 1369 S MAIN ST STE 101 | Boerne, TX 78006-2860 | (830) 249-1491 | (830) 249-1508 | 12 | 67-2578 |
| Mid Cities Dialysis Center | 117 E HARWOOD RD | Hurst, TX 76054-3043 | (817) 656-2843 | (817) 656-2040 | 16 | 67-2579 |
| Lake Cliff Dialysis Center | 805 N BECKLEY AVE | Dallas, TX 75203-1612 | (214) 942-7727 | (214) 942-7774 | 20 | 67-2580 |
| The Woodlands Dialysis Center | 9301 PINECROFT DR STE 130 | Shenandoah, TX 77380-3178 | (281) 292-6788 | (281) 292-5950 | 16 | 67-2581 |
| Med-Center At Home | 7580 FANNIN ST STE 230 | Houston, TX 77054-1939 | (713) 790-0150 | (713) 790-0740 | 4 | 67-2583 |
| Dialysis Cottage | 1902 HOSPITAL BLVD STE D | Gainesville, TX 76240-2008 | (940) 612-1642 | (940) 612-2360 | 12 | 67-2585 |
| Cedar Park Dialysis Center | 1720 E WHITESTONE BLVD | Cedar Park, TX 78613-7640 | (512) 528-8478 | (512) 528-8504 | 13 | 67-2591 |
| First Colony Dialysis Center | 1447 HIGHWAY 6 STE 140 | Sugar Land, TX 77478-5094 | (281) 494-1465 | (281) 494-1484 | 13 | 67-2592 |
| Port Lavaca Dialysis | 1300 N VIRGINIA ST STE 102 | Port Lavaca, TX 77979-2512 | (361) 552-3800 | (361) 552-8703 | 10 | 67-2595 |
| Brownfield Dialysis | 710 E FELT ST | Brownfield, TX 79316-3440 | (806) 637-6373 | (806) 637-6371 | 8 | 67-2596 |
| Sealy Dialysis | 2242 CHAMPIONSHIP DR | Sealy, TX 77474-8122 | (979) 627-0300 | (979) 627-0318 | 11 | 67-2606 |
| Home at the Museum | 7505 MAIN ST STE 120 | Houston, TX 77030-4523 | (713) 796-9616 | (713) 796-9665 | 1 | 67-2613 |
| Taylor Dialysis | 3100 W 2ND ST | Taylor, TX 76774-4647 | (512) 352-2549 | (512) 352-2535 | 12 | 67-2617 |
| Kaufman Dialysis | 2851 MILLENNIUM DR | Kaufman, TX 75142-8865 | (972) 932-9091 | (972) 932-9098 | 12 | 67-2619 |
| West Park Dialysis | 5920 RENWICK DR STE A | Houston, TX 77081-0004 | (713) 660-0073 | (713) 660-0259 | 20 | 67-2621 |
| Magnolia Dialysis Center | 17649 FM 1488 RD | Magnolia, TX 77354-5235 | (281) 259-0397 | (281) 259-0425 | 12 | 67-2625 |
| Greenwood Holly Renal Center | 1533 HOLLY RD | Corpus Christi, TX 78417-2010 | (361) 850-7300 | (361) 850-7305 | 24 | 67-2630 |
| Davita Central Dallas Dialysis | 9500 N CENTRAL EXPY STE 102 | Dallas, TX 75231-5139 | (214) 739-3004 | (214) 739-3002 | 16 | 67-2632 |
| Duncanville Dialysis | 270 E HIGHWAY 67 STE 100 | Duncanville, TX 75137-4428 | (972) 296-4911 | (972) 296-4429 | 21 | 67-2635 |
| Plano Dialysis Center | 481 SHILOH RD STE 100 | Plano, TX 75074-7231 | (972) 881-3270 | (972) 881-5086 | 12 | 67-2636 |
| Rockwall Dialysis Center | 2346 GREENCREST BLVD | Rockwall, TX 75087-5513 | (972) 722-4781 | (972) 722-4872 | 17 | 67-2638 |
| Perry Dialysis | 118 W MAIN ST | Perry, FL 32347-2656 | (850) 584-6012 | (850) 584-6040 | 16 | 10-2790 |
| Perry Dialysis | 610 10TH ST STE 1100 | Perry, IA 50220-2221 | (515) 465-2657 | (515) 465-2874 | 8 | 16-2534 |
| Rainbow Dialysis - Wailuku | | Wailuku, HI | | | 11 | 12-2526 |
| North Park Dialysis | 324 FM 1960 RD STE 104 | Houston, TX 77073-1887 | (281) 443-2209 | (281) 443-1983 | 30 | 67-2640 |
| Baytown Dialysis | 4665 GARTH RD STE 900 | Baytown, TX 77521-2261 | (281) 422-0820 | (281) 422-0961 | 12 | 67-2641 |
| El Campo Dialysis | 307 SANDY CORNER RD | El Campo, TX 77437-9535 | (979) 543-8200 | (979) 543-8214 | 18 | 67-2645 |
| Mission Valley Dialysis | 1203 ST CLAIRE BLVD 9B | Mission, TX 78572-6601 | (956) 583-3760 | (956) 583-8252 | 15 | 67-2646 |
| Renal Center of Waterton | 2895 SHILOH RD | Tyler, TX 75703-2936 | (903) 561-0292 | (903) 561-1896 | 20 | 67-2647 |
| Renal Center of the Hills | 6331 BLVD 26 STE 200 | North Richland Hills, TX 76180-1590 | (817) 284-3343 | (817) 284-3448 | 25 | 67-2649 |
| Floyd Curl Dialysis | 9238 FLOYD CURL DR STE 102 | San Antonio, TX 78240-1691 | (210) 561-4373 | (210) 561-9415 | 20 | 67-2653 |
| Renal Center of Frisco | 10850 FRISCO ST STE 300 | Frisco, TX 75033-3586 | (214) 872-2421 | (214) 872-2426 | 21 | 67-2654 |
| Romano Woods Dialysis | 16910 MATHIS CHURCH RD | Houston, TX 77090-3710 | (281) 893-6300 | (281) 893-6366 | 30 | 67-2655 |
| West Plano Dialysis | 5036 TENNYSON PKWY | Plano, TX 75024-3002 | (972) 608-1089 | (972) 608-1096 | 12 | 67-2658 |
| Binz Home Training | 1213 HERMANN DR STE 180 | Houston, TX 77004-7070 | (713) 529-5155 | (713) 529-5135 | 5 | 67-2664 |
| Valley Baptist Harlingen Dialysis | 2220 HAINE DR STE 40 | Harlingen, TX 78550-8584 | (956) 364-2789 | (956) 423-3395 | 48 | 67-2665 |
| Cypress Woods Northwest Dialysis | 20320 NORTHWEST FWY STE 100 | Jersey Village, TX 77065-5643 | (281) 890-2540 | (281) 890-5376 | 13 | 67-2669 |
| Sagemeadow Dialysis | 10923 SCARSDALE BLVD | Houston, TX 77089-6024 | (281) 922-6130 | (281) 922-6145 | 20 | 67-2670 |
| McKinney Dialysis | 4717 MEDICAL CENTER DR | McKinney, TX 75069-1870 | (972) 542-0495 | (972) 542-9676 | 18 | 67-2671 |
| Valley Baptist Raymondville Dialysis | 894 FM 3168 | Raymondville, TX 78580-4519 | (956) 689-9084 | (956) 689-1951 | 16 | 67-2674 |
| T C Jester Dialysis | 1800 W 26TH ST STE 101 | Houston, TX 77008-1451 | (713) 863-0463 | (713) 863-8272 | 20 | 67-2675 |
| Champions Dialysis | 4427 FM 1960 RD W | Houston, TX 77068-3409 | (281) 444-8439 | (281) 537-8250 | 20 | 67-2676 |
| Woodforest Dialysis | 12626 WOODFOREST BLVD STE C | Houston, TX 77015-3650 | (713) 455-3370 | (713) 455-3387 | 15 | 67-2679 |
| Dumas Dialysis | 109 BINKLEY AVE | Dumas, TX 79029-3825 | (806) 935-2273 | (806) 934-2273 | 8 | 67-2682 |
| West Oaks Dialysis | 14800 WESTHEIMER RD STE A | Houston, TX 77082-1675 | (281) 752-5469 | (281) 752-9929 | 12 | 67-2686 |
| Georgetown Dialysis | 201 FM 971 | Georgetown, TX 78626-4631 | (512) 819-9636 | (512) 863-8173 | 12 | 67-2687 |
| Sugar Land Home Training | 1447 HWY 6 STE 130 | Sugar Land, TX 77478-5094 | (281) 277-0692 | (281) 565-0923 | 4 | 67-2690 |
| Ridgecrest Dialysis | 12249 ROJAS DR | El Paso, TX 79936-7750 | (915) 790-0839 | (915) 858-1063 | 20 | 67-2691 |
| Americas Dialysis | 715 N AMERICAS AVE | El Paso, TX 79907-7004 | (915) 872-8185 | (915) 872-8921 | 20 | 67-2692 |
| West Point Dialysis | 12051 WESTPARK DR STE 100 | Houston, TX 77082-5556 | (281) 920-4892 | (281) 920-4879 | 16 | 67-2693 |
| Renal Center of Plano | 4112 W SPRING CREEK PARKWAY S | Plano, TX 75024-5210 | (972) 608-7831 | (972) 608-7837 | 17 | 67-2694 |
| Spring Creek Dialysis | 301 E AIRLINE RD | Victoria, TX 77901-3901 | (361) 572-3343 | (361) 572-3380 | 16 | 67-2696 |
| Wylie Dialysis | 941 S WESTGATE WAY | Wylie, TX 75098-4947 | (972) 429-4315 | (972) 429-8954 | 13 | 67-2702 |
| Bluebonnet Dialysis | 3601 MANOR RD | Austin, TX 78723-5816 | (512) 926-7378 | (512) 926-7364 | 24 | 67-2704 |
| Seguin Dialysis | 618 E COURT ST | Seguin, TX 78155-5714 | (830) 372-2521 | (830) 372-1384 | 16 | 67-2707 |

| | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|----------------|----------------|----|----------|
| Westover Dialysis | 9846 WESTOVER HILLS BLVD STE 10 | San Antonio, TX 78251-4125 | (210) 681-9180 | (210) 681-9745 | 16 | 67-2708 |
| Village Dialysis | 6952 INDUSTRIAL PKWY | Rosenberg, TX 77471-5656 | (281) 232-3116 | (281) 232-5821 | 12 | 67-2715 |
| North Conroe Dialysis | 3211 INTERSTATE 45 N STE 500 | Conroe, TX 77304-2187 | (936) 756-9400 | (936) 756-9450 | 16 | 67-2717 |
| San Angelo Dialysis | 3518 KNICKERBOCKER RD | San Angelo, TX 76904-7611 | (325) 949-6035 | (325) 949-6791 | 12 | 67-2719 |
| Highland Village Dialysis | 2700 VILLAGE PKWY | Highland Village, TX 75077-3286 | (972) 317-5609 | (972) 317-5723 | 13 | 67-2720 |
| Jensen Dialysis | 9716 JENSEN DR | Houston, TX 77093-6302 | (713) 692-4600 | (713) 692-4607 | 23 | 67-2721 |
| Central Fort Worth Dialysis | 1000 SAINT LOUIS AVE STE 101 | Fort Worth, TX 76104-3377 | (817) 810-0379 | (817) 870-9767 | 24 | 67-2723 |
| North Arlington Dialysis | 642 LINCOLN SQUARE | Arlington, TX 76011-4896 | (817) 542-0529 | (817) 542-0419 | 17 | 67-2725 |
| Balch Springs Dialysis | 12001 ELAM RD | Balch Springs, TX 75180-2822 | (972) 913-8767 | (972) 286-4095 | 13 | 67-2726 |
| Texas City PD | 13003 DELANEY ST | La Marque, TX 77568-2506 | (409) 935-3026 | (409) 935-3320 | 0 | 67-2727 |
| Allen Dialysis | 201 S JUPITER RD | Allen, TX 75002-3035 | (469) 342-6709 | (469) 342-6398 | 21 | 67-2728 |
| Houston Galleria Dialysis | 5923 WESTHEIMER ROAD | Houston, TX 77057-7603 | (713) 977-1278 | (713) 977-1429 | 12 | 67-2730 |
| North Fort Worth Dialysis | 3812 E BELKNAP ST | Fort Worth, TX 76111-6012 | (882) 647-0013 | (882) 647-1494 | 13 | 67-2731 |
| Renal Center of North Dallas | 6190 LYNDON B JOHNSON FWY STE 8 | Dallas, TX 75240-6383 | (972) 789-0192 | (972) 789-0198 | 16 | 67-2732 |
| West Bellfort Dialysis | 21026 W BELLFORT ST | Richmond, TX 77406-1685 | (832) 595-0187 | (832) 595-0637 | 12 | 67-2733 |
| Horizon Dialysis | 2222 GREENHOUSE RD | Houston, TX 77084-7287 | (281) 829-5941 | (281) 829-1304 | 16 | 67-2734 |
| CrossTimbers Dialysis | 4400 NORTH FWY STE A 100 | Houston, TX 77022-3614 | (713) 695-4413 | (713) 695-4518 | 12 | 67-2739 |
| Renal Center of Keller | 10708 VICTORIA ASH DR | Fort Worth, TX 76244-6392 | (817) 431-6533 | (817) 431-6543 | 21 | 67-2741 |
| College Park Dialysis | 17191 ST LUKES WAY STE 100 | The Woodlands, TX 77384-8043 | (936) 273-3350 | (936) 273-4539 | 24 | 67-2745 |
| Victory Lakes Dialysis | 3290 GULF FWY S STE H | Dickinson, TX 77539-4542 | (281) 337-2175 | (281) 337-2386 | 12 | 67-2754 |
| Ace Dialysis | 14512 LEE RD | Humble, TX 77396-3425 | (281) 441-5016 | (281) 441-5099 | 12 | 67-2756 |
| Greatwood Dialysis | 20333 SOUTHWEST FREEWAY STE 3 | Sugar Land, TX 77479-6774 | (281) 545-1470 | (281) 545-1839 | 17 | 67-2758 |
| La Central Dialysis | 902 HOUSTON ST | Laredo, TX 78040-8015 | (956) 523-8652 | (956) 523-0598 | 13 | 67-2759 |
| Fort Worth Saginaw Dialysis | 900 N BLUE MOUND RD STE 192 | Saginaw, TX 76131-8828 | (817) 232-1502 | (817) 232-1652 | 13 | 67-2761 |
| Green Oak Dialysis | 1426 KINGWOOD DR | Kingwood, TX 77339-3040 | (281) 312-1301 | (281) 358-1472 | 20 | 67-2764 |
| El Paso Peritoneal Dialysis | 1310 MURCHISON DR STE C | El Paso, TX 79902-4821 | (915) 351-0893 | (915) 533-8516 | 0 | 67-2768 |
| Riverstone Dialysis | 5672 HIGHWAY 6 | Missouri City, TX 77459-4188 | (281) 499-8950 | (281) 499-3805 | 12 | 67-2769 |
| Dialysis Care of Weatherford | 2107 FT WORTH HWY | Weatherford, TX 76086-4808 | (817) 599-6954 | (817) 599-3526 | 13 | 67-2770 |
| Treasure Hills Dialysis | 1629 TREASURE HILLS BLVD STE 8 | Harlingen, TX 78550-8907 | (956) 364-2120 | (956) 440-8747 | 13 | 67-2771 |
| Cloverleaf Dialysis | 13525 EAST FWY STE A | Houston, TX 77015-5902 | (713) 450-0874 | (713) 451-5377 | 12 | 67-2773 |
| Fort Brown Dialysis | 2000 BOCA CHICA BLVD | Brownsville, TX 78521-2226 | (956) 541-0130 | (956) 541-0160 | 13 | 67-2777 |
| Round Rock Dialysis | 1800 ROUND ROCK AVE STE 200 | Round Rock, TX 78681-4016 | (512) 310-8797 | (512) 246-0000 | 12 | 67-2780 |
| Jersey Village Dialysis | 8787 FALLBROOK DR | Houston, TX 77064-3318 | (281) 477-7878 | (281) 955-0015 | 12 | 67-2781 |
| Denver Harbor Dialysis | 7065 EAST FWY | Houston, TX 77020-5328 | (713) 670-3173 | (713) 670-0876 | 20 | 67-2782 |
| West Houston Home Dialysis | 1319 W SAM HOUSTON PKWY N ST | Houston, TX 77043-4010 | (713) 465-0005 | (713) 465-0028 | 0 | 67-2787 |
| Keller Dialysis | 11000 OLD DENTON RD | Fort Worth, TX 76244-5407 | (817) 337-5483 | (817) 431-9475 | 17 | 67-2788 |
| Dialysis Care of Grand Prairie | 402 N CARRIER PKWY STE 102 | Grand Prairie, TX 75050-5426 | (972) 264-2660 | (972) 264-2687 | 13 | 67-2789 |
| Southeast Fort Worth Dialysis | 3845 E LOOP 820 S | Fort Worth, TX 76119-4337 | (817) 496-9035 | (817) 446-0012 | 25 | 67-2790 |
| Coryell Dialysis | 224 MEMORIAL DR | Gatesville, TX 76528-1071 | (254) 404-2090 | (254) 404-2479 | 12 | 67-2796 |
| Hulen Dialysis | 5832 S HULEN ST | Fort Worth, TX 76132-2684 | (817) 370-7642 | (817) 370-7774 | 17 | 67-2797 |
| Vintage Dialysis | 20025 CHASEWOOD PARK DR | Houston, TX 77070-1465 | (281) 251-0966 | (281) 257-4706 | 17 | 67-2801 |
| Tanner Dialysis | 5655 W SAM HOUSTON PKWY N ST | Houston, TX 77041-5148 | (713) 983-8616 | (713) 856-9294 | 16 | 67-2802 |
| Springwoods Dialysis | 2950 FM 2920 RD STE 100 | Spring, TX 77388-3427 | (281) 907-6269 | (281) 907-6852 | 20 | 67-2803 |
| Heights Dialysis | 739 E 20TH ST | Houston, TX 77008-4471 | (713) 802-0542 | (713) 802-0762 | 16 | 67-2804 |
| McKinney on 380 Dialysis | 5329 W UNIVERSITY DR | McKinney, TX 75071-8186 | (214) 491-4263 | (214) 491-4984 | 13 | 67-2805 |
| Renal Center of Flower Mound | 4941 LONG PRAIRIE RD | Flower Mound, TX 75028-2782 | (972) 537-5572 | (469) 464-4357 | 13 | 67-2807 |
| Clear Creek Dialysis | 220 COTTONWOOD DR | Hempstead, TX 77445-9226 | (979) 826-0477 | (979) 826-9183 | 12 | 67-2808 |
| West Arlington Dialysis | 1001 W ARBROOK BLVD STE 101 AN | Arlington, TX 76015-4222 | (817) 466-7403 | (817) 466-7408 | 21 | 67-2810 |
| Plano on Custer Dialysis | 1301 CUSTER RD STE 524 | Plano, TX 75075-9400 | (972) 578-7047 | (972) 424-7204 | 17 | 67-2816 |
| Montana Vista Dialysis | 2204 JOE BATTLE BLVD STE A | El Paso, TX 79938-4660 | (915) 849-8374 | (915) 849-8301 | 24 | 67-2817 |
| Lockhart Dialysis | 1806 S COLORADO ST | Lockhart, TX 78644-3947 | (512) 398-6432 | (512) 398-6471 | 12 | 67-2819 |
| Vivify Dialysis | 800 N TEXAS AVE | Odessa, TX 79761-4012 | (432) 332-1974 | (432) 332-4183 | 12 | 67-2822 |
| Balcones Dialysis | 11150 RESEARCH BLVD STE 201 | Austin, TX 78759-5242 | (512) 342-1097 | (512) 342-1967 | 12 | 67-2824 |
| Baymont Dialysis | 10424 INTERSTATE 10 E STE 100 | Baytown, TX 77523-0816 | (281) 573-2539 | (281) 573-3289 | 12 | 67-2826 |
| Plano Tollway Dialysis | 6101 WINDHAVEN PKWY STE 165 | Plano, TX 75093-8197 | (972) 473-7891 | (972) 473-0150 | 17 | 67-2827 |
| Southfield Dialysis | 11600 BROADWAY ST | Pearland, TX 77584-3780 | (713) 436-0263 | (713) 436-0948 | 13 | 67-2833 |
| Avian Dialysis | 8486 BELLAIRE BLVD | Houston, TX 77036-4702 | (713) 774-0253 | (713) 774-0315 | 20 | 67-2841 |
| Socorro Dialysis | 10697 N LOOP DR | Socorro, TX 79927-6400 | (915) 790-0538 | (915) 790-0639 | 24 | 67-2842 |
| Donna Dialysis | 1006 E INTERSTATE HIGHWAY 2 | Donna, TX 78537-4153 | (956) 461-2519 | (956) 461-2550 | 21 | 67-2843 |
| Dairy Ashford Dialysis | 12606 WESTPARK DR | Houston, TX 77082-5526 | (281) 679-1848 | (281) 496-2093 | 20 | 67-2848 |
| Zapata Falcon Lake Dialysis | 2860 S US HWY 83 | Zapata, TX 78076 | (956) 765-9366 | (956) 765-9319 | 13 | 67-2849 |
| Weimar Dialysis | 407 E SOUTH ST | Weimar, TX 78962-2913 | (979) 725-2266 | (979) 725-2265 | 8 | 67-2851 |
| Edinburg Citrus Grove Dialysis | 404 S VETERANS BLVD STE D | Edinburg, TX 78539-4721 | (956) 381-0078 | (956) 381-0058 | 20 | 67-2852 |
| Inwood Dialysis | 6626 ANTOINE DR | Houston, TX 77091-1206 | (713) 681-0481 | (713) 681-0913 | 16 | 67-2857 |
| Cedar Hill Dialysis | 439 E FM 1382 | Cedar Hill, TX 75104-6006 | (972) 291-5817 | (972) 291-5875 | 21 | 67-2861 |
| City Center Dialysis | 10405 KATY FWY STE 140 | Houston, TX 77024-1165 | (713) 647-0641 | (713) 647-0620 | 24 | 67-2862 |
| Mason Dialysis | 2922 N MASON RD STE 100 | Katy, TX 77449-5456 | (281) 579-9057 | (281) 599-3293 | 20 | 67-2863 |
| Garland Shiloh Dialysis | 800 N SHILOH RD | Garland, TX 75042-5716 | (972) 276-7961 | (972) 205-0191 | 21 | 67-2868 |
| Ascarate Dialysis | 7281 ALAMEDA AVE | El Paso, TX 79915-3503 | (915) 881-1796 | (915) 881-1276 | 15 | 67-2872 |
| Leander Dialysis | 2906 S BAGDAD RD STE 120 | Leander, TX 78641-3269 | (512) 260-4102 | (512) 528-1039 | 23 | 67-2873 |
| Mountain Pass Dialysis | 5612 DYER ST | El Paso, TX 79904-6242 | (915) 564-5052 | (915) 564-5256 | 24 | 67-2874 |
| Laredo North Creek Dialysis | 2443 MONARCH DR | Laredo, TX 78045-6329 | (956) 725-5203 | (956) 725-5082 | 25 | 67-2878 |
| Pflugerville Dialysis | 2606 W PECAN ST BLDG 3, STE 300 | Pflugerville, TX 78660-1917 | (512) 990-7785 | (512) 990-7713 | 12 | 67-2889 |
| Atascocita Dialysis | 5414 FM 1960 RD E | Humble, TX 77346-2627 | (832) 445-0020 | (832) 445-1335 | 20 | 67-2895 |
| Barker Cypress Dialysis | 18003 LOGENBAUGH DR | Cypress, TX 77433-7196 | (281) 856-6198 | (281) 856-6224 | 24 | 67-2896 |
| LaMarque Dialysis | 7236 MEDICAL CENTER DR | Texas City, TX 77591-3036 | (409) 935-2890 | (409) 935-3188 | 16 | 67-2899 |
| Pine Park Dialysis | 3333 BAYSHORE BLVD | Pasadena, TX 77504-1952 | (713) 943-1463 | (713) 943-1481 | 12 | 67-27267 |
| South Shore Annex Dialysis | 16750 HIGHWAY 3 | Webster, TX 77598-2000 | (281) 332-4719 | (281) 332-3720 | 24 | 67-27279 |
| Cypress Fairfield Dialysis | 15103 MASON RD STE D-5 | Cypress, TX 77433-6755 | (281) 758-1380 | (281) 758-1470 | 24 | 67-27786 |
| Cape Coral North Dialysis | 1315 SE 8TH TERRACE | Cape Coral, FL 33990-3213 | (239) 772-8599 | (239) 772-9421 | 12 | 68-2501 |
| Port Saint Joe Dialysis | 3871 E HIGHWAY 98 STE 101 | Port Saint Joe, FL 32456-5302 | (850) 640-6758 | (850) 640-6767 | 12 | 68-2505 |
| South Dade Kidney Center | 11400 SW 184TH ST | Cutler Bay, FL 33157-6602 | (305) 259-1516 | (305) 259-1769 | 23 | 68-2508 |
| Renovation of Life Dialysis | 14505 COMMERCE WAY STE 600 | Miami Lakes, FL 33016-1530 | (305) 362-8399 | (305) 362-8351 | 16 | 68-2512 |
| Memorial Plaza Dialysis | 3901 UNIVERSITY BLVD S STE 111 | Jacksonville, FL 32216-4374 | (904) 731-0247 | (904) 731-4046 | 20 | 68-2516 |
| Lake Vista Dialysis | 3187 US HIGHWAY 98 N | Lakeland, FL 33805-2103 | (863) 603-2130 | (863) 686-5687 | 24 | 68-2517 |
| Carrollwood Dialysis | 14358 N DALE MABRY HWY | Tampa, FL 33618-2018 | (813) 960-3751 | (813) 961-7312 | 16 | 68-2520 |
| Jacksonville Arlington Dialysis | 929 UNIVERSITY BLVD N | Jacksonville, FL 32211-5529 | (904) 743-1689 | (904) 743-1570 | 16 | 68-2526 |
| Doral Kidney Center | 7755 NW 48TH ST STE 120 | Doral, FL 33166-5401 | (305) 436-5279 | (305) 436-8087 | 16 | 68-2527 |
| Downtown Pensacola Dialysis | 700 E CERVANTES ST STE A | Pensacola, FL 32501-3489 | (850) 433-1534 | (850) 433-1538 | 20 | 68-2529 |
| Silver Springs Shores Dialysis | 9310 SPRING RD | Ocala, FL 34472-2913 | (352) 687-0403 | (352) 687-2527 | 20 | 68-2530 |
| Gainesville Home Dialysis | 4960 W NEWBERRY RD STE 280 | Gainesville, FL 32607-2201 | (352) 378-4960 | (352) 371-1552 | 3 | 68-2531 |
| Palatka Dialysis | 326 ZEAGLER DR | Palatka, FL 32177-3817 | (386) 329-9458 | (386) 329-9340 | 16 | 68-2532 |
| Home Options of Pensacola | 812 CREIGHTON RD | Pensacola, FL 32504-7028 | (850) 969-9082 | (850) 475-2635 | 4 | 68-2534 |
| Lauderhill Dialysis | 2916 N STATE ROAD 7 | Lauderdale Lakes, FL 33313-1912 | (954) 731-6044 | (954) 731-6078 | 20 | 68-2535 |
| Kissimmee Home Training | 1203 N CENTRAL AVE STE A | Kissimmee, FL 34741-4407 | (407) 518-9232 | (407) 518-9350 | 4 | 68-2538 |
| Deerfield Beach Dialysis | 1983 W HILLSBORO BLVD | Deerfield Beach, FL 33442-1418 | (954) 426-3350 | (954) 426-5375 | 12 | 68-2540 |
| Plantation Home Training | 8144 W BROWARD BLVD | Plantation, FL 33324-2000 | (954) 473-9138 | (954) 473-2941 | 3 | 68-2543 |
| Ultimate Kidney Care | 2720 SW 97TH AVE STE 201 | Miami, FL 33165-2680 | (305) 226-2699 | (305) 226-4199 | 15 | 68-2546 |
| Oviedo Dialysis | 7560 RED BUG LAKE RD STE 1048 | Oviedo, FL 32765-6591 | (407) 366-0211 | (407) 366-4269 | 20 | 68-2549 |
| Ocoee Home Training | 1552 BOREN DR STE 100 | Ocoee, FL 32761-4216 | (407) 877-2012 | (407) 877-2040 | 0 | 68-2550 |
| Winter Haven South Dialysis | 7220 CYPRESS GARDENS BLVD | Winter Haven, FL 33884-3217 | (863) 324-5040 | (863) 324-8492 | 12 | 68-2552 |
| Golden Glades Dialysis | 15600 NW 15TH AVE STE D | Miami Gardens, FL 33169-5609 | (305) 621-1328 | (305) 621-6272 | 20 | 68-2556 |
| Beach Boulevard Dialysis | 14444 BEACH BLVD STE B | Jacksonville, FL 32250-2010 | (904) 992-9254 | (904) 992-8835 | 16 | 68-2560 |
| St. Augustine Home Training | 252 SOUTH PARK CIR E | Saint Augustine, FL 32086-5137 | (904) 823-1594 | (904) 808-1437 | 3 | 68-2561 |
| Buena Ventura Lakes Dialysis | 1998 E OSCOLEA PKWY | Kissimmee, FL 34743-8600 | (407) 348-1271 | (407) 348-1407 | 20 | 68-2563 |
| Keys Gate Dialysis | 1982 NE 8TH ST | Homestead, FL 33033-4704 | (305) 247-3506 | (305) 247-3859 | 16 | 68-2564 |

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|------------------------------------|----------------------------------|----------------------------------|----------------|----------------|----|---------|
| Dunn Avenue Dialysis | 1215 DUNN AVE STE 8 | Jacksonville, FL 32218-4897 | (904) 757-3540 | (904) 751-3499 | 16 | 68-2566 |
| Lake Mary Dialysis | 39 SKYLINE DR STE 1001 | Lake Mary, FL 32746-7123 | (407) 833-8667 | (407) 833-8672 | 20 | 68-2567 |
| Columbia County Dialysis | 1389 W US HIGHWAY 90 STE 100 | Lake City, FL 32055-6130 | (386) 466-0197 | (386) 292-8992 | 16 | 68-2568 |
| Clay County Dialysis | 1784 BLANDING BLVD | Middleburg, FL 32068-3807 | (904) 291-1537 | (904) 282-9869 | 16 | 68-2572 |
| Ocala West Home Training | 8615 SW 103RD STREET RD | Ocala, FL 34481-9622 | (352) 854-3099 | (352) 854-3480 | 2 | 68-2573 |
| Manasota Dialysis | 6960 PROFESSIONAL PKWY E UNITS | Sarasota, FL 34240-8428 | (941) 362-2864 | (941) 907-4720 | 12 | 68-2574 |
| West Boynton Dialysis | 10150 HAGEN RANCH RD STE 101 | Boynton Beach, FL 33437-3776 | (561) 736-6096 | (561) 738-6190 | 16 | 68-2577 |
| Lynn Haven Dialysis | 404 E 24TH ST | Lynn Haven, FL 32444-4881 | (850) 271-2937 | (850) 271-0326 | 12 | 68-2582 |
| Jupiter Dialysis | 637 MAPLEWOOD DR STE 300 | Jupiter, FL 33458-5571 | (561) 748-1750 | (561) 748-1585 | 16 | 68-2586 |
| Gainesville Newberry Dialysis | 1177 NW 64TH TER | Gainesville, FL 32605-4218 | (352) 331-3240 | (352) 331-3245 | 18 | 68-2592 |
| Tampa Bay Dialysis | 2301 W DR MARTIN LUTHER KING | Tampa, FL 33607-6405 | (813) 876-7023 | (813) 879-1530 | 24 | 68-2594 |
| Cape Coral Home Training | 3637 DEL PRADO BLVD S STE 202 | Cape Coral, FL 33904-7199 | (239) 542-7022 | (239) 542-7037 | 0 | 68-2595 |
| Kennedy Boulevard Dialysis | 2205 W KENNEDY BLVD | Tampa, FL 33606-1536 | (813) 254-3638 | (813) 254-3809 | 16 | 68-2596 |
| Land O Lakes Dialysis | 2100 VIA BELLA BLVD STE 104 | Land O Lakes, FL 34639-5429 | (813) 948-8157 | (813) 949-9071 | 20 | 68-2598 |
| East Tallahassee Home Training | 2417 MILL CREEK CT STE 3 | Tallahassee, FL 32308-4395 | (850) 297-0435 | (850) 523-0715 | 0 | 68-2602 |
| Palm Coast Home Training | 80 PINNACLES DR STE 1000 | Palm Coast, FL 32164-2916 | (386) 586-7399 | (386) 586-2975 | 0 | 68-2610 |
| Lake Seminole Dialysis | 10799 PARK BLVD | Seminole, FL 33772-5420 | (727) 319-0180 | (727) 319-0175 | 20 | 68-2612 |
| Oslo Dialysis | 100 S US HIGHWAY 1 | Vero Beach, FL 32962-3630 | (772) 567-8496 | (772) 562-5735 | 12 | 68-2615 |
| Bayshore Dialysis | 16151 SLATER RD | North Fort Myers, FL 33917-6502 | (239) 731-1006 | (239) 731-1070 | 16 | 68-2616 |
| Orlando Airport Dialysis | 5778 S SEMORAN BLVD STE A | Orlando, FL 32822-4819 | (407) 282-3835 | (407) 282-9520 | 24 | 68-2618 |
| Brooksville Dialysis | 7326 BROAD ST | Brooksville, FL 34601-3114 | (352) 540-6185 | (352) 799-8190 | 16 | 68-2621 |
| Hernando Home Training | 4251 MARINER BLVD | Spring Hill, FL 34609-2416 | (352) 686-2755 | (352) 683-0720 | 0 | 68-2622 |
| Jacksonville Westside Dialysis | 5276 BLANDING BLVD STE 26 | Jacksonville, FL 32210-8176 | (904) 573-6405 | (904) 908-9975 | 20 | 68-2627 |
| Trinity Dialysis | 2870 BUND AVE | New Port Richey, FL 34655-1849 | (727) 372-7742 | (727) 372-7551 | 20 | 68-2629 |
| Falkenburg Dialysis | 3140 S FALKENBURG RD STE 101 | Riverview, FL 33578-2594 | (813) 372-1625 | (813) 372-1615 | 20 | 68-2630 |
| Port Orange Dialysis | 3997 S NOVA RD RIVERWOOD PLAZA | Port Orange, FL 32127-9296 | (386) 761-7961 | (386) 763-2150 | 16 | 68-2632 |
| Wellington Dialysis | 573 N STATE ROAD 7 | Royal Palm Beach, FL 33411-3524 | (561) 793-4285 | (561) 784-7090 | 16 | 68-2633 |
| ALAFAYA DIALYSIS | 12001 SCIENCE DR STE 110 | Orlando, FL 32826-2913 | (407) 282-8202 | (407) 208-9391 | 20 | 68-2637 |
| BETHESDA DIALYSIS | 332 N CONGRESS AVE | Boynton Beach, FL 33426-3413 | (561) 735-9313 | (561) 364-8240 | 16 | 68-2640 |
| Wildwood Dialysis | 4713 E SR 44 STE 900 | Wildwood, FL 34785-7465 | (352) 330-1103 | (352) 330-1106 | 12 | 68-2647 |
| Fleming Island Dialysis | 4575 US HIGHWAY 17 STE 301 | Fleming Island, FL 32003-4825 | (904) 215-2476 | (904) 215-8344 | 12 | 68-2648 |
| Emerald Coast Dialysis | 1112 HOSPITAL RD | Fort Walton Beach, FL 32547-6742 | (850) 864-4850 | (850) 864-4356 | 16 | 68-2650 |
| Calle Ocho Dialysis | 1800 SW 8TH ST | Miami, FL 33135-3418 | (305) 541-2560 | (305) 642-2261 | 16 | 68-2651 |
| Brookside Dialysis | 10725 WILES RD | Coral Springs, FL 33076-2014 | (954) 796-9925 | (954) 796-7360 | 16 | 68-2655 |
| Miami Jewish Dialysis | 5200 NE 2ND AVE | Miami, FL 33137-2706 | (305) 751-8699 | (305) 795-8000 | 12 | 68-2657 |
| Inverrary Dialysis | 4984 N UNIVERSITY DR | Lauderhill, FL 33351-5748 | (954) 748-1659 | (954) 748-9865 | 20 | 68-2658 |
| MetroWest Dialysis | 4578 S KIRKMAN RD | Orlando, FL 32811-2848 | (407) 298-3977 | (407) 298-5785 | 24 | 68-2661 |
| Sunshine State Dialysis | 2710 ALLEN RD | Tallahassee, FL 32312-2607 | (850) 297-2019 | (850) 523-7842 | 20 | 68-2663 |
| Clarcona Dialysis | 8359 CLARCONA OCOEE RD | Orlando, FL 32818-1228 | (407) 299-2173 | (407) 299-7673 | 16 | 68-2665 |
| Clermont Dialysis | 1250 N HANCOCK RD | Clermont, FL 34711-5952 | (352) 394-0072 | (352) 241-0433 | 12 | 68-2669 |
| Sandy Shores Dialysis | 5947 20TH ST | Vero Beach, FL 32966-4676 | (772) 770-0331 | (772) 770-0336 | 12 | 68-2674 |
| Philips Highway Dialysis | 8021 PHILIPS HIGHWAY STE 15 | Jacksonville, FL 32256-4452 | (904) 636-9652 | (904) 636-9657 | 16 | 68-2678 |
| County Line Dialysis | 21353 NW 2ND AVE | Miami Gardens, FL 33169-2112 | (305) 654-2724 | (305) 654-0433 | 20 | 68-2680 |
| Harden Dialysis | 2105 HARDEN BLVD | Lakeland, FL 33803-5918 | (863) 284-0534 | (863) 284-1140 | 16 | 68-2681 |
| Del Rio Dialysis | 6222 HARNEY RD | Tampa, FL 33610-5500 | (813) 372-7090 | (813) 372-7255 | 16 | 68-2683 |
| Diamond Speedway Dialysis | 1115 N NOVA RD | Daytona Beach, FL 32117-4108 | (386) 239-6877 | (386) 239-5955 | 20 | 68-2684 |
| Titus Landing Home Training | 2500 HARRISON ST STE 310 | Titusville, FL 32780-5026 | (321) 383-2357 | (321) 383-2362 | 0 | 68-2685 |
| Trafalgar Dialysis | 2500 TRAFALGAR BLVD | Kissimmee, FL 34758-2552 | (407) 343-5124 | (321) 697-5044 | 21 | 68-2698 |
| Auburndale Dialysis | 250 AVENUE K SW STE 100 | Winter Haven, FL 33880-3919 | (863) 291-8036 | (863) 291-3814 | 12 | 68-2699 |
| Preserve Pointe Dialysis | 57 TOWN COURT RD STE 118 | Palm Coast, FL 32164-2425 | (386) 309-2885 | (386) 309-2904 | 16 | 68-2708 |
| Sienna Plantation Dialysis | 9340 HWY 6 STE 400 | Missouri City, TX 77459-5132 | (281) 778-3500 | (281) 778-3512 | 24 | 74-2500 |
| McKinney Corner Dialysis | 4601 MEDICAL CTR DR STE G | McKinney, TX 75069-1771 | (972) 984-1974 | (972) 548-4805 | 17 | 74-2513 |
| Dialysis Care of Mesquite | 2110 N GALLOWAY AVE STE 102 | Mesquite, TX 75150-5736 | (972) 285-1909 | (972) 329-1063 | 25 | 74-2515 |
| Downtown Midland Dialysis | 511 W MISSOURI AVE | Midland, TX 79701-5016 | (432) 686-3907 | (432) 686-3911 | 24 | 74-2522 |
| Preston Dialysis | 13340 PRESTON RD | Dallas, TX 75240-5287 | (972) 239-5034 | (972) 980-4417 | 17 | 74-2526 |
| Southside Dialysis | 6018 PARKWAY DR | Corpus Christi, TX 78414-2488 | (361) 994-5262 | (361) 994-5232 | 20 | 74-2527 |
| Canutillo Dialysis | 7251 S DESERT BLVD | El Paso, TX 79835-2200 | (915) 877-4907 | (915) 877-4912 | 25 | 74-2528 |
| Sherman Crossroads Dialysis | 209 W TRAVIS ST | Sherman, TX 75092-3512 | (903) 421-0272 | (903) 258-9842 | 13 | 74-2535 |
| Jackson Meadows Dialysis | 2500 S JACKSON RD | McAllen, TX 78503-2081 | (956) 664-1723 | (956) 664-1734 | 21 | 74-2536 |
| Roadrunner Dialysis | 5010 WISEMAN BLVD | San Antonio, TX 78251-4777 | (210) 520-0341 | (210) 520-0236 | 24 | 74-2541 |
| Post Oak Dialysis | 4751 W FUQUA ST | Houston, TX 77045-6104 | (713) 413-9075 | (713) 413-9116 | 20 | 74-2545 |
| Lower Greenville Dialysis | 4405 ROSS AVE | Dallas, TX 75204-5013 | (214) 370-9466 | (214) 370-9479 | 25 | 74-2546 |
| Five Points Dialysis | 2929 MONTANA AVE | El Paso, TX 79903-2409 | (915) 566-0634 | (915) 566-0681 | 25 | 74-2547 |
| Mercedes Dialysis | 1307 CAMERON ST | Mercedes, TX 78570-2625 | (956) 514-2596 | (956) 514-2550 | 21 | 74-2550 |
| Fallbrook Dialysis | 11321 FALLBROOK DR | Houston, TX 77065-4232 | (281) 890-5468 | (281) 807-3715 | 16 | 74-2552 |
| Judson Dialysis | 15619 NACOGDOCHES RD | San Antonio, TX 78247-1159 | (210) 653-9579 | (210) 599-2136 | 24 | 74-2553 |
| Brodie Lane Dialysis | 9010 BRODIE LN BLDG A | Austin, TX 78748-5184 | (512) 280-6505 | (512) 280-6866 | 12 | 74-2555 |
| Prosper Dialysis | 241 N PRESTON RD STE A | Prosper, TX 75078-8792 | (972) 347-9268 | (972) 347-9863 | 17 | 74-2559 |
| Rosenberg Home Training | 7607 TOWN CENTER BLVD | Rosenberg, TX 77471-6219 | (346) 843-3066 | (346) 843-3082 | 0 | 74-2564 |
| Atlantic PCH Dialysis | 1090 ATLANTIC AVE | Long Beach, CA 90813-3403 | (562) 432-8262 | (562) 432-3257 | 20 | 75-2502 |
| Universal Huntington Park Dialysis | 1824 E SLAUSON AVE | Vernon, CA 90058-3829 | (323) 364-0188 | (323) 364-0317 | 26 | 75-2503 |
| Yolo Dialysis | 1840 E MAIN ST | Woodland, CA 95776-6228 | (530) 662-1364 | (530) 662-1357 | 21 | 75-2507 |
| Grant Line Dialysis | 2955 N CORRAL HOLLOW RD STE 10 | Tracy, CA 95376-8800 | (209) 839-8302 | (209) 839-8297 | 12 | 75-2508 |
| Brentwood Home Training | 11859 WILSHIRE BLVD STE 100 | Los Angeles, CA 90025-6616 | (310) 231-7197 | (310) 231-7212 | 0 | 75-2509 |
| Valencia Dialysis | 26861 BOUQUET CANYON RD | Santa Clarita, CA 91350-2372 | (661) 263-3216 | (661) 263-3254 | 13 | 75-2510 |
| Alvarado Park Home Training | 2415 SAN PABLO DAM RD STE 504 | San Pablo, CA 94806-3906 | (510) 233-2991 | (510) 233-6002 | 0 | 75-2512 |
| Westmont Dialysis | 11239 S WESTERN AVE | Los Angeles, CA 90047-4848 | (323) 242-3970 | (323) 777-2163 | 25 | 75-2513 |
| Hidden Valley Dialysis | 1951 CITRACADO PKWY | Escondido, CA 92029-4158 | (760) 746-0464 | (760) 746-0392 | 37 | 75-2514 |
| College Estates Dialysis | 1601 RAIDERS WAY | Oxnard, CA 93033-5620 | (805) 240-3302 | (805) 240-1571 | 25 | 75-2515 |
| Oakland Laurel Dialysis | 3814 MACARTHUR BLVD STE 201 | Oakland, CA 94619-1315 | (510) 531-6090 | (510) 531-6357 | 24 | 75-2516 |
| Discovery Home Training | 1503 E MAIN ST | Santa Maria, CA 93458-4803 | (805) 925-1632 | (805) 739-8930 | 0 | 75-2518 |
| San Marino Home Training | 900 HUNTINGTON DR STE B | San Marino, CA 91108-1825 | (626) 741-1824 | (626) 741-1849 | 6 | 75-2520 |
| Southwest Atlanta Home Training | 3201 ATLANTA INDUSTRIAL PKWY | Atlanta, GA 30331-1045 | (404) 691-1162 | (404) 696-0900 | 0 | 85-2501 |
| Chapel Woods Dialysis | 2460 WESLEY CHAPEL RD STE 25D | Decatur, GA 30035-3420 | (770) 987-1439 | (678) 418-7948 | 17 | 85-2510 |
| Braselton Dialysis | 1241 FRIENDSHIP RD STE 130 | Braselton, GA 30517-5609 | (770) 965-6056 | (770) 965-8185 | 13 | 85-2514 |
| Senoia Dialysis | 105 VILLAGE CIRCLE | Senoia, GA 30276-3494 | (770) 599-0242 | (770) 599-3540 | 13 | 85-2518 |
| Albany Dialysis | 244 CORDELE RD STE 165 | Albany, GA 31705-2412 | (229) 446-6412 | (229) 483-7806 | 13 | 85-2519 |
| Town Park Dialysis | 401 TOWN PARK BLVD | Evans, GA 30809-3487 | (706) 854-9502 | (706) 855-9982 | 16 | 85-2520 |
| Tara Boulevard Dialysis | 6540 TARA BLVD STE 200 | Jonesboro, GA 30236-1228 | (770) 968-8279 | (770) 968-8744 | 20 | 85-2525 |
| Northeast Georgia Home Training | 1485 JESSE JEWELL PKWY NE STE 24 | Gainesville, GA 30501-3801 | (770) 297-0547 | (770) 536-4267 | 0 | 85-2526 |
| Center Hill Dialysis | 2045 DONALD LEE HOLLOWELL PKWY | Atlanta, GA 30318-4701 | (404) 792-1611 | (404) 799-0816 | 13 | 85-2527 |
| Rockbridge Dialysis | 8032 ROCKBRIDGE RD | Lithonia, GA 30058-5882 | (678) 526-8340 | (770) 482-4671 | 13 | 85-2534 |
| Montreal Dialysis | 1901 MONTREAL RD | Tucker, GA 30084-5245 | (770) 938-9865 | (770) 414-0284 | 13 | 85-2536 |
| Jesse Jewel Dialysis | 1475 JESSE JEWELL PKWY NE STE 13 | Gainesville, GA 30501-3802 | (770) 538-7598 | (770) 538-7632 | 13 | 85-2538 |
| Camilla Dialysis | 251 US HWY 19 N | Camilla, GA 31730-1410 | (229) 522-2045 | (229) 522-2049 | 19 | 85-2540 |
| Cairo Dialysis | 1182 5TH ST SE | Cairo, GA 39828-3141 | (229) 377-0852 | (229) 377-8670 | 12 | 85-2541 |
| Red Hills Dialysis | 201 OLD ALBANY RD | Thomasville, GA 31792-4010 | (229) 226-5931 | (229) 226-5940 | 41 | 85-2542 |
| Eagles Landing Dialysis | 270 VILLAGE CENTER PKWY | Stockbridge, GA 30281-9044 | (770) 389-8255 | (770) 389-3264 | 16 | 85-2543 |
| Librum Dialysis | 4805 LAWRENCEVILLE HWY NW ST 1 | Librum, GA 30047-3859 | (770) 381-7544 | (770) 381-9857 | 17 | 85-2545 |
| Macland Dialysis | 4110 AUSTELL POWDER SPRINGS RD | Powder Springs, GA 30127-2954 | (770) 439-8775 | (770) 439-8736 | 17 | 85-2546 |
| Cowan Lake Dialysis | 1950 HONEY CREEK COMMONS SE | Conyers, GA 30013-5844 | (770) 918-2563 | (770) 918-2059 | 13 | 85-2547 |
| Duluth Dialysis | 3170 PEACHTREE INDUSTRIAL BLVD | Duluth, GA 30097-8615 | (770) 232-5219 | (770) 476-3730 | 13 | 85-2551 |
| Flint River Dialysis | 700 GORDON AVE | Bainbridge, GA 39819-5713 | (229) 246-0173 | (229) 246-0177 | 19 | 85-2553 |
| Panola Dialysis | 5360 SNAPPFINGER WOODS DR STE 1 | Decatur, GA 30035-4046 | (770) 322-1301 | (770) 322-2491 | 20 | 85-2554 |
| Quitman Dialysis | 101 E DAVIS ST | Quitman, GA 31643-1407 | (229) 263-9483 | (229) 263-6948 | 12 | 85-2555 |
| Thomas County Home Training | 708 S BROAD ST | Thomasville, GA 31792-6107 | (229) 226-4541 | (229) 226-4545 | 0 | 85-2556 |

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|----------------------------|------------------------------|-----------------------------|----------------|----------------|----|---------|
| Poplar Dialysis | 2301 NEWMAN CROSSING BLVD ST | Newnan, GA 30265-2542 | (770) 253-2403 | (770) 253-8092 | 13 | 85-2560 |
| FAIRBURN PALMETTO DIALYSIS | 501 WALNUT WAY | Palmetto, GA 30268-1800 | (770) 463-2394 | (770) 463-5717 | 17 | 85-2567 |
| Windermere Dialysis | 3015 THE COMMONS DR | Cumming, GA 30041-9742 | (770) 205-3289 | (770) 205-3988 | 13 | 85-2568 |
| Sandy Plains Dialysis | 2550 SANDY PLAINS RD STE 160 | Marietta, GA 30066-7210 | (770) 509-1065 | (770) 509-9912 | 13 | 85-2570 |
| Grayson Dialysis | 4555 ATLANTA HWY STE M | Loganville, GA 30052-2646 | (770) 466-2582 | (770) 466-3062 | 17 | 85-2572 |
| Quail City Home Dialysis | 14661 US HIGHWAY 19 S | Thomasville, GA 31792-4871 | (229) 226-0277 | (229) 226-5873 | 0 | 85-2573 |
| Camp Creek Dialysis | 3030 HEADLAND DR SW STE C | Atlanta, GA 30311-5435 | (404) 349-6790 | (404) 349-8095 | 20 | 85-2574 |
| West Clayton Dialysis | 100 PROMENADE PKWY STE C | Fayetteville, GA 30214-7735 | (678) 788-6328 | (678) 788-6351 | 20 | 85-2582 |
| Mountainside Dialysis | 700 N MAIN ST | Jasper, GA 30143-1404 | (678) 387-1274 | (678) 387-1292 | 13 | 85-2584 |

Appendix 3

Medical Director Agreement



North Star Division
32275 32nd Avenue, South
Federal Way, WA 98001
Office: (319) 530-6103
Jennie.Funk@Davita.com

November 19, 2018

VIA OVERNIGHT DELIVERY

Puneet Tandon, M.D.
510 N. Colorado, Suite A
Kennewick, WA 99336

RE: Medical Director Agreement, dated November 21, 2013 (“Agreement”), by and between Total Renal Care, Inc. (“Company”) and Puneet Tandon, M.D. (“Physician”), for Medical Director coverage at Company’s Kennewick Dialysis Center (“Center”); Center #2401; Jarvis #00073976.0

Dear Dr. Tandon:

The Commencement Date of this Agreement was December 18, 2013. Pursuant to Section 6.2 of the Agreement, upon the 5th anniversary of the Commencement Date (December 18, 2018 “Reopener Date”), the compensation paid to Physician shall be reviewed and adjusted, if appropriate, to ensure that such compensation continues to reflect the fair market value of the Services provided and continues to be consistent with the current policies and procedures of DaVita for medical director compensation.

In this regard, compensation has been reviewed by Company and it has been determined that the compensation currently being paid does, in fact, reflect the fair market value of the Services being provided and continues to be consistent with the current policies and procedures of DaVita for medical director compensation; therefore, no compensation adjustment would be warranted at the Reopener Date.

If you have any questions, please feel free to reach out to me.

Sincerely,

DocuSigned by:

A blue DocuSign signature box containing the handwritten signature of Jennie Funk in black ink.

Jennie Funk

Division Vice President

Certificate Of Completion

| | |
|--|--------------------------|
| Envelope Id: 375F7463AB5842709BD4B9B57FF29CC8 | Status: Completed |
| Subject: Please DocuSign: Kennewick #2401-Reopener letter to Dr Tandon-no adjustment.pdf | |
| Source Envelope: | |
| Document Pages: 1 | Signatures: 1 |
| Certificate Pages: 5 | Initials: 0 |
| AutoNav: Enabled | Envelope Originator: |
| Envelopeld Stamping: Enabled | Kathy Hill |
| Time Zone: (UTC-07:00) Mountain Time (US & Canada) | 2000 16th Street |
| | Denver, CO 80202 |
| | kathy.hill@davita.com |
| | IP Address: 24.11.232.46 |

Record Tracking

| | | |
|-----------------------|-----------------------|--------------------|
| Status: Original | Holder: Kathy Hill | Location: DocuSign |
| 11/19/2018 2:58:43 PM | kathy.hill@davita.com | |

Signer Events

Jennie Funk
jennie.funk@davita.com
DVP
Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

923E8DF6860847B...
Signature Adoption: Pre-selected Style
Using IP Address: 73.221.3.99

Timestamp

Sent: 11/19/2018 3:12:29 PM
Viewed: 11/23/2018 5:47:54 PM
Signed: 11/23/2018 5:48:36 PM

Electronic Record and Signature Disclosure:
Accepted: 11/23/2018 5:47:54 PM
ID: 69debd7c7-25d0-4b9b-bb15-ce2c2a6827fe

| In Person Signer Events | Signature | Timestamp |
|------------------------------|-----------|-----------|
| Editor Delivery Events | Status | Timestamp |
| Agent Delivery Events | Status | Timestamp |
| Intermediary Delivery Events | Status | Timestamp |
| Certified Delivery Events | Status | Timestamp |
| Carbon Copy Events | Status | Timestamp |

Carrie Sprinkle Hayne
carrie.sprinklehayne@davita.com
Group Regional Operations Director
Security Level: Email, Account Authentication (None)

COPIED

Sent: 11/19/2018 3:12:30 PM
Viewed: 11/19/2018 5:13:22 PM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Tangie Bailey
tangie.bailey@davita.com
Legal Administrative Assistant
DaVita
Security Level: Email, Account Authentication (None)

COPIED

Sent: 11/23/2018 5:48:37 PM
Viewed: 11/26/2018 9:24:35 AM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

| Notary Events | Signature | Timestamp |
|---------------|-----------|-----------|
|---------------|-----------|-----------|

| Envelope Summary Events | Status | Timestamps |
|--------------------------------|------------------|-----------------------|
| Envelope Sent | Hashed/Encrypted | 11/23/2018 5:48:37 PM |
| Certified Delivered | Security Checked | 11/23/2018 5:48:37 PM |
| Signing Complete | Security Checked | 11/23/2018 5:48:37 PM |
| Completed | Security Checked | 11/23/2018 5:48:37 PM |

| Payment Events | Status | Timestamps |
|-----------------------|---------------|-------------------|
|-----------------------|---------------|-------------------|

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, DaVita (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact DaVita:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: emily.briggs@davita.com

To advise DaVita of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at jennifer.vanhying@davita.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from DaVita

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with DaVita

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

| | |
|----------------------------|--|
| Operating Systems: | Windows2000? or WindowsXP? |
| Browsers (for SENDERS): | Internet Explorer 6.0? or above |
| Browsers (for SIGNERS): | Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above) |
| Email: | Access to a valid email account |
| Screen Resolution: | 800 x 600 minimum |
| Enabled Security Settings: | <ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection |

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify DaVita as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by DaVita during the course of my relationship with you.



Mailing Address:
DaVita HealthCare Partners Inc
Legal Department.
c/o Kathy Hill, Senior Paralegal
208 Warren Circle
Shelbyville, TN 37160
Cell: 615-828-8131
Fax: 866-232-4978
Kathy.hill@davita.com

April 28, 2014

Dr. Puneet Tandon
510 N. Colorado, Suite A
Kennewick, WA 99336

RE: Medical Director Agreement, dated November 21, 2013, by and between Total Renal Care, Inc. (the "Company") and Puneet Tandon, M.D. ("Physician") (the "Agreement") for provision of Medical Director Services with respect to Company's dialysis center known as "Kennewick Dialysis" and located at 3208 W. 19th Avenue, Kennewick, WA 99337 ("Center"); Center #02401; CID #965563

Dear Dr. Tandon:

This letter will serve as confirmation to you that the Center treated its first patient as of December 18, 2013, which date represents the Commencement Date of the Agreement pursuant to the terms thereof. Also, December 18, 2013 represents the Pre-Medicare Certification Period date. On January 15, 2014, the Center received its Medicare certification, which represents the Medicare Certification Date.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Hill".

Kathy Hill, Senior Paralegal

KADLEC
Health System

888 Swift Boulevard • Richland, WA 99352 • (509) 946-4611

September 18, 2013

Margaret Howell Benson, Esq.
Group General Counsel
Davita Healthcare Partners, Inc.
15253 Bake Parkway
Irvine, CA 92618

Re: Medical Director Agreements – Puneet Tandon, M.D. Consent

Via Email: www.margaret.howellbenson@davita.com (Hard copy to follow)

Dear Margaret:

This letter is a follow up to our prior conversation regarding Davita's desire to discuss the outpatient dialysis center(s) medical directorship(s) with Dr. Puneet Tandon. Kadlec has given its consent to Dr. Tandon's request that he be able to negotiate, and directly contract with Total Renal Care, Inc. (Davita) to provide Medical Directorship Services to Davita's outpatient dialysis center(s).

If you have any questions, please feel free to contact me at 509-942-2880.

Very truly yours,



William T. Wingo, Jr.
Vice President/Corporate Counsel

Cc Rand W. Wortman, President/CEO, Kadlec Health System
Ken Lester, President, Kadlec Clinic
Wassim Khawandi, M.D.
Ray Follett, Vice President, North Star Division/Davita
Corr Pierce, Regional Operations Director North Star Division/Davita
Ken Nichols, Regional Director, Kadlec Clinic

KADLEC
Health System

888 Swift Boulevard • Richland, WA 99352 • (509) 946-4611

August 21, 2013

Margaret Howell Benson, Esq.
Group General Counsel
Davita Healthcare Partners, Inc.
15253 Bake Parkway
Irvine, CA 92618

Re: Medical Directors – Outpatient Dialysis Centers

Via Email: www.margaret.howellbenson@davita.com (Hard copy to follow)

Dear Margaret:

As we discussed, Kadlec Regional Medical Center, and applicable subsidiaries has reviewed its outpatient dialysis medical director strategy and has determined that it prefers that such medical directorships be between the applicable dialysis center and a physician directly.

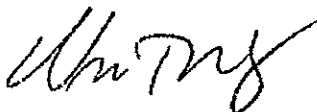
As a result of this decision, Kadlec is willing to allow Davita to discuss a potential medical directorship with Kadlec employed nephrologists who are interested in such medical directorship(s) and to the extent they are not restricted, geographically or otherwise, by the terms of a medical directorship with another outpatient dialysis center company.

Kadlec will provide its consent to those nephrologists employed by Kadlec who are interested in such medical directorship and subsequently directly contract with, Davita to provide medical directorship services to the applicable Davita outpatient dialysis centers, if desired by Davita. Kadlec will provide such consent upon the request by the individual nephrologist.

Obviously, those nephrologists who are bound by restrictive covenants from another outpatient dialysis company would be restricted from contracting with Davita, even if such nephrologist left the employment of Kadlec.

If you have any questions, please feel free to contact me at 509-942-2880.

Very truly yours,



William T. Wingo, Jr.
Vice President/Corporate Counsel

Cc Rand W. Wortman, President/CEO, Kadlec Health System
Ken Lester, President, Kadlec Clinic
Ray Follett, Vice President, North Star Division/Davita
Corr Pierce, Regional Operations Director North Star Division/Davita
Ken Nichols, Regional Director, Kadlec Clinic

KADLEC
Health System

888 Swift Boulevard • Richland, WA 99352 • (509) 946-4611

January 9, 2013

Margaret Howell Benson
Group General Counsel
Davita Healthcare Partners, Inc.
15253 Bake Parkway
Irvine, CA 92618

Re: Assignment of Medical Director Agreements

Via Email: www.margaret.howellbenson@davita.com (Hard copy to follow)

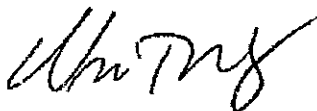
Dear Margaret:

After further discussions this week, executive management of Tri Cities Nephrology LLC (TCN) and of Kadlec Health System (Kadlec) has decided that it is not feasible for the medical director agreement assignments to remain with TCN. Thus, TCN and Kadlec remain committed to their desire to terminate the current medical director agreement assignments between TCN and Total Renal Care, Inc. (Davita) and to assign the medical director agreements back to the individual physicians who currently provide medical director services to the four (4) outpatient dialysis facilities, as referenced in your letter of December 31, 2013. It is our desire to terminate the medical director agreements assignments and to assign the medical director agreements back to the physicians immediately, without further unnecessary contingencies.

Management believes that the reinstatement of the original medical director relationships is the better strategic direction for Kadlec, at this point, and better for the relationship between the physicians and Davita. We believe it is appropriate to communicate such decision to the relevant physicians and to involve them in the transition. We are in the process of scheduling a meeting with the relevant physicians prior to the end of January.

Thank you for your immediate consideration of this transition. I will contact you to schedule a time for us to discuss the effective date and appropriate documentation required to accomplish the referenced terminations and reassignments.

Very truly yours,



William T. Wingo, Jr.
Vice President/Corporate Counsel

Cc Rand W. Wortman, CEO, Kadlec Health System
Ken Lester, President, Kadlec Clinic
Wassim Khawandi, M.D.
Fadi Akoum, M.D.
Ray Follett, Division Vice President/Davita North Star Division

MEDICAL DIRECTOR AGREEMENT

This Medical Director Agreement (“Agreement”) is entered into this 21 day of November, 2013, by and between **TOTAL RENAL CARE, INC.**, a California corporation (“Company”) and **PUNEET TANDON, M.D.** (“Physician”).

RECITALS

WHEREAS, Company is in the business of owning and operating free-standing dialysis centers including the free-standing dialysis center known as “Kennewick Dialysis” and located at 3208 W. 19th Avenue, Kennewick, Washington 99337 (“Center”);

WHEREAS, Physician is duly qualified and licensed to practice medicine in the State of Washington, is board-certified in one or more of nephrology, pediatrics or internal medicine, has completed a board-approved training program in nephrology, specializes in the treatment of individuals with end stage renal disease (“ESRD”) with at least twelve (12) consecutive months of experience or training in the care of patients at ESRD facilities immediately preceding the Commencement Date (as defined in Section 2.1 below), and is experienced in the medical administration of ESRD facilities;

WHEREAS, Company agrees that Physician will provide the Services (as defined in Section 3.1 below) to Center;

WHEREAS, during the Term (as defined in Section 2.2 below) of this Agreement, Company shall provide Physician with equipment, materials and facilities and valuable proprietary and confidential information for the purpose of assisting Physician in the performance of Physician’s obligations and responsibilities hereunder; and

WHEREAS, the parties to this Agreement desire to provide a full statement of their respective covenants, agreements and responsibilities in connection with Physician’s role in performing the Services during the Term of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements set forth herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Appointment. Company engages and hereby appoints Physician to serve as the medical director (the “Medical Director”) of the Center (the “Appointment”) and Physician hereby accepts the Appointment. At all times during the Term, Physician shall provide Services as Medical Director of Center.

2. Initial Term and Renewal Term.

2.1 Initial Term. The Term of this Agreement shall commence on the date on which Center dialyzes its first patient ("Commencement Date") and shall continue thereafter for a period of ten (10) years, unless earlier terminated pursuant to its terms ("Initial Term"). Upon the first patient being dialyzed, Company will submit a letter to Physician confirming the Commencement Date, which letter will be attached hereto and incorporated herein by this reference.

2.2 Renewal. At the conclusion of the Initial Term of this Agreement, and at the conclusion of each successive Renewal Term of this Agreement, the Term of this Agreement shall be extended automatically for additional one (1) year periods (each, a "Renewal Term" and all such Renewal Terms together with the Initial Term, the "Term"), unless either party shall give the other party at least one hundred and eighty (180) days prior written notice ("Notice Period") of the non-extension of the Initial Term or Renewal Term then in effect, in which case, the Term of this Agreement shall expire and terminate on the last day of the Initial Term or Renewal Term then in effect. Notwithstanding the foregoing, the parties may mutually agree to Renewal Terms for periods of time other than one (1) year periods.

3. Duties, Responsibilities and Conditions.

3.1 Services. As Medical Director of Center, Physician shall have the duties and responsibilities set forth on Schedule 3.1 attached hereto (collectively, together with all other services to be provided by Physician hereunder, "Services"). In the event of an Interruption Event (as defined in Section 18 below), Physician shall have such duties as Company may require pursuant to Section 18. The Governing Body of Center shall retain ultimate authority and responsibility for the standards of, and procedures and practices for, the care provided by Center. Physician shall maintain unrestricted privileges at Center and shall be a voting member of the Governing Body. As used in this Agreement, the term "Governing Body" means the governing body of Center as set forth in Center's medical staff by-laws. Copies of the Governing Body By-laws and the Medical Staff By-laws (together, the "By-laws") have been provided to Physician.

3.2 Covering Medical Directors. In the event of any temporary absences which would prevent Physician from meeting the foregoing requirements, Physician shall notify the Center administrator in writing in advance of such absences and Physician shall arrange for a covering physician ("Covering Medical Director") to perform the Services described herein; provided, however, that any absence in excess of twenty-one (21) consecutive days or more than thirty (30) days within any sixty (60) day period shall require Company's prior written consent, which shall not be unreasonably withheld. Each Covering Medical Director shall be deemed to be the agent or employee, as relevant, of Physician, and Company shall have no responsibility for Covering Medical Director's compensation or supervision other than that responsibility retained by the Governing Body of Center under Section 3.1 above. Any Covering Medical Director retained by Physician must meet all Company criteria for membership on Center's medical staff, and be duly approved by the Governing Body of Center prior to performing services pursuant to this Agreement. Physician acknowledges and agrees that any obligation

imposed on Physician under this Agreement shall be binding upon Covering Medical Director to the same extent as if Covering Medical Director were a party hereto. Physician agrees to ensure that Covering Medical Director complies with the terms hereof. Once approved, any Covering Medical Director can also provide routine on-call coverage for Physician; provided, however, that Physician shall give the Center administrator reasonable notice of Physician's on-call schedule and necessary contact information.

3.3 Quality Improvement and Center Management Meetings. In accordance with the DaVita HealthCare Partners Inc. Policy #3-03-77, as it may be updated or supplemented from time to time during the Term, Medical Director shall, no less frequently than once per calendar quarter, participate in Quality Improvement and Facility Management Meetings to review issues and indicators regarding facility quality improvement and the performance of the Services and compliance with this Agreement, the By-laws, and the applicable requirements of the Medicare Conditions for Coverage for End-Stage Renal Disease Facilities at 42 C.F.R. Part 494, as amended from time to time, as well as other applicable laws and regulations.

4. Exclusive Use of Center Resources. Center and its supplies, equipment, and non-physician employees shall be utilized by Physician solely and exclusively for providing the medical director services of Center. No portion of Center, its supplies, or its equipment, or the time of any non-physician employee, shall at any time be utilized by Physician for the general practice of medicine or for any other purpose not expressly set forth in this Agreement, except as otherwise agreed in writing. Company may deduct from the compensation payable hereunder the fair market value of Company space, facilities, supplies, equipment, time of non-physician staff or any other item or service actually utilized by Physician for the general practice of medicine or for any other purpose not expressly set forth in this Agreement.

5. Independent Contractor. At all times during the performance of any Services hereunder, Physician shall be acting and discharging Physician's duties and responsibilities as an independent contractor. Company will provide a Form 1099 to Physician and will not withhold any local, state or federal employment taxes on Physician's behalf. Physician shall be responsible for paying all taxes due on all amounts paid to Physician hereunder, and for paying all local, state and federal employment taxes, including unemployment insurance, social security taxes and local, state and federal withholding taxes for all employees of Physician. Physician shall indemnify and hold Company harmless from any failure to pay such taxes, including any interest and penalties assessed against Company. The parties shall cooperate if any taxing authority asserts that Physician is not an independent contractor under this Agreement. Neither Physician nor any Covering Medical Director shall be considered an employee for purposes of any Company employment policy or employment benefit plan, and will not be entitled to any benefits under any such policy or benefit plan. Except as expressly set forth herein or as may be required by applicable law, Company shall neither have nor exercise any control or direction over the methods by which Physician shall perform the duties hereunder, nor shall Company control how Physician's duties are accomplished hereunder, as long as said duties are performed as required by this Agreement.

6. Compensation.

6.1 Pre-Medicare Certification: From first date of treatment for the staff-assisted hemodialysis program until the date that Center receives written notice of Medicare certification ("Pre-Medicare Certification Period"), Company will pay Physician for the performance of Services relating to the staff-assisted hemodialysis program operated by Company at Center, the sum of Two Thousand Eighty-Three and 33/100ths Dollars (\$2,083.33) per month, in arrears, not to exceed an aggregate sum of Twenty-Five Thousand Dollars (\$25,000) per year, if and upon the first patient being treated in regard to the staff-assisted hemodialysis program. Company shall only be obligated to compensate Physician for Services rendered through the date this Agreement expires or is terminated. In the event that Company consents to an appointment of any successor Medical Director, the compensation set forth in this Section 6.1 is subject to an increase or decrease, consistent with fair market value. Any adjustment to the compensation shall be agreed to in writing by the parties in the form of an amendment hereto.

6.2 Post-Medicare Certification: For Services performed after the date on which Center receives written notice of Medicare certification ("Medicare Certification Date"), Company will pay Physician for the performance of Services relating to the staff-assisted hemodialysis program operated by Company at Center, the sum of Four Thousand One Hundred Sixty-Six and 67/100ths Dollars (\$4,166.67) per month, in arrears, not to exceed an aggregate sum of Fifty Thousand Dollars (\$50,000) per year. Notwithstanding the foregoing, Company shall only be obligated to begin paying the foregoing increased compensation for Services rendered with respect to a particular modality on the later of the Medicare Certification Date for such modality or the date on which Center begins providing treatment services under such modality. For example, the increased compensation for the staff-assisted hemodialysis portion of the Center shall begin on the later of the Medicare Certification Date of the staff-assisted hemodialysis portion of the Center or on the date the first patient is treated in the staff-assisted hemodialysis program, if no patient was treated during the Pre-Medicare Certification Period. Company will provide written notice to Physician confirming the Medicare Certification Date with respect to the staff-assisted hemodialysis program, which letter will be attached hereto and incorporated herein by reference. Upon the fifth (5th) anniversary of the Commencement Date, the compensation paid to Physician under this Section 6.2 shall be reviewed and adjusted, if appropriate, to ensure that such compensation continues to reflect the fair market value of the Services provided and continues to be consistent with the then-current policies and procedures of DaVita HealthCare Partners Inc., Company's parent company ("DaVita") for medical director compensation. In addition, Company shall only be obligated to compensate Physician for Services rendered through the date this Agreement expires or is terminated. In the event that Company consents to an appointment of a successor Medical Director pursuant to Section 1 of this Agreement, the compensation set forth in this Section 6.2 is subject to an increase or decrease, consistent with fair market value. Any adjustment to the compensation shall be agreed to in writing by the parties in the form of an amendment hereto.

6.3 Renewal. During the Notice Period, the parties shall begin negotiation of compensation adjustment, if appropriate, to be effective at the commencement of the Renewal Term; however, if no such agreement can be reached during such Notice Period, and negotiation

extends beyond the commencement of the Renewal Term, then any such compensation adjustment, if applicable, will not be effective until such time as the agreement, or amendment, documenting the revised compensation is fully executed, or the commencement date of such agreement, or amendment, whichever is later, and shall only be paid prospectively for services rendered after that date. Any such review and adjustment, if appropriate, to the annual compensation paid to Physician hereunder to ensure that it continues to reflect the fair market value of the Services provided, shall be consistent with Company's then-current policies and procedures.

6.4 Payment. Physician must submit an invoice, dated no earlier than the first day of the month following the month in which the Services being invoiced were rendered, to the Divisional Vice President for the division of Company in which Center is located. Each such invoice must state clearly that the terms and conditions of this Agreement were fully satisfied during such month and be signed by the Medical Director. Company shall review the invoice and pay any amounts not disputed in good faith within thirty (30) days of receipt of such invoice. If any disputed item cannot be resolved by the parties within fifteen (15) days after payment of the undisputed amount, the parties shall submit to the dispute resolution process set forth in Section 26 below. Company may deduct from the amount due the fair market value of any Services set forth in Schedule 3.1 not performed by Physician in any given month and any other unpaid amounts owed by Physician to Company under this Agreement or any other written agreement between such parties. Physician may not use Center staff to prepare or assist in the preparation of any such invoice.

6.5 Fair Market Value. The parties hereto agree that the compensation provided herein has been determined in arm's-length bargaining, and is consistent with fair market value in arm's-length transactions. Furthermore, Physician's compensation is not and has not been determined in a manner that takes into account the volume or value of any referrals or business otherwise generated for or with respect to Center or between the parties for which payment may be made in whole or in part under Medicare or any federal state health care program or under any other third party payor program.

7. Compliance with Company's Rules and Regulations and All Applicable Laws.

7.1 Compliance with Rules and Regulations. Physician and Company understand that at all times Physician shall comply with (a) the By-laws and all of Company's applicable rules and regulations; (b) Company's and the community's standards of care, including without limitation Company's compliance and quality management programs, general policies and procedures and health information privacy and security policies and procedures (the "HIPAA Policies"), in each case as in effect from time to time; (c) the requirements of a medical director imposed by the Medicare Conditions for Coverage for End-Stage Renal Disease Facilities at 42 C.F.R. Part 494 and Title 42 of the Code of Federal Regulations Section 494.150; (d) all clinical initiatives of Company and DaVita and initiatives by DaVita's Office of Chief Medical Officer; (e) all Company and DaVita compliance initiatives and initiatives by DaVita's Chief Compliance Officer; and (f) any other applicable federal and state law. Physician shall assist, and shall ensure that any Covering Medical Director retained by Physician assists, in the operation of Center in accordance with the By-laws and all of Company's applicable rules and

regulations and Company's standards of care, including without limitation Company's Compliance and Quality Management Program, and with all applicable laws, regulations and governmental standards relating to licensing, certification and operation, including without limitation any federal and state ESRD programs, the disclosure requirements and self-referral prohibitions of the Federal Ethics in Patient Referrals Act, 42 U.S.C. §1395nn (known as the "Stark Law") and any applicable state self-referral laws, the anti-fraud and abuse statute, 42 U.S.C. §1320a-7b(b) (known as the "Anti-Kickback Statute") and any applicable state anti-kickback laws, and the patient privacy and security requirements set forth in the Health Insurance Portability and Accountability Act of 1996, and attendant regulations at 45 C.F.R. Parts 160 and 164 (the "Privacy and Security Standards"), as amended by the federal Health Information Technology for Economic and Clinical Health Act ("HITECH Act") and its implementing regulations, as may be modified or amended, including future issuance of regulations and guidance by the United States Department of Health and Human Services (collectively "HIPAA"), and any applicable state patient privacy and security laws.

7.2 Compliance with Privacy and Security Standards. Without limiting the provisions of Section 7.1 above, Physician and Company acknowledge and agree that Physician will be providing services to Company that constitute a business associate relationship as defined by HIPAA. In order to carry out the Services under this Agreement, Physician will require access to Protected Health Information, including but not limited to electronic Protected Health Information ("PHI") and hereby agrees to comply with the obligations set forth in the Business Associate Agreement ("BAA") which is attached hereto as Exhibit A and incorporated into this Agreement.

7.3 Compliance Related Matters and Duties.

7.3.1 Company's Corporate Compliance Program. Physician shall comply with Company's and DaVita's corporate compliance program (including, but not limited to, its HIPAA Policies, Code of Conduct and policies and procedures). Such compliance shall include, but not be limited to, participation in compliance training (including on-line general compliance training) for all of Physician's employed and contracted physicians consistent with Company's and DaVita's compliance program, provision of access to billing documentation, participation in contract and claims audits and other aspects of Company's and DaVita's compliance program, and, upon request, cooperation and assistance during any internal compliance review, investigation, monitoring protocol and/or audit. Upon request, Physician shall provide Company with reasonable assurance of compliance with applicable laws and Company's compliance program. Physician shall ensure that all persons who perform Services under this Agreement adhere to the terms of this Section 7.3 throughout the Term.

7.3.2 Notification. Physician shall immediately notify DaVita's Compliance Officer of any violation of any applicable law, regulation, third party payor requirement, or breach of Company's or DaVita's compliance program of which Physician or Physician's employees or agents become aware of during the Term. Physician shall instruct Physician's employees and agents working in or with Center of this requirement.

7.3.3 Cooperation. Physician shall cooperate with Company in responding to or resolving any complaint, investigation, inquiry or review initiated by a governmental agency, Company or otherwise. Physician shall cooperate with any insurance company providing protection to Company in connection with the foregoing.

7.4 Non-Exclusion.

7.4.1 Physician represents and warrants to Company that neither Physician nor any of Physician's employees, officers, directors, owners or affiliates (as used herein, an "Affiliate" of a specified person, as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933 as may be modified or amended, shall mean a person that Directly, or Indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified, and as used hereinafter to refer to either party's affiliates, ("Affiliates") (a) is or has been excluded from participation in any federal health care program, as defined under 42 U.S.C. §1320a-7b(f), for the provision of items or services for which payment may be made under such federal health care programs; or (b) has arranged or contracted (by employment or otherwise) with any employee, contractor or agent that such party or its Affiliates knows or should know is excluded from participation in any federal health care program to provide items or services hereunder.

7.4.2 Physician further represents and warrants to Company that no "Final Adverse Action," as such term is defined below, has occurred or is pending or, to Physician's knowledge, is threatened against Physician or Physician's Affiliates or to Physician's knowledge against any employee, contractor or agent engaged to provide items or services under this Agreement.

7.4.3 During the Term and for a period of six (6) years following the termination or expiration of this Agreement, Physician shall notify Company of (a) any Final Adverse Actions or any basis therefor relating to or arising from actions occurring during the periods prior to and during the Term or relating to the Services provided hereunder within two (2) business days of learning of any such Final Adverse Actions or any basis therefor, or (b) any complaint, investigation, inquiry or review by any governmental agency or third party payor relating to or arising from actions occurring during the periods prior to and during the Term or relating to the Services provided hereunder. Such notice shall include a description of the matters at issue.

7.4.4 The term "Final Adverse Action" as used in this Agreement means any of the following involving Physician or any other physician employee of Physician:

(a) any final civil judgments in federal or state court related to the delivery of a health care item or service;

(b) any federal or state criminal convictions related to the delivery of a health care item or service;

(c) any final actions by federal or state agencies responsible for the licensing and certification of health care providers, suppliers, and licensed health care practitioners, including –

(i) formal or official actions, such as revocation or suspension of a license (and the length of any such suspension), reprimand, censure or probation;

(ii) any other temporary or final loss of license or the right to apply for, or renew, a license of the provider, supplier, or practitioner, whether by operation of law, voluntary surrender, non-renewability, or otherwise;

(iii) any other negative action or finding by such federal or state agency; or

(d) exclusion from participation in any federal or state health care programs, being listed as an excluded provider or banned contractor by the United States Department of Health and Human Services Office of Inspector General or United States General Services Administration, or being listed in the Office of Foreign Assets Control's "Specially Designated Nationals and Blocked Persons" list.

7.4.5 The term "Final Adverse Action" does not include any action or judgment solely with respect to a professional malpractice claim.

8. Insurance.

8.1 During the Term, Physician hereby agrees to maintain at all times and at Physician's own expense policies of professional and general liability insurance to cover Physician and Physician's employees and agents involved in the business of Center, against liability for damages caused by the acts or omissions of Physician and such employees and agents in the performance of their respective professional practices of medicine. Such coverage shall include, but not be limited to, professional liability insurance with a minimum annual coverage limitation of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and Seven Hundred Fifty Thousand Dollars (\$750,000) in the annual aggregate, or such higher coverage as may be required by law, with an insurance carrier that maintains an A.M. Best rating of "A-" or higher. In addition, Physician shall ensure that each Covering Medical Director (at Covering Medical Director's own expense) maintains the professional and general liability insurance coverage described in this Section 8.1. Such policy or policies shall specifically cover Physician, or Covering Medical Director, as applicable, and name Company as an additional insured, if such a provision is allowed by Physician's or Covering Medical Director's insurance carrier. Within thirty (30) days after the Commencement Date, Physician shall provide Company with documentation substantiating the existence of such insurance, and of the rating of the insurance carrier, and shall continue to do so annually thereafter. If Physician or any Covering Medical Director fails to maintain such insurance coverage, Company may (but shall not be obligated to) terminate this Agreement pursuant to Section 10.1.1(g) below.

8.2 During the Term, Company hereby agrees to maintain at all times and at Company's own expense general and professional liability insurance with a minimum annual coverage limitation of Two Hundred Fifty Thousand Dollars (\$250,000) per occurrence and Seven Hundred Fifty Thousand Dollars (\$750,000) in the aggregate, or such higher coverage as may be required by law. Such coverage may be provided through policies obtained from third party insurance carriers or through a program of self-insurance. Within thirty (30) days of written request from Physician, Company shall produce documentation substantiating the existence of such insurance. The parties acknowledge and agree that the insurance coverage maintained by Company in accordance with this Section 8.2 shall cover Physician for the Services that Physician is providing pursuant to this Agreement, but shall not extend to any claims of professional malpractice against Physician or to Physician's private practice of medicine.

9. Assignment. Physician shall not, Directly or Indirectly, assign or otherwise transfer this Agreement, or any interest herein or obligation hereunder, including, without limitation, as a result of a change in control of any medical practice in which Physician holds an equity interest, without the prior written consent of Company, which may be withheld in Company's sole discretion. For purposes of the foregoing sentence, a "change in control" shall be defined to include, without limitation, the sale, transfer or issuance of any equity or other interest in any medical practice owned by Physician, or the sale of fifty percent (50%) or more of the assets of such medical practice in a single transaction or series of transactions. If Company's consent is granted, such assignment or transfer shall be conditioned upon the agreement by Physician to continue to be bound by Sections 13, 14, 16 and 25 after such assignment is completed and upon the agreement by the transferee, in writing, to assume all of Physician's obligations under this Agreement. Company shall be permitted, without the consent of Physician, to assign or otherwise transfer this Agreement or any of its rights hereunder.

10. Termination. In addition to the termination provisions set forth in Section 11 below, this Agreement may be terminated prior to expiration of the Initial Term or any Renewal Term as follows:

10.1 Termination by Company. At Company's option for any of the reasons set forth below:

10.1.1 Upon written notice to Physician in the event of any of the following: (a) misconduct of either a personal or professional nature, including, without limitation, violation of the By-laws or any applicable laws or regulations, or Company's or DaVita's policies and procedures, by Physician or Covering Medical Director which in Company's reasonable opinion interferes with Physician's ability to fulfill Physician's obligations hereunder directly or through said Covering Medical Director, provided that, with respect to the Event of Default (as defined below) by a Physician or Covering Medical Director, Physician shall be permitted immediately to remove such Physician or Covering Medical Director and appoint a qualified replacement approved by Company in its sole discretion; (b) the revocation or suspension of any medical license of Physician or Covering Medical Director, or the restriction or elimination of practice privileges of Physician or Covering Medical Director at Center for any reason set forth in the By-laws and other rules for practice privileges at Center, or

the restriction or elimination of privileges of Physician or Covering Medical Director at any hospital for any reason related to the quality of the patient care provided by Physician or said Covering Medical Director, provided that, with respect to the Event of Default by a Physician or Covering Medical Director, Physician shall be permitted immediately to remove such Physician or Covering Medical Director and appoint a qualified replacement approved by Company in its sole discretion; (c) any felony indictment or conviction of Physician or Covering Medical Director, provided that, with respect to the Event of Default by a Covering Medical Director, Physician shall be permitted immediately to remove such Covering Medical Director and appoint a qualified replacement approved by Company in its sole discretion; (d) any failure by Physician or Covering Medical Director to correct other acts or omissions which, in Company's reasonable opinion, either substantially interfere with the normal conduct of Center's operations in accordance with Company's or DaVita's policies and procedures or endanger patient care, provided that, with respect to the Event of Default by a Physician or Covering Medical Director, Physician shall be permitted immediately to remove such Physician or Covering Medical Director and appoint a qualified replacement approved by Company in its sole discretion; (e) the unauthorized removal of records from Center by Physician or any of Physician's agents or employees or Covering Medical Director and failure immediately to replace the same; (f) the unlawful alteration or falsification of Center's records; (g) the failure of Physician or Covering Medical Director to secure or maintain the insurance required under Section 8; (h) upon the breach or threatened breach of Section 16 by Physician; and (i) upon Company learning of a Final Adverse Action pursuant to Section 7.4.

10.1.2 Upon the death of Physician.

10.1.3 Upon the occurrence of a disability of a permanent nature which, in the reasonable opinion of a physician appointed by Company, makes it impossible for Physician to continue to serve in the capacity of Medical Director as contemplated herein ("material disability"), Physician shall notify Company at the onset of any material disability; provided, however, that Physician's failure to do so shall not deprive Company of its rights under this Section 10.

10.1.4 Upon Physician's failure to cause Covering Medical Director to cease performing duties as permitted under this Agreement upon fifteen (15) days written notice by Company that it is not satisfied with Covering Medical Director's performance; provided, however, that such notice shall detail the nature of Company's dissatisfaction and Physician shall have the opportunity to cure the problems before the end of said fifteen (15) day period.

10.1.5 Upon the appointment of a receiver or custodian to take possession of all or any material part of the assets of Physician, or a general assignment by Physician for the benefit of Physician's creditors, or the filing of a case by or against Physician under the Bankruptcy Code which is not stayed or terminated within thirty (30) days.

10.1.6 An unauthorized assignment of this Agreement by Physician in violation of Section 9.

10.1.7 Any other material breach of the terms contained in this Agreement by Physician or Covering Medical Director which is not cured within thirty (30) days of written notice thereof from Company to Physician, which notice details the breach and is delivered in accordance with Section 24 of this Agreement; provided, however, that Company shall not have the right to terminate under this Section 10.1.9 at the end of such thirty (30) day period if Physician actively is attempting to cure such breach and such cure cannot reasonably be performed within said thirty (30) day period.

10.1.8 Upon the absence of Medical Director from Center for any reason for more than twenty-one (21) consecutive days or for more than thirty (30) days within any sixty (60) day period without the prior approval of Company.

Each of the events set forth in the foregoing Sections 10.1.1 – 10.1.8 are defined as an “Event of Default.”

10.1.9 Upon the termination of Center’s business.

10.1.10 If the Certificate of Need (“CON”) from the applicable governmental agencies required for Company’s Center is not granted and received by Company, or if granted and received by Company but subsequently withdrawn by such governmental agency, then this Agreement shall be deemed null and void and of no effect.

10.1.11 In the event that Physician’s employment with his employer upon the date of last execution of this Agreement, terminates, ceases or changes, Company shall have the right anytime thereafter to terminate this Agreement upon thirty (30) days’ notice.

10.2 Termination by Physician. This Agreement may be terminated by Physician:

10.2.1 In the event of a failure by Company to pay any undisputed compensation due hereunder and the failure to cure said breach within thirty (30) days of Company’s receipt of written notice thereof from Physician.

10.2.2 Upon thirty (30) days written notice if Center’s Medicare certification has been revoked and if Company is unable to cure the problems that resulted in the revocation of Center’s Medicare certification; provided, however, that Physician shall not have the right to terminate under this Section 10.2.2 at the end of such thirty (30) day period if Company actively is attempting to cure such problems and such cure cannot reasonably be performed within said thirty (30) day period.

10.2.3 Upon any other material breach of the terms contained in this Agreement by Company which is not cured within thirty (30) days of written notice thereof from Physician to Company, which notice details the breach and is delivered in accordance with Section 24 of this Agreement; provided, however, that Physician shall not have the right to terminate under this Section 10.2.3 at the end of such thirty (30) day period if Company actively

is attempting to cure such breach and such cure cannot reasonably be performed within said thirty (30) day period.

10.2.4 If, during the Term, Physician needs to move his medical practice at least one hundred and fifty (150) miles from the location of Center and is not able to render the Medical Director Services required to be performed hereunder, Physician shall first attempt to arrange for a Covering Medical Director pursuant to Section 3.2. Company, upon request of Physician, will use its reasonable efforts to assist Physician in locating a Covering Medical Director. If Physician is not able to arrange for a Covering Medical Director, he will provide Company with six (6) months' prior ("Notice Period") written notice ("Notice") of such situation and at the end of the Notice Period, Physician will not be required to provide Medical Director Services pursuant to the Agreement and Company will not be required to compensate Physician, however, all other terms and conditions of the Agreement shall remain in effect, subject to the following:

A. Having received such Notice from Physician of his inability to arrange for a Covering Medical Director to render the Medical Director Services required hereunder during his absence, Company, in its sole discretion, shall have the right to contract with any qualified physician or entity, either on an interim or long-term basis, in order to have them provide the Medical Director Services without Company being in breach of this Agreement. If Company enters into an agreement with a third-party physician with a term in excess of two (2) years (hereinafter referred to as a "Long-Term Agreement"), this Agreement shall be terminated at the end of the Notice Period and Section 12.1 shall apply, including the two-year "tail" period after expiration or termination of this Agreement, as defined in Section 16.1.1 shall remain in place.

B. Further, if Company fails to enter into a Long-Term Agreement with a third-party physician but instead enters into an interim agreement for a period of less than two (2) years ("Short-Term Agreement") and should Physician's circumstances change and, during the Term, he is in a position to provide Medical Director Services and sends Company written notification of such change, Company will terminate the Short-Term Agreement, as soon as is practicable, and once termination is effective, Physician shall be required to provide Medical Director Services pursuant to the terms of this Agreement. In the event such a Short-Term Agreement is entered into by Company, the Period of this Agreement, as such term is defined in Section 16.1.1 shall continue and remain in effect.

10.3 Equitable Remedies. Upon the occurrence of an Event of Default or termination by Physician pursuant to Section 10.2, Company and Physician shall each be entitled without limitation to pursue such legal or equitable remedies as may be available to it to collect its actual and consequential damages suffered as a result thereof.

10.4 Relocation of Center. The parties acknowledge and agree that any Relocation of Center during the Term of this Agreement shall not result in termination of this Agreement. For purposes of this Agreement, the term "Relocation" shall mean the closure of Center and the physical relocation of substantially all staff and patients of Center to another

center that is not a then existing center which is operated under the same Medicare provider number as the closed Center.

11. Action Jeopardizing Licensing or Certification. Notwithstanding any other provision herein, either party may terminate this Agreement upon the occurrence of a Regulatory Event if such Regulatory Event cannot be corrected after each party has made a good faith effort to renegotiate a change to the provision in controversy within ten (10) days after written notice thereof by either party. Termination under this Section 11 shall be effective immediately upon the expiration of such ten (10) day period. For the purposes of this Section 11, "Regulatory Event" shall mean the occurrence of any of the following:

11.1 The performance by either party hereto of any term, covenant, condition or provision of this Agreement (a) jeopardizes the certification of Center by or under any federal or state ESRD program, or by or under any other regulatory program; (b) is or, in the reasonable opinion of either party or its counsel will become, illegal or in violation of any statute, regulation or ordinance, or (c) does or, in the reasonable opinion of either party or its counsel will, result in a reduction in or elimination of the amount or the rate of reimbursement paid to Center or to Company from the Medicare program, any Medicaid program, or any other third party payor program, whether governmental or non-governmental.

11.2 Upon the enactment of legislation or issuance of regulations or interpretations thereof, by the federal government or the state government in which Center is located, or the issuance of judicial orders or decrees or governmental ruling or opinion, or any change in the rules and regulations of any third party payment program, or any other similar event which in either party's reasonable judgment adversely impacts the operations of Center or Company or requires Company to divest itself of interests in investments such as Center or which would result in a reduction in or elimination of the amount of or rate of reimbursement to Center or any facility operated by Company from the federal Medicare program or any state Medicaid program or any other third-party payor program, whether governmental or non-governmental.

12. Consequences of Termination or Expiration of Agreement.

12.1 Upon any termination of this Agreement in accordance with any provision hereof, or upon expiration of this Agreement at the end of the Initial Term or any Renewal Term, the Appointment shall terminate and all obligations of Company to Physician shall immediately terminate, including without limitation all obligations to compensate Physician. Upon any such termination or expiration, Company shall have no further liability or obligation to Physician of any kind in connection with this Agreement or any relationship established hereby. Physician's obligations under Sections 13, 14 and 25 are intended to survive and shall survive any termination or expiration of this Agreement, and Section 16 is intended to survive and shall survive such termination or expiration for the period specified in that section.

12.2 If this Agreement is terminated for any reason within one (1) year of the Commencement Date, then, prior to the first anniversary of the Commencement Date, Company

and Physician will not enter into any similar agreement with each other for the Services covered hereunder at Center.

13. Confidentiality and Non-Disclosure. Physician acknowledges and agrees as follows:

13.1 Confidential, Proprietary and Trade Secret Information (“Confidential Information”). For purposes of this Section 13, Confidential Information will be deemed to include (a) any information, in whatever form, relating Directly or Indirectly to the business of Center, Company and any Affiliate of Company, whether prepared by Company or by any other person, that is, has been or will be made available to Physician, Covering Medical Director, any Affiliate of Physician, or any of their respective agents or employees (the “Restricted Persons”); (b) the medical and other identifying information, in whatever form, of any patient currently receiving treatment or having previously received treatment at Center, which is compiled by, obtained by, or furnished to any of the Restricted Persons in the course of performing services hereunder; (c) specialized training to assist Physician in the performance of the Services including, but not limited to, information and training in Company’s pricing structures and guidelines for the services it provides, Company’s cost structure for the services it provides, Company’s methods of operating, and Company’s products and marketing techniques, Internet strategies, plans and business models; and (d) any of the terms of this Agreement, including without limitation the compensation payable hereunder. Confidential Information will not be deemed to include (i) any information that is or becomes generally available to the public other than as a direct or indirect result of the disclosure of any of such information by any Restricted Person; (ii) any information that becomes available to a Restricted Person from a source other than Company, provided that such source is not bound by any contractual or other obligation of confidentiality to Company or any other person with respect to any of such information; or (iii) any information previously known to Physician, subject to Physician’s patient privacy and security obligations under Sections 7.1 and 7.2, above, and as set forth in the BAA.

13.2 Limitations on Use and Disclosure of Confidential Information.

13.2.1 Each Restricted Person acknowledges that each will receive Confidential Information during the Initial and Renewal Terms of this Agreement and that none of them will use the Confidential Information for any purpose except as necessary to provide Services under this Agreement. Each Restricted Person further agrees that none of them will divulge, Directly or Indirectly, any Confidential Information in any manner whatsoever, in whole or in part, without the prior written consent of Company. This restriction prohibits disclosure of Confidential Information without prior written consent of the Company to parties including but not limited to so-called “primary research” or “expert network” firms, regardless of whether the Restricted Person is compensated for activity with such firms. Physician and each other Restricted Person shall promptly notify Company of any breach of this Agreement which becomes known to them.

13.2.2 In the event that a Restricted Person is requested or required, in connection with any proceeding, to disclose any Confidential Information, such Restricted Person will give Company prompt written notice of such request or requirement so that

Company may seek an appropriate protective order or other remedy and/or waive compliance with the provisions of this Section 13, and the Restricted Person will cooperate with Company to obtain such protective order. In the event that such protective order or other remedy is not obtained or Company waives compliance with the relevant provisions of this Section 13, the Restricted Person will furnish only that portion of the Confidential Information which, in the written opinion of Company's counsel, is legally required to be disclosed and will use its, his or her best efforts to obtain assurances that confidential treatment will be accorded to such information.

13.3 Enforcement. Physician acknowledges that the breach or threatened breach of the provisions of this Section would cause irreparable injury to Company that could not be adequately compensated by money damages. Accordingly, Company may obtain a restraining order and/or injunction prohibiting a breach or threatened breach of the provisions of this Section, in addition to any other legal or equitable remedies that may be available. In the event Company finds it necessary to seek injunctive or other relief to prevent a violation of this section by Physician or other Restricted Person, Company, in addition to all other legal and/or equitable remedies, will be entitled to recovery of the costs of the action, including, but not limited to, a reasonable attorney's fee.

14. Indemnification.

14.1 Physician Indemnity. Company shall be free from all liability and claims for damages by reason of any injury to any person or persons, including without limitation Physician, Covering Medical Director, and their respective agents and employees, and any property of any kind whatsoever and to whomsoever belonging, from any cause or causes whatsoever arising out of or through the negligence, fraud, or other misconduct of Physician, Covering Medical Director, or their respective agents or employees. Physician hereby covenants and agrees to indemnify, defend and hold harmless Company from any and all liability, losses, costs, obligations and expenses, including reasonable attorneys' fees, which Company may incur as a result of either the negligence, fraud, or other misconduct of Physician, Covering Medical Director, or their respective agents or employees, or the breach by Physician or Covering Medical Director of their respective obligations under this Agreement. In addition to the foregoing, Physician hereby agrees to indemnify and defend Company for any liability arising from the actions, acts or omissions of Physician in providing professional medical services to patients other than in the capacity as Medical Director.

14.2 Company Indemnity. Physician shall be free from all liability and claims for damages by reason of any injury to any person or persons, including without limitation Company and its agents and employees, and any property of any kind whatsoever and to whomsoever belonging, from any cause or causes whatsoever arising out of or through the negligence, fraud, or other misconduct of Company or its agents or employees. Company hereby covenants and agrees to indemnify, defend and hold harmless Physician from any and all liability, losses, costs, obligations and expenses, including reasonable attorneys' fees, which Physician may incur as a result of either the negligence, fraud, or other misconduct of Company its agents or employees, or the breach by Company of its obligations under this Agreement.

15. No Conflicts. Company is entering into this Agreement based upon the belief that Physician is free to enter into and perform under this Agreement. Accordingly, recognizing that Company will rely upon this representation, warranty and covenant, Physician represents, warrants and covenants to Company that, as the Commencement Date and throughout the Term, Physician: (a) is not and shall not become a party to any other medical director agreement, consulting agreement or non-competition agreement that would be prohibited under Section 16; (b) is and shall remain under no obligation or commitment, contractual or otherwise, that would prohibit or prevent Physician from entering into or performing under this Agreement; (c) has no financial relationships with any vendors or suppliers of goods or services to providers of Dialysis Services (as defined in Section 16.1.2 below); and (d) is and shall remain free to enter into and perform all of Physician's duties and obligations under this Agreement. Physician hereby covenants and agrees to indemnify, defend and hold harmless Company from and against any and all liability, losses, costs, obligations and expenses, including reasonable attorneys' fees, which Company may incur as a result of any breach of the representations, warranties and covenants set forth in this Section 15. Without limiting the foregoing or any of the provisions of Section 9 above, during the Term, Physician shall not join any medical practice or permit any other physician to join Physician's medical practice if such affiliation would result in a breach of any of the foregoing representations, warranties and covenants.

16. Non-Competition and Non-Solicitation.

16.1 Definitions. As used in this Section 16, the terms listed below shall be defined as follows:

16.1.1 "Period" shall mean the period commencing on the date first above written and ending on the second anniversary of the date on which this Agreement terminates or expires.

16.1.2 "Dialysis Services" shall mean all dialysis and renal care services and related services, including but not limited to, hemodialysis, acute dialysis, apheresis services, peritoneal dialysis of any type, staff assisted hemodialysis, dialysis related laboratory and pharmacy services, access related services, the provision of home dialysis services and supplies, administration of dialysis-related pharmaceuticals (including, without limitation, EPO, Aranesp, iron supplements, vitamin D supplements, or other products related to the treatment of anemia and secondary hyperparathyroidism) to ESRD patients or to patients treated in an acute care hospital due to temporary kidney failure, and any other service or treatment for persons diagnosed as having ESRD, including any dialysis or renal care service provided in a hospital.

16.1.3 "ESRD" shall mean that stage of renal impairment that appears irreversible and permanent, and requires a regular course of dialysis or kidney transplantation to maintain life, which definition is set forth in 42 C.F.R. Section 405.2102 as of the Commencement Date. To the extent such regulation is changed or amended, the term shall have the same meaning as set forth in 42 C.F.R. Section 405.2102 et seq. or any successor regulation thereto.

16.1.4 “Directly or Indirectly” shall mean any and all activities undertaken by, through or on behalf of Physician and/or any of Physician’s Affiliates, and any and all entities with respect to which Physician and/or any of Physician’s Affiliates serves as a contractor, agent, employee or representative.

16.1.5 “Competitor” shall mean any person, clinic, corporation, partnership, management services organization, proprietorship, independent practice association, firm, entity or association which engages in or derives any economic benefit from, or is preparing to engage in or derive any economic benefit from, the business of providing or offering, arranging or subcontracting Dialysis Services.

16.1.6 “Restricted Area” shall mean: (a) for purposes of peritoneal dialysis of any type and the provision of home dialysis services and supplies anywhere within a forty (40) mile radius and (b) for all other services anywhere within a twenty-five (25) mile radius of Center’s location as of the Commencement Date and its location at any time during the Period.

16.2 Non-Competition. Physician acknowledges and agrees that Physician will be exposed to valuable confidential information of Company and will participate at Company’s expense in building and maintaining its goodwill with patients, employees, vendors and others. Physician further acknowledges and agrees that Company and Center would suffer serious, irreparable, competitive injury if Physician was to engage in any business or activities in competition with Company or Center. Accordingly, as a material inducement to Company to enter into this Agreement, in consideration of the compensation payable hereunder, the entrustment by Company of Confidential Information and for other good and valid consideration, the receipt and sufficiency of which is hereby acknowledged, Physician covenants and agrees that Physician shall not during the Period, Directly or Indirectly:

16.2.1 Take any action that results or may reasonably be expected to result in owning any interest in, leasing, operating, managing, extending credit to, or otherwise participating in the business (including, without limitation, as a medical director, contractor, consultant or employee) of a Competitor in the Restricted Area; or

16.2.2 Own any interest in, lease, operate, manage, extend credit to, or otherwise participate in the business (including, without limitation, as a medical director, contractor, consultant or employee) of a Competitor in the Restricted Area.

16.3 Non-Solicitation; Non-Disparagement. Physician further agrees that during the Period, Physician shall not, Directly or Indirectly, take any action that constitutes, results or may reasonably be expected to result in:

16.3.1 Soliciting, the termination of, or diverting or interfering with any relationship that Company has with any entity in a contractual relationship with Company as an independent contractor, supplier or provider;

16.3.2 Soliciting, inducing or encouraging any physician or employee of the Company or at a Center (presently affiliated with or employed by the Company or within the C:\Users\Vmeyer.000\Documents\Paskenland\Kennewick\Kennewick #2401 MDA With Dr Puneet Tandon 11-6-13_Clean.Doc

most recent twelve (12) month period) to curtail or terminate such person's affiliation or employment, or take any action that results in, or might reasonably be expected to have the same result;

16.4 Interpretation. Nothing in this Section 16 is intended to:

16.4.1 Prohibit Physician from engaging in managed care contracting as a participating provider of professional services so long as such relationship does not (a) provide Physician with remuneration related or attributable, directly or indirectly, to Dialysis Services, or (b) involve Physician contracting with any person or entity that, directly or indirectly, is owned, managed, operated or controlled by, or affiliated with any person or entity (other than Company) that provides Dialysis Services.

16.4.2 Prevent Physician from engaging in the professional practice of nephrology or prevent Physician from exercising sound, professional medical judgment, while not limiting or unduly influencing a patient's right to choose where he or she desires to receive dialysis.

16.4.3 Require Physician to refer any patients to, or treat patients at, Center, or make referrals to any Affiliate of Company, whether during or after the Appointment.

16.4.4 Prevent Physician from employment or other affiliation with respect to any subsidiary, division, affiliate or unit (each, a "Unit") of an entity if that Unit is not engaged in Dialysis Services, irrespective of whether some other Unit of such entity engages in Dialysis Services (as long as Physician does not engage in Dialysis Services for such other Unit).

16.5 Remedies. If the provisions of this Section 16 are violated, in whole or in part, Company shall be entitled, upon application to any court of proper jurisdiction, to a temporary restraining order or preliminary injunction to restrain and enjoin Physician from such violation without prejudice as to any other remedies Company may have at law or in equity. In the event of a violation, Physician agrees that it would be virtually impossible for Company to calculate its monetary damages and that Company would be irreparably harmed. If Company seeks such temporary restraining order or preliminary injunction, Company shall not be required to post any bond with respect thereto, or, if a bond is required, it may be posted without surety thereon.

16.6 Modification; Severability. If any restriction contained in this Section 16 is held by any court to be unenforceable or unreasonable as to time, geographic area or business limitation, Company, and Physician agree that the provisions contained herein shall be and are hereby reformed to the maximum time, geographic area or business limitation permitted by applicable laws and that any court of proper jurisdiction may issue all orders necessary to accomplish that result. The parties hereto further agree that the remaining restrictions contained in this Section 16 shall be severable and shall remain in full force and effect.

16.7 Necessary and Reasonable. The parties hereto specifically acknowledge, represent, and warrant that the covenants set forth in this Section 16 are reasonable and necessary

to protect the legitimate interests of Company, and that Company would not have entered into this Agreement in the absence of such covenants.

16.8 Joinder. As a condition to Company entering into this Agreement, each physician who is employed by Physician or any Affiliate thereof, or who is a shareholder, partner, member or other equity holder of Physician or an Affiliate of Physician (in each case, an "Equity Owner") thereof as of the date hereof shall execute the Joinder to Medical Director Agreement set forth at Exhibit B (the "Joinder") prior to the Commencement Date. As a further condition to Company entering into this Agreement, Physician shall ensure that each physician who hereafter during the Period becomes employed by Physician or any Affiliate thereof, or who becomes an Equity Owner executes the Joinder upon the effective date of such physician's employment or such physician becoming an Equity Owner. Physician acknowledges and agrees that Company will not process any application by any such physician for credentials to join the medical staff of Center unless or until such physician executes the Joinder. Notwithstanding the foregoing, the parties agree that this Joinder requirement will not apply to any physician employed by Kadlec Regional Medical Center ("Hospital") as a result of Physician's employment by the Hospital.

16.9 Notice. Physician shall notify Company of any direct or indirect attempt by any person to solicit or induce Physician to breach this Section 16 within ten (10) days of such attempt.

17. Entire Agreement; Binding Effect. This Agreement, and the Exhibits and Schedules attached hereto, constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all other agreements, either written or oral, among the parties (including, without limitation, any prior agreement between Physician and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof. This Agreement may be amended only in writing and only if executed by all of the parties. Subject to Section 9 above, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, heirs, executors and legal representatives. Renewals of this Agreement may be effected by a writing which sets forth the new Term and compensation therein and is signed by the parties hereto.

18. Force Majeure; Interruption Event.

18.1 Force Majeure. In the event that any party is prevented from performing or is unable to perform any of its obligations under this Agreement due to any act of God, fire, casualty, flood, earthquake, war, strike, lockout, epidemic, destruction of Center, riot, insurrection, material unavailability, or any other cause beyond the reasonable control of the party invoking this Section, and if such party shall have used commercially reasonable efforts to mitigate its effects, such party shall give prompt written notice to the other party, its performance shall be excused, and the time for the performance shall be extended for the period of delay or inability to perform due to such occurrences.

18.2 Interruption Event. Notwithstanding the foregoing, in the event that Center is destroyed or Center services are reduced or interrupted due to any force majeure (an

“Interruption Event”) at any time during the Term, and Company intends to reopen or relocate (the “Interruption Period”), Company will require that Physician provide some or all of the following services: (a) assisting with patient location and supervising development of transport and housing plans; (b) ensuring that every patient is accounted for and is receiving appropriate care; (c) reviewing and creating plans for renovation and repair of Center; (d) coordinating and supervising temporary treatment for Center’s patients either in other outpatient dialysis facilities or in hospital units; (e) directing emergency dietary instruction and supervising the dietitians charged with providing such emergency instruction; (f) ensuring that all Center patients have adequate medications; (g) coordinating and attending mandatory regular meetings, on a monthly basis at a minimum or more frequently as appropriate, regarding emergency plans and care delivery; (h) supervising rehabilitation of water systems (if affected); (i) reviewing the results of microbiological studies (including without limitation environmental studies) to determine the safety of Center to provide care, and developing necessary and appropriate actions based on those results; (j) coordinating with the applicable state, local, and federal public health officials with respect to vaccinations and preventative care to prevent epidemics; (k) locating and coordinating appropriate hospital back-up services if usual back-up hospitals are closed or not available; (l) instructing Center teammates in emergency measures and providing psychological support on a daily or as-needed basis; or (m) any other services or tasks that Company deems reasonably necessary or helpful for Center’s reopening or relocation and for Center patients and teammates.

18.3 Compensation Adjustment. The compensation payable to Physician during the Interruption Period shall be adjusted to reflect the fair market value of the services provided and to ensure that it continues to be consistent with Company’s then-current policies and procedures for medical director compensation following an Interruption Event.

18.4 Time Sheets. During the Interruption Period, Physician shall submit a time sheet on the first day of each month with the invoice described in Section 6.4 above. The time sheet shall set forth a description of services provided and the days and hours worked by Physician during the previous month. Hours worked shall mean actual hours worked, and shall not include travel time between locations, unless such travel time is the result of an unforeseen emergency requiring Physician to unexpectedly travel from one location to another. Company shall reimburse Physician for any reasonable, pre-authorized travel, lodging, sustenance and other pre-approved out-of-pocket expenses incurred by Physician in the course of performing services during the Interruption Period, provided that Physician furnishes Company with specific documentation therefor. Any approved travel, lodging and sustenance expenses shall be subject to Company’s then current standard travel and entertainment policy, as amended from time to time.

18.5 Termination. In the event that Company decides not to reopen or relocate Center following an Interruption Event, Company will terminate this Agreement upon thirty (30) days prior written notice to Physician.

19. Waivers. The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of

DaVita HealthCare Partners Inc.
2000 16th Street
Denver, CO 80202
Attention: Chief Legal Officer

and

Total Renal Care, Inc.
c/o DaVita HealthCare Partners Inc.
32275 32nd Avenue, S.
Federal Way, WA 98001
Attention: Jason Bosh, Division Vice President

If to Physician: Puneet Tandon, M.D.
510 N. Colorado, Suite A
Kennewick, WA 99336

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

25. Record Keeping, Removal, Review, and Retention.

25.1 Removal of Records or Charts. Patient records or charts may not be removed from Center premises at any time. Unauthorized removal of said records or failure to promptly return said records after notice to Physician shall be considered a material breach of this Agreement and, in addition to all any other legal and/or equitable remedies available to Company, constitute grounds for suspension of Physician as Medical Director by Company.

25.2 Record Review and Retention.

25.2.1 Each party hereto shall permit, and shall ensure that any subcontractor permits, the United States Department of Health and Human Services and General Accounting Office to review appropriate books and records relating to the performance hereunder to the extent required under Section 1861(v)(1)(I) of the Social Security Act, 42 U.S.C. Section 1395x(v)(1)(I), or any successor law or regulation for a period of four (4) years following the last day Physician provided services hereunder. The access shall be provided in accordance with the provisions of 42 C.F.R. Part 420, Subpart D.

25.2.2 If Physician carries out any of the duties of this Agreement through a subcontract, with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the

Secretary of the United States Department of Health and Human Services or upon request to the Comptroller General of the United States, or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of the costs incurred pursuant to such subcontract. In addition, the subcontract shall require the related organization to comply with and be bound by Company's privacy, compliance and record retention policies.

25.2.3 Physician shall notify Company immediately of the nature and scope of any request for access to books and records described above and shall provide copies of any books, records or documents to Company prior to the provision of same to any governmental agent to give Company an opportunity to lawfully oppose such production of documents. In addition, Physician shall indemnify and hold Company harmless from any liability arising out of any refusal by Physician or Physician's subcontractors to grant access to books and records as required above. Nothing herein shall be deemed to be a waiver of any applicable privilege (such as attorney-client privilege) by Company.

25.2.4 Physician shall ensure that all physicians with privileges at Center shall adhere to Center's and Company's charting and documentation policies, including but not limited to the signing of orders.

26. Dispute Resolution.

26.1 Informal Resolution. Except for alleged breaches of Sections 13 and 16 above, should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and, thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the time the written notice of such dispute is received by the other party.

26.2 Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 26.1 above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 26.1 above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association in the State of Washington shall administer the mediation. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 26.2, the parties shall be entitled to seek any and all available legal remedies.

27. Attorneys' Fees and Costs. In the event litigation is brought to enforce the terms of this Agreement, or because of any act which may arise out of either party's performance hereunder, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorneys' fees.

28. Approval by DaVita as to Form. Physician and Company acknowledge and agree that this Agreement shall be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita as to the form hereof.

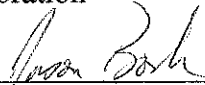
29. Right of First Refusal; Sale of Practice. In the event that Physician's employment with his employer as of the last date of execution of this Agreement, terminates, ceases or changes, then, thereafter, during the Term, neither Physician nor any of Physician's Affiliates (collectively, "ROFR Group") shall enter into any agreement for the management or sale of any of their medical practices (each, a "Medical Practice") with any party other than DaVita or an Affiliate of DaVita ("ROFR Company"), without first offering written notice ("Notice") to ROFR Company of its intent to do so. Upon receipt of Notice, ROFR Company shall then have a period of up to forty-five (45) days to negotiate and enter into with ROFR Group an agreement to purchase or, as relevant, manage the Medical Practice(s). During such forty-five (45) day period, ROFR Group shall exclusively negotiate with only ROFR Company regarding the sale or management of the Medical Practice(s) ("Exclusivity Period"). If ROFR Group and ROFR Company are unable, in good faith, to reach agreement on the sale or management of the Medical Practice(s), as relevant, on mutually acceptable terms within the Exclusivity Period, then ROFR Group may proceed to negotiate with a third party to manage or sell such Medical Practice(s), provided that if ROFR Group and the third party reach a proposed agreement (a "Third Party Agreement"), ROFR Company shall have a right of first refusal to manage or buy such Medical Practice(s) on the same terms as the Third Party Agreement.

[SIGNATURES FOLLOW]

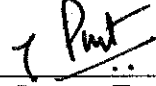
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered as of the dates listed below.

COMPANY:

TOTAL RENAL CARE, INC., a California corporation

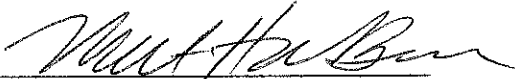

By: Jason Bosh
Its: Division Vice President
Dated: 11/21/13

PHYSICIAN:


_____, individually
Name: Puneet Tandon, M.D.
Dated: 11/8/13
Email Address: md.tandon@yahoo.com

APPROVED AS TO FORM:

DAVITA HEALTHCARE PARTNERS INC.


By: Margaret Howell Benson
Its: Group General Counsel

**EXHIBIT A
TO MEDICAL DIRECTOR AGREEMENT**

SEE ATTACHED BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT ("Agreement") is entered into as of November 21 2013 (the "Effective Date") by and between DaVita HealthCare Partners Inc., by and on behalf of its covered entity subsidiaries, affiliates, and related organizations (collectively, the "Covered Entity"), and Puneet Tandon, M.D. ("Business Associate").

RECITALS

WHEREAS, Covered Entity and Business Associate have entered into an agreement and/or other arrangement (collectively, the "Product or Services Agreement") pursuant to which Business Associate provides products ("Products") and/or services ("Services") to Covered Entity that may require Business Associate to access, create, receive, maintain, or transmit health information that is protected by state and/or federal law; and

WHEREAS, Business Associate will require access to Protected Health Information ("PHI") in connection with providing the Products to or performing the Services for Covered Entity under the Product or Services Agreement; and

WHEREAS, Covered Entity and Business Associate desire to enter into this Agreement to reflect their mutual understanding of the use, disclosure and general confidentiality obligations of Business Associate as it relates and applies to the Product or Services Agreement, as well as to allow Covered Entity and Business Associate to fully comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, the "Privacy Rule" (45 CFR Parts 160 and 164, subparts A and E), the "Security Rule" (45 CFR Part 164, subparts A and C), and the federal "Breach Notification Rule (45 CFR Part 164, subpart D), as amended or added by the Health Information Technology for Economic and Clinical Health Act ("HITECH") and its implementing regulations (collectively "HIPAA").

NOW, THEREFORE, in consideration of the mutual promises and other consideration contained in this Agreement, the delivery and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

PHI as used herein shall mean and be limited to "protected health information," as defined in the Privacy Rule that relates to the Covered Entity's patients. All other terms used, but not otherwise defined, herein shall have the same meaning as those terms set forth in HIPAA.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

- 2.1. Permitted Uses:** Business Associate agrees not to use PHI other than as permitted or required by this Agreement to provide the Products or to perform the Services, as applicable. Subject to the terms and conditions of this Agreement, Business Associate may also use PHI for the proper management and administration of Business

Associate. Notwithstanding any other provision of this Agreement, this Agreement does not authorize Business Associate to use any of Covered Entity's PHI in a manner that would violate HIPAA if done by Covered Entity.

2.2. Permitted Disclosures: Business Associate will hold Covered Entity's PHI in confidence and will not disclose any of Covered Entity's PHI, except as may be permitted or required by this Agreement to provide the Products or to perform the Services, as applicable, or as Required by Law. Business Associate may also disclose the minimally necessary amount of PHI required for the proper management and administration of Business Associate; provided that with respect to any such disclosure of PHI, such disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person agrees to notify the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

2.3. Obligations of Business Associate:

2.3.1. De-Identified Health Information: Except as otherwise provided herein, Business Associate will not de-identify any of Covered Entity's PHI without Covered Entity's prior written consent, which consent may be withheld by Covered Entity in its sole and absolute discretion. Notwithstanding the foregoing, Business Associate may, in accordance with the Privacy Rule, de-identify PHI to the extent necessary to provide the Products or to perform Services, as applicable, under the Product or Services Agreement.

2.3.2. Safeguards: Business Associate agrees to use appropriate administrative, physical and technical safeguards to prevent the use or disclosure of Covered Entity's PHI for any purpose other than the provision of Products or the performance of the Services, as applicable, under the Product or Services Agreement.

2.3.3. Minimum Necessary: In all cases, Business Associate will make reasonable efforts to use, disclose and request of Covered Entity, only the minimum amount of Covered Entity's PHI reasonably necessary to accomplish the intended purpose of the use, disclosure or request. Without limiting the generality of the foregoing, Business Associate shall act in accordance with any guidance promulgated or to be promulgated by HHS (as defined herein) related to the use and disclosure of the minimum necessary amount of PHI.

2.3.4. No Sale of PHI: Business Associate shall not sell, transfer, sub-license or disclose Covered Entity's PHI to a third party, except as otherwise specifically permitted by the Product or Services Agreement. Without limiting the generality of the foregoing, Business Associate shall not, directly or indirectly,

receive any remuneration in exchange for the sale, transfer, sub-license or disclosure of any of Covered Entity's PHI, unless prior written approval is provided by Covered Entity (which approval may be withheld by Covered Entity in its sole and absolute discretion) and only so long as the sale is in accordance with the Privacy Rule, as may be amended.

2.3.5. No Marketing: Business Associate shall not use or disclose Covered Entity's PHI for any marketing activities without Covered Entity's prior written consent and in accordance with the Privacy Rule, as may be amended.

2.3.6. Agents and Subcontractors: To the extent permitted by the Product or Services Agreement, in the event Business Associate engages any agent or Subcontractor to provide the Products or to perform the Services under the Product or Services Agreement and discloses PHI to such agent or Subcontractor, Business Associate will require any such agent or Subcontractor to be bound to the same restrictions, obligations and conditions as required in this Agreement.

2.3.7. Inspection and Copies: Upon written request from the Covered Entity, and no more than ten (10) business days after receipt of such written request, Business Associate agrees to make PHI in a Designated Record Set within Business Associate's custody or control available to Covered Entity or, at Covered Entity's direction, to an Individual (or the Individual's Personal Representative) for inspection and obtaining copies pursuant to 45 CFR § 164.524, as may be amended.

2.3.8. Amendments: Upon receipt of written notice from the Covered Entity, Business Associate shall promptly amend a Designated Record Set containing PHI pursuant to 45 CFR § 164.526, as may be amended.

2.3.9. Accounting of Disclosures: Business Associate will record and track information related to certain disclosures of PHI, as may be required by Covered Entity to respond to a request by an Individual for an accounting of such disclosures in accordance with 45 CFR § 164.528, as may be amended. Upon receipt of written notice from the Covered Entity, Business Associate shall, within ten (10) business days, make any and all such disclosure accounting information available to Covered Entity for the purpose of Covered Entity providing Individuals with an accounting of the disclosures of their PHI as required by 45 CFR § 164.528, as may be amended.

2.3.10. Restriction Agreements and Confidential Communication Requests. Business Associate will comply with any agreement that Covered Entity makes that either (i) restricts the use or disclosure of any of Covered Entity's PHI pursuant to 45 C.F.R. § 164.522(a), as may be amended, or (ii) requires confidential communication about any of Covered Entity's PHI pursuant to 45 C.F.R. § 164.522(b), as may be amended, provided that Covered Entity notifies Business Associate, in writing, of the restriction or confidential communication

obligations that Business Associate must follow.

2.3.11. Access to Books and Records by the Secretary of HHS: Business Associate shall make its internal practices, books and records related to the use and disclosure of PHI received from, created, received, maintained or transmitted by Business Associate on behalf of Covered Entity, available to Covered Entity or the Secretary of Health and Human Services (“HHS”) for the purposes of determining Business Associate’s compliance with this Agreement and HIPAA and Covered Entity’s compliance with HIPAA, respectively.

2.3.12. Breach of Agreement, Privacy Rule or Security Rule; Security Incident Reporting; Breach Notification involving Unsecured PHI: Business Associate will report to Covered Entity, within seventy-two (72) hours of discovery, any (a) breach of this Agreement; (b) Security Incident as defined at 45 C.F.R. Part 164, Subpart C; or (c) Breach as defined at the Breach Notification Rule”. Without limiting the generality of the foregoing, Business Associate’s report will at least:

- a. identify the nature of the breach, Security Incident, or Breach, including how such breach, Security Incident, or Breach occurred;
- b. identify the PHI that was the target of the breach or Security Incident, or the unsecured PHI involved in the Breach, including the types of identifiers involved and the likelihood of re-identification;
- c. if known, identify person/entity who used or received the PHI;
- d. identify if PHI was actually acquired or viewed;
- e. identify what corrective action Business Associate took or will take to prevent further non-permitted uses or disclosures or Breaches;
- f. identify what Business Associate did or will do to mitigate any risk or deleterious effect of the non-permitted use or disclosure or Breach; and
- g. provide such other information, including a written report, as Covered Entity may reasonably request.

2.3.13. Health Information Policies and Procedures: In connection with the delivery of the Products or Services under the Product or Services Agreement, Business Associate agrees to abide by and be bound by all Covered Entity’s health information policies and procedures pertaining to vendors, confidentiality of Covered Entity’s PHI and otherwise, as such policies and procedures may be in effect from time to time.

2.3.14. Compliance with Law: At all times during the term of this Agreement, Business Associate will comply with all applicable federal, state and local laws, rules and regulations pertaining to patient records and the confidentiality of

patient information, including Covered Entity's PHI. To the extent Business Associate is to carry out Covered Entity's obligation under the Privacy Rule, Business Associate will comply with the requirements of the Privacy Rule that apply to Covered Entity in the performance of the obligation.

2.3.15. Security Rule Obligations: Without limiting the generality of Section 2.3.14, Business Associate hereby covenants and agrees to the following:

2.3.15.1. Administrative Safeguards. Business Associate shall have: (i) implemented policies and procedures to prevent, detect, contain, and correct security violations in accordance with the implementation specifications set forth at 45 C.F.R. § 164.308(a)(1)(ii); (ii) identified a security official who is responsible for the development and implementation of the policies and procedures required by 45 C.F.R. Part 164, Subpart C; (iii) implemented policies and procedures to ensure appropriate access to e-PHI by its employees, agents and/or representatives as provided under 45 C.F.R. § 164.308(a)(4), and to prevent its employees, agents and/or representatives who should not have access under the standards set forth at 45 C.F.R. § 164.308(a)(4) from obtaining access to e-PHI in accordance with the implementation specifications set forth in 45 C.F.R. § 164.308(a)(3)(ii); (iv) implemented policies and procedures for authorizing access to e-PHI that is consistent with the requirements of 45 C.F.R. Part 164, Subpart E as well as in accordance with the implementation specifications set forth at 45 C.F.R. § 164.308(a)(4)(ii); (v) implemented a security awareness and training program for all of its employees and agents (including its directors and officers) in accordance with the implementation specifications set forth at 45 C.F.R. § 164.308(a)(5)(ii); (vi) implemented policies and procedures to address "Security Incidents" in accordance with the implementation specification set forth at 45 C.F.R. § 164.308(a)(6)(ii); and (vii) established (and implemented as needed) policies and procedures for responding to an emergency or other occurrence, including fire, vandalism, system failure and natural disaster, that damages any system that may contain e-PHI in accordance with the implementation specifications set forth at 45 C.F.R. § 164.308(a)(7)(ii). Business Associate will perform periodic technical and nontechnical evaluations in response to any environmental or operational changes affecting the security of e-PHI, and Business Associate will use such evaluations to establish the extent to which Business Associate's administrative safeguards meet the requirements of the e-PHI Security Standards as required by HIPAA.

2.3.15.2. Physical Safeguards. Business Associate shall have implemented: (i) policies and procedures to limit physical access to its electronic information systems and the locations in which such electronic information systems are maintained in accordance with the implementation specifications set forth at 45 C.F.R. § 164.310(a)(2); (ii) policies and procedures that specify the proper functions to be performed, the manner in which those functions are to be performed, and the physical attributes of the surroundings of a specific workstation or class of workstation that can access

e-PHI; (iii) physical safeguards for all workstations that access e-PHI to restrict access to authorized users only; and (iv) policies and procedures that govern: (A) the receipt and removal of hardware and electronic media that contain e-PHI into and out of a location, and (B) the movement of such e-PHI within each such location in accordance with the implementation specifications set forth at 45 C.F.R. § 164.310(d)(2).

2.3.15.3. Technical Safeguards. Business Associate shall have implemented: (i) technical policies and procedures for electronic information systems that maintain e-PHI to allow access only to those persons or software programs that have been granted access rights as specified at 45 C.F.R. § 164.308(a)(4) in accordance with the implementation specifications set forth at 45 C.F.R. § 164.312(a)(2); (ii) hardware, software, and/or procedural mechanisms that record and examine activity in any information systems that contains or uses e-PHI; (iii) policies and procedures to protect e-PHI from improper alteration or destruction in accordance with the implementation specification set forth at 45 C.F.R. § 164.312(c)(2); (iv) procedures to verify that a person or entity seeking access to e-PHI is authorized to receive access to such e-PHI; and (v) technical security measures to guard against unauthorized access to any e-PHI that is being transmitted over an electronic communications network in accordance with the implementation specifications set forth at 45 C.F.R. § 164.312(e)(2).

2.3.15.4. Policies and Procedures and Documentation Requirements. Business Associate shall have implemented reasonable and appropriate policies and procedures to comply with the standards, implementation specifications, or other requirements of the e-PHI Security Standards, taking into account the factors specified at 45 C.F.R. § 164.306(b)(2)(i), (ii), (iii) and (iv). Business Associate shall: (i) maintain the policies and procedures implemented to comply with the e-PHI Security Standards in written or electronic form; and (ii) if an action, activity or assessment is required by 45 C.F.R. Part 164, Subpart C to be documented, maintain a written or electronic record of the action, activity, or assessment in accordance with the implementation specifications set forth at 45 C.F.R. § 164.316(b)(2). Upon request of Covered Entity, Business Associate shall provide Covered Entity with a copy of such policies and procedures.

2.3.15.5. General Terms Regarding e-PHI Security Standards. Business Associate and Covered Entity each acknowledge and agree that the provisions included in this Section 2.3.15 are intended to address certain provisions included in HITECH and its implementing regulations and, if at any time after the Effective Date any of the provisions included in this Section 2.3.15 are modified, amended, supplemented, removed or otherwise changed in any manner as a result of any change to the HITECH, its implementing regulations or any other applicable state, federal or local law, the provisions of this Section 2.3.15 shall be modified, amended, supplemented, removed or otherwise changed so as to comply with any such modification, amendment, supplement,

removal or other change to HITECH, its implementing regulations or any other applicable state, federal or local law; provided that in no event shall Business Associate be required to perform any act or obligation beyond what is required by the HITECH, its implementing regulations or any other applicable state, federal or local law. Notwithstanding anything to the contrary set forth in this Section 2.3.15, Covered Entity acknowledges and agrees that with respect to any implementation specification that is categorized as "Addressable" in the Security Rule, Business Associate shall in its sole reasonable discretion have the right to either: (i) implement the implementation specification as set forth in the Security Rule if Business Associate determines that such implementation specification is a reasonable and appropriate safeguard in Business Associate's environment when analyzed with reference to the likely contribution to protecting Covered Entity's PHI; or (ii) document why Business Associate has determined that implementation of the implementation specification as set forth in the Security Rule is not reasonable and appropriate and implement an equivalent alternative measure that is reasonable and appropriate and will adequately protect Covered Entity's PHI.

2.3.15.6. Breach of Representations and Warranties by Business Associate Relating to e-PHI Security Standards. In addition to any and all remedies which may be available to Covered Entity in this Agreement, Business Associate covenants and agrees that in the event of a breach by Business Associate of any of its covenants and obligations set forth in Section 2.3.15 of this Agreement, Business Associate may be prohibited, at Covered Entity's sole discretion, from receiving any of Covered Entity's PHI until such breach is remedied to Covered Entity's sole reasonable satisfaction.

2.4. Indemnification of Covered Entity: Business Associate agrees to indemnify and hold harmless Covered Entity and its affiliates, directors, officers, employees and agents (other than Business Associate), individually and collectively, against any and all losses, liabilities, judgments, penalties, awards and costs, including costs of investigation and legal fees and expenses, arising out of or related to: (i) a breach of any representation, warranty or covenant of this Agreement; or (ii) any negligent or wrongful acts or omissions of Business Associate or its employees, directors, officers, Subcontractors, or agents, including failure to perform their obligations under HIPAA and HITECH.

3. OBLIGATIONS OF COVERED ENTITY

3.1. Restrictions Requests and Confidential Communications: Covered Entity shall notify Business Associate, in writing, of any agreement Covered Entity makes regarding any restriction or requirement for confidential communication (including any changes or revocation of such restriction agreement or confidential communication requirement), with respect to the use or disclosure of PHI pursuant to 45 C.F.R. § 164.522, as may be amended, to the extent that such restriction agreement or confidential communication requirement may affect Business Associate's use or disclosure of Covered Entity's PHI in the provision of the Products or the performance

of the Services.

- 3.2. Safeguards:** Covered Entity agrees: (i) to use appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to Business Associate pursuant to this Agreement and the Product or Services Agreement, in accordance with the standards and requirements of HIPAA, the Privacy Rule and Security Rule, until such PHI is received by Business Associate; (ii) to inform Business Associate of any consent or authorization, including any changes in or withdrawal of any such consent or authorization, provided to the Covered Entity by an Individual pursuant to 45 C.F.R. § 164.506 or § 164.508, as may be amended; and (iii) that Business Associate may make any use or disclosure of Covered Entity's PHI required under 45 C.F.R. § 164.512, as may be amended.
- 3.3. Indemnity:** Covered Entity will defend, indemnify and hold harmless Business Associate and its directors, officers, members, managers, partners, employees, agents, successors and assigns from and against any and all losses, arising out of any breach of this Agreement by Covered Entity.

4. TERM AND TERMINATION

- 4.1. Term:** This Agreement shall remain in effect until such time as the Product or Services Agreement expires or is terminated or as otherwise provided herein.
- 4.2. Termination:**
- 4.2.1.** Except for the requirements set forth in Section 4.3 which shall survive as set forth therein and except as otherwise provided in Section 4.2.2, this Agreement will terminate on the date that the Product or Services Agreement is terminated or expires.
- 4.2.2.** This Agreement may be terminated by Covered Entity upon the breach of any one or more material provisions of this Agreement by Business Associate, which breach is not corrected to the reasonable satisfaction of Covered Entity by Business Associate within thirty (30) days after written notice of such breach is given to Business Associate by Covered Entity.
- 4.3. Effect of Termination:** Business Associate agrees that upon termination of this Agreement, Business Associate will return or destroy all PHI received from, created or received on behalf of Covered Entity. In the event Business Associate determines (and Covered Entity agrees) that return or destruction is not feasible, Business Associate will extend the protections required in this Agreement to the PHI and limit further uses and disclosures to only those purposes that make the return or destruction of the information infeasible.

5. MISCELLANEOUS

- 5.1. Regulatory References.** A reference in this Agreement to a section in the Privacy Rule, Security Rule, the Breach Notification Rule, HITECH or HIPAA, and its

regulations and requirements means the section(s) in effect or as amended.

- 5.2. Amendment.** No modification of this Agreement will be effective unless made in writing and executed by a duly authorized representative of each party hereto. Without limiting the generality of the foregoing, the parties acknowledge and agree that, in the event of promulgation of a final regulation or an amendment to a final regulation by HHS that affects Business Associate's use or disclosure of Covered Entity's PHI, the parties shall take such reasonable action as is necessary to amend this Agreement in order for Covered Entity and Business Associate to comply with such final regulation or amendment to final regulation.
- 5.3. Notices.** Any notices to be delivered hereunder shall be delivered to the addresses set forth in and consistent with the requirements for delivery of notice contained in, the Product or Services Agreement; provided, that a copy of any notice to Covered Entity hereunder shall also be delivered to: DaVita HealthCare Partners Inc., 2000 16th St. 12th Floor, Denver, CO 80202, Attention: Privacy Office. Notice shall be in writing and shall be deemed effective when personally delivered or, if mailed, three (3) calendar days after the date deposited in the United States mail, first class, postage prepaid, to the addressee at its current business address.
- 5.4. Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and when taken together shall constitute one agreement.
- 5.5. Choice of Law.** All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the state identified in the Product or Services Agreement.
- 5.6. Joint Preparation.** Each party hereto: (i) has participated in the preparation of this Agreement; (ii) has read and understands this Agreement; and (iii) has been represented by counsel of its own choice in the negotiation and preparation of this Agreement. Each party hereto represents that this Agreement is executed voluntarily and should not be construed against any party hereto solely because it drafted all or a portion hereof.
- 5.7. Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision in any other jurisdiction, but this Agreement will be reformed, construed, and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.
- 5.8. Waiver.** No waiver by any party hereto, whether express or implied, of its rights under any provision of this Agreement shall constitute a waiver of the party's rights under such provisions at any other time or a waiver of the party's rights under any other provision of this Agreement. No failure by any party hereto to take any action against

any breach of this Agreement or default by another party hereto shall constitute a waiver of the former party's right to enforce any provision of this Agreement or to take any action against such breach or default or any subsequent breach or default by the other party hereto. To be effective any waiver must be in writing and signed by the waiving party.

5.9. Entire Agreement. This Agreement between the parties hereto supersedes any and all prior business associate agreements and understandings, either oral or written, between the parties.


5.10. Independent Contractor. None of the provisions of this Agreement are intended to create, nor shall be deemed or construed to create, any relationship between the parties hereto other than that of independent entities contracting with each other hereunder solely for the purpose of effecting the provisions of this Agreement. Neither this Agreement nor the fulfillment of any of the obligations hereunder shall be deemed to create any partnership, joint venture, legal association, or other operating relationship between the parties other than as independent contractors. The governing bodies of each party shall have exclusive control of the policies, management, assets, and affairs of their respective organization.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Business Associate Agreement to be executed and delivered as of the day and year first above written.

COVERED ENTITY:

DaVita HealthCare Partners Inc.

BY: 
JASON BOSH
ITS: DIVISION VICE PRESIDENT

DATE: 11/21/13

BUSINESS ASSOCIATE:

BY: 
PUNEET TANDON, M.D.

DATE: 11/8/13

EXHIBIT B

JOINDER TO MEDICAL DIRECTOR AGREEMENT

This joinder ("Joinder") is made as of _____, 20 __, by and among the undersigned. Reference is made to the Medical Director Agreement (the "Agreement"), by and between **Total Renal Care, Inc.**, a California corporation ("Company") and **Puneet Tandon, M.D.** ("Physician") relating to the free-standing dialysis center known as "Kennewick Dialysis" and located at 3208 W. 19th Avenue, Kennewick, Washington 99337 ("Center").

The undersigned hereby acknowledges that [he/she] is employed by Physician and receives and will receive compensation and benefits from such employment or equity ownership. In consideration thereof, the undersigned agrees with and guarantees to Physician that the undersigned shall abide by the terms and conditions of the Agreement, as such may be amended over time, including without limitation the non-competition and non-solicitation covenants contained in Section 16 of the Agreement.

The undersigned further acknowledges and agrees that Company has entered into the Agreement in reliance on the assurance, as reflected in Section 16.8 of the Agreement, that the undersigned shall execute this Joinder and abide by the terms and conditions the Agreement, including without limitation the non-competition and non-solicitation covenants contained in Section 16 of the Agreement.

The undersigned hereby agrees that Company will be a direct third party beneficiary of the covenants made in this Joinder and entitled to enforce the provisions of this Joinder, including without limitation the non-competition and non-solicitation covenants contained in Section 16 of the Agreement.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date first set forth above.

SPECIMEN - DO NOT SIGN

_____, M.D.

By: _____

Email Address: _____

PHYSICIAN:

SPECIMEN - DO NOT SIGN

By: _____

Puneet Tandon, M.D.

Acknowledged:

COMPANY:

TOTAL RENAL CARE, INC., a
California corporation

SPECIMEN - DO NOT SIGN

By: _____

Its: _____

SCHEDULE 3.1 PHYSICIAN DUTIES

At all times during the Term of this Agreement, Medical Director shall maintain professional qualifications and perform responsibilities at the Center in accordance with 42 C.F.R. Part 494 Medicare Conditions for Coverage for End-Stage Renal Disease Facilities which include, but are not limited to, the following:

1. Maintaining Medical Director Qualifications. Medical Director shall:
 - (a) Be qualified and licensed to practice medicine in the state in which Center is located.
 - (b) Be board-certified in one or more of nephrology, pediatrics or internal medicine.
 - (c) Have completed a board-approved training program in nephrology.
 - (d) Specialize in the treatment of individuals with end stage renal disease (“ESRD”) with at least twelve (12) consecutive months of experience or training in the care of patients at ESRD facilities.
 - (e) Meet any additional qualifications to serve as Medical Director required by the state in which Center is located.
 - (f) Maintain current credentials and privileges at Center including required re-credentialing consistent with requirements in DaVita’s Medical Staff Bylaws.
2. Physical Presence in Center and “On Call” Availability. Medical Director shall:
 - (a) Be available to provide services as Medical Director at all times Center is open and be available to respond to emergencies on an “on-call” basis 24 hours per day, 7 days per week.
 - (b) Arrange for a covering physician (“Covering Medical Director”) to provide services consistent with Section 3.2 “Covering Medical Directors” of the Agreement for temporary absences and communicate such arrangement to the Covering Medical Director, Facility Administrator and Regional Operations Director. Medical Director will provide a Covering Medical Director that meets all of the Medical Director qualifications listed above.
3. Center Clinical and Professional Leadership. Medical Director shall:
 - (a) Serve as member of Center Governing Body as clinical leader. Medical Director must attend and participate in both monthly/regularly scheduled Governing Body meetings and any additional meetings deemed necessary to meet the needs of clinical operations. Medical Director shall be accountable to the Governing Body for the quality and safety of medical care provided to patients.

(b) Lead Quality Improvement Facility Management Meetings (“QIFMM”). Medical Director shall attend and participate in QIFMM on a monthly basis.

(c) Be accountable for any Associate Medical Directors overseeing other modalities (i.e. PD, HHD), if applicable.

(d) Promote adherence to DaVita’s Medical Staff Bylaws, the maintenance of a safe working environment and compliance with laws, regulations and Company and DaVita policies and procedures.

4. Patient Admission. Medical Director shall:

(a) Review and approve Center’s admissions policy.

(b) Assure patient care providers adhere to Center’s admissions policy.

(c) Confirm that prior to dialysis treatment each patient has an initial dialysis prescription, orders for care, and baseline physical and nursing assessments.

(d) Confirm prior to first dialysis treatment that patient can be safely treated in Center.

5. Patient Discharge and Transfers. Medical Director shall:

(a) Review and approve Center’s involuntary patient discharge / transfer policy.

(b) Assure interdisciplinary team (“IDT”) adheres to involuntary patient discharge / transfer policy.

(c) Direct the IDT, including the attending physician, in the appropriate management of the patient with disruptive behavior, including non-adherence, threatening behavior, or non-threatening behavior. Assure that the IDT properly documents incidents of disruptive behavior, follows DaVita policy and procedure in addressing that patient’s behavior, and documents the patient’s response in the medical record. Assure that the IDT has completed each of these steps prior to any involuntary discharge or transfer.

(d) Address issues of patient non-adherence with the patient’s attending physician and members of Center’s IDT (as appropriate) and document discussions.

(e) Review, approve, and sign each involuntary patient discharge or transfer.

6. Patient Rights and Confidentiality. Medical Director shall:

(a) Review and approve Center policies on patient confidentiality to confirm compliance with local, state, and federal guidelines.

(b) Assure that patient confidentiality policies and procedures are followed by Center staff and providers.

(c) Work with Center staff to assure that patients receive confidentiality, respect, and privacy information.

(d) Confirm that Center maintains an internal grievance mechanism and communicates the availability of such mechanism to patients.

(e) Review patient grievances during QIFMM.

7. Patient Care. Medical Director shall:

(a) Provide general oversight of and have responsibility for the delivery of patient care and outcomes in Center.

(b) Assure that patients without excludable criteria have been offered referral for transplant and provided information on modality options including withdrawal of dialysis.

(c) Assure the treatment modality is appropriate for the patient during QIFMM.

(d) Review and confirm availability of suitable patient teaching materials for all self-dialysis modalities for all self-dialysis trainees.

(e) Work with Center staff to provide medically necessary supplies/equipment for patients.

(f) Review and approve Center's patient care policies, guidelines, and protocols.

(g) Assure that patient care policies and procedures are followed by each person who treats patients.

(h) Assist Center in collecting co-morbidity and related clinical information.

(i) Monitor Center's IDT to confirm timely completion, quality, and documentation of patient assessments and patient care plans. In fulfilling this responsibility, Medical Director shall

(i) Assure that patient care meetings occur monthly and are being conducted according to policy.

(ii) Assure attendance and contribution to IDT patient care meetings by Attending Physicians.

(iii) Be involved in the education of patients and IDT.

(iv) Perform periodic assessment of patient clinical performance and compliance with care plans as necessary to ensure compliance with Federal and state requirements for conditions for coverage.

(v) Review patient competency to perform dialysis tasks for self-dialysis modalities in QIFMM.

(j) Assure Center has a written and fully executed agreement with a certified laboratory.

(k) Confirm that patient charts are in compliance with state advance directive policies.

8. Water and Dialysate Quality. Medical Director shall:

(a) Provide general oversight for the safety and quality of the water used for patient treatments and assure that the system will produce AAMI quality water. In fulfilling this responsibility, Medical Director shall

(i) Work with Center staff to implement an emergency plan should the water not meet AAMI standards.

(ii) Work with Center staff to implement and regularly test emergency plan.

(iii) Work with Facility Administrator and Biomed staff to review and implement Center specific procedures related to the use of a chemical injection system when necessary to maintain pre-treatment water quality.

(b) Review and approve Center policies on water and dialysate to confirm compliance with federal and state rules and regulations.

(c) Demonstrate working knowledge of the water treatment system installed at Center.

(d) Demonstrate working knowledge of dialysate machines and proportioning ratios.

(e) Review and sign Limulus amebocyte lysate tests and water cultures monthly and assure the existence and completeness of water records and logs.

(f) Monitor effectiveness of water and dialysate processes and procedures through scheduled reviews to identify problems and implement necessary changes related to water and dialysate operations. In fulfilling this responsibility, Medical Director shall oversee audits of water and dialysate procedures, tasks, and logs in accordance with AAMI requirements.

(g) Assure water treatment, storage, and distribution system meets requirements at time of installation.

9. Dialyzer Reprocessing of Hemodialyzers. Medical Director shall:

(a) Determine Center participation in a dialyzer reprocessing program and document such decision in policy and Governing Body minutes.

(b) Review and approve Center policies on the dialyzer reprocessing program to confirm compliance with federal and state rules and regulations.

(c) Work with Center staff to establish a training course for staff performing hemodialyzer reprocessing. In fulfilling this responsibility, Medical Director shall

(i) Approve training manual and confirm materials are current and available to Center staff.

(ii) Assure there is a written document to provide details about the curriculum and address the potential risks to patients and staff members for not following correct procedures.

(d) Certify successful completion of dialyzer reprocessing training by applicable staff and record in trainee's personnel file along with verification of the trainee having received the instruction.

(e) Assure the existence and completeness of reprocessing records to document each dialyzer from first use to discard.

(f) Demonstrate working knowledge of dialyzer reprocessing machine and review output to assure proper functioning.

(g) Monitor effectiveness of dialyzer reprocessing processes and procedures through scheduled reviews to identify problems and implement necessary changes related to dialyzer reprocessing operations. In fulfilling this responsibility, Medical Director shall oversee audits of dialyzer reprocessing procedures, tasks, and logs in accordance with AAMI requirements.

10. Infection Control. Medical Director shall:

(a) Provide general oversight for infection control activities at Center.

(b) Work with Center staff to conduct infection control surveillance and reporting.

(c) Perform a monthly review of data and identify issues, including but not limited to:

(i) Identified infection control issues at Center.

(ii) Vaccination rates for Hepatitis B, Influenza, and Pneumococcus.

(iii) Incidence of infections at Center.

(iv) Infection control audit reports.

(v) Hepatitis C Virus and Hepatitis B Virus surveillance.

(vi) Vascular Access ("VA") infections and peritonitis in PD program and other serious infections.

(d) Review and approve policies regarding infection control.

(e) Work with Center staff (including corporate assistance as necessary) to conduct and document investigations into infectious diseases and drug resistant organisms. In fulfilling this responsibility, Medical Director shall:

(i) Identify trends that need root cause analysis.

(ii) Direct and monitor remediation at QIFMM meetings.

(iii) Assure Reportable Infectious Diseases are reported to the State Health Department and validate compliance with Federal, state, Company and DaVita programs.

11. Physical Environment. Medical Director shall:

(a) Work with Center staff to maintain a safe treatment environment.

(b) Assure there is a process for the general oversight of maintenance and that the outcomes of the process are monitored to assure:

(i) Patient care associated equipment (including emergency equipment, dialysis machines and equipment, the water treatment system and dialyzer reprocessing equipment) are maintained and operated in accordance with manufacturer's recommendations.

(ii) Training to staff and patients to manage medical and non-medical emergencies, including periodic drills to evaluate preparedness.

(iii) Annual evaluation of the effectiveness and update of Center's emergency and disaster plans.

(iv) Compliance with applicable fire safety requirements.

12. Safety. Medical Director shall:

(a) Provide general oversight for safety activities at Center.

(b) Review and approve policies regarding safety.

(c) As part of Quality Assessment and Performance Improvement Plan ("QAPI") activities, work with Center staff to monitor potential safety issues at Center, including but not limited to, performance of a monthly review of:

(i) Sentinel events.

(ii) Adverse patient occurrences.

(iii) Product, equipment, medication notices or recalls.

(iv) Patient grievances.

(v) Occupational Safety and Health Administration and safety checklist.

13. Quality Assessment and Performance Improvement. Medical Director shall:

- (a) Lead quality activities at Center.
- (b) Review and approve policies regarding quality activities at Center.
- (c) Oversee monthly QIFMM. In fulfilling this responsibility and without limitation as to other requirements of oversight, Medical Director shall
 - (i) Review quality indicators and outliers.
 - (ii) Review deaths of Center patients.
 - (iii) Review patient hospitalizations, discharges, and transfers.
 - (iv) Review infection control activities.
 - (v) Review adverse occurrences.
 - (vi) Review safety issues.
 - (vii) Review physical systems (water machines, dialyzer reprocessing and physical plant) issues.
 - (viii) Review Center staff education and training.
 - (ix) Review patient and Center staff grievances.
 - (x) Identify trends in patient grievances, determine corrective actions, and incorporate into Center's quality program.
 - (xi) Identify underperforming Attending Physicians and work with them to develop a plan of correction to improve outcomes.
 - (xii) Participate in Center based clinical problem solving including development, implementation, and monitoring of corrective action plans to address areas where issues are identified.
 - (xiii) Develop standard protocols which require blood and dialysate cultures and endotoxin levels be collected in the event of patient adverse reaction(s) during or following dialysis treatment.
- (d) Participate in interviews with Medicare Surveyors to clarify any issues identified about Center and staff's practices related, but not limited to, infection control, water and dialysate, dialyzer reprocessing of hemodialyzers and bloodlines, and governance.
- (e) Participate and support quality activities at Center and DaVita, including but not limited to:
 - (i) Integrated Quality System ("IQS") processes and activities.
 - (ii) DaVita quality initiatives.
 - (iii) Continuous Quality Improvement ("CQI") projects at Center.

(iv) Facility audits, including both internal audits and external CMS survey audits, and related Corrective Action Plans.

(f) Communicate with Governing Body regarding the quality activity needs identified.

14. Policies and Procedures. Medical Director shall:

(a) Review and participate in discussion regarding policies and procedures which may be created and adopted by the Physician Council and the Company, and work with Center staff to individualize policies to address unique Center situations.

(b) Participate in the development, implementation, and periodic review of Center specific policies and procedures.

(c) Approve, in conjunction with the Governing Body, policies and procedures at Center.

(d) Monitor Center staff and attending physician compliance with policies and procedures.

15. Documentation Maintenance and Retention. Medical Director shall:

(a) Comply with Center's and DaVita's record keeping, review, timing, removal, and retention requirements policies and procedures.

(b) Sign involuntary discharges.

(c) Direct Center staff to document thoroughly and accurately every incident of non-compliance, and facilitate and participate (as appropriate) in any First Letter of Concerns or Formal Patient Care Conferences.

(d) Assure patient medical records are current and maintained in accordance with Center's policies and procedures, Medical Staff Bylaws and applicable regulations, including but not limited to:

(i) Patient plans of care through attending physician participation in IDT care plan meetings.

(ii) Medical history.

(iii) Result of physical examinations and laboratory tests.

(iv) Progress reports prepared by patient care staff.

(v) Complete and legibly signed orders with diagnosis supporting medical justification.

(vi) Discharge summaries.

(e) Work with Center staff to protect the privacy and security of patients' medical record information.

16. Center Staff Education, Training, and Performance. Medical Director shall:

(a) Oversee appropriate orientation of staff to Center and their work responsibilities.

(b) Review and approve policies, procedures, and materials for clinical training of Center staff.

(c) Review and approve the patient care technician, biomed technician and dialyzer reprocessing training program at Center.

(d) Assure that Center staff members receive the appropriate education and training to competently perform their job responsibilities, including but not limited to the following:

- (i) Infection Control.
- (ii) Water and dialysate quality.
- (iii) Dialyzer reprocessing.
- (iv) Emergency preparedness.

(e) Work with Facility Administrator to review and attest to Center staff competency files at least quarterly for existing staff and upon completion of training for new hires and assure that staff members are competent to carry out their assigned duties and follow Center policy regarding expected performance, including review of staff surveys.

(f) Cooperate and participate in Center's and Company's education programs and in-service programs.

(g) Assure appropriate Center staff training and competency is evaluated when problems identified in QIFMM.

17. Center Medical Staff Education and Performance. Medical Director shall:

(a) Oversee appropriate orientation of medical staff and other providers to Center.

(b) Assure attending physicians are educated on and familiar with Center policies and procedures, clinical benchmarks, guidelines, protocols, and quality processes.

(c) Assure attending physicians

- (i) Maintain privileges at local hospitals.
- (ii) Provide coverage during absences and inform Center.

(d) Communicate expectations to the medical staff regarding staff participation in improving the quality of medical care provided to Center patients.

(e) Work with Center Governing Body to review and approve practitioner privileging requests at initial appointment, reappointment, and for facility add requests. Ensure that privileging requests are handled timely, within 30-60 days from the request being received from credentialing, as required under the DaVita Medical Staff Bylaws.

(f) Review credentialing files (including applicable board and licensure requirements) of Center medical staff with Facility Administrator at least quarterly and at reappointment.

(g) Assure compliance with state, local, and Company and DaVita requirements regarding the employment and practice of Physician Extenders in Center.

(h) Assure that attending physicians who maintain privileges at Center are holding patient care meetings consistent with Center's medical staff bylaws.

(i) Counsel in person or in writing any member of the medical staff not complying with Medical Staff Bylaws or meeting Company and DaVita performance standards and requirements, including but not limited to:

(i) Monthly patient rounding.

(ii) Complete and timely documentation, including assessments, progress notes, and care plans.

(iii) Incorporation of the patient record of care in Center medical record.

(j) Act in coordination with Company, the Physician Council, the Credentialing and Peer Review Committee, DaVita's Office of Chief Medical Officer ("OCMO"), Facility Administrator and Governing Body in matters of concern to Center, and participate in the medical staff peer review process as provided for in the Medical Staff Bylaws.

18. Healthcare Provider Liaison and Medical Staff Privileges. Medical Director shall:

(a) Maintain current, unrestricted staff privileges at a healthcare provider (e.g. hospital) that will provide acute hospitalization and back-up to patients of Center.

(b) Assist and participate in quality assurance activities with healthcare providers as requested by Center and healthcare provider.

19. Medical Director Education Programs. Medical Director:

(a) Shall participate in such meetings, education sessions and events as required by Company.

(b) Notwithstanding the foregoing, if new to the medical director role with DaVita

(i) Company recommends completion of the Medical Director Roles & Responsibilities course on DaVita's online learning system.

(ii) Company recommends attendance at one or more of the existing training programs/meetings available to Medical Directors, including, but not limited to DaVita Medical Director Education Program at the annual Physician Leadership Meeting and DaVita specific courses/training for new medical directors.

(1) Medical Director should complete above training within the first twelve (12) months of the Medical Director's term of service.

(c) Complete additional education as required by the Governing Body or OCMO.

(d) For any required training, evidence of course completion must be submitted to the Governing Body for inclusion in Governing Body minutes. For all others, Company recommends evidence of course completion also be submitted to Governing Body.

20. Company Meetings and Committees. Medical Director shall:

(a) Attend administrative meetings with Facility Administrator as reasonably requested by Facility Administrator upon reasonable notice to Medical Director.

(b) Assure attendance by attending physician at monthly patient care meetings convened for the review of the progress and care of each patient at Center.

(c) Company recommends attendance at DaVita Physician Leadership Meeting annually, and certain regional Medical Director Conferences as reasonably scheduled by OCMO. Company also recommends Covering Medical Director attend Physician Leadership Meeting. Company may, in its sole and reasonable discretion and upon reasonable notice, require attendance at DaVita's Physician Leadership Meeting or any other meetings.

(d) Meet with Company and DaVita personnel as required.

(e) Schedule in advance sufficient time for monthly meetings including QIFMM, Governing Body, and others as needed.

(f) Cooperate and support reasonable, clearly defined, vendor activities as approved by Company and DaVita and Center's Governing Body in a manner consistent with Center Medical Staff Bylaws.

21. Protection of Confidential Information and Goodwill. Medical Director shall:

(a) Take necessary and appropriate actions to assure that the Confidential Information, as defined in the Agreement, and the goodwill associated with Center's and Company's relationships with patients, employees, vendors, consultants and others, both of which are acknowledged to be of extreme importance and value to Center and Company, are protected and preserved to the maximum extent possible.

(b) Assure that Center staff, consultants and others properly exposed to such Confidential Information and goodwill are trained in effective measures to protect and preserve

such Confidential Information and goodwill for the exclusive use of Center and Company, and the importance of and need for such measures.

22. Compliance with Conditions for Coverage, Laws and Regulations, and Company's and DaVita's Compliance Programs. Medical Director shall:

(a) Be familiar with and perform other duties required under and be in compliance with 42 C.F.R. Part 494 Medicare Conditions for Coverage for End-Stage Renal Disease Facilities and other applicable laws and regulations.

(b) Comply with and assure compliance by members of the Medical Staff of Center with Company's and DaVita's established policies and procedures, the Medical Staff Bylaws, and the requirements of 42 C.F.R. § 494.150, as amended from time to time, as well as other applicable state and federal laws and regulations.

(c) Comply with and participate in Company's and DaVita's compliance program, initiatives, policies, training, and Privacy & Security Standards.

(d) Notify DaVita's Chief Compliance Officer of any violation of any applicable law, regulation, third party payor requirement or breach of DaVita's compliance program.

(e) Cooperate with DaVita in responding to or resolving any complaint, investigation, inquiry or review initiated by a governmental agency, or DaVita.

(f) Communicate exclusion from participation in any federal health care program or knowledge of any Final Adverse Action.

(g) Participate in interviews with Medicare Surveyors to clarify any issues identified about Center and staff's practices related but not limited to infection control, water and dialysate, dialyzer reprocessing of hemodialyzers and bloodlines, and governance.

(h) Review survey reports, both internal and external, and participate as needed in Plans of Correction.

(i) Cooperate with any ESRD Network activities related to Center.

Appendix 4

Patients by Zip Code

Kennewick patient by Zip

Zip code

| | | | |
|-------|----|--|--|
| 99354 | 1 | | |
| 99338 | 5 | | |
| 99336 | 19 | | |
| 99337 | 12 | | |
| 99301 | 5 | | |
| 99352 | 1 | | |

Appendix 5

Letter of Intent



November 1, 2021

Via Email

Certificate of Need Program
Washington State Department of Health
Attn: Eric Hernandez, Program Manager
PO Box 47852
Olympia, WA 98504-7852

Dear Mr. Hernandez:

Total Renal Care, Inc., a subsidiary of DaVita Inc. (hereafter "DaVita"), hereby submits a letter of intent for Nonspecial Circumstances Cycle 2 to apply for a Certificate of Need to expand DaVita Kennewick Dialysis by two (2) Certificate of Need-approved stations and convert the existing Certificate of Need exempt isolation station to a non-exempt isolation station in the Benton County ESRD Planning Area (hereafter "Benton County"). In accordance with WAC 246-310-080 and 246-310-806, the following information is provided:

A Description of the Services Proposed:

DaVita proposes to expand DaVita Kennewick Dialysis by two (2) stations and convert the existing Certificate of Need exempt isolation station to a non-exempt isolation station. This will create a thirteen (13) station dialysis facility, which includes a non-exempt private isolation station, that will provide and support in-center hemodialysis.

Estimated Cost of the Proposed Project:

DaVita's capital expenditure associated with this project is estimated to be **\$448,428**.

Description of the Service Area:

The service area will be the Benton County ESRD Planning Area.

We look forward to continuing to serve dialysis patients in Washington.

Sincerely,

A handwritten signature in black ink that reads "Jenna Gilbreath".

Jenna Gilbreath
Director – Special Projects
DaVita, Inc.

Appendix 6

Operational and Financial Commitment Letter



April 9, 2021

Via Email

Certificate of Need Program
Washington State Department of Health
Attn: Eric Hernandez, Program Manager
PO Box 47852
Olympia, WA 98504-7852

Dear Mr. Hernandez:

DaVita, Inc. is planning new projects for the Washington State area. The DaVita, Inc. Board of Directors has authorized management to make strategic investments in operations throughout the United States. The estimated capital expenditure for each project is outlined in a project specific capital expenditure summary and pro forma submitted with each Certificate of Need application. Each project will be funded with cash on hand that has been generated through operations. The capital expenditure is not an advance or load and none of the parent company's debt will be assigned to the facility at any point after the project is complete.

As the Chief Operating Officer – Kidney Care for DaVita, Inc., I have the authority to both authorize individual Certificate of Need applications and commit DaVita to long-term lease agreements, consistent with the investment policies and financial controls that have been established for the corporation.

DaVita has authorized its Special Projects Director responsible for Washington State to submit Certificate of Need applications in that State.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Staffieri".

Michael Staffieri
Chief Operating Office – Kidney Care
DaVita, Inc.

1-303-876-6007 office
1-866-309-3548 fax

Appendix 7

Credentialed Staff

| Name | Job Title | Certification | Certifications | | Expiration Date |
|-------------------|--|--|--|----------------------|-----------------|
| | | | Issuer | Certification Number | |
| Marcela Martinez | Patient Care Technician III Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 09/30/24 |
| Marcela Martinez | Patient Care Technician III Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | HT60372604 | 05/17/22 |
| Brianne Selfridge | Dietitian - Per Diem | Dieticians - Commission on Dietetic Registration | Commission on Dietetic Registration | 954659 | 03/31/22 |
| Brianne Selfridge | Dietitian - Per Diem | Dieticians - Washington State Academy of Nutrition and Dietetics | Washington State Academy of Nutrition and Dietetics | DI00001817 | 11/19/22 |
| Kara Koepl | Patient Care Technician III Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 07/31/24 |
| Kara Koepl | Patient Care Technician III Chronic | Certified Hemodialysis Tech - Oregon Hemodialysis Technicians | Oregon Hemodialysis Technicians | | 06/30/23 |
| Kara Koepl | Patient Care Technician III Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | 60461501 | 11/30/22 |
| Amanda Morrison | Patient Care Technician II Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 11/30/21 |
| Amanda Morrison | Patient Care Technician II Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | 60532252 | 05/27/23 |
| Jennifer Lopez | Registered Nurse II Chronic | Registered (Professional) Nurses - Washington Department of Health | Washington Department of Health | RN00142658 | 02/24/22 |
| Jenna Schut | Social Worker (MSW) - Per Diem | Social Workers - Washington Social Worker | Washington Social Worker | LW61133088 | 02/24/22 |
| Maricel Brest | Patient Care Technician II Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 02/28/22 |
| Maricel Brest | Patient Care Technician II Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | 60826549 | 03/14/23 |

| | | | | | |
|-------------------------|------------------------------------|--|---|------------|----------|
| Kristen Linde | Registered Nurse I Chronic | Registered (Professional) Nurses - Washington Department of Health | Washington Department of Health | RN60092626 | 05/12/22 |
| Sara Lopez Valencia | Patient Care Technician II Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 07/31/22 |
| Sara Lopez Valencia | Patient Care Technician II Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | 60917106 | 11/16/21 |
| Kolby Smith | Patient Care Technician I Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 03/31/24 |
| Kolby Smith | Patient Care Technician I Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | 61024846 | 01/25/23 |
| AVNEET LALLY | Patient Care Technician I Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 03/31/24 |
| AVNEET LALLY | Patient Care Technician I Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | HT61030294 | 06/11/22 |
| Soledad Amaya | Patient Care Technician I Chronic | Certified Clinical Hemo Tech - Nephrology Nursing Certification Commission | Nephrology Nursing Certification Commission | | 10/30/24 |
| Soledad Amaya | Patient Care Technician I Chronic | Health Care Assist Certificatn - Washington Department of Health | Washington Department of Health | HT61131090 | 05/28/22 |
| Ma. Kylee Angeli Demata | Patient Care Technician I Chronic | Initial - Initial National Certification Coming Due | Initial National Certification Coming Due | | 01/19/23 |
| Ma. Kylee Angeli Demata | Patient Care Technician I Chronic | Initial - Initial Washington Certification Coming Due | Initial Washington Certification Coming Due | | 01/19/22 |
| Estela Fuentes | Patient Care Technician I Chronic | Initial - Initial Oregon Certification Coming Due | Initial Oregon Certification Coming Due | | 12/16/21 |

Appendix 8

Historical & Current Financials

Historical Income Statement

DaVita Kennewick Dialysis

| | 2018 | 2019 | 2020 | 2021 |
|---|------------------|------------------|------------------|-------------------------|
| | <i>Totals</i> | | | |
| | FY18 | FY19 | FY20 | FY21 Forecast (Ann.) |
| Treatments: | | | | |
| Chronic | 5,354 | 6,595 | 6,798 | 6,224 |
| PD | 0 | 0 | 0 | 0 |
| Home Hemo | 0 | 0 | 0 | 0 |
| Total Treatments | 5,354 | 6,595 | 6,798 | 6,224 |
| Revenue: | | | | |
| Patient Revenue (incl. Bad Debt) | \$3,045,191 | \$2,750,034 | \$2,668,994 | \$2,443,790 |
| Total Gross Revenue | 3,045,191 | 2,750,034 | 2,668,994 | 2,443,790 |
| Charitable Care | \$39,587 | \$35,750 | \$34,697 | \$31,769 |
| Total Net Revenue | 3,005,604 | 2,714,284 | 2,634,297 | 2,412,021 |
| Expenses: | | | | |
| Salaries & Wages | \$495,249 | \$568,449 | \$523,494 | \$529,283 |
| Employee Non-Base Pay, Benefits & Taxes | \$233,112 | \$252,962 | \$244,272 | \$246,973 |
| Total Salaries, Wages & Benefits | 728,361 | 821,411 | 767,766 | 776,256 |
| Medical Supplies | \$369,410 | \$374,543 | \$345,575 | \$314,407 |
| Medical Director | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| Other Medical (i.e., Lab Tests) | \$52,856 | \$68,262 | \$68,249 | \$73,388 |
| Utilities | \$27,239 | \$31,350 | \$35,551 | \$32,034 |
| Repairs & Maintenance | \$78,461 | \$90,445 | \$368,804 | \$70,593 |
| Ancillary Expense | \$42,159 | \$36,628 | \$147,634 | \$121,281 |
| Other Direct Expenses | \$70,059 | \$63,721 | \$63,267 | \$77,523 |
| Depreciation | \$134,700 | \$117,722 | \$117,169 | \$117,169 |
| Lease Expense | \$181,655 | \$184,333 | \$185,729 | \$187,366 |
| Total Other Operating Expenses | 1,006,538 | 1,017,004 | 1,381,978 | 1,043,762 |
| Total Direct Expenses | 1,734,899 | 1,838,416 | 2,149,744 | 1,820,018 |
| Pre-G&A EBIT | 1,270,705 | 875,868 | 484,553 | 592,004 |
| G&A Allocation | \$304,519 | \$275,003 | \$266,899 | \$262,420 |
| EBIT | 966,186 | 600,865 | 217,654 | 329,584 |

Appendix 9

Detailed Projected Operating Statement (Pro Forma)

Pro-Forma Operating Statement

DaVita Kennewick Dialysis

12.00 9.00 3.00 12.00 12.00 12.00

| | Forecast 2022 | Partial 2023 Jan-Sep | Partial 2023 Oct-Dec | Full Year 2024 | Full Year 2025 | Full Year 2026 |
|--|------------------|-------------------------|-------------------------|-------------------|-------------------|-------------------|
| Total Stations (end of the year - excludes CON-exempt iso station) | 10 | 10 | 13 | 13 | 13 | 13 |
| Total Shifts | 6 | 6 | 6 | 6 | 6 | 6 |
| Total Chronic Capacity (end of period) | 60 | 60 | 78 | 78 | 78 | 78 |
| Total Chronic Patients (end of the period) | 49 | 51 | 51 | 54 | 57 | 60 |
| <i>% of Capacity</i> | 81.7% | 85.0% | 65.4% | 69.2% | 73.1% | 76.9% |
| Average Annual Chronic Patients (avg of beginning & end of period) | 47.5 | 50.0 | 51.0 | 52.5 | 55.5 | 58.5 |
| Total Chronic Treatments | 7,040 | 5,558 | 1,890 | 7,781 | 8,225 | 8,670 |
| Total Home Patients (end of the period) | 0 | 0 | 0 | 0 | 0 | 0 |
| Average Annual Home Patients (avg of beginning & end of period) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Home Treatments | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Patients (avg of beginning & end of period) | 47.5 | 50.0 | 51.0 | 52.5 | 55.5 | 58.5 |
| Total Treatments | 7,040 | 5,558 | 1,890 | 7,781 | 8,225 | 8,670 |

Revenue

| | | | | | | |
|----------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
| Patient Revenue (incl. Bad Debt) | \$ 2,763,811 | \$ 2,181,956 | \$ 741,865 | \$ 3,054,738 | \$ 3,229,295 | \$ 3,403,851 |
| Total Gross Revenue | \$ 2,763,811 | \$ 2,181,956 | \$ 741,865 | \$ 3,054,738 | \$ 3,229,295 | \$ 3,403,851 |
| Charitable Care | \$ 35,930 | \$ 28,365 | \$ 9,644 | \$ 39,712 | \$ 41,981 | \$ 44,250 |
| Total Net Revenue | \$ 2,727,881 | \$ 2,153,590 | \$ 732,221 | \$ 3,015,027 | \$ 3,187,314 | \$ 3,359,601 |

Expenses

| | | | | | | |
|---|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
| Salaries & Wages | \$ 584,329 | \$ 455,908 | \$ 154,948 | \$ 633,920 | \$ 662,177 | \$ 703,978 |
| Employee Benefits, Taxes & Non-Base | \$ 272,659 | \$ 212,735 | \$ 72,301 | \$ 295,798 | \$ 308,984 | \$ 328,489 |
| Total Salaries, Wages & Benefits | \$ 856,988 | \$ 668,643 | \$ 227,249 | \$ 929,718 | \$ 971,161 | \$ 1,032,466 |
| Medical Supplies | \$ 357,852 | \$ 282,515 | \$ 96,055 | \$ 395,520 | \$ 418,122 | \$ 440,723 |
| Medical Director | \$ 50,000 | \$ 37,500 | \$ 12,500 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Other Medical (i.e., Lab Tests) | \$ 70,674 | \$ 55,795 | \$ 18,970 | \$ 78,113 | \$ 82,577 | \$ 87,041 |
| Utilities | \$ 36,814 | \$ 29,064 | \$ 9,882 | \$ 40,689 | \$ 43,014 | \$ 45,339 |
| Repairs & Maintenance | \$ 79,838 | \$ 63,030 | \$ 21,430 | \$ 88,242 | \$ 93,284 | \$ 98,326 |
| Ancillary Expense | \$ 152,879 | \$ 120,694 | \$ 41,036 | \$ 168,971 | \$ 178,627 | \$ 188,282 |
| Other Direct Expenses | \$ 65,515 | \$ 51,722 | \$ 17,586 | \$ 72,411 | \$ 76,549 | \$ 80,687 |
| Depreciation | \$ 117,169 | \$ 87,877 | \$ 38,336 | \$ 153,772 | \$ 153,772 | \$ 153,772 |
| Base Rent | \$ 167,039 | \$ 126,426 | \$ 42,283 | \$ 170,396 | \$ 172,100 | \$ 173,821 |
| Tax & CAM | \$ 21,982 | \$ 16,486 | \$ 5,495 | \$ 21,982 | \$ 21,982 | \$ 21,982 |
| Total Other Operating Expenses | \$ 1,119,760 | \$ 871,109 | \$ 303,572 | \$ 1,240,096 | \$ 1,290,026 | \$ 1,339,972 |
| Total Direct Expenses | \$ 1,976,748 | \$ 1,539,751 | \$ 530,822 | \$ 2,169,815 | \$ 2,261,187 | \$ 2,372,438 |
| Pre-G&A EBIT | \$ 751,133 | \$ 613,839 | \$ 201,399 | \$ 845,212 | \$ 926,127 | \$ 987,163 |
| G&A Allocation | \$ 276,381 | \$ 218,196 | \$ 74,186 | \$ 305,474 | \$ 322,929 | \$ 340,385 |
| EBIT | \$ 474,752 | \$ 395,644 | \$ 127,213 | \$ 539,738 | \$ 603,198 | \$ 646,777 |

Assumptions:

First Full Year: 2024, based on a first patient date in October 2023 at the expanded facility.

Total Stations: CON Approved stations. One CON-exempt isolation station is also included in driving relevant category calculations (bio-med FTE, overall facility depreciation).

Total Chronic Capacity: 6 shift capacity of CON-approved stations is assumed to be 100% utilization.

Patient Census Projections: Census projections are based on a 5-year projection of planning area patients using a regression of 5 years historical data and DaVita's own experience and expertise. This is the same trend line (based on the Department's methodology as applied through 2025), but extended out through the projection period to project planning area census throughout. DaVita uses projected planning area census, existing planning area capacity, and additional market and experiential knowledge to project new facility census.

Charity Care: estimated at 1.3% of gross revenue, consistent with DaVita's historical experience.

Total Treatments: Total Treatment Volume is assumed to be based on average yearly census, a 5% missed treatment rate consistent with DaVita's own experience and expertise, and three treatments weekly for 52 weeks per year.

Revenue per treatment: No inflation is applied to revenue per treatment, which is based on the last full year of operation for the facility and its payer mix.

General expenses: Based on cost per treatment for the last full calendar year (2020) for the facility by category. This excludes lease expenses (noted below), depreciation expense (based on projected capital expenditures and existing depreciation), medical director expense (noted below), and labor costs (noted below).

This also excludes Repairs & Maintenance expense category which is based on year to date cost per treatment for 2021 for the facility due to the unusually high repairs & maintenance cost that this facility experienced in 2020.

Cost inflation: DaVita does not assume inflation in any expense category except where otherwise noted – no current contract cost increases are known except where otherwise noted, and thus are not included.

Medical Director Expense: based on contracted, known expenses in latest medical director agreement that runs through the extent of the three-year projection window.

Lease Expense: base rent for the projection period is based off of sections 2 & 3 of the lease contract which commenced on December 1, 2011 at a rate of \$12,591 per month and assumes a rent adjustment of 1% each lease year. Given that this lease expires on 12/1/2023, it is assumed that the monthly rent continues to increase at a 1% rate each lease year through 2026. Tax and CAM are based on the last full calendar year (2020) for this facility, estimated at \$21,982 per year.

Labor Assumptions: Based on safe, fair, and efficient staffing ratios for projected census and required staff type. Benefits, taxes, and non-base pay are assumed at a rate of 46.66% of base salaries and wages based on 2020 data for the facility. No inflation is assumed.

Appendix 10
Audited Financial Statement
SEC 10k – 2018, 2019, 2020

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2018

Commission File Number: 1-14106



(Exact name of registrant as specified in charter)

Delaware
(State of incorporation)

51-0354549
(I.R.S. Employer Identification No.)

2000 16th Street
Denver, CO 80202
Telephone number (720) 631-2100

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class:</u> | <u>Name of each exchange on which registered:</u> |
|---------------------------------|---|
| Common Stock, \$0.001 par value | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| | | Emerging growth company | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 29, 2018, the aggregate market value of the Registrant's common stock outstanding held by non-affiliates based upon the closing price on the New York Stock Exchange was approximately \$11.9 billion.

As of January 31, 2019, the number of shares of the Registrant's common stock outstanding was approximately 166.4 million shares.

Documents incorporated by reference

Portions of the Registrant's proxy statement for its 2019 annual meeting of stockholders are incorporated by reference in Part III of this Form 10-K.

PART I

Item 1. Business

We were incorporated as a Delaware corporation in 1994. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Exchange Act are made available free of charge through our website, located at <http://www.davita.com>, as soon as reasonably practicable after the reports are filed with or furnished to the Securities and Exchange Commission (SEC). The SEC also maintains a website at <http://www.sec.gov> where these reports and other information about us can be obtained. The contents of our website are not incorporated by reference into this report.

Overview of DaVita Inc.

The Company consists of two major divisions, DaVita Kidney Care (Kidney Care) and DaVita Medical Group (DMG). Kidney Care is comprised of our U.S. dialysis and related lab services, our ancillary services and strategic initiatives, including our international operations, and our corporate administrative support. Our U.S. dialysis and related lab services business is our largest line of business and is a leading provider of kidney dialysis services in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD). DMG is a patient- and physician-focused integrated healthcare delivery and management company with over two decades of providing coordinated, outcomes-based medical care in a cost-effective manner.

In December 2017, we entered into an equity purchase agreement to sell our DMG division to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. As a result, the DMG business has been classified as held for sale and its results of operations are reported as discontinued operations for all periods presented in the consolidated financial statements included in this report.

For financial information about our DMG business see Note 22 to the consolidated financial statements included in this report.

Kidney Care Division

U.S. dialysis and related lab services business overview

Our U.S. dialysis and related lab services business is a leading provider of kidney dialysis services for patients suffering from ESRD. As of December 31, 2018, we provided dialysis and administrative services in the U.S. through a network of 2,664 outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 202,700 patients. We also provide acute inpatient dialysis services in approximately 900 hospitals and related laboratory services throughout the U.S.

The loss of kidney function is normally irreversible. Kidney failure is typically caused by Type I and Type II diabetes, high blood pressure, polycystic kidney disease, long-term autoimmune attack on the kidney and prolonged urinary tract obstruction. ESRD is the stage of advanced kidney impairment that requires continued dialysis treatments or a kidney transplant to sustain life. Dialysis is the removal of toxins, fluids and salt from the blood of patients by artificial means. Patients suffering from ESRD generally require dialysis at least three times a week for the rest of their lives.

According to the United States Renal Data System (USRDS), there were over 511,000 ESRD dialysis patients in the U.S. in 2016. Based on the most recent 2018 annual data report from the USRDS, the underlying ESRD dialysis patient population has grown at an approximate compound rate of 3.8% from 2000 to 2016. However, more recent preliminary data from the USRDS suggest that the rate of growth of the ESRD patient population may be declining. A number of factors may impact ESRD growth rates, including the aging of the U.S. population, increasing transplant rates, incidence rates for diseases that cause kidney failure such as diabetes and hypertension, mortality rates for dialysis patients and growth rates of minority populations with higher than average incidence rates of ESRD.

Since 1972, the federal government has provided healthcare coverage for ESRD patients under the Medicare ESRD program regardless of age or financial circumstances. ESRD is the first and only disease state eligible for Medicare coverage both for dialysis and dialysis-related services and for all benefits available under the Medicare program. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate. See page 6 for further details.

Although Medicare reimbursement limits the allowable charge per treatment, it provides industry participants with a relatively predictable and recurring revenue stream for dialysis services provided to patients without commercial insurance. For the year ended December 31, 2018, approximately 89.6% of our total dialysis patients were covered under some form of

government-based program, with approximately 74.8% of our dialysis patients covered under Medicare and Medicare-assigned plans.

Treatment options for ESRD

Treatment options for ESRD are dialysis and kidney transplantation.

Dialysis options

- *Hemodialysis*

Hemodialysis, the most common form of ESRD treatment, is usually performed at a freestanding outpatient dialysis center, at a hospital-based outpatient center, or at the patient's home. The hemodialysis machine uses an artificial kidney, called a dialyzer, to remove toxins, fluids and salt from the patient's blood. The dialysis process occurs across a semi-permeable membrane that divides the dialyzer into two distinct chambers. While blood is circulated through one chamber, a pre-mixed fluid is circulated through the other chamber. The toxins, salt and excess fluids from the blood cross the membrane into the fluid, allowing cleansed blood to return back into the patient's body. Each hemodialysis treatment that occurs in the outpatient dialysis centers typically lasts approximately three and one-half hours and is usually performed three times per week.

Hospital inpatient hemodialysis services are required for patients with acute kidney failure primarily resulting from trauma, patients in early stages of ESRD and ESRD patients who require hospitalization for other reasons. Hospital inpatient hemodialysis is generally performed at the patient's bedside or in a dedicated treatment room in the hospital, as needed.

Some ESRD patients who are healthier and more independent may perform home-based hemodialysis in their home or residence through the use of a hemodialysis machine designed specifically for home therapy that is portable, smaller and easier to use. Patients receive training, support and monitoring from registered nurses, usually in our outpatient dialysis centers, in connection with their home-based hemodialysis treatment. Home-based hemodialysis is typically performed with greater frequency than dialysis treatments performed in outpatient dialysis centers and on varying schedules.

- *Peritoneal dialysis*

Peritoneal dialysis uses the patient's peritoneal or abdominal cavity to eliminate fluid and toxins and is typically performed at home. The most common methods of peritoneal dialysis are continuous ambulatory peritoneal dialysis (CAPD) and continuous cycling peritoneal dialysis (CCPD). Because it does not involve going to an outpatient dialysis center three times a week for treatment, peritoneal dialysis is an alternative to hemodialysis for patients who are healthier, more independent and desire more flexibility in their lifestyle.

CAPD introduces dialysis solution into the patient's peritoneal cavity through a surgically placed catheter. Toxins in the blood continuously cross the peritoneal membrane into the dialysis solution. After several hours, the patient drains the used dialysis solution and replaces it with fresh solution. This procedure is usually repeated four times per day.

CCPD is performed in a manner similar to CAPD, but uses a mechanical device to cycle dialysis solution through the patient's peritoneal cavity while the patient is sleeping or at rest.

Kidney transplantation

Although kidney transplantation, when successful, is generally the most desirable form of therapeutic intervention, the shortage of suitable donors, side effects of immunosuppressive pharmaceuticals given to transplant recipients and dangers associated with transplant surgery for some patient populations limit the use of this treatment option.

U.S. Dialysis and related lab services we provide

Outpatient hemodialysis services

As of December 31, 2018, we operated or provided administrative services through a network of 2,664 outpatient dialysis centers in the U.S. that are designed specifically for outpatient hemodialysis. In 2018, our overall network of U.S. outpatient dialysis centers increased by 154 primarily as a result of the opening of new dialysis centers and acquisitions, net of center closures and divestitures, representing a total increase of approximately 6.1% from 2017.

As a condition of our enrollment in Medicare for the provision of dialysis services, we contract with a nephrologist or a group of associated nephrologists to provide medical director services at each of our dialysis centers. In addition, other

nephrologists may apply for practice privileges to treat their patients at our centers. Each center has an administrator, typically a registered nurse, who supervises the day-to-day operations of the center and its staff. The staff of each center typically consists of registered nurses, licensed practical or vocational nurses, patient care technicians, a social worker, a registered dietician, biomedical technician support and other administrative and support personnel.

Under Medicare regulations, we cannot promote, develop or maintain any kind of contractual relationship with our patients that would directly or indirectly obligate a patient to use or continue to use our dialysis services, or that would give us any preferential rights other than those related to collecting payments for our dialysis services. Our total patient turnover, which is based upon all causes, averaged approximately 24% in 2018 and 26% in 2017. However, in 2018, the overall number of patients to whom we provided services in the U.S. increased by approximately 2.5% from 2017, primarily from the opening of new dialysis centers and acquisitions, and continued growth within the industry.

Hospital inpatient hemodialysis services

As of December 31, 2018, we provided hospital inpatient hemodialysis services, excluding physician services, to patients in approximately 900 hospitals throughout the U.S. We render these services based on a contracted per-treatment fee that is individually negotiated with each hospital. When a hospital requests our services, we typically administer the dialysis treatment at the patient's bedside or in a dedicated treatment room in the hospital, as needed. In 2018, hospital inpatient hemodialysis services accounted for approximately 5.4% of our U.S. dialysis and related lab services revenues and 4.2% of our total U.S. dialysis treatments.

Home-based dialysis services

Home-based dialysis services includes home hemodialysis and peritoneal dialysis. Many of our outpatient dialysis centers offer certain support services for dialysis patients who prefer and are able to perform either home hemodialysis or peritoneal dialysis in their homes. Home-based hemodialysis support services consist of providing equipment and supplies, training, patient monitoring, on-call support services and follow-up assistance. Registered nurses train patients and their families or other caregivers to perform either home hemodialysis or peritoneal dialysis.

ESRD laboratory services

Our ESRD laboratory services have consisted of two separately licensed, clinical laboratories which specialize in ESRD patient testing. These specialized laboratories provide routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients which are integral components of the overall dialysis services that we provide. Our laboratories provide these tests predominantly for our network of ESRD patients throughout the U.S. These tests are performed to monitor a patient's ESRD condition, including the adequacy of dialysis, as well as other medical conditions of the patient. Our laboratories utilize information systems which provide information to certain members of the dialysis centers' staff and medical directors regarding critical outcome indicators. In 2018, we ceased operations at our prior laboratory locations, and consolidated our laboratory services operations into a single, new geographic location.

Management services

We currently operate or provide management and administrative services pursuant to management and administrative services agreements to 34 outpatient dialysis centers located in the U.S. in which we either own a noncontrolling interest or which are wholly-owned by third parties. Management fees are established by contract and are recognized as earned typically based on a percentage of revenues or cash collections generated by the outpatient dialysis centers.

Quality care

Centers for Medicare and Medicaid Services (CMS) promotes high quality services in outpatient dialysis facilities treating patients with ESRD through its Quality Incentive Program (QIP). QIP associates a portion of Medicare reimbursement directly with a facility's performance on quality of care measures. Reductions in Medicare reimbursement result when a facility's overall score on applicable measures does not meet established standards. For the sixth year in a row, we are an industry leader in QIP, including the industry leader for catheter rates and the total number of our patients in home-based hemodialysis services.

In addition, CMS' Five-Star Quality Rating system, is a rating system that assigns one to five stars to rate the quality of outcomes for dialysis facilities. The rating system provides patients reported information about any given dialysis facility and identifies differences in quality between facilities so that patients can make more informed decisions about where to receive treatment. For the last five years, we have been an industry leader under the CMS Five-Star Quality Rating system.

Our facilities employ registered nurses, licensed practical or vocational nurses, patient care technicians, social workers, registered dietitians, biomedical technicians and other administrative and support teammates who aim to achieve superior clinical outcomes at our centers.

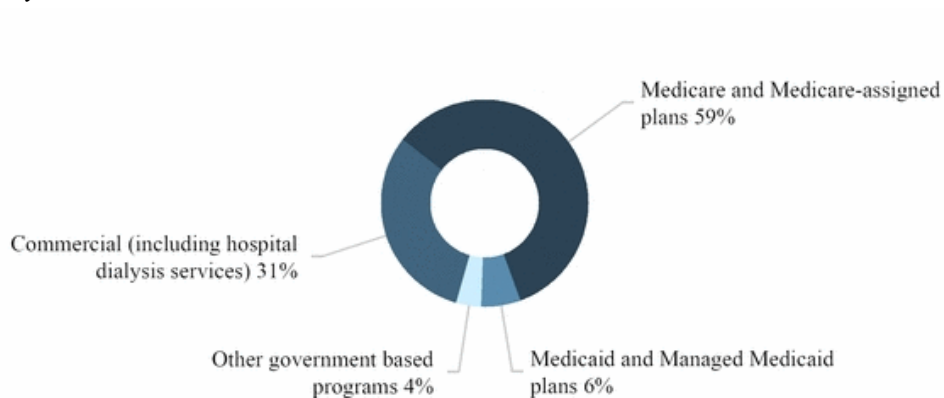
As of December 31, 2018, our physician leadership in the Office of the Chief Medical Officer (OCMO) for our U.S. dialysis and related lab services business included 16 senior nephrologists, led by our Chief Medical Officer, with a variety of academic, clinical practice, and clinical research backgrounds. Our Physician Council is an advisory body to senior management composed of ten physicians with extensive experience in clinical practice. In addition, we also had eight Group Medical Directors as of December 31, 2018.

Sources of revenue—concentrations and risks

Our U.S. dialysis and related lab services business net revenues represent approximately 90% of our consolidated net revenues for the year ended December 31, 2018. Our U.S. dialysis and related lab services revenues are derived primarily from our core business of providing dialysis services and related laboratory services and, to a lesser extent, the administration of pharmaceuticals and management fees generated from providing management and administrative services to certain outpatient dialysis centers, as discussed above.

The sources of our U.S. dialysis and related lab services revenues are principally from government-based programs, including Medicare and Medicare-assigned plans, Medicaid and managed Medicaid plans and commercial insurance plans. The following graphs summarize our U.S. dialysis and related lab patient services revenues by source and our U.S dialysis patient services revenues by modality for the year ended December 31, 2018.

Revenues by source:



Revenues by modality:



Medicare revenue

Government dialysis related payment rates in the U.S. are principally determined by federal Medicare and state Medicaid policy. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single

bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the dialysis treatment, including certain pharmaceuticals, such as Epogen® (EPO), vitamin D analogs and iron supplements, irrespective of the level of pharmaceuticals administered to the patient or additional services performed except for calcimimetics, which are subject to a transitional drug add-on payment adjustment for the Medicare Part B ESRD payment. Most lab services are also included in the bundled payment. Under the ESRD Prospective Payment System (PPS), the bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set annually by CMS through QIP, which was established by the Medicare Improvements for Patients and Providers Act of 2008. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors.

Uncertainty about future payment rates remains a material risk to our business, as well as the potential implementation of or changes in coverage determinations or other rules or regulations by CMS or Medicare Administrative Contractors (MACs) that may impact reimbursement. An important provision in the Medicare ESRD statute is an annual adjustment, or market basket update, to the ESRD PPS base rate. Absent action by Congress, the ESRD PPS base rate is automatically updated annually by a formulaic inflation adjustment.

In November 2018, CMS issued a final rule to update the Medicare ESRD PPS payment rate and policies. Among other things, the final rule expands the transitional drug add-on payment to certain new renal dialysis drugs and biological products and amends the reporting measures in the ESRD QIP. We estimate that the overall impact of the final rule will increase Medicare reimbursement to our ESRD facilities by 1.2% in 2019.

As a result of the Budget Control Act of 2011 (BCA) and subsequent activity in Congress, a \$1.2 trillion sequester (across-the-board spending cuts) in discretionary programs took effect in 2013 reducing Medicare payments by 2%, which was subsequently extended through fiscal year 2027. These across-the-board spending cuts have affected and will continue to adversely affect our business, results of operations, financial condition and cash flows. Although the Bipartisan Budget Act (BBA) of 2018 passed in February 2018 enacted a two-year federal spending agreement and raised the federal spending cap on non-defense spending for fiscal years 2018 and 2019, the Medicare program is frequently mentioned as a target for spending cuts.

The CMS Innovation Center (Innovation Center) is currently working with various healthcare providers to develop, refine and implement Accountable Care Organizations (ACOs) and other innovative models of care for Medicare and Medicaid beneficiaries. We are uncertain of the extent to which the long-term operation and evolution of these models of care, including ACOs, the Comprehensive ESRD Care (CEC) Model (which includes the development of ESRD Seamless Care Organizations (ESCOs)), the Duals Demonstration, or other models, will impact the healthcare market over time. Our U.S. dialysis business may choose to participate in one or several of these models either as a partner with other providers or independently. We currently participate in the CEC Model with the Innovation Center, including the ESCO organizations in the Phoenix-Tucson, Arizona, South Florida, Philadelphia, Pennsylvania-Camden, and New Jersey markets. In areas where our U.S. dialysis business is not directly participating in this or other Innovation Center models, some of our patients may be assigned to an ACO, another ESRD Care Model, or another program, in which case the quality and cost of care that we furnish will be included in an ACO's, another ESRD Care Model's or other program's calculations. In addition to the aforementioned new models of care, federal bipartisan legislation in the form of the Dialysis Patient Access to Integrated-care, Empowerment, Nephrologists, Treatment and Services Demonstration Act of 2017 (PATIENTS Act) has been proposed. The PATIENTS Act builds on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. We have made and continue to make investments in building our integrated care capabilities to prepare for integrated care initiatives such as the PATIENTS Act, but there can be no assurances that the PATIENTS Act or similar legislation will be passed. If such legislation is passed, there can be no assurances that we will be able to successfully provide integrated care on the broader scale contemplated by this legislation, and our costs of care could exceed our associated reimbursement rates. In general, if we are unable to efficiently adjust to these and other new models of care, it may erode our patient base or reimbursement rates, which could have a material adverse impact on our business.

The Department of Health and Human Services (HHS) targeted to tie 40% and 50% of Medicare Fee-for-Service (FFS) payments to quality or alternate payment models by the end of 2017 and 2018, respectively. The Health Care Payment Learning & Action Network reported Medicare FFS had 38.3% of health care dollars tied to alternate payment models for 2017 and results of this target are still pending for 2018. As new models of care emerge and evolve, we may be at risk for losing our Medicare patient base, which would have a material adverse effect on our business, results of operations, financial condition and cash flows. Other initiatives in the government or private sector may also arise, including the development of models similar to ACOs, independent practice associations (IPAs) and integrated delivery systems or evolutions of those concepts which could adversely impact our business.

ESRD patients receiving dialysis services become eligible for primary Medicare coverage at various times, depending on their age or disability status, as well as whether they are covered by a commercial insurance plan. Generally, for a patient not covered by a commercial insurance plan, Medicare becomes the primary payor for ESRD patients receiving dialysis services either immediately or after a three-month waiting period. For a patient covered by a commercial insurance plan, Medicare generally becomes the primary payor after 33 months, which includes the three-month waiting period, or earlier if the patient's commercial insurance plan coverage terminates. When Medicare becomes the primary payor, the payment rates we receive for that patient shift from the commercial insurance plan rates to Medicare payment rates, which are on average significantly lower than commercial insurance rates.

Medicare pays 80% of the amount set by the Medicare system for each covered dialysis treatment. The patient is responsible for the remaining 20%. In most cases, a secondary payor, such as Medicare supplemental insurance, a state Medicaid program or a commercial health plan, covers all or part of these balances. Some patients who do not qualify for Medicaid, but otherwise cannot afford secondary insurance in the form of a Medicare Supplement Plan, can apply for premium payment assistance from charitable organizations to obtain secondary coverage. If a patient does not have secondary insurance coverage, we are generally unsuccessful in our efforts to collect from the patient the remaining 20% portion of the ESRD composite rate that Medicare does not pay. However, we are able to recover some portion of this unpaid patient balance from Medicare through an established cost reporting process by identifying these Medicare bad debts on each center's Medicare cost report.

The 21st Century Cures Act, enacted in December 2016, includes a provision that will allow Medicare beneficiaries with ESRD to choose to obtain coverage under a Medicare Advantage plan, which could broaden access to certain enhanced benefits offered by Medicare Advantage plans. Until the effective date of this law, this choice is available only to Medicare beneficiaries without ESRD. The ESRD related provisions of the 21st Century Cures Act are scheduled to take effect in 2021.

Medicaid revenue

Medicaid programs are state-administered programs partially funded by the federal government. These programs are intended to provide health coverage for patients whose income and assets fall below state-defined levels and who are otherwise uninsured. These programs also serve as supplemental insurance programs for co-insurance payments due from Medicaid-eligible patients with primary coverage under the Medicare program. Some Medicaid programs also pay for additional services, including some oral medications that are not covered by Medicare. We are enrolled in the Medicaid programs in the states in which we conduct our business.

Commercial revenue

Before a patient becomes eligible to elect to have Medicare as their primary payor for dialysis services, a patient's commercial insurance plan, if any, is generally responsible for payment of such dialysis services for up to the first 33 months, as discussed above. Although commercial payment rates vary, average commercial payment rates established under commercial contracts are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profits. Payment methods from commercial payors can include a single lump-sum per treatment, referred to as bundled rates, or in other cases separate payments for dialysis treatments and pharmaceuticals, if used as part of the treatment, referred to as FFS rates. Commercial payment rates are the result of negotiations between us and insurers or third-party administrators. Our out-of-network payment rates are on average higher than in-network commercial contract payment rates. Some of our commercial contracts pay us under a single bundled payment rate for all dialysis services provided to covered patients. However, some of our commercial contracts also pay us for certain other services and pharmaceuticals in addition to the bundled payment. Our commercial contracts typically contain annual price escalator provisions. We are continuously in the process of negotiating agreements with our commercial payors and if our negotiations result in overall commercial contract payment rate reductions in excess of our commercial contract payment rate increases, or if commercial payors implement plans that restrict access to coverage or the duration or breadth of benefits or impose restrictions or limitations on patient access to non-contracted or out-of-network providers, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, if there is an increase in job losses in the U.S., or depending upon changes to the healthcare regulatory system by CMS and/or the impact of healthcare insurance exchanges, we could experience a decrease in the number of patients covered under commercial insurance plans and/or an increase in uninsured or underinsured patients. Patients with commercial insurance who cannot otherwise maintain coverage frequently rely on financial assistance from charitable organizations, such as the American Kidney Fund. If these patients are unable to obtain or continue to receive or receive for a limited duration such financial assistance, or if our assumptions about how patients will respond to any change in such financial assistance are incorrect, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 25% of our U.S. dialysis and related lab patient services revenues and approximately 10.4% of our U.S. dialysis patients are associated with non-acute commercial payors for the year ended December 31, 2018. Non-acute commercial patients as a percentage of our total U.S. dialysis patients for 2018 were relatively flat as compared to 2017. Less than 1% of our U.S. dialysis and related lab services revenues are due directly from patients. There is no single commercial payor that accounted for more than 10% of total U.S. dialysis and related lab services revenues for the year ended December 31, 2018. See Note 2 to the consolidated financial statements included in this report for disclosure on our concentration related to our commercial payors on a total consolidated net revenue basis.

The healthcare reform legislation enacted in 2010 introduced healthcare insurance exchanges which provide a marketplace for eligible individuals and small employers to purchase healthcare insurance. The business and regulatory environment continues to evolve as the exchanges mature, and statutes and regulations are challenged, changed and enforced. Commercial payor participation in the exchanges has decreased and may continue to decrease. If commercial payor participation in the exchanges continues to decrease, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. Although we cannot predict the short- or long-term effects of these factors, we believe future market changes could result in a reduction in ESRD patients covered by traditional commercial insurance policies and an increase in the number of patients covered through the exchanges under more restrictive commercial plans with lower reimbursement rates or higher deductibles and co-payments that patients may not be able to pay. To the extent that changes in statutes, regulations or related guidance or changes in other market conditions result in a reduction in reimbursement rates for our services from commercial and/or government payors, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In December 2016, CMS published an interim final rule that questioned the use of charitable premium assistance for ESRD patients and would have established new conditions for coverage standards for dialysis facilities. In January 2017, a federal court issued a preliminary injunction on CMS' interim final rule and in June 2017, at the request of CMS, the court stayed the proceedings while CMS pursues new rulemaking options. CMS has not issued any new rulemaking related to charitable premium assistance yet, but that does not preclude CMS or another regulatory agency or legislative authority from issuing a new rule or guidance that challenges charitable premium assistance. Additionally, any other law, rule, or guidance, proposed or issued by CMS or other federal or state regulatory or legislative authorities, including any ballot or other initiatives, restricting or prohibiting the ability of patients with access to alternative coverage from selecting a marketplace plan on or off exchange, limiting the amount of revenue dialysis providers can retain for caring for patients with commercial insurance by, among other things, requiring rebates to insurers and taking into account only a portion of the costs incurred by dialysis providers, affecting payments made to providers for services provided to patients who receive charitable premium assistance, and/or otherwise restricting or prohibiting the use of charitable premium assistance, could cause us to incur substantial costs to oppose any such proposed measures, impact our dialysis center development plans, and if passed and/or implemented, could adversely impact dialysis centers across the U.S. making certain centers economically unviable, lead to the closure of certain centers, restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage, and in some cases have a material adverse effect on our business, results of operations, financial condition and cash flows. For a discussion of recent state legislative and ballot initiatives and related risks, see our Risk Factor in Item 1A Risk Factors under the heading "Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."

Revenue from other pharmaceuticals

The impact of physician-prescribed pharmaceuticals on our overall revenues that are separately billable has significantly decreased since Medicare's single bundled payment system went into effect beginning in January 2011, and as a result of commercial contracts that pay us a single bundled payment rate. Effective January 1, 2018, both oral and IV forms of calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder, became the financial responsibility of our U.S. dialysis and lab services business for our Medicare patients and are now reimbursed under Medicare Part B. During an initial pass-through period, Medicare payment for calcimimetics will be based on a pass-through rate of the average sales price plus approximately 4%. CMS has stated intentions to enter calcimimetics into the ESRD bundle two years after transitioning to Part B. Previously, calcimimetics were reimbursed for Medicare patients through Part D once dispensed from traditional pharmacies.

Approximately 7% and 2% of our total U.S. dialysis and related lab services net patient services revenues for the years ended December 31, 2018 and 2017, are associated with the administration of separately-billable physician-prescribed pharmaceuticals of which the administration of calcimimetics and EPO accounted for approximately 5% and 1% of our total U.S. dialysis and related lab services net revenues, respectively, for the year ended December 31, 2018. The administration of EPO accounted for approximately 1% of our total U.S. dialysis and related lab services net revenues for the year ended December 31, 2017.

Currently, EPO and both the oral and IV forms of calcimimetics are produced by a single manufacturer, Amgen USA Inc. (Amgen). In 2017, we entered into a Sourcing and Supply Agreement with Amgen for both the oral and IV versions of calcimimetics that expires on December 31, 2022. Our business, results of operations, financial condition and cash flows could be materially impacted by certain factors relating to calcimimetics, including physician prescribing patterns, vendor contracts with Amgen and other suppliers, the availability in the market of a generic oral equivalent, whether the drug becomes part of the ESRD PPS bundled payment and, if so, at what rate, and how commercial payors will treat reimbursement of the drug. If payors do not pay as anticipated, if we are not adequately reimbursed for the cost of the drug, or the processes we have implemented to provide the drug do not perform as anticipated, then we could be subject to both financial and operational risk, among other things. In addition, in 2017, we also entered into a separate Sourcing and Supply Agreement with Amgen for EPO that expires on December 31, 2022. Under the terms of the agreement, we will purchase EPO in amounts necessary to meet no less than 90% of our requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract. The actual amount of EPO that we will purchase from Amgen will depend upon the amount of EPO administered during dialysis treatments as prescribed by physicians and the overall number of patients that we serve. Any interruption in the supply of EPO, calcimimetics, or product cost increases for which we are not appropriately reimbursed or that we are unable to mitigate could materially impact our operations, among other things.

Physician relationships

Community Physicians

An ESRD patient generally seeks treatment at an outpatient dialysis center near his or her home where his or her treating nephrologist has practice privileges. Our relationships with local nephrologists and our ability to provide quality dialysis services and to meet the needs of their patients are key factors in the success of our dialysis operations. Over 5,300 nephrologists currently refer patients to our outpatient dialysis centers. As is typical in the dialysis industry, one or a few physicians, usually account for all or a significant portion of an outpatient dialysis center's patient base. If a significant number of physicians cease referring patients to our outpatient dialysis centers, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Medical Directors

Participation in the Medicare ESRD program requires that dialysis services at an outpatient dialysis center be under the general supervision of a medical director. Per these requirements, this individual is usually a board certified nephrologist. We have engaged physicians or groups of physicians to serve as medical directors for each of our outpatient dialysis centers. At some outpatient dialysis centers, we also separately contract with one or more other physicians or groups to serve as assistant or associate medical directors over other modalities such as home dialysis. We have over 1,000 individual physicians and physician groups under contract to provide medical director services.

Medical directors for our dialysis centers enter into written contracts with us that specify their duties and fix their compensation generally for periods of ten years. The compensation of our medical directors is the result of arm's length negotiations and generally depends upon an analysis of various factors such as the physician's duties, responsibilities, professional qualifications and experience.

Our medical director contracts, joint venture operating agreements and dialysis center purchase agreements generally include covenants not to compete or own interests in other competing outpatient dialysis centers within a defined geographic area for various time periods, as applicable. These non-compete agreements do not prohibit the physicians from referring patients to any outpatient dialysis center, including competing centers.

As part of our Corporate Integrity Agreement (CIA), as described below, we have agreed not to enforce investment non-compete restrictions relating to dialysis clinics or programs that were established pursuant to a partial divestiture joint venture transaction. Therefore, to the extent a joint venture partner or medical director has a contract(s) with us covering dialysis clinics or programs that were established pursuant to a partial divestiture, we will not enforce the investment non-compete provision relating to those clinics and/or programs.

Government regulation

Our dialysis operations are subject to extensive federal, state and local governmental laws and regulations. These laws and regulations require us to meet various standards relating to, among other things, government payment programs, dialysis facilities and equipment, management of centers, personnel qualifications, maintenance of proper records, and quality assurance programs and patient care.

If any of our operations are found to violate applicable laws or regulations, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price, including:

- Suspension or termination of our participation in government payment programs;
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of required government certifications or exclusion from government payment programs;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Civil or criminal liability, fines, damages or monetary penalties for violations of healthcare fraud and abuse laws, including the federal Anti-Kickback Statute contained in the Social Security Act of 1935, as amended (Anti-Kickback Statute), Civil Monetary Penalties Statute, Stark Law and False Claims Act (FCA), or other failures to meet regulatory requirements;
- Enforcement actions by governmental agencies and/or state law claims for monetary damages from patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses;
- Imposition of and compliance with corporate integrity agreements that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices;
- Termination of various relationships and/or contracts related to our business, including joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and
- Harm to our reputation which could negatively impact our business relationships, affect our ability to attract and retain patients and physicians, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

We expect that our industry will continue to be subject to substantial regulation, the scope and effect of which are difficult to predict. We are currently subject to ongoing investigations, audits and inquiries by various government and regulatory agencies as further described in Note 17 to the consolidated financial statements. Our activities could be reviewed or challenged by regulatory authorities at any time in the future, as further described in Item 1A. Risk Factors under the heading, "We are, and may in the future be, a party to various lawsuits, demands, claims, qui tam suits, governmental investigations and audits (including investigations or other actions resulting from our obligation to self-report suspected violations of law) and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation". This regulation and scrutiny could have a material adverse impact on us.

Licensure and certification

Our dialysis centers are certified by CMS, as is required for the receipt of Medicare payments. In some states, our outpatient dialysis centers also are required to secure additional state licenses and permits. Governmental authorities, primarily state departments of health, periodically inspect our centers to determine if we satisfy applicable federal and state standards and requirements, including the conditions of participation in the Medicare ESRD program.

We have experienced some delays in obtaining Medicare certifications from CMS. However, recent changes in the prioritizing of dialysis providers as well as recent legislation allowing private entities to perform initial dialysis facilities certifications may help to decrease or limit delays. The number of companies who will enter the market and the cost of surveys they might perform is unclear.

Federal Anti-Kickback Statute

The federal Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, in cash or kind, to induce or reward either the referral of an individual for, or the purchase, or order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid.

Federal criminal penalties for the violation of the federal Anti-Kickback Statute include imprisonment, fines and exclusion of the provider from future participation in the federal healthcare programs, including Medicare and Medicaid. Violations of the federal Anti-Kickback Statute are punishable by imprisonment for up to ten years and fines of up to \$100,000 or both. Larger fines can be imposed upon corporations under the provisions of the U.S. Sentencing Guidelines and the Alternate Fines Statute. Individuals and entities convicted of violating the federal Anti-Kickback Statute are subject to mandatory exclusion from participation in Medicare, Medicaid and other federal healthcare programs for a minimum of five years. Civil penalties for violation of this law include up to \$100,000 in monetary penalties per violation, repayments of up to three times the total payments between the parties to the arrangement and suspension from future participation in Medicare and Medicaid. Court decisions have held that the statute may be violated even if only one purpose of remuneration is to induce referrals. The Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (Affordable Care Act (ACA)), amended the federal Anti-Kickback Statute to clarify the intent that is required to prove a violation. Under the statute as amended, the defendant does not need to have actual knowledge of the federal Anti-Kickback Statute or have the specific intent to violate it. In addition, the ACA amended the federal Anti-Kickback Statute to provide that any claims for items or services resulting from a violation of the federal Anti-Kickback Statute are considered false or fraudulent for purposes of the FCA.

The federal Anti-Kickback Statute includes statutory exceptions and regulatory safe harbors that protect certain arrangements. Business transactions and arrangements that are structured to comply fully with an applicable safe harbor do not violate the federal Anti-Kickback Statute. However, transactions and arrangements that do not satisfy all elements of a relevant safe harbor do not necessarily violate the law. When an arrangement does not satisfy a safe harbor, the arrangement must be evaluated on a case-by-case basis in light of the parties' intent and the arrangement's potential for abuse. Arrangements that do not satisfy a safe harbor may be subject to greater scrutiny by enforcement agencies.

We enter into several arrangements with physicians that potentially implicate the Anti-Kickback Statute, such as:

Medical Director Agreements. Because our medical directors refer patients to our dialysis centers, our arrangements with these physicians are designed to substantially comply with the safe harbor for personal service arrangements. Although we endeavor to structure the Medical Director Agreements we enter into with physicians to substantially comply with the safe harbor for personal service arrangements, including the requirement that compensation be consistent with fair market value, the safe harbor requires that when services are provided on a part-time basis, the agreement must specify the schedule of intervals of services, and their precise length and the exact charge for such services. Because of the nature of our medical directors' duties, it is impossible to fully satisfy this technical element of the safe harbor. As a result, these arrangements could be subject to scrutiny since they do not expressly describe the schedule of part-time services to be provided under the arrangement.

Joint Ventures. We own a controlling interest in numerous U.S. dialysis related joint ventures. For the year ended December 31, 2018, these joint ventures represented approximately 25% of our net U.S. dialysis and related lab services revenues. We expect to continue to enter into new U.S. dialysis related joint ventures in the ordinary course of business while maintaining over time most of our existing joint ventures, which would increase the total number of our Kidney Care joint ventures. Our relationships with physicians and other referral sources relating to these joint ventures do not fully satisfy the safe harbor for investments in small entities. Although failure to comply with a safe harbor does not render an arrangement illegal under the federal Anti-Kickback Statute, an arrangement that does not operate within a safe harbor may be subject to scrutiny and the Department of Health and Human Services' Office of Inspector General (OIG) has warned in the past that certain joint venture relationships have a potential for abuse. Physician joint ventures that fall outside the safe harbors are evaluated on a case-by-case basis under the federal Anti-Kickback Statute.

In this regard, we have endeavored to structure our joint ventures to satisfy as many elements of the safe harbor for investments in small entities as we believe are commercially reasonable. For example, we believe that these investments are offered and made by us on a fair market value basis and provide returns to the investors in proportion to their actual investment in the venture. However, since the arrangements do not satisfy all of the requirements of an applicable safe harbor, these arrangements could be subject to scrutiny on the ground that they are intended to induce patient referrals.

We were subject to investigation by the United States Attorney's Office for the District of Colorado, the Civil Division of the United States Department of Justice (DOJ) and the OIG related to our then-existing relationships with physicians,

including our joint ventures, and whether those relationships and joint ventures comply with the federal Anti-Kickback Statute and the FCA. In October 2014, we entered into a Settlement Agreement with the United States and relator David Barbeta to resolve the then pending 2010 and 2011 U.S. Attorney physician relationship investigations. In connection with the resolution of this matter, and in exchange for the OIG's agreement not to exclude us from participating in the federal healthcare programs, we entered into a five-year CIA with the OIG. The CIA (i) requires that we maintain certain elements of our compliance programs; (ii) imposes certain expanded compliance-related requirements during the term of the CIA; (iii) requires ongoing monitoring and reporting by an independent monitor, imposes certain reporting, certification, records retention and training obligations, allocates certain oversight responsibility to the Board's Compliance Committee, and necessitates the creation of a Management Compliance Committee and the retention of an independent compliance advisor to the Board; and (iv) contains certain business restrictions related to a subset of our joint venture arrangements. For additional information regarding our CIA, see Item 1 Business under the heading "Corporate Compliance Program."

Lease Arrangements. We lease space for numerous dialysis centers from entities in which physicians, hospitals or medical groups hold ownership interests, and we sublease space to referring physicians at approximately 240 of our dialysis centers as of December 31, 2018. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for space rentals in all material respects.

Common Stock. Some medical directors and other referring physicians may own our common stock. We believe that these interests materially satisfy the requirements of the Anti-Kickback Statute safe harbor for investments in large publicly traded companies.

Discounts. Our dialysis centers sometimes acquire certain items and services at a discount that may be reimbursed by a federal healthcare program. We endeavor to structure our vendor contracts that include discount or rebate provisions to comply with the federal Anti-Kickback Statute safe harbor for discounts.

If any of our business transactions or arrangements, including those described above, were found to violate the federal Anti-Kickback Statute, we, among other things, could face criminal, civil or administrative sanctions, including possible exclusion from participation in Medicare, Medicaid and other state and federal healthcare programs. Any findings that we have violated these laws could have a material adverse impact on our business, results of operations, financial condition, cash flows, reputation and stock price.

As part of HHS's Regulatory Sprint to Coordinated Care (Regulatory Sprint), OIG issued a request for information (RFI) in August 2018 seeking input on regulatory provisions that may act as barriers to coordinated care or value-based care. Specifically, OIG sought to identify ways in which it might modify or add new safe harbors to the Anti-Kickback Statute (as well as exceptions to the definition of "remuneration" in the beneficiary inducements provision of the Civil Monetary Penalty statute) in order to foster arrangements that promote care coordination and advance the delivery of value-based care, while also protecting against harms caused by fraud and abuse. Comments were due in October 2018, but OIG has yet to issue any proposed rules or take other regulatory action related to the RFI.

Stark Law

The Stark Law prohibits a physician who has a financial relationship, or who has an immediate family member who has a financial relationship, with entities providing Designated Health Services (DHS), from referring Medicare and Medicaid patients to such entities for the furnishing of DHS, unless an exception applies. DHS is defined to mean any of the following enumerated items or services; clinical laboratory services; physical therapy services; occupational therapy services; radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services; radiation therapy services and supplies; durable medical equipment and supplies; parenteral and enteral nutrients, equipment, and supplies; prosthetics, orthotics and prosthetic devices and supplies; home health services; outpatient prescription drugs; inpatient and outpatient hospital services; and outpatient speech-language pathology services. The types of financial arrangements between a physician and a DHS entity that trigger the self-referral prohibitions of the Stark Law are broad and include direct and indirect ownership and investment interests and compensation arrangements. The Stark Law also prohibits the DHS entity receiving a prohibited referral from presenting, or causing to be presented, a claim or billing for the services arising out of the prohibited referral. The prohibition applies regardless of the reasons for the financial relationship and the referral; unlike the federal Anti-Kickback Statute, intent to induce referrals is not required. If the Stark Law is implicated, the financial relationship must fully satisfy a Stark Law exception. If an exception is not satisfied, then the parties to the arrangement could be subject to sanctions. Sanctions for violation of the Stark Law include denial of payment for claims for services provided in violation of the prohibition, refunds of amounts collected in violation of the prohibition, a civil penalty of up to \$15,000 for each service arising out of the prohibited referral, a civil penalty of up to \$100,000 against parties that enter into a scheme to circumvent the Stark Law prohibition, civil assessment of up to three times the amount claimed, and potential exclusion from the federal healthcare programs, including Medicare and Medicaid. Amounts collected for prohibited claims

must be reported and refunded generally within 60 days after the date on which the overpayment was identified. Furthermore, Stark Law violations and failure to return overpayments timely can form the basis for FCA liability as discussed below.

The definition of DHS under the Stark Law excludes services paid under a composite rate, even if some of the components bundled in the composite rate are DHS. Although the ESRD bundled payment system is no longer titled a composite rate, we believe that the former composite rate payment system and the current bundled system are both composite systems excluded from the Stark Law. Since most services furnished to Medicare beneficiaries provided in our dialysis centers are reimbursed through a bundled rate, the services performed in our facilities generally are not DHS, and the Stark Law referral prohibition does not apply to those services. Certain separately billable drugs (drugs furnished to an ESRD patient that are not for the treatment of ESRD that CMS allows our centers to bill for using the so-called AY modifier) may be considered DHS. However, we have implemented certain billing controls designed to limit DHS being billed out of our dialysis clinics. Likewise, the definition of inpatient hospital services, for purposes of the Stark Law, also excludes inpatient dialysis performed in hospitals that are not certified to provide ESRD services. Consequently, our arrangements with such hospitals for the provision of dialysis services to hospital inpatients do not trigger the Stark Law referral prohibition.

In addition, although prescription drugs are DHS, there is an exception in the Stark Law for calcimimetics, EPO and other specifically enumerated dialysis drugs when furnished in or by an ESRD facility such that the arrangement for the furnishing of the drugs does not violate the Stark Law. The exception is available only for drugs included on a list of Current Procedural Terminology/Healthcare Common Procedure Coding System (CPT/HCPCS) codes published by CMS, and for calcimimetics, EPO, Aranesp® and equivalent drugs dispensed by the ESRD facility for use at home. While we believe that most drugs furnished by our dialysis centers are covered by the exception, dialysis centers may administer drugs that are not on the list of CPT/HCPCS codes and therefore do not meet this exception. In order for a physician who has a financial relationship with a dialysis center to order one of these drugs from the center and for the center to obtain Medicare reimbursement, another exception must apply.

We have entered into several types of financial relationships with referring physicians, including compensation arrangements. If our dialysis centers were to bill for a non-exempted drug and the financial relationships with the referring physician did not satisfy an exception, we could be required to change our practices, face civil penalties, pay substantial fines, return certain payments received from Medicare and beneficiaries or otherwise experience a material adverse effect as a result of a challenge to payments made pursuant to referrals from these physicians under the Stark Law.

Medical Director Agreements. We endeavor to structure our medical director agreements to satisfy the personal services arrangement exception to the Stark Law. While we believe that the compensation provisions included in our medical director agreements are the result of arm's length negotiations and result in fair market value payments for medical director services, an enforcement agency could nevertheless challenge the level of compensation that we pay our medical directors.

Lease Agreements. Some of our dialysis centers are leased from entities in which referring physicians hold interests and we sublease space to referring physicians at some of our dialysis centers. The Stark Law provides an exception for lease arrangements if specific requirements are met. We endeavor to structure our leases and subleases with referring physicians to satisfy the requirements for this exception.

Common Stock. Some medical directors and other referring physicians may own our common stock. We believe that these interests satisfy the Stark Law exception for investments in large publicly traded companies.

Joint Ventures. Some of our referring physicians also own equity interests in entities that operate our dialysis centers. We believe that none of the Stark Law exceptions applicable to physician ownership interests in entities to which they make DHS referrals apply to the kinds of ownership arrangements that referring physicians hold in several of our subsidiaries that operate dialysis centers. Accordingly, these dialysis centers do not bill Medicare for DHS referrals from physician owners. If the dialysis centers bill for DHS referred by physician owners, the dialysis centers would be subject to the Stark Law penalties described above.

Ancillary Services. The operations of our ancillary and subsidiary businesses are also subject to compliance with the Stark Law, and any failure to comply with these requirements, particularly in light of the strict liability nature of the Stark Law, could subject these operations to the Stark Law penalties and sanctions described above.

If CMS or other regulatory or enforcement authorities determined that we have submitted claims in violation of the Stark Law, or otherwise violated the Stark Law, we would be subject to the penalties described above. In addition, it might be necessary to restructure existing compensation agreements with our medical directors and to repurchase or to request the sale of ownership interests in subsidiaries and partnerships held by referring physicians or, alternatively, to refuse to accept referrals

for DHS from these physicians, or take other actions to modify our operations. Any such penalties and restructuring or other required actions could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In June 2018, CMS issued an RFI seeking input on how to address any undue regulatory impact and burden of the Stark Law. CMS placed the RFI in the context of HHS's Regulatory Sprint and stated that it identified aspects of the Stark Law that pose potential barriers to coordinated care. CMS thus sought comments on the impact and burden of the Stark Law, including whether it prevents or inhibits care coordination. Comments closed on August 24, 2018 and CMS has not yet issued proposed or final regulations based on the RFI.

Fraud and abuse under state law

Some states in which we operate dialysis centers have laws prohibiting physicians from holding financial interests in various types of medical facilities to which they refer patients. Some of these laws could potentially be interpreted broadly as prohibiting physicians who hold shares of our publicly traded stock or are physician owners from referring patients to our dialysis centers if the centers use our laboratory subsidiary to perform laboratory services for their patients or do not otherwise satisfy an exception to the law. States also have laws similar to or stricter than the federal Anti-Kickback Statute that may affect our ability to receive referrals from physicians with whom we have financial relationships, such as our medical directors. Some state anti-kickback laws also include civil and criminal penalties. Some of these laws include exemptions that may be applicable to our medical directors and other physician relationships or for financial interests limited to shares of publicly traded stock. Some, however, may include no explicit exemption for certain types of agreements and/or relationships entered into with physicians. If these laws are interpreted to apply to referring physicians with whom we contract for medical director and similar services, to referring physicians with whom we hold joint ownership interests or to referring physicians who hold interests in DaVita Inc. limited solely to our publicly traded stock, and for which no applicable exception exists, we may be required to terminate or restructure our relationships with or refuse referrals from these referring physicians and could be subject to criminal, civil and administrative sanctions, refund requirements and exclusions from government healthcare programs, including Medicare and Medicaid, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

Corporate Practice of Medicine and Fee-Splitting

There are states in which we provide management services to nephrology physician practices that have laws that prohibit business entities, such as our Company and our subsidiaries, from practicing medicine, employing physicians to practice medicine or exercising control over medical decisions by physicians (known collectively as the corporate practice of medicine). These states also prohibit entities from engaging in certain financial arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation. Violations of the corporate practice of medicine vary by state and may result in physicians being subject to disciplinary action, as well as to forfeiture of revenues from payors for services rendered. For lay entities, violations may also bring both civil and, in more extreme cases, criminal liability for engaging in medical practice without a license. Some of the relevant laws, regulations, and agency interpretations in states with corporate practice of medicine restrictions have been subject to limited judicial and regulatory interpretation. Moreover, state laws are subject to change.

The False Claims Act

The federal FCA is a means of policing false bills or false requests for payment in the healthcare delivery system. In part, the FCA authorizes the imposition of up to three times the government's damages and civil penalties on any person who, among other acts:

- Knowingly presents or causes to be presented to the federal government, a false or fraudulent claim for payment or approval;
- Knowingly makes, uses or causes to be made or used, a false record or statement material to a false or fraudulent claim;
- Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay the government, or knowingly conceals or knowingly and improperly, avoids or decreases an obligation to pay or transmit money or property to the federal government; or
- Conspires to commit the above acts.

In addition, amendments to the FCA impose severe penalties for the knowing and improper retention of overpayments collected from government payors. Under these provisions, within 60 days of identifying and quantifying an overpayment, a provider is required to notify CMS or the Medicare Administrative Contractor of the overpayment and the reason for it and return the overpayment. An overpayment impermissibly retained could subject us to liability under the FCA, exclusion from government healthcare programs, and penalties under the federal Civil Monetary Penalty statute. As a result of these provisions, our procedures for identifying and processing overpayments may be subject to greater scrutiny.

The penalties for a violation of the FCA range from \$5,500 to \$11,000 (adjusted for inflation) for each false claim, plus up to three times the amount of damages caused by each false claim, which can be as much as the amounts received directly or indirectly from the government for each such false claim. On January 29, 2018, the DOJ issued a final rule announcing adjustments to FCA penalties, under which the per claim penalty range increased to a range from \$11,181 to \$22,363 for penalties assessed after January 29, 2018, so long as the underlying conduct occurred after November 2, 2015. The federal government has used the FCA to prosecute a wide variety of alleged false claims and fraud allegedly perpetrated against Medicare and state healthcare programs, including coding errors, billing for services not rendered, the submission of false cost reports, billing for services at a higher payment rate than appropriate, billing under a comprehensive code as well as under one or more component codes included in the comprehensive code and billing for care that is not considered medically necessary. The ACA provides that claims tainted by a violation of the federal Anti-Kickback Statute are false for purposes of the FCA. Some courts have held that filing claims or failing to refund amounts collected in violation of the Stark Law can form the basis for liability under the FCA. In addition to the provisions of the FCA, which provide for civil enforcement, the federal government can use several criminal statutes to prosecute persons who are alleged to have submitted false or fraudulent claims for payment to the federal government.

Civil Monetary Penalties Statute

The Civil Monetary Penalties Statute, 42 U.S.C. § 1320a-7a, authorizes the imposition of civil money penalties, assessments, and exclusion against an individual or entity based on a variety of prohibited conduct, including, but not limited to:

- Presenting, or causing to be presented, claims for payment to Medicare, Medicaid, or other third-party payors that the individual or entity knows or should know are for an item or service that was not provided as claimed or is false or fraudulent;
- Offering remuneration to a Federal health care program beneficiary that the individual or entity knows or should know is likely to influence the beneficiary to order or receive health care items or services from a particular provider;
- Arranging contracts with an entity or individual excluded from participation in the Federal health care programs;
- Violating the federal Anti-Kickback Statute;
- Making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim for payment for items and services furnished under a Federal health care program;
- Making, using, or causing to be made any false statement, omission, or misrepresentation of a material fact in any application, bid, or contract to participate or enroll as a provider of services or a supplier under a Federal health care program; and
- Failing to report and return an overpayment owed to the federal government.

Substantial civil monetary penalties may be imposed under the federal Civil Monetary Penalty Statute and vary, depending on the underlying violation. In addition, an assessment of not more than three times the total amount claimed for each item or service may also apply, and a violator may be subject to exclusion from Federal and state health care programs.

Privacy and Security

The Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH Act), (collectively referred to as HIPAA), require us to provide certain protections to patients and their health information. The HIPAA privacy and security regulations extensively regulate the use and disclosure of PHI and require covered entities, which include healthcare providers, to implement and maintain administrative, physical and technical safeguards to protect the security of such information. Additional security requirements apply to electronic PHI. These regulations also provide patients with substantive rights with respect to their health information.

The HIPAA privacy and security regulations also require us to enter into written agreements with certain contractors, known as business associates, to whom we disclose PHI. Covered entities may be subject to penalties for, among other activities, failing to enter into a business associate agreement where required by law or as a result of a business associate violating HIPAA if the business associate is found to be an agent of the covered entity and acting within the scope of the agency. Business associates are also directly subject to liability under the HIPAA privacy and security regulations. In instances where we act as a business associate to a covered entity, there is the potential for additional liability beyond our status as a covered entity.

Covered entities must report breaches of unsecured PHI to affected individuals without unreasonable delay but not to exceed 60 days of discovery of the breach by a covered entity or its agents. Notification must also be made to the HHS, and, for breaches of unsecured PHI involving more than 500 residents of a state or jurisdiction, to the media. All non-permitted uses or disclosures of unsecured PHI are presumed to be breaches unless the covered entity or business associate establishes that there is a low probability the information has been compromised. Various state laws and regulations may also require us to notify affected individuals in the event of a data breach involving individually identifiable information without regard to whether there is a low probability of the information being compromised.

Penalties for impermissible use or disclosure of PHI were increased by the HITECH Act by imposing tiered penalties of more than \$50,000 per violation and up to \$1.5 million per year for identical violations. In addition, HIPAA provides for criminal penalties of up to \$250,000 and ten years in prison, with the severest penalties for obtaining and disclosing PHI with the intent to sell, transfer or use such information for commercial advantage, personal gain or malicious harm. Further, state attorneys general may bring civil actions seeking either injunction or damages in response to violations of the HIPAA privacy and security regulations that threaten the privacy of state residents.

Data protection laws are evolving globally, and may add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) became effective on May 25, 2018. The GDPR applies to entities that are established in the European Union (EU), as well as extends the scope of EU data protection laws to foreign companies processing data of individuals in the EU. The GDPR imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under GDPR, regulatory penalties may be passed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million. The costs of compliance with, and other burdens imposed by, the GDPR and other new laws, regulations and policies implementing the GDPR may impact our European operations and/or limit the ways in which we can provide services or use personal data collected while providing services. If we fail to comply with the requirements of GDPR, we could be subject to penalties that would have a material adverse impact on our business, results of operations, financial condition and cash flows.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California legislature recently passed the California Consumer Protection Act (CCPA), which is scheduled to become effective January 1, 2020. The CCPA is a privacy bill that requires certain companies doing business in California to disclose information regarding the collection and use of a consumer's personal data and to delete a consumer's data upon request. The Act also permits the imposition of civil penalties and expands existing state security laws by providing a private right of action for consumers in certain circumstances where consumer data is subject to a breach. We are still evaluating whether and how this rule will impact our U.S. operations and /or limit the ways in which we can provide services or use personal data collected while providing services.

Healthcare reform

In March 2010, broad healthcare reform legislation was enacted in the U.S. through the ACA. Although many of the provisions of the ACA did not take effect immediately and continue to be implemented, and some have been and may be modified before or during their implementation, the reforms could continue to have an impact on our business in a number of ways. We cannot predict how employers, private payors or persons buying insurance might react to federal and state healthcare reform legislation or what form many of these regulations will take before implementation.

The ACA introduced healthcare insurance exchanges, which provide a marketplace for eligible individuals and small employers to purchase healthcare insurance. The business and regulatory environment continues to evolve as the exchanges mature, and statutes and regulations are challenged, changed and enforced.

The ACA also requires that all non-grandfathered individual and small group health plans sold in a state, including plans sold through the state-based exchanges created pursuant to the healthcare reform laws, cover essential health benefits (EHBs) in ten general categories. The scope of the benefits is intended to equal the scope of benefits under a typical employer plan.

On February 25, 2013, HHS issued the final rule governing the standards applicable to EHB benchmark plans, including new definitions and actuarial value requirements and methodology, and published a list of plan benchmark options that states can use to develop EHBs. The rule describes specific coverage requirements that (i) prohibit discrimination against individuals because of pre-existing or chronic conditions, (ii) ensure network adequacy of essential health providers, and (iii) prohibit benefit designs that limit enrollment and that prohibit access to care for enrollees. Subsequent regulations relevant to the EHB have continued the benchmark plan approach for 2016 and future years and have implemented clarifications and modifications to the existing EHB regulations, including the prohibition on discrimination, network adequacy standards and other requirements. In recent years, CMS has issued an annual Notice of Benefit and Payment Parameters rulemaking and related guidance setting forth standards for insurance plans provided through the exchanges.

Other aspects of the 2010 healthcare reform laws may affect our business as well, including provisions that impact the Medicare and Medicaid programs. These and other provisions of the ACA remain subject to ongoing uncertainty due to developing regulations and clarifications, including those described above, as well as continuing political and legal challenges at both the federal and state levels. Republicans control the Executive branch and Senate, and since 2016 have implemented both administrative and legislative initiatives that have had adverse impacts on the ACA and its programs. For example, in October 2017, the federal government announced that cost-sharing reduction payments to insurers would end, effective immediately, unless Congress appropriated the funds, and, in December 2017, Congress passed the Tax Cuts and Jobs Act, which includes a provision that eliminates the penalty under the ACA's individual mandate for individuals who fail to obtain a qualifying health insurance plan and could impact the future state of the exchanges. Moreover, in February 2018, Congress passed the BBA which, among other things, repealed the Independent Payment Advisory Board that was established by the ACA and intended to reduce the rate of growth in Medicare spending by extending sequestration cuts to Medicare payments through fiscal year 2027. While certain provisions of the BBA may increase the scope of benefits available for certain chronically ill federal health care program beneficiaries beginning in 2020, the ultimate impact of such changes cannot be predicted. While there may be significant changes to the healthcare environment in the future, the specific changes and their timing are not yet apparent. As a result, there is considerable uncertainty regarding the future with respect to the exchanges, and, indeed, many core aspects of the current health care marketplace. While specific changes and their timing are not yet apparent, such changes could lower our reimbursement rates or increase our expenses. Any failure to successfully implement strategic initiatives that respond to future legislative, regulatory, and executive changes could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Other regulations

Our U.S. dialysis and related lab services operations are subject to various state hazardous waste and non-hazardous medical waste disposal laws. These laws do not classify as hazardous most of the waste produced from dialysis services. Occupational Safety and Health Administration regulations require employers to provide workers who are occupationally subject to blood or other potentially infectious materials with prescribed protections. These regulatory requirements apply to all healthcare facilities, including dialysis centers, and require employers to make a determination as to which employees may be exposed to blood or other potentially infectious materials and to have in effect a written exposure control plan. In addition, employers are required to provide or employ hepatitis B vaccinations, personal protective equipment and other safety devices, infection control training, post-exposure evaluation and follow-up, waste disposal techniques and procedures and work practice controls. Employers are also required to comply with various record-keeping requirements.

In addition, a few states in which we do business have certificate of need programs regulating the establishment or expansion of healthcare facilities, including dialysis centers.

Capacity and location of our U.S. dialysis centers

Typically we are able to increase our capacity by extending hours at our existing dialysis centers, expanding our existing dialysis centers, relocating our dialysis centers, developing new dialysis centers and by acquiring dialysis centers. The development of a typical outpatient dialysis center by us generally requires approximately \$2.2 million for leasehold improvements and other capital expenditures. Based on our experience, a new outpatient dialysis center typically opens within a year after the property lease is signed, normally achieves operating profitability in the second year after Medicare certification and normally reaches maturity within three to five years. Acquiring an existing outpatient dialysis center requires a substantially greater initial investment, but profitability and cash flows are generally accelerated and more predictable. To a limited extent, we enter into agreements to provide management and administrative services to outpatient dialysis centers in which we own a noncontrolling equity investment or which are wholly-owned by third parties in return for management fees, which are typically based on a percentage of revenues or cash collections of the managed center's operations.

The table below shows the growth of our U.S. dialysis operations by number of dialysis centers.

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|-------|-------|-------|-------|-------|
| Number of centers at beginning of year | 2,510 | 2,350 | 2,251 | 2,179 | 2,074 |
| Acquired centers | 18 | 66 | 8 | 6 | 18 |
| Developed centers | 152 | 121 | 100 | 72 | 105 |
| Net change in centers with management and administrative services agreements ⁽¹⁾ | (5) | (2) | — | 2 | — |
| Sold and closed centers ⁽²⁾⁽³⁾ | (9) | (15) | (4) | (3) | (2) |
| Closed centers ⁽⁴⁾ | (2) | (10) | (5) | (5) | (16) |
| Number of centers at end of year | 2,664 | 2,510 | 2,350 | 2,251 | 2,179 |

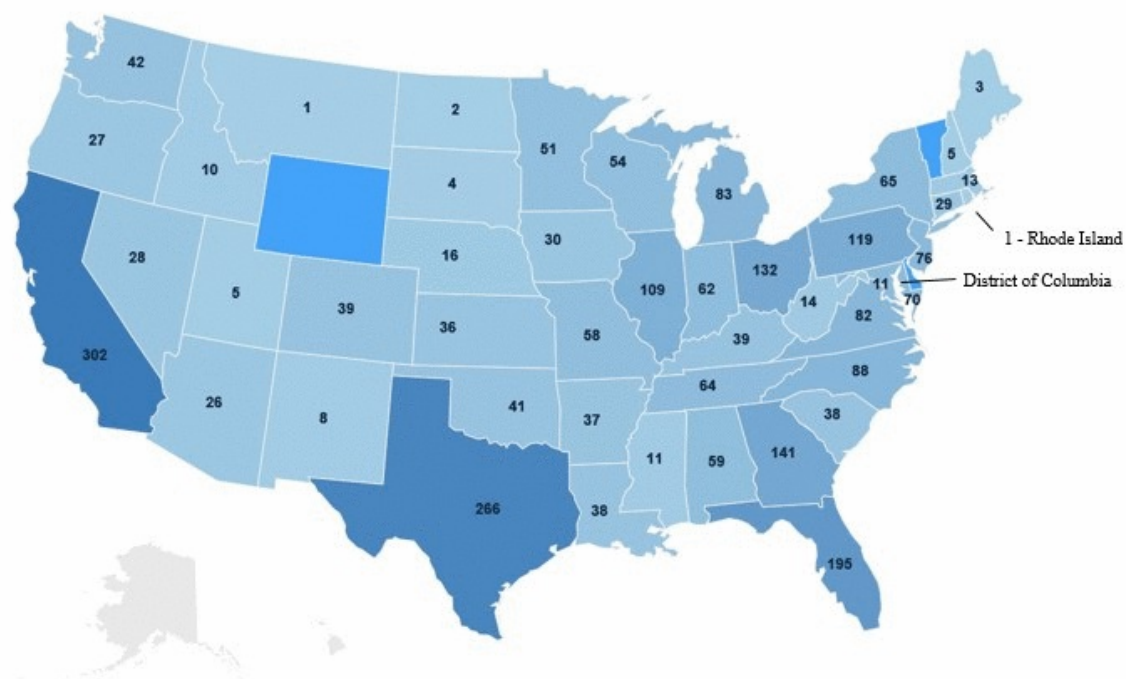
(1) Represents dialysis centers in which we own a noncontrolling equity investment or which are wholly-owned by third parties, and also includes dialysis centers we deconsolidated and transferred to management services agreements.

(2) Includes centers that were divested as a part of our Renal Ventures acquisition in 2017.

(3) Represents dialysis centers that were sold and/or closed for which patients were not retained.

(4) Represents dialysis centers that were closed for which the majority of patients were retained and transferred to one of our other existing outpatient dialysis centers.

As of December 31, 2018, we operated or provided administrative services to a total of 2,664 U.S. outpatient dialysis centers. A total of 2,630 of such centers are consolidated in our financial statements. Of the remaining 34 unconsolidated U.S. outpatient dialysis centers, we own a noncontrolling interest in 30 centers and provide management and administrative services to four centers that are wholly-owned by third parties. The locations of the 2,630 U.S. outpatient dialysis centers consolidated in our financial statements at December 31, 2018 were as follows:



Ancillary services and strategic initiatives businesses, including our international operations

As of December 31, 2018, our ancillary services and strategic initiatives consisted primarily of disease management services, vascular access services, clinical research programs, physician services, ESRD seamless care organizations, comprehensive care, and our international operations and relate primarily to our core business of providing kidney care services.

Ancillary services and strategic initiatives consist primarily of the following:

- *Disease management services.* VillageHealth DM, LLC doing business as DaVita Integrated Kidney Care (DaVita IKC) provides advanced integrated care management services to health plans and government programs for members/beneficiaries diagnosed with ESRD, chronic kidney failure, and/or poly-comorbid conditions. Through a combination of clinical coordination, innovative interventions, medical claims analysis and information technology, we endeavor to assist our customers and patients in obtaining superior renal healthcare and improved clinical outcomes, as well as helping to reduce overall medical costs. Integrated kidney care management revenues from commercial and Medicare Advantage insurers can be based upon either an established contract fee recognized as earned over the contract period, or related to the operation of value-based programs, including pay for performance, shared savings, and capitation contracts. DaVita IKC also operates Medicare Advantage ESRD Special Needs Plans in partnership with payors that work with CMS to provide ESRD patients full service healthcare. We are at risk for all medical costs of the program in excess of the capitation payments. Furthermore, in October 2015, DaVita IKC entered into management service agreements to support three ESCO joint ventures in which we are an investor through certain wholly- or majority-owned dialysis clinics.
- *Vascular access services.* Lifeline provides management and administrative services to physician-owned vascular access clinics that provide vascular services for dialysis and other patients. Lifeline is also the majority-owner of three vascular access clinics. Management fees generated from providing management and administrative services are recognized as earned typically based on a percentage of revenues or cash collections generated by the clinics. Revenues associated with the vascular access clinics that are majority-owned are recognized in the period when the services are provided.
- *Clinical research programs.* DaVita Clinical Research (DCR) is a provider-based specialty clinical research organization with a full spectrum of services for clinical drug research and device development. DCR uses its extensive, applied database and real-world healthcare experience to assist in the design, recruitment and completion of retrospective and prospective pragmatic and clinical trials. Revenues are based upon an established fee per study, as determined by contract with drug companies and other sponsors and are recognized as earned according to the contract terms.
- *Physician services.* Nephrology Practice Solutions (NPS) is an independent business that partners with physicians committed to providing outstanding clinical and integrated care to patients. NPS provides nephrologist recruitment and staffing services in select markets which are billed on a per search basis. NPS also offers physician practice management services to nephrologists under administrative services agreements. These services include physician practice management, billing and collections, credentialing, coding, and other support services that enable physician practices to increase efficiency and manage their administrative needs. Additionally, NPS owns and operates nephrology practices in multiple states. Fees generated from these services are recognized as earned typically based upon flat fees or cash collections generated by the physician practice.
- *ESRD Seamless Care Organization joint ventures (ESCO JVs).* In October 2015, certain of our dialysis clinics entered into partnerships with various nephrology practices, health systems, and other providers to establish three ESCO JVs in Phoenix-Tucson Arizona, South Florida, and Philadelphia Pennsylvania-Camden, New Jersey. The ESCO JVs were formed under the CMS Innovation Center's Comprehensive ESRD Care (CEC) Model, a demonstration to assess the impact of care coordination for ESRD patients in a dialysis-center oriented ACO setting. Each ESCO JV has a shared risk arrangement with CMS and the programs are evaluated on a performance year basis. The delivery of improved quality outcomes for patients and program savings depend on the contributions of the dialysis center teammates, nephrologists, health system and hospital partners, pharmacy providers, other primary care and specialty care providers and facilities, and integrated care management support from DaVita IKC, which is also the manager of the ESCO JVs. In October 2017, CMS published the results for the first performance year, covering the period from October 2015 to December 2016, and all three ESCO JVs earned shared savings payments. Results for 2017 and 2018 performance years are anticipated to be released in 2019.

- *Comprehensive care.* DaVita Health Solutions was created to provide comprehensive care through house calls and post-acute care programs to help chronically ill patients through use of community based, physician- and nurse practitioner-led care teams to deliver medical, behavioral, social and palliative care within the patient's home or skilled nursing facility.

During 2018, we transitioned the customer service and fulfillment functions of our pharmacy business, DaVita Rx, to third parties and ceased our related distribution operations. DaVita Rx was a pharmacy that specialized in providing oral medications and medication management services to patients with ESRD. In addition, effective June 1, 2018, we sold 100% of the stock of Paladina Health, our direct primary care business. For additional discussion of our ancillary services and strategic initiatives businesses, see Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

International dialysis operations

As of December 31, 2018, we operated or provided administrative services to a total of 241 outpatient dialysis centers, which includes consolidated and nonconsolidated centers located in nine countries outside of the U.S., serving approximately 25,000 patients. Our international dialysis operations have continued to grow steadily and expand as a result of developing and acquiring outpatient dialysis centers in various strategic markets. Our international operations are included as part of our ancillary services and strategic initiatives. The table below summarizes the number of locations of our international outpatient dialysis centers.

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|------|------|------|------|------|
| Number of centers at beginning of year | 237 | 154 | 118 | 91 | 73 |
| Acquired centers | 28 | 68 | 21 | 21 | 9 |
| Developed and hospital operated centers | 3 | 8 | 12 | 7 | 11 |
| Managed centers, net | — | — | — | (1) | — |
| Closed centers | (2) | (1) | — | — | (2) |
| Net change in Asia Pacific Joint Venture (APAC JV) operated centers ⁽¹⁾ | (25) | 8 | 3 | — | — |
| Number of centers at end of year | 241 | 237 | 154 | 118 | 91 |

(1) In 2016 we deconsolidated the APAC JV.

The locations of our international outpatient dialysis centers are as follows:

| | |
|-------------------------|-----|
| Germany | 56 |
| Poland | 51 |
| Malaysia ⁽¹⁾ | 40 |
| Brazil | 33 |
| Saudi Arabia | 23 |
| Colombia | 20 |
| Portugal | 9 |
| Taiwan ⁽¹⁾ | 7 |
| China ⁽¹⁾ | 2 |
| | 241 |

(1) Includes centers that are operated or managed by our APAC JV.

Corporate Administrative Support

Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation costs for departments which provide support to all of our different operating lines of business. These expenses are included in our consolidated general and administrative expenses and are partially offset by the allocation of management fees.

DaVita Medical Group (DMG) Division

In December 2017, we entered into an agreement to sell our DMG division to Optum, a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. As a result, the DMG business has been classified as held for sale and its results of operations are reported as discontinued operations.

DMG business overview

DMG is a patient- and physician-focused integrated healthcare delivery and management company with over two decades of experience providing coordinated, outcomes-based medical care in a cost-effective manner. As of December 31, 2018, DMG served approximately 753,800 members under its care in southern California, central and south Florida, southern Nevada and central New Mexico through capitation contracts with some of the nation's leading health plans. Of these members, approximately 321,500 individuals were patients enrolled in Medicare and Medicare Advantage, and the remaining approximately 432,300 individuals were managed care members whose health coverage is provided through their employer or who have individually acquired health coverage directly from a health plan or as a result of their eligibility for Medicaid benefits. In addition to its managed care business, during the year ended December 31, 2018, DMG provided care across all markets to approximately 932,700 patients whose health coverage is structured on a FFS basis, including patients enrolled through traditional Medicare and Medicaid programs, preferred provider organizations and other third party payors.

DMG patients as well as the patients of DMG's associated physicians, physician groups and IPAs benefit from an integrated approach to medical care that places the physician at the center of patient care. As of December 31, 2018, DMG delivered services to its members via a network of approximately 750 primary care physicians, over 3,200 associated group and other network primary care physicians, approximately 185 network hospitals, and several thousand associated group and network specialists. Together with hundreds of case managers, registered nurses and other care coordinators, these medical professionals utilize a comprehensive information technology system, sophisticated risk management techniques and clinical protocols to provide high-quality, cost-effective care to DMG's members.

U.S. healthcare spending has increased steadily over the past twenty years. These increases have been driven, in part, by the aging of the baby boomer generation, unhealthy behavioral and lifestyle choices in terms of exercise and diet, rapidly increasing costs in medical technology and pharmaceutical research, and provider reimbursement structures that may promote volume over quality in a FFS environment. These factors, as well as the steady growth of the U.S. population, have made the healthcare industry a growing market. CMS reported that in 2017 healthcare accounted for 17.9% of the U.S. gross domestic product and that healthcare spending increased 3.9% to reach \$3.5 trillion. Medicare spending grew 4.2% to \$706 billion in 2017 or 20% of National Health Expenditures, according to CMS. Medicare's share of the federal budget was approximately 17.1% in 2018 according to the Congressional Budget Office (CBO). Medicare is frequently the focus of discussions on how to moderate the growth of both federal spending and healthcare spending in the U.S.

Growth in Medicare spending is expected to continue due to demographic changes. According to the U.S. Census Bureau, the U.S. population aged 65 and over is expected to be 83.7 million in 2050 — almost double its estimated population of 43.1 million in 2012.

Medicare Advantage is an alternative to the traditional FFS Medicare program, which permits Medicare beneficiaries to receive benefits from a managed care health plan. Medicare Advantage plans contract with CMS to provide benefits that are at least comparable to those offered under the traditional FFS Medicare program in exchange for a fixed per-member monthly premium payment from CMS. The monthly premium varies based on the county in which the member resides, further adjusted to reflect the plan members' expected medical cost risk. Individuals who elect to participate in the Medicare Advantage program typically receive greater benefits than traditional FFS Medicare Part B beneficiaries, including additional preventive services, vision, dental and prescription drug benefits, and often have lower deductibles and co-payments than traditional FFS Medicare.

CMS pays Medicare Advantage health plans under a bidding process. Plans bid against county-level benchmarks. If a plan's bid is higher than the benchmark, enrollees pay the difference in the form of a monthly premium. If the bid is lower than the benchmark, the plan receives the difference between its payment amount and its bid as a rebate, which must be returned to enrollees in the form of additional benefits, reduced premiums, or lower cost sharing.

Managed care health plans were developed, primarily during the 1980s, in an attempt to mitigate the rising cost of providing healthcare benefits to populations covered by traditional health insurance. These managed care health plans often enroll members through their employers. As a result of the prevalence of these health plans, many seniors now becoming eligible for Medicare have been interacting with managed care companies through their employers for the last 30 years. Individuals turning 65 now are likely to be far more familiar with the managed care setting than previous Medicare

populations. According to Kaiser Family Foundation, in 2018, Medicare Advantage represented 34% of total Medicare members, creating a significant opportunity for additional Medicare Advantage penetration of newly eligible seniors.

In an effort to reduce the number of uninsured and to begin to control healthcare expenditures, President Obama signed the ACA into law in March 2010, which was affirmed, in substantial part, by the U.S. Supreme Court in June 2012. As of the end of 2017, the number of uninsured nonelderly Americans was 28.5 million, a decrease of over 13 million since 2013. These previously uninsured Americans and potentially newly eligible Medicaid beneficiaries represent a significant new market opportunity for health plans. We believe that health plans looking to cover these newly eligible individuals under fixed premium arrangements will seek provider arrangements that can effectively manage the cost and quality of the care being provided to these newly eligible individuals, although the 2016 Presidential and Congressional elections and subsequent developments, including recent federal tax reform legislation and legal challenges to the law, have caused the future state of the ACA to become less clear.

One of the primary ways in which the ACA funded expanded health insurance coverage is through cuts in Medicare Advantage reimbursement. County benchmarks have transitioned to a system in which each county's benchmark is a certain percentage (ranging from 95% to 115%) of FFS Medicare. In a March 2018 report to Congress, the Medicare Payment Advisory Commission (MedPAC) estimated that 2018 Medicare Advantage benchmarks (including quality bonuses), bids, and payments would average 107%, 90%, and 101% of FFS spending, respectively.

Despite the fact that the plan bids average less than FFS spending, payments for enrollees in these plans usually exceed FFS spending because the benchmarks are high relative to FFS spending. For example, health maintenance organizations (HMOs) as a group bid an average of 88% of FFS spending, yet 2018 payments for HMO enrollees are estimated to average 100% of FFS spending (including the quality bonuses).

Nonetheless, changes in benchmarks and/or bids that lower payments to Medicare Advantage plans could adversely affect DMG's business, results of operations, financial condition and cash flows.

Many health plans recognize both the opportunity for growth from senior members as well as the potential risks and costs associated with managing additional senior members. In regions operated by DMG and numerous other markets, many health plans subcontract a significant portion of the responsibility for managing patient care to integrated medical networks such as DMG. These integrated healthcare networks, whether medical groups or IPAs, offer a comprehensive medical delivery system and sophisticated care management knowledge and infrastructure to more efficiently provide for the healthcare needs of the population enrolled with that health plan. While reimbursement models for these arrangements vary around the country, health plans in California, Florida, Nevada and New Mexico often prospectively pay the integrated healthcare network a fixed Per Member Per Month (PMPM) amount, or capitation payment, which is often based on a percentage of the amount received by the health plan. The capitation payment is for much-and sometimes virtually all-of the care needs of the applicable membership. Capitation payments to integrated healthcare networks, in aggregate, represent a prospective budget from which the network manages care-related expenses on behalf of the population enrolled with that network. To the extent that these networks manage care-related expenses below the capitated levels, the network realizes an operating profit. On the other hand, if care-related expenses exceed projected levels, the network will realize an operating deficit. Since premiums paid represent a significant amount per person, there is a significant revenue opportunity for an integrated medical network like DMG that is able to effectively manage its costs under a capitated arrangement.

Integrated medical networks, such as DMG, that have scale are positioned to spread an individual member's cost exposure across a wider population and realize the benefits of pooling medical risk among large numbers of patients. In addition, integrated medical networks with years of managed care experience can utilize their sizeable medical experience data to identify specific medical care and quality management strategies and interventions for potential high cost cases and aggressively manage them to improve the health of its population base and, thus, lower cost. Many integrated medical networks, like DMG, also have established physician performance metrics that allow them to monitor quality and service outcomes achieved by participating physicians in order to reward efficient, high quality care delivered to members and initiate improvement efforts for physicians whose results can be enhanced.

Healthcare reform

The U.S. healthcare system, including the Medicare Advantage program, is subject to a broad array of new laws and regulations as a result of the ACA. This legislation made significant changes to the Medicare program and to the health insurance market overall. The ACA is considered by some to be the most dramatic change to the U.S. healthcare system in decades. The U.S. Supreme Court found that the individual mandate to obtain health insurance coverage under this legislation is constitutional and also found that the expanded Medicaid benefit included in the legislation is constitutional if states can opt out of the expanded Medicaid benefit without losing their funding under the pre-reform Medicaid program. In a separate,

subsequent case, the U.S. Supreme Court also upheld the use of subsidies to individuals in federally-facilitated healthcare exchanges, rejecting an argument that such subsidies would apply only in the state-run healthcare exchanges.

The ACA reflects sweeping legislation that, if fully implemented, may have a significant impact on the U.S. healthcare system generally and the operations of DMG's business. There are numerous steps required to implement the ACA, and implementation remains ongoing and uncertain. Congress also has enacted, and may continue to seek, legislative changes that alter, delay, or eliminate some of the ACA's provisions. For example, under the 2016 omnibus budget agreement, Congress voted to delay certain new taxes that the ACA had enacted, including the excise tax on certain high-cost health plans, the medical device tax, and the tax on health insurers. In addition, the 2016 Presidential and Congressional elections and subsequent developments have caused the future state of the ACA to be unclear. In October 2017, the federal government announced that cost-sharing reduction payments to insurers would end, effective immediately, unless Congress appropriated the funds, and, in December 2017, Congress passed the Tax Cuts and Jobs Act, which includes a provision that eliminates the penalty under the ACA's individual mandate for individuals who fail to obtain a qualifying health insurance plan and could impact the future state of the exchanges. Further, in February 2018, Congress passed the BBA, which, among other things, repealed the Independent Payment Advisory Board that was established by the ACA and intended to reduce the rate of growth in Medicare spending by extending sequestration cuts to Medicare payments through fiscal year 2027. While certain provisions of the BBA may increase the scope of benefits available for certain chronically ill federal health care program beneficiaries beginning in 2020, the ultimate impact of such changes cannot be predicted. While specific changes and their timing are not yet apparent, the enacted reforms as well as future legislative, regulatory, judicial or executive changes could have a material adverse effect on our business, results of operations, financial condition and cash flows, including lowering our reimbursement rates and increasing our expenses.

One provision of the ACA required CMS to establish a Medicare Shared Savings Program (MSSP) that promotes accountability and coordination of care through the creation of ACOs. The program allows certain providers and suppliers (including hospitals, physicians and other designated professionals) to voluntarily form ACOs and work together along with other ACO participants to invest in infrastructure and redesign delivery processes to achieve high quality and efficient delivery of services. In 2017, HCP ACO California, LLC (formerly DaVita Medical ACO California, LLC) doing business as HealthCare Partners ACO participated in its first year of the CMS Innovation Center's Next Generation ACO model and achieved \$11.8 million in savings. HealthCare Partners ACO will continue to participate in the Next Generation program for both 2018 and 2019. Results for 2018 participation will be available in 2019. In December 2018, CMS issued a final rule for the MSSP, which among other things, requires ACOs to accept a two-sided risk model (as opposed to a one-sided model), wherein ACOs need to share in the financial risk of their patients' healthcare spending (i.e., shared losses) in addition to shared savings. This rule could negatively impact the revenue and profitability of DMG's MSSP ACO.

Payor environment

Government programs

DMG derives a significant portion of its revenues from services rendered to beneficiaries of Medicare (including Medicare Advantage), Medicaid, and other governmental healthcare programs.

Medicare. The Medicare program was established in 1965 and became effective in 1967 as a federally funded U.S. health insurance program for persons aged 65 and older, and it was later expanded to include individuals with ESRD and certain disabled persons, regardless of income or age. Since its formation, Medicare has grown to an approximately \$706 billion program in 2017, covering approximately 60 million Americans and, based on the growing number of eligible beneficiaries and increases in the cost of healthcare, CBO projects that net Medicare spending will increase from \$585 billion in 2018 to \$1.2 trillion in 2028.

Initially, Medicare was offered only on a FFS basis. Under the Medicare FFS payment system, an individual can choose any licensed physician enrolled in Medicare and use the services of any hospital, healthcare provider or facility certified by Medicare. CMS reimburses providers for covered services if CMS considers them medically necessary.

FFS Medicare pays for physician services according to a physician fee schedule (PFS) set each year by CMS in accordance with formulas mandated by Congress. Historically, CMS annually adjusted the Medicare Physician Fee Schedule (Medicare PFS) payment rates based on an updated formula that included application of the Sustainable Growth Rate (SGR). On April 16, 2015, President Obama signed and enacted into law H.R. 2, the Medicare Access and CHIP Reauthorization Act of 2015, which, among other things, repealed the SGR and instituted a 0% update to the single conversion factor under the Medicare PFS from January 1 through June 30, 2015, a 0.5% update for July 2015 through the end of 2019, and a 0% update for 2020 through 2025. For 2026 and subsequent years, the update will be either 0.75% or 0.25%, depending on the Alternate Payment Model (APM) in which the physician participates. On October 14, 2016, CMS released a final rule implementing,

among other changes, the Advanced APM incentive applicable to the physician fee schedule, under which physicians may receive bonus payments for participating in an Advanced APM. Among other things, the final rule identifies the criteria an APM must satisfy to be considered an Advanced APM, which could include some MSSP ACOs or providers participating in the CEC Model. Whether DMG's subsidiary ACO or dialysis providers participating in CEC are considered to be Advanced APMs could potentially affect physicians' willingness to participate in such entities, which may indirectly impact the operations of DMG's subsidiary ACO or its providers participating in the CEC Model. In addition, under the final rule, DMG's subsidiary ACO may also be required to submit certain quality data to CMS on behalf of its Merit-Based Incentive Payment System (MIPS) eligible clinicians, which could result in an increase in operational costs. Given that the payment updates for APMs have yet to take effect, we cannot determine the impact of such payment models on our business at this time.

In addition, in recent years, Congress has enacted various laws seeking to reduce the federal debt level and contain healthcare expenditures. For example, the BCA called for the establishment of a Joint Select Committee (the Committee) on Deficit Reduction, tasked with reducing the federal debt level. However, because the Committee did not draft a proposal by the BCA's deadline, President Obama issued an initial sequestration order that imposed automatic spending cuts on various federal programs. In particular, a 2% reduction to Medicare payments took effect on April 1, 2013, which was subsequently extended through 2027.

The instability of the federal budget may lead to legislation that could result in further cuts in Medicare and Medicaid payments to providers. In recent years, the government has enacted a patchwork of appropriations legislation to temporarily suspend the debt ceiling and continue government operations. Although the BBA passed in February 2018 enacted a two-year federal spending agreement and raised the federal spending cap on non-defense spending for fiscal years 2018 and 2019, the Medicare program is frequently mentioned as a target for spending cuts. Spending cuts to the Medicare program could adversely affect our business, results of operations, financial condition and cash flows.

Medicare Advantage. Medicare Advantage is a Medicare health plan program developed and administered by CMS as an alternative to the original FFS Medicare program. Under the Medicare Advantage program, Medicare beneficiaries may choose to receive benefits under a managed care health plan that provides benefits at least comparable to those offered under the original Medicare FFS payment system in exchange for which the health plan receives a monthly per patient premium payment from CMS. The Medicare Advantage monthly premium varies based on the county in which the member resides, and is adjusted to reflect the demographics and estimated risk profile of the members that enroll. Once a person is authorized by CMS to participate in Medicare Advantage, health plans compete for enrollment based on benefit design differences such as copayments or deductibles, availability of preventive care, attractiveness of and access to a network of hospitals, physicians and ancillary providers and enrollee premium contribution or, most often in Medicare Advantage plans, the absence of any monthly premium. In certain parts of the country, many health plans that provide Medicare Advantage benefits subcontract with integrated medical networks such as DMG to transfer the responsibility for managing patient care.

In 2004, CMS adopted a risk adjustment payment system for Medicare Advantage health plans in which the participating health plans' premiums are adjusted based on the actual illness burden of the members that enroll. The model bases a portion of the total CMS reimbursement payments on various clinical and demographic factors, including hospital inpatient diagnoses, additional diagnosis data from ambulatory treatment settings, hospital outpatient department and physician visits, gender, age and Medicaid eligibility. CMS requires that all managed care companies capture, collect and submit the necessary diagnosis code information to CMS twice a year for reconciliation with CMS's internal database. Medical providers, such as DMG, provide this diagnosis code information to health plan customers for submission to CMS. Under this system, the risk-adjusted portion of the total CMS payment to the Medicare Advantage plans will equal the local rate set forth in the traditional demographic rate book, adjusted to reflect the plan members' gender, age and morbidity.

Most Medicare beneficiaries have the option to enroll in private health insurance plans that contract with Medicare under the Medicare Advantage program. According to the Kaiser Family Foundation, the share of Medicare beneficiaries in such plans has risen rapidly in recent years; it reached approximately 34% in 2018 from approximately 13% in 2004. Plan costs for the standard benefit package can be significantly lower or higher than the corresponding cost for beneficiaries in the traditional Medicare FFS payment program. Prior to the ACA, private plans were generally paid a higher average amount, and they used the additional payments to reduce enrollee cost-sharing requirements, provide extra benefits, and/or reduce Medicare premiums. These enhancements were valuable to enrollees, but also resulted in higher Medicare costs overall and higher premiums for all Medicare Part B beneficiaries and not just those enrolled in Medicare Advantage plans. The ACA requires that future payments to plans be based on benchmarks in a range of 95% to 115% of local FFS Medicare costs, with bonus amounts payable to plans meeting high quality-of-care standards. In addition, health plans offering Medicare Advantage are required to spend at least 85% of their premium dollars on medical care, the so-called medical loss ratio (MLR). Since DMG is not a health plan, except for DaVita Health Plan of California, Inc. (DHPC), it is not subject to the 85% MLR requirement. See "DaVita Medical Group Division (DMG)—Knox-Keene" below. However, payments that health plans make to DMG will apply in full

towards the health plans' 85% MLR requirement. If a health plan does not meet the 85% MLR requirement, it must provide a rebate to its customers. Any such shortfalls would not impact amounts paid by health plans to DMG.

Medicaid. Medicaid is a federal entitlement program administered by the states that provides healthcare and long-term care services and support to low-income Americans. Medicaid is funded jointly by the states and the federal government. The federal government guarantees matching funds to states for qualifying Medicaid expenditures based on each state's federal medical assistance percentage, which is calculated annually and varies inversely with average personal income in the state. Subject to federal rules, each state establishes its own eligibility standards, benefit packages, payment rates and program administration within broad federal statutory and regulatory guidelines. Every state Medicaid program must balance a number of potentially competing demands, including the need for quality care, adequate provider access, and cost-effectiveness. In an effort to improve quality and provide more uniform and cost-effective care, many states have implemented Medicaid managed care programs to improve access to coordinated healthcare services, including preventative care, and to control healthcare costs. Under Medicaid managed care programs, a health plan receives capitation payments from the state. The health plan, in turn, arranges for the provision of healthcare services by contracting with a network of medical providers, such as DMG. DMG has entered into capitation agreements with health plans to manage approximately 90,800 Medicaid managed care members in its southern California market.

Commercial payors

According to the 2018 Annual Survey conducted by the Kaiser Family Foundation, approximately 152 million nonelderly people in the U.S. received their health insurance through their employers, which contracted with health plans to administer these healthcare benefits. Patients enrolled in health plans offered through an employment setting are generally referred to as commercial members. According to the survey, the percentage of workers covered was 53% in 2018 and 55% in 2017. Under the ACA, many uninsured individuals and many individuals who receive their health insurance benefits through small employers may purchase their healthcare benefits through insurance exchanges in which health plans compete directly for individual or small group members' enrollment. DMG derives a significant amount of its enrollment from commercial members; however, these members represent a disproportionately small share of DMG's operating profits.

Whether in the Medicare Advantage, commercial or Medicaid market, managed care health plans seek to provide a coordinated and efficient approach to managing the healthcare needs of their enrolled populations. By negotiating with providers, such as pharmacies, hospitals and physicians, and implementing various quality programs, managed care companies attempt to enhance their profitability by limiting their medical costs. These health plans have shown success in mitigating certain components of medical cost, but we believe the plans are limited by their indirect relationship with physicians, who in the aggregate direct most of their patients' healthcare costs. We believe that physician-led and professionally-managed integrated medical networks such as DMG's have a greater opportunity to influence cost and improve quality due to the close coordination of care at the most effective point of contact with the patient—the primary care physician.

Capitation and FFS revenue

There are a number of different models under which an integrated medical network receives payment for managing and providing healthcare services to its members.

Fee-for-service structure. Under traditional FFS reimbursement, physicians are paid a specified amount for each service or procedure that they provide during a patient visit. Under this structure, physician compensation is based on the volume of patient visits and procedures performed, thus offering limited financial incentive to focus on cost containment and preventative care. FFS revenues are derived primarily from DMG's physician services.

Capitation structure. Under capitation, payors pay a fixed amount per enrolled member, thereby subcontracting a significant portion of the responsibility and risks for managing patient care to physicians. Global capitation represents a prospective budget from which the provider network then manages care-related expenses including payments to associated providers outside the group, such as hospitals and specialists. Compared to traditional FFS models, we believe that capitation arrangements better align provider incentives with both quality and efficiency of care. We believe that this approach improves the quality of the experience for patients and the potential profitability for efficient care providers.

Since premiums paid represent a significant amount per person, the revenue and, when costs are effectively managed, profit opportunity available to an integrated medical network under a capitated arrangement can be significant. This is particularly the case for senior members and members with multiple diseases. We believe that the advantages, savings and efficiencies made possible by the capitated model are most pronounced when the care demands of the population are the most severe and require the most coordination, such as for the senior population or patients with chronic, complex and follow-on diseases. While organized coordination of care is central to the capitated model, it is also well suited to the implementation of

preventative care and disease management over the long-term since physicians have a financial incentive to improve the overall health of their patient population.

The inherent risk in assumption of global care risk relates to potential losses if a number of individual patients' medical costs exceed the expected amount. This risk is especially significant to individual practitioners or smaller physician groups who lack the scale required to spread the risk over a broad population. DMG has the scale, comprehensive medical delivery resources, significant infrastructure to support practicing physicians, and demonstrated care management knowledge to spread the risk of losses over a large patient population.

Global model. In Florida, DMG may contract directly with health plans under global capitation arrangements that include hospital services, because state law permits DMG to assume financial responsibility for both professional and institutional services. In New Mexico, DMG has assumed financial responsibility for professional services only.

In Nevada, DMG enters into global capitation arrangements to assume financial responsibility for both professional and institutional services. However, the Nevada Division of Insurance (NDI) has not opined on whether it is appropriate for an entity like DMG to enter into global capitation arrangements and assume financial responsibility for the provision of both professional and institutional services to either Medicare Advantage enrollees or enrollees of commercial health plans. In order to avoid an adverse finding by the NDI with respect to DMG's global capitation arrangements in Nevada, DMG applied for an insurance license from the NDI and obtained the license in 2015. DMG is currently evaluating its ability to assign any of its existing contracts to the NDI license holder. Because of the current global capitation to DMG, and DMG's assumption of nearly the entire professional and institutional risk in Nevada and Florida, DMG's health plan customers function primarily to support DMG in undertaking marketing and sales efforts to enroll members and processing claims in these states.

In California, entities that maintain full or restricted licenses under the California Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene) are permitted to assume financial responsibility for both professional and institutional services. As described below, in December 2013, DMG obtained a restricted Knox-Keene license and therefore may enter into global capitation arrangements with health plans through which DMG will assume financial responsibility for both professional and institutional services.

Risk-sharing model. In California, DMG currently utilizes a capitation model in several different forms. While there are variations specific to each arrangement, HealthCare Partners Affiliates Medical Group and HealthCare Partners Associates Medical Group, P.C. (collectively AMG), which are medical groups that have entered into management services agreements with DMG, have historically contracted with health plans to receive a PMPM or percentage of premium (POP) capitation payment for professional (such as physician) services and assumed the financial responsibility for professional services. In some cases, the health plans separately enter into capitation contracts with third parties (typically hospitals) who directly receive a capitation payment and assume contractual financial responsibility for institutional (such as hospital) services. In the case of institutional services and as a result of its managed care-related administrative services agreements with hospitals, AMG has recognized a percentage of the surplus of institutional revenues less institutional expense as AMG net revenues and has also been responsible for some percentage of any short-fall in the event that institutional expenses exceed institutional revenues. We refer to these arrangements as "dual risk arrangements." In other cases, the health plan does not pay a capitation payment to the hospital, but rather administers and pays fee-for-service claims for hospital expenses. We refer to these arrangements as "shared risk arrangements." In both cases, AMG has been responsible under its health plan agreements for managing the care dollars associated with both the professional and institutional services provided for in the AMG capitation payment. In total, approximately 29% of DMG's total membership was covered under dual risk arrangements as of December 31, 2018.

In connection with DMG's obtaining a restricted Knox-Keene license in California, substantially all of the California health plan contracts, along with the revenues received under such contracts, have been assigned from AMG to DHPC. In addition, DMG now has the legal authority to transition these health plan contracts to global capitation or "global risk" arrangements in which DMG is responsible for arranging professional and institutional services in exchange for capitation payments directly from the health plan. DMG evaluates its various payor arrangements on an ongoing basis, and based on this evaluation, may work with the California Department of Managed Health Care and certain selected health plans to convert to global risk arrangements. DMG converted two contracts to global risk in 2017 and one additional contract to global risk effective January 2019. In total, approximately 21% of DMG's total membership was covered under global risk arrangements as of December 31, 2018 and approximately 28% of its total membership is now covered under global risk arrangements as of January 2019.

Government regulation

In addition to the laws and regulations to which our U.S. dialysis and related lab services business are subject to, the internal operations of DMG and its contractual relationships with healthcare providers such as hospitals, other healthcare facilities, and healthcare professionals are subject to extensive and increasing regulation by numerous federal, state, and local government entities. These laws and regulations often are interpreted broadly and enforced aggressively by multiple government agencies, including the OIG, the DOJ, and various state authorities. Many of these laws and regulations are the same as those that impact our U.S. dialysis and related lab services business. For example:

- DMG's financial relationships with healthcare providers including physicians and hospitals could subject DMG to criminal and civil sanctions and penalties under the federal Anti-Kickback Statute;
- The referral of Medicare patients by DMG-associated physicians for the provision of DHS may subject the parties to sanctions and penalties under the Stark Law;
- DMG's financial relationships and those of its associated physicians may subject the parties to penalties and sanctions under state fraud and abuse laws;
- DMG's submission of claims to governmental payors such as the Medicare and Medicaid programs for services provided by its associated physicians and clinical personnel may subject DMG to sanction and penalties under the FCA; and
- DMG's handling of PHI may subject DMG to sanctions and penalties under HIPAA and its implementing privacy and security regulations, as amended by the HITECH Act, and state medical privacy laws which can include penalties and restrictions that are more severe than those which arise under HIPAA.

A finding that claims for services were not covered or not payable because services were not rendered or because claims otherwise were submitted in violation of the applicable healthcare laws and regulations, or the imposition of sanctions associated with a violation of any of these healthcare laws and regulations, could result in criminal and/or civil penalties and exclusion from participation in Medicare, Medicaid and other federal and state healthcare programs and could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows. We cannot guarantee that the arrangements or business practices of DMG will not be subject to government scrutiny or be found to violate certain healthcare laws. Government audits, investigations and prosecutions, even if we are ultimately found to be without fault, can be costly and disruptive to DMG's business. Moreover, changes in healthcare legislation or government regulation may restrict DMG's existing operations, limit their expansion or impose additional compliance requirements and costs, any of which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

The following includes brief descriptions of some, but not all, of the laws and regulations that, in addition to those described in relation to our U.S. dialysis and related lab services business, affect DMG. DMG is also subject to the laws and regulations that apply to our U.S. dialysis and related lab services business. See "Kidney Care Division—Government regulation" above.

Licensing, certification, accreditation and related laws and guidelines. DMG clinical personnel are subject to numerous federal, state and local laws and regulations, relating to, among other things, licensing, professional credentialing and professional ethics. Since DMG clinical personnel perform services in medical office settings, hospitals and other types of healthcare facilities, DMG may indirectly be subject to laws applicable to those entities as well as ethical guidelines and operating standards of professional trade associations and private accreditation commissions, such as the American Medical Association and the Joint Commission. There are penalties for non-compliance with these laws, including discipline or loss of professional license, civil and/or criminal fines and penalties, loss of hospital admitting privileges, federal healthcare program disenrollment, loss of billing privileges, and exclusion from participation in various governmental and other third-party healthcare programs.

Professional licensing requirements. DMG's clinical personnel, including physicians, must satisfy and maintain their professional licensing in the states where they practice medicine. Activities that qualify as professional misconduct under state law may subject them to sanctions, including the loss of their licenses, and could subject DMG to sanctions as well. Many state boards of medicine impose reciprocal discipline, that is, if a physician is disciplined for having committed professional misconduct in one state where he or she is licensed, another state where he or she is also licensed may impose the same discipline even though the conduct did not occur in that state. Therefore, if a DMG-associated physician is licensed in multiple states, sanctions or loss of licensure in one state may result in sanction or the loss of licensure in other states. Professional

licensing sanctions may also result in exclusion from participation in governmental healthcare programs, such as Medicare and Medicaid, as well as other third-party programs.

Corporate practice of medicine and fee splitting. California, Colorado, Nevada, and Washington are states in which DMG operates that have laws that prohibit business entities, such as our Company and our subsidiaries, from practicing medicine, employing physicians to practice medicine or exercising control over medical decisions by physicians (known collectively as the corporate practice of medicine). These states also prohibit entities from engaging in certain financial arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation.

Violations of the corporate practice of medicine vary by state and may result in physicians being subject to disciplinary action, as well as to forfeiture of revenues from payors for services rendered. For lay entities, violations may also bring both civil and, in more extreme cases, criminal liability for engaging in medical practice without a license.

In California, a violation of the corporate practice of medicine prohibition constitutes the unlawful practice of medicine, which is a public offense punishable by fines and other criminal penalties. In addition, any person who conspires with or aids and abets another in the unlawful practice of medicine is similarly guilty of a public offense and may be subject to comparable fines and criminal penalties. In Nevada, engaging in the corporate practice of medicine where not provided by a specific statute may also constitute the unlawful practice of medicine. This violation is a felony punishable by fines and other civil and criminal penalties. Physicians in Nevada can similarly be punished for aiding or assisting in the unlicensed practice of medicine.

In Colorado, any physician found to have abetted or assisted or conspired to engage in unprofessional conduct with respect to the practice of medicine is subject to disciplinary action, including the loss of licensure. Corporate entities or lay persons who are found to have engaged in the unauthorized practice of medicine may be subject to injunctive action and other criminal penalties. In Washington, the Secretary of Health is responsible for investigating complaints concerning the unlicensed practice of medicine and violations may be subject to a cease and desist order, civil fines, injunctive action, and other criminal penalties.

In our markets where the corporate practice of medicine is prohibited, DMG has historically operated by maintaining long-term management contracts with multiple associated professional organizations which, in turn, employ or contract with physicians to provide those professional medical services required by the enrollees of the payors with which the professional organizations contract. Under these management agreements, DMG performs only non-medical administrative services, does not represent that it offers medical services, and does not exercise influence or control over the practice of medicine by the physicians or the associated physician groups with which it contracts. For example, in California, DMG has full-service management contracts with AMG. The AMG entities are owned by California-licensed physicians and professional medical corporations and contract with physicians to provide professional medical services. In Nevada and Washington, DMG's Nevada and Washington subsidiaries have similar management agreements with Nevada and Washington professional corporations, as applicable, that employ and contract with physicians to provide professional medical services. In Colorado, the physician groups contract through a provider network to include a pharmacy and ambulatory surgery center.

Some of the relevant laws, regulations, and agency interpretations in states with corporate practice of medicine restrictions have been subject to limited judicial and regulatory interpretation. Moreover, state laws are subject to change. Regulatory authorities and other parties, including DMG's associated physicians, may assert that, despite the management agreements and other arrangements through which DMG operates, we are engaged in the prohibited corporate practice of medicine or that DMG's arrangements constitute unlawful fee-splitting. If this were to occur, we could be subject to civil and/or criminal penalties, DMG's agreements could be found legally invalid and unenforceable (in whole or in part), or we could be required to restructure DMG's contractual arrangements.

If we were required to restructure DMG's operating structures in our markets due to determination that a corporate practice of medicine violation existed, such a restructuring might include revisions of the California, Colorado, Nevada or Washington management services agreements, which might include a modification of the management fee, and/or establishing an alternative structure. For example, our subsidiaries in those states might have to obtain the equivalent of a California Knox-Keene license in such state in order to comply with the corporate practice of medicine rules while contracting directly with payors and, in turn, physicians, to provide physician services to the payors' enrollees. In California, DMG's restricted Knox-Keene license has created potential flexibility for DMG in the event regulatory authorities seek to enforce corporate practice of medicine or fee splitting laws based upon current management services relationships with AMG. DMG's restricted Knox-Keene license allows DHPC to contract with or employ physicians as a result of an exemption from California's corporate practice of medicine laws applicable to Knox-Keene licensees.

Knox-Keene. The California Department of Managed Health Care (DMHC) licenses and regulates Health Care Service Plans (HCSPs) pursuant to Knox-Keene, as amended. In addition to regulating Knox-Keene's various patient's rights protections for HCSP-enrolled individuals, the DMHC is responsible for ensuring the financial sustainability over time of licensed HCSPs and other regulated entities. As such, the DMHC is charged with continually monitoring the financial health of regulated entities. The DMHC's Division of Financial Oversight monitors and evaluates the financial viability of health plans to ensure continued access to health care services. Financial examination reviews include examinations of financial statements and financial arrangements, both by routine and non-routine examinations. The examination also ensures that there is adequate tangible net equity (TNE), as determined according to calculations included in Knox-Keene. The TNE regulations for organizations holding a Knox-Keene license, like DHPC, vary depending on circumstances, but generally require any licensee to have on hand in cash or cash equivalents a minimum of the greater of (i) \$1 million, (ii) the sum of 2% of the first \$150 million of annualized premium revenues plus 1% of annualized premium revenues in excess of \$150 million, or (iii) the sum of 8% of the first \$150 million of annualized healthcare expenditures (except those paid on a capitated basis or managed hospital payment basis) plus 4% of the annualized healthcare expenditures (except those paid on a capitated basis or managed hospital payment basis) which are in excess of \$150 million; plus 4% of annualized hospital expenditures paid on a managed hospital payment basis. In its sole discretion, the DMHC may require, as a condition to obtaining or maintaining an HCSP license, that a licensee accept certain contractual undertakings such that the licensee is obligated to maintain TNE in amounts greater than the minimum amount described above. Additionally, a licensed HCSP is subject to additional DMHC reporting requirements and financial oversight if the HCSP fails to maintain at least 130% of its required minimum TNE. During the 2016 financial examination, DHPC was required to provide evidence of exclusive fidelity bond coverage in the amount of at least \$2 million, with a deductible amount not in excess of \$100,000 with a requirement to notify the Director of DMHC 30 days prior to cancellation.

The DMHC interprets Knox-Keene HCSP licensing requirements to apply to both full-service HCSPs and downstream restricted HCSP contracting entities, including provider groups that enter into global risk contracts with licensed HCSPs. A global risk contract is a healthcare services contract in which a downstream contracting entity agrees to provide both professional (physician) services and institutional (hospital) services subject to an at-risk or capitated reimbursement methodology. According to the DMHC, entities that accept global risk must obtain a restricted Knox-Keene license. Under a restricted Knox-Keene license, entities may enter into global risk contracts with other licensed HCSPs. Holders of restricted Knox-Keene licenses must comply with the same financial requirements as HCSPs with full licenses, including demonstrating specific levels of TNE, but are not required to meet Knox-Keene requirements for functions they are not delegated such as marketing. The consequences of operating without a license include civil penalties, criminal penalties and the issuance of cease and desist orders.

DHPC holds a restricted Knox-Keene license, which allows DHPC to contract directly with full service HCSPs to simplify DMG's historic contractual and financial structure and to facilitate expansion into new markets in California. However, this also subjects DMG and DHPC to additional regulatory obligations, including (i) regulatory oversight of operations, (ii) the need to seek approval for all material business changes, (iii) significant requirements to maintain certain TNE levels, and (iv) other operating limitations imposed by Knox-Keene and its regulations. Under its restricted Knox-Keene license, DHPC is prohibited from declaring or paying any dividends or making any distribution of cash or property to its parent, affiliates, or shareholders, if such a distribution would cause it to fail to maintain the minimum applicable TNE, have insufficient working capital or cash flow as required by DMHC regulation or otherwise be unable to provide or arrange healthcare services. In addition, DHPC is subject to DMHC oversight and must seek approval before incurring any debt or guaranteeing any debt relating to its parent, affiliates, or shareholders. DHPC must also submit proposed global capitation contracts to the DMHC for approval.

DMG services

Approximately 84% of DMG's operating revenues for the year ended December 31, 2018 were derived from capitation contracts with health plans. Under these contracts, DMG's health plan customers delegate full responsibility for member care to physicians and healthcare facilities that are part of DMG's provider network. In return, DMG receives a PMPM fee for each DMG member. As a result, DMG has financial and clinical accountability for a population of members. In California, DMG does not assume direct financial risk for institutional (hospital) services in some cases, but is responsible for managing the care dollars associated with both the professional (physician) and institutional services being provided for the PMPM fee attributable to both professional and institutional services. In those cases and as a result of its managed care-related administrative services agreements with hospitals, DMG recognizes the surplus of institutional revenues less institutional expense as DMG net revenues and is also responsible for any short-fall in the event that institutional expenses exceed institutional revenues.

DMG provides comprehensive and quality medical care through a network of participating physicians and other healthcare professionals. Through its group model, DMG employs, directly (where permitted by state law) and through its associated physician groups, approximately 750 primary care physicians. Through its IPA model, DMG contracts with a network of approximately 3,200 associated groups and other network primary care physicians who provide care for DMG's members in an independent office setting. These physicians are complemented by several thousand network specialists and approximately 185 network hospitals that provide specialty or institutional care to the patients of DMG's associated physicians, physician groups and IPAs.

In order to comply with local regulations prohibiting the corporate practice of medicine, many of DMG's group physicians are employed by associated medical groups with which DMG has entered into long-term management agreements. The largest of these DMG managed medical groups is AMG, which employs, directly or indirectly, approximately 750 primary care physicians, specialists and hospitalists. See "Government Regulation—Corporate practice of medicine and fee splitting" above.

DMG does not own hospitals, although hospitals are an essential part of its provider network. In most cases, DMG contracts or otherwise aligns with hospitals to manage the utilization, readmission and cost of hospital services. Most DMG patients receive specialty care through DMG's network based on referrals made by their primary care physician. These specialists may be reimbursed based on capitation, case rates or on a discounted FFS rate.

DMG group physicians typically see 18 to 22 patients per day, which we believe is an appropriate benchmark to ensure there is sufficient time to understand all of the patients' clinical needs. DMG care teams, including nurses, engage in outreach to patients in order to help monitor fragile and high risk patients, and help improve adherence to physicians' care plans. During these visits, DMG's physicians, nurses and educators use the time to educate patients and manage their healthcare needs. The goal of this preventative care delivery model is to keep patients healthy. Education improves self-management and compliance which allows the patient to recognize early signs of their disease and seek appropriate care. We believe this translates into earlier intervention, which in turn leads to fewer emergency room visits, fewer hospital admissions and fewer hospital bed days (the most expensive location for healthcare). This clinical model seeks to provide early diagnosis of disease or deterioration in a chronic and complex condition and provide preventive care to maintain optimal health and avert unnecessary hospitalization. Clinic-based case managers and hospitalists coordinate with the primary care physicians to ensure that patients are receiving proper care whether they are in the clinic, in the hospital or are not regularly accessing healthcare. Physicians and case managers encourage patients to regularly visit the clinics in order to enhance their day-to-day health and diagnose any illness or deterioration in condition as early as possible.

DMG's information technology system, including DMG's electronic health record and data warehouse, is designed to support the DMG delivery model with data-driven opportunities to improve the quality and cost effectiveness of the care received by its members. Using informatics technology, DMG has created disease registries that track large numbers of patients with defined medical conditions. DMG applies the data from these registries to manage the care for patients with similar medical conditions which we believe leads to a better medical outcome. We believe this approach to using data is effective because the information is communicated by the patient's physician rather than the health plan or disease management companies.

DMG employs a wide variety of other information applications to service IPA and network providers using web connectivity. The HCP Connect! on-line portal provides web-based eligibility, referrals, electronic claims submission and explanation of benefits, and other communication vehicles for individual physician offices. The success of this suite of applications has enhanced DMG's ability to manage its IPA networks, and has resulted in significant back-office efficiencies for DMG and its associated physician groups. DMG has further expanded its ability to share key utilization and clinical data with its internal and contracted physicians and specialists through the Physician Information Portal and the Clinical Viewer. Through these secure web portals, a physician is able to obtain web-based, point of care information regarding a patient, including diagnosis history, quality indicators, historical risk-adjustment coding information, pharmacy medication history, and other key information. In addition to its web-portals geared towards physicians, DMG has recently introduced a patient on-line portal to enable DMG's patients to securely view their own clinical information, schedule physician appointments and interact electronically with their physicians. DMG believes these tools help lead to high quality clinical outcomes, create internal efficiencies, and enhance the satisfaction of its associated physicians and patients.

In addition, DMG uses its data to carefully track high utilizing patients through robust data warehousing and data mining technologies. DMG filters the data warehouse to identify and reach out to patients with high-utilization patterns who are inefficiently using resources, such as visiting an emergency room when either a same-day appointment or urgent care center would be more appropriate and satisfactory for the member. High utilizing patients are identified and tracked as part of DMG's electronic health record by their physician and DMG's care management staff. Specific care plans are attached to each of these patients and tracked carefully for full compliance. The objective is to proactively manage their care at times when these patients

are either not compliant with the care plan or when changing circumstances require care managers to develop new and more suitable care plans. By using these resources, DMG has achieved improvements in quality of care, satisfaction and cost.

We believe DMG is well positioned to effectively leverage marketplace demands for greater provider accountability, measurable quality results and cost efficient medical care. We believe that DMG's business model is likely to continue to be an attractive alternative for health plans looking for high quality, cost effective delivery networks, physicians seeking an attractive practice environment and patients interested in a highly integrated approach to managing their medical care. Additionally, we believe that the scale of DMG's business allows it to spread capitation risk over a large population of members, invest in comprehensive analytic and healthcare information tools as well as clinical and quality measurement infrastructure, and recognize administrative and operating efficiencies. For these reasons, we believe that DMG offers patients, physicians and health plans a proven platform for addressing many of the most pressing challenges facing the U.S. healthcare system, including rising medical costs.

We also believe DMG has the ability to demonstrably improve medical outcomes and patient satisfaction while effectively managing costs through the following unique competitive strategies and internal progress and systems:

- DMG's clinical leadership and associated group and network physicians devote significant efforts to ensure that DMG's members receive the most appropriate care in the most appropriate manner.
- DMG is committed to maximizing its patients' satisfaction levels.
- DMG has the scale which, combined with its strong reputation and high quality patient care, makes it an attractive partner for health plans, compared to smaller provider groups that may have a higher risk of default and may not have the same resources to devote and develop the same level of patient care.
- DMG has over two decades of experience in managing complex disease cases for its population of patients. As a result, DMG has developed a rich dataset of patient care experiences and outcomes which permits DMG to proactively monitor and intervene in improving the care of its members.
- DMG's senior management team possesses substantial experience with the healthcare industry with average experience of approximately 21 years, as of December 31, 2018.

Locations of DMG clinics

As of December 31, 2018, DMG managed a total of 277 medical clinics, of which 72 clinics were located in California, 25 clinics were located in Colorado, 86 clinics were located in Florida, 56 clinics were located in Nevada, 13 clinics were located in New Mexico, and 25 clinics were located in Washington.

Competition

U.S. and International dialysis competition

The U.S. dialysis industry has some consolidation but still remains highly competitive, particularly in terms of acquiring existing outpatient dialysis centers. We continue to face a high degree of competition in the U.S. dialysis industry from large and medium-sized providers, among others, who compete directly with us for the acquisition of dialysis businesses, relationships with physicians to act as medical directors and skilled clinical personnel, as well as for individual patients. In addition, as we continue our international dialysis expansion into various international markets, we face competition from large and medium-sized providers, among others, for acquisition targets as well as physician relationships. Because of the ease of entry into the dialysis business and the ability of physicians to own dialysis centers and/or also be medical directors for their own centers, competition for growth in existing and expanding markets is not limited to large competitors with substantial financial resources. There have also been increasing indications of interest from non-traditional dialysis providers and others to enter the dialysis space and/or develop innovative technologies or business activities that could be disruptive to the industry. Acquisitions, developing new outpatient dialysis centers, patient retention and physician relationships are a critical component of our growth strategy and our business could be adversely affected if we are not able to continue to make dialysis acquisitions on reasonable and acceptable terms, continue to develop new outpatient dialysis centers, maintain or establish new relationships with physicians or if we experience significant patient attrition to our competitors. Competition for qualified physicians to act as medical directors and for inpatient dialysis services agreements with hospitals is also intense. Occasionally, we have also experienced competition from former medical directors or referring physicians who have opened their own outpatient dialysis centers. We also experience competitive pressures from other dialysis providers in connection with negotiating contracts with commercial healthcare payors and in recruiting and retaining qualified skilled clinical personnel.

Together with Fresenius Medical Care (FMC), we account for approximately 74% of outpatient dialysis patients in the U.S. with our Company serving approximately 37% of the total outpatient dialysis patients. Approximately 44% of the centers not owned by us or FMC are owned or controlled by hospitals or non-profit organizations. Hospital-based and non-profit dialysis units typically are more difficult to acquire than physician-owned dialysis centers.

FMC also manufactures a full line of dialysis supplies and equipment in addition to owning and operating outpatient dialysis centers worldwide. This may give FMC cost advantages over us because of its ability to manufacture its own products or prevent us from accessing existing or new technology on a cost-effective basis. Additionally, FMC has been one of our largest suppliers of dialysis products and equipment over the last several years. In 2018, we entered into and subsequently extended an agreement with FMC to purchase a certain amount of dialysis equipment, parts and supplies from FMC through December 31, 2020. The amount of purchases in future years from FMC will depend upon a number of factors, including the operating requirements of our centers, the number of centers we acquire, and growth of our existing centers.

DMG's competition

DMG's business is highly competitive. DMG competes with managed care organizations, hospitals, medical groups and individual physicians in its markets. DMG competes with other primary care physician groups or physicians who contract with health plans for membership. Health plans contract with care providers on the basis of costs, reputation, scope, efficiency and stability. Individual members select a primary care physician at the time of membership with the health plan. Location, name recognition, quality indicators and other factors go into that decision. For example, in California, DMG's competitors include Permanente Medical Group, which is the exclusive provider for Kaiser, and Heritage Provider Network. However, DMG's principal competitors for members and health plan contracts vary considerably in type and identity by region.

Corporate compliance program

Our businesses are subject to extensive federal, state and local government laws and regulations. Management has designed and implemented a corporate compliance program as part of our commitment to comply fully with applicable criminal, civil and administrative laws and regulations and to maintain the high standards of conduct we expect from all of our teammates. We continuously review this program and enhance it as appropriate. The primary purposes of the program include:

- Assessing and identifying risks for existing and new businesses;
- Training and educating our teammates and affiliated professionals to promote awareness of legal and regulatory requirements and the necessity of complying with all these laws;
- Developing and implementing compliance policies and procedures and creating controls to support compliance with these laws and our policies and procedures;
- Auditing and monitoring the activities of our operating units and business support functions on a regular basis to identify risks and potential instances of noncompliance in a timely manner; and
- Ensuring that we promptly take steps to resolve instances of noncompliance and address areas of weakness or potential noncompliance.

We have a code of conduct that each of our teammates, members of our Board of Directors, affiliated professionals and certain third parties must follow, and we have an anonymous compliance hotline for teammates and patients to report potential instances of noncompliance. Our Chief Compliance Officer administers the compliance program. The Chief Compliance Officer reports directly to our Chief Executive Officer, our Chief Executive Officer of Kidney Care and the Chair of the Compliance Committee of our Board of Directors (Board Compliance Committee).

On October 22, 2014, DaVita entered into a Corporate Integrity Agreement (CIA) with HHS and the OIG. The CIA:

- requires that we maintain certain elements of our compliance programs;
- imposes certain expanded compliance-related requirements during the term of the CIA, including increased training for teammates, physician partners and members of our Board of Directors, implementing a series of procedures prior to entering into arrangements with referrals sources, execution of annual certifications by senior executives of compliance with federal healthcare laws and regulations, internal compliance policies and the CIA, imposition of an executive recoupment program and quarterly and annual reports to the OIG;

- requires the formal allocation of certain oversight responsibility to the Board Compliance Committee and a resolution from that committee that it has made reasonable inquiry into the operations of the compliance program, the creation of a Management Compliance Committee and the retention of an independent compliance advisor during years three through five of the CIA;
- contains certain business restrictions related to a subset of our joint venture arrangements, including our agreeing to not enter into certain types of partial divestiture joint venture transactions with nephrologists during the term of the CIA, among other restrictions; and
- requires that we engage an Independent Monitor who will provide additional oversight and reporting to the OIG for the term of the CIA.

The costs associated with compliance with the CIA are substantial. In addition, in the event of a breach of the CIA, we may become liable for payment of certain stipulated penalties, and/or be excluded from participation in federal healthcare programs. In April 2015, the OIG notified us that it considered us to be in breach of the CIA because of three implementation deficiencies. We remediated the deficiencies and paid certain stipulated penalties. If we fail to comply with our CIA or adhere to all of the complex governmental laws and regulations that apply to our business, we could suffer severe consequences, including substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition and cash flows, reputation and stock price.

Insurance

We are predominantly self-insured with respect to professional and general liability and workers' compensation risks through wholly-owned captive insurance companies. We are also predominantly self-insured with respect to employee medical and other health benefits. We also maintain insurance, excess coverage, or reinsurance for property and general liability, professional liability, directors' and officers' liability, workers' compensation, cybersecurity and other coverage in amounts and on terms deemed adequate by management, based on our actual claims experience and expectations for future claims. Future claims could, however, exceed our applicable insurance coverage. Physicians practicing at our dialysis centers are required to maintain their own malpractice insurance, and our medical directors are required to maintain coverage for their individual private medical practices. Our liability policies cover our medical directors for the performance of their duties as medical directors at our outpatient dialysis centers. DMG also maintains general and professional liability insurance through various independent and related parties. DMG has purchased its primary general and professional liability insurance from California Medical Group Insurance (CMGI) in which DMG owns a 67% equity interest.

Teammates

As of December 31, 2018, we employed approximately 77,700 teammates, including our international teammates:

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|---|--------|
| • Licensed professional staff (physicians, nurses and other healthcare professionals) | 26,500 |
| • Other patient care and center support staff and laboratory personnel | 29,200 |
| • Corporate, billing and regional administrative staff | 9,400 |
| • DMG | 12,600 |

Our businesses require skilled healthcare professionals with specialized training for treating patients with complex care needs. Recruitment and retention of nurses are continuing concerns for healthcare providers due to short supply. We have an active program of investing in our professional healthcare teammates to help ensure we meet our recruitment and retention targets, including expanded training opportunities, tuition reimbursements and other incentives.

Item 1A. Risk Factors

This Annual Report on Form 10-K contains statements that are forward-looking statements within the meaning of the federal securities laws. These statements involve known and unknown risks and uncertainties including those discussed below. The risks and uncertainties discussed below are not the only ones facing our business. In addition, please read the cautionary notice regarding forward-looking statements in Item 7 of Part II of this Annual Report on Form 10-K under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Risk factors related to our overall business:

If we fail to adhere to all of the complex government laws and regulations that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

Our operations are subject to extensive federal, state and local government laws and regulations, such as Medicare and Medicaid reimbursement rules and regulations, federal and state anti-kickback laws, the Stark Law and analogous state self-referral prohibition statutes, the 21st Century Cures Act, Federal Acquisition Regulations, the False Claims Act (FCA) and associated regulations, the Civil Monetary Penalty statute and associated regulations, the Foreign Corrupt Practices Act (FCPA), and federal and state laws regarding the collection, use and disclosure of patient health information (e.g., Health Insurance Portability and Accountability Act of 1996 (HIPAA)) and the storage, handling, shipment, disposal and/or dispensing of pharmaceuticals and blood products and other biological materials and many other applicable state and federal laws and requirements. Medicare and Medicaid regulations, manual provisions, local coverage determinations, national coverage determinations and agency guidance impose complex and extensive requirements upon healthcare providers as well. Moreover, the various laws and regulations that apply to our operations are often subject to varying interpretations and additional laws and regulations potentially affecting providers continue to be promulgated that may impact us. A violation or departure from any of the legal requirements implicated by our business may result in, among other things, government audits, lower reimbursements, significant fines and penalties, the potential loss of certification, recoupment efforts or voluntary repayments. These legal requirements are civil, criminal and administrative in nature depending on the law or requirement.

We endeavor to comply with all legal requirements. We further endeavor to structure all of our relationships with physicians and providers to comply with state and federal anti-kickback physician and self-referral laws and other applicable healthcare laws. We utilize considerable resources to monitor laws and regulations and implement necessary changes. However, the laws and regulations in these areas are complex, changing and often subject to varying interpretations. As a result, there is no guarantee that we will be able to adhere to all of the laws and regulations that apply to our business, and any failure to do so could have a material adverse impact on our business, results of operations, financial condition, cash flows and reputation. For example, if an enforcement agency were to challenge the level of compensation that we pay our medical directors or the number of medical directors whom we engage, or otherwise challenge these arrangements, we could be required to change our practices, face criminal or civil penalties, pay substantial fines or otherwise experience a material adverse impact on our business, results of operations, financial condition, cash flows and reputation as a result. Similarly, we may face penalties under the FCA, the federal Civil Monetary Penalty statute or otherwise related to failure to report and return overpayments within 60 days of when the overpayment is identified and quantified. These obligations to report and return overpayments could subject our procedures for identifying and processing overpayments to greater scrutiny. We have made investments in resources to decrease the time it takes to identify, quantify and process overpayments, and may be required to make additional investments in the future.

Additionally, the federal government has used the FCA to prosecute a wide variety of alleged false claims and fraud allegedly perpetrated against Medicare, Medicaid and other federally funded health care programs. Moreover, amendments to the federal Anti-Kickback Statute in the 2010 Affordable Care Act (ACA) make claims tainted by anti-kickback violations potentially subject to liability under the FCA, including *qui tam* or whistleblower suits. The penalties for a violation of the FCA range from \$5,500 to \$11,000 (adjusted for inflation) for each false claim plus three times the amount of damages caused by each such claim which generally means the amount received directly or indirectly from the government. On January 29, 2018, the Department of Justice (DOJ) issued a final rule announcing adjustments to FCA penalties, under which the per claim penalty range increases to a range from \$11,181 to \$22,363 for penalties assessed after January 29, 2018, so long as the underlying conduct occurred after November 2, 2015. Given the high volume of claims processed by our various operating units, the potential is high for substantial penalties in connection with any alleged FCA violations.

In addition to the provisions of the FCA, which provide for civil enforcement, the federal government can use several criminal statutes to prosecute persons who are alleged to have submitted false or fraudulent claims for payment to the federal government.

Certain subpoenas and civil investigative demands received by us or our subsidiaries specifically reference that they are in connection with FCA investigations alleging, among other things, that we or our subsidiaries presented or caused to be presented false claims for payment to the government. See Note 17 to the consolidated financial statements included in this report for further details.

We are subject to a Corporate Integrity Agreement (CIA) which, for our domestic dialysis business, requires us to report probable violations of criminal, civil or administrative laws applicable to any federal health care program for which penalties or exclusions may be authorized under applicable healthcare laws and regulations. See "If we fail to comply with our Corporate Integrity Agreement, we could be subject to substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation."

If any of our operations are found to violate these or other government laws or regulations, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price, including:

- Suspension or termination of our participation in government payment programs;
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of required government certifications or exclusion from government payment programs;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Criminal or civil liability, fines, damages or monetary penalties for violations of healthcare fraud and abuse laws, including the federal Anti-Kickback Statute, Civil Monetary Penalties Law, Stark Law and FCA, or other failures to meet regulatory requirements;
- Enforcement actions by governmental agencies and/or state law claims for monetary damages by patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws, including HIPAA and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses;
- Imposition of and compliance with corporate integrity agreements that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices which could lead to potential fines, among other things;
- Termination of various relationships and/or contracts related to our business, including joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and
- Harm to our reputation which could negatively impact our business relationships, affect our ability to attract and retain patients and physicians, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

We are, and may in the future be, a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits (including investigations or other actions resulting from our obligation to self-report suspected violations of law) and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation.

We are the subject of a number of investigations and audits by governmental agencies. In addition, we are, and may in the future be, subject to other investigations and audits by state or federal governmental agencies and/or private civil *qui tam* complaints filed by relators and other lawsuits, demands, claims and legal proceedings, including investigations or other actions resulting from our obligation to self-report suspected violations of law.

Responding to subpoenas, investigations and other lawsuits, claims and legal proceedings as well as defending ourselves in such matters will continue to require management's attention and cause us to incur significant legal expense. Negative findings or terms and conditions that we might agree to accept as part of a negotiated resolution of pending or future legal or regulatory matters could result in, among other things, substantial financial penalties or awards against us, substantial payments made by us, harm to our reputation, required changes to our business practices, exclusion from future participation in the Medicare, Medicaid and other healthcare programs and, in certain cases, criminal penalties, any of which could have a material adverse effect on us. It is possible that criminal proceedings may be initiated against us and/or individuals in our business in connection with investigations by the federal government. Other than as described in Note 17 to the consolidated financial statements included in this report, we cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which we are or may be subject from time to time, including those described in the aforementioned sections of this report, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation. See Note 17 to the consolidated financial statements included in this report for further details regarding these and other matters.

Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We cannot predict how employers, private payors or persons buying insurance might react to the changes brought on by federal and state healthcare reform, including the ACA and any subsequent legislation, regulation or guidance, or what form many of these regulations will take before implementation.

For example, the ACA introduced healthcare insurance exchanges, which provide a marketplace for eligible individuals and small employers to purchase healthcare insurance. The business and regulatory environment continues to evolve as the exchanges mature, and statutes and regulations are challenged, changed and enforced. If commercial payor participation in the exchanges continues to decrease, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. Although we cannot predict the short- or long-term effects of legislative or regulatory changes, we believe that future market changes could result in more restrictive commercial plans with lower reimbursement rates or higher deductibles and co-payments that patients may not be able to pay. To the extent that changes in statutes, regulations or related guidance or changes in other market conditions result in a reduction in reimbursement rates for our services from commercial and/or government payors, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The ACA also added several new tax provisions that, among other things, impose various fees and excise taxes, and limit compensation deductions for health insurance providers and their affiliates. These rules could negatively impact our cash flow and tax liabilities. In addition, the ACA broadened the potential for penalties under the FCA for the knowing and improper retention of overpayments collected from government payors and reduced the timeline to file Medicare claims. Failure to timely identify, quantify and return overpayments may result in significant penalties, which could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. Failure to file a claim within the one year window could result in payment denials, adversely affecting our business, results of operations, financial condition and cash flows.

New models of care emerge and evolve and other initiatives in the government or private sector may arise, and any failure on our part to adequately implement strategic initiatives to adjust to these marketplace developments could have a material adverse impact on our business. For example, the Centers for Medicare and Medicaid Services (CMS Innovation Center (Innovation Center) is currently working with various healthcare providers to develop, refine and implement Accountable Care Organizations (ACOs) and other innovative models of care for Medicare and Medicaid beneficiaries, including the Comprehensive ESRD Care Model (CEC Model) (which includes the development of end stage renal disease (ESRD) Seamless Care Organizations), the Duals Demonstration, and other models. We are currently participating in the CEC Model with the Innovation Center, including with organizations in Arizona, Florida, and adjacent markets in New Jersey and Pennsylvania. Our U.S. dialysis business may choose to participate in additional models either as a partner with other providers or independently. Even in areas where we are not directly participating in these or other Innovation Center models, some of our patients may be assigned to an ACO, another ESRD Care Model, or another program, in which case the quality and cost of care that we furnish will be included in an ACO's, another ESRD Care Model's, or other program's calculations. In addition to the aforementioned new models of care, federal bipartisan legislation in the form of the Dialysis Patient Access to Integrated-care, Empowerment, Nephrologists, Treatment and Services Demonstration Act of 2017 (PATIENTS Act) has been proposed. The PATIENTS Act builds on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as the PATIENTS Act or similar legislation

will be passed. If such legislation is passed, there can be no assurances that we will be able to successfully provide integrated care on the broader scale contemplated by this legislation, and our costs of care could exceed our associated reimbursement rates. In general, if we are unable to efficiently adjust to these and other new models of care, it may erode our patient base or reimbursement rates, which could have a material adverse impact on our business.

There is also a considerable amount of uncertainty as to the continued implementation of the ACA and what similar measures or other changes might be enacted at the federal and/or state level. There have been multiple attempts through legislative action and legal challenges to repeal or amend the ACA. In December 2017, the Tax Cuts and Jobs Act of 2017 was signed into law which, among other things, repealed the penalty under ACA's individual mandate, which had required individuals to pay a fee if they failed to obtain a qualifying health insurance plan. In December 2018, a federal district court in Texas ruled the individual mandate was unconstitutional and inseverable from the ACA. As a result, the court ruled the remaining provisions of the ACA were also invalid, though the court declined to issue a preliminary injunction with respect to the ACA. However, it remains unclear whether the court's ruling will be upheld by appellate courts. In addition, the 2016 Presidential and Congressional elections and subsequent developments in 2017 and 2018 have caused the future state of the exchanges and other ACA reforms to be unclear. However, legislative attempts to completely repeal the ACA have been unsuccessful to date. While there may be significant changes to the healthcare environment in the future, including as a result of potential changes to the political environment, the specific changes and their timing are not yet apparent. Previously enacted reforms and future changes could have a material adverse effect on our business, results of operations, financial condition and cash flows, including, for example, by limiting the scope of coverage or the number of patients who are able to obtain coverage through the exchanges and other health insurance programs, lowering or eliminating the cost-sharing reduction subsidies under the ACA, lowering our reimbursement rates, and/or increasing our expenses.

There have also been several state initiatives to limit payments to dialysis providers. For example, Proposition 8, a California statewide ballot initiative, was proposed by the Service Employees International Union - United Healthcare Workers West and sought to limit the amount of revenue dialysis providers can retain from caring for patients with commercial insurance by requiring rebates to insurers and taking into account only a portion of the costs incurred by dialysis providers. While Proposition 8 was not approved in the November 2018 election, we incurred substantial costs in our efforts to oppose Proposition 8. Ballot initiatives similar to Proposition 8 were also proposed in Ohio and Arizona; however, neither of these initiatives met the applicable requirements for inclusion on the state ballot for the November 2018 elections. Although Proposition 8 and the Ohio and Arizona initiatives did not pass, we expect that similar ballot initiatives or other legislation might be proposed in the future in these or other states.

There has also been potential rule making and/or legislative efforts concerning charitable premium assistance. In December 2016, CMS published an interim final rule that questioned the use of charitable premium assistance for ESRD patients and would have established new conditions for coverage standards for dialysis facilities. In January 2017, a federal district court in Texas issued a preliminary injunction on CMS' interim final rule and in June 2017, at the request of CMS, the court stayed the proceedings while CMS pursues new rulemaking options. CMS has not issued any new rulemaking related to charitable premium assistance yet, but that does not preclude CMS or another regulatory agency or legislative authority from issuing a new rule or guidance that challenges charitable premium assistance. In addition, during the third quarter of 2018, a bill (SB 1156) was passed by the California legislature that would have imposed restrictions and obligations related to the use by patients on commercial plans of charitable premium assistance in the state of California and would have limited the amounts paid to a provider for services provided to those patients, if that provider has a financial relationship with the organization providing charitable premium assistance. SB 1156 was subsequently vetoed by the Governor of California, and the California legislature did not subsequently vote to overturn the Governor's veto. However, we expect that similar legislative or other initiatives might be proposed in the future in these and other states. For example, in January 2019, a bill (AB 290) was introduced in the California legislature that is similar to SB 1156 and would, among other things, limit the amount of reimbursement paid to certain providers for services provided to patients with commercial insurance who receive charitable premium assistance. If passed and implemented, we expect that this bill would have an adverse impact on our business, results of operations, financial condition and cash flows.

Any law, rule or guidance proposed or issued by CMS or other federal or state regulatory or legislative authorities, including any initiatives similar to Proposition 8, SB 1156 or AB 290, described above, or other future ballot or other initiatives restricting or prohibiting the ability of patients with access to alternative coverage from selecting a marketplace plan on or off exchange, limiting the amount of revenue that a dialysis provider can retain for caring for patients with commercial insurance by, among other things, requiring rebates to insurers and taking into account only a portion of the costs incurred by dialysis providers, affecting payments made to providers for services provided to patients who receive charitable premium assistance and/or otherwise restricting or prohibiting the use of charitable premium assistance, could cause us to incur substantial costs to oppose any such proposed measures, impact our dialysis center development plans, and if passed and/or implemented, could adversely impact dialysis centers across the U.S. making certain centers economically unviable, lead to the closure of certain

centers, restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage, and in some cases, have a material adverse effect on our business, results of operations, financial condition and cash flows.

Privacy and information security laws are complex, and if we fail to comply with applicable laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information on our behalf, or if we fail to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks, we may be subject to government or private actions due to privacy and security breaches, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation.

We must comply with numerous federal and state laws and regulations in both the U.S. and the foreign jurisdictions in which we operate governing the collection, dissemination, access, use, security and privacy of PHI, including HIPAA and its implementing privacy, security, and related regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH) and collectively referred to as HIPAA. We are also required to report known breaches of PHI consistent with applicable breach reporting requirements set forth in applicable laws and regulations. From time to time, we may be subject to both federal and state inquiries or audits related to HIPAA, HITECH and related state laws associated with complaints, desk audits, and self-reported breaches. If we fail to comply with applicable privacy and security laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information, including PHI, on our behalf, properly maintain the integrity of our data, protect our proprietary rights, or defend against cybersecurity attacks, it could materially harm our reputation or have a material adverse effect on our business, results of operations, financial condition and cash flows. These risks may be intensified to the extent that the laws change or to the extent that we increase our use of third-party service providers that utilize sensitive personal information, including PHI, on our behalf.

Data protection laws are evolving globally, and may add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) became effective on May 25, 2018. The GDPR applies to entities that are established in the European Union (EU), as well as extends the scope of EU data protection laws to foreign companies processing data of individuals in the EU. The GDPR imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under the GDPR, regulatory penalties may be assessed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million. The costs of compliance with, and other burdens imposed by, the GDPR and other new laws, regulations and policies implementing the GDPR may impact our European operations and/or limit the ways in which we can provide services or use personal data collected while providing services. If we fail to comply with the requirements of GDPR, we could be subject to penalties that would have a material adverse impact on our business, results of operations, financial condition and cash flows.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California legislature recently passed the California Consumer Protection Act (CCPA), which is scheduled to become effective January 1, 2020. The CCPA is a privacy bill that requires certain companies doing business in California to disclose information regarding the collection and use of a consumer's personal data and to delete a consumer's data upon request. The Act also permits the imposition of civil penalties and expands existing state security laws by providing a private right of action for consumers in certain circumstances where consumer data is subject to a breach. We are still evaluating whether and how this rule will impact our U.S. operations and /or limit the ways in which we can provide services or use personal data collected while providing services. In addition, in December 2018, the U.S. Department of Health and Human Services Office for Civil Rights (OCR) published a request for information (RFI) seeking public input on a broad range of potential reforms to HIPAA regulations with a focus on enhancing care coordination. Though only a preliminary step toward potential regulatory reform, the RFI's scope is significant as OCR seeks potential modifications to the HIPAA regulations that would facilitate efficient care coordination while preserving the privacy and security of PHI.

Information security risks have significantly increased in recent years in part because of the proliferation of new technologies, the use of the Internet and telecommunications technologies to conduct our operations, and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including foreign state agents. Our business and operations rely on the secure processing, transmission and storage of confidential, proprietary and other information in our computer systems and networks, including sensitive personal information, including PHI, social security numbers, and credit card information of our patients, teammates, physicians, business partners and others.

We continuously are implementing multiple layers of security measures through technology, processes and our people. We utilize security technologies designed to protect and maintain the integrity of our information systems and data, and our defenses are monitored and routinely tested internally and by external parties. Despite these efforts, our facilities and systems and those of our third-party service providers may be vulnerable to privacy and security incidents; security attacks and breaches; acts of vandalism or theft; computer viruses and other malicious code; coordinated attacks by a variety of actors,

including activist entities or state sponsored cyberattacks; emerging cybersecurity risks; cyber risk related to connected devices; misplaced or lost data; programming and/or human errors; or other similar events that could impact the security, reliability and availability of our systems. Internal or external parties may attempt to circumvent our security systems, and we have in the past, and expect that we will in the future, experience external attacks on our network including reconnaissance probes, denial of service attempts, malicious software attacks including ransomware or other attacks intended to render our internal operating systems or data unavailable, and phishing attacks or business email compromise. Cybersecurity requires ongoing investment and diligence against evolving threats. Emerging and advanced security threats, including coordinated attacks, require additional layers of security which may disrupt or impact efficiency of operations. As with any security program, there always exists the risk that employees will violate our policies despite our compliance efforts or that certain attacks may be beyond the ability of our security and other systems to detect. There can be no assurance that investments, diligence and/or our internal controls will be sufficient to prevent or timely discover an attack.

Any security breach involving the misappropriation, loss or other unauthorized disclosure or use of confidential information, including PHI, financial data, competitively sensitive information, or other proprietary data, whether by us or a third party, could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation. We may be required to expend significant additional resources to modify our protective measures, to investigate and remediate vulnerabilities or other exposures, or to make required notifications. The occurrence of any of these events could, among other things, result in interruptions, delays, the loss or corruption of data, cessations in the availability of systems and liability under privacy and security laws, all of which could have a material adverse effect on our business, results of operations, financial condition and cash flows, or materially harm our reputation and trigger regulatory actions and private party litigation. If we are unable to protect the physical and electronic security and privacy of our databases and transactions, we could be subject to potential liability and regulatory action, our reputation and relationships with our patients, physicians, vendors and other business partners would be harmed, and our business, results of operations, financial condition and cash flows could be materially and adversely affected. Failure to adequately protect and maintain the integrity of our information systems (including our networks) and data, or to defend against cybersecurity attacks, could subject us to monetary fines, civil suits, civil penalties or criminal sanctions and requirements to disclose the breach publicly, and could further result in a material adverse effect on our business, results of operations, financial condition and cash flows or harm our reputation. As malicious cyber activity escalates, including activity that originates outside of the U.S., the risks we face relating to transmission of data and our use of service providers outside of our network, as well as the storing or processing of data within our network, intensify. There have been increased international, federal and state and other privacy, data protection and security enforcement efforts and we expect this trend to continue. While we maintain cyber liability insurance, this insurance may not cover us for all types of losses and may not be sufficient to protect us against the amount of all losses.

We may engage in acquisitions, mergers, joint ventures or dispositions, which may affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business, and if businesses we acquire have liabilities we are not aware of or are not adequately addressed, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

Our business strategy includes growth through acquisitions of dialysis centers and other businesses, as well as entry into joint ventures. We may engage in acquisitions, mergers, joint ventures or dispositions or expand into new business lines or models, which may affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business. There can be no assurance that we will be able to identify suitable acquisition targets or merger partners or buyers for dispositions or that, if identified, we will be able to agree to terms with merger partners, acquire these targets or make these dispositions on acceptable terms or on the desired timetable. There can also be no assurance that we will be successful in completing any acquisitions, mergers or dispositions that we announce, executing new business lines or models or integrating any acquired business into our overall operations. There is no guarantee that we will be able to operate acquired businesses successfully as stand-alone businesses, or that any such acquired business will operate profitably or will not otherwise have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation. Further, we cannot be certain that key talented individuals at the business being acquired will continue to work for us after the acquisition or that they will be able to continue to successfully manage or have adequate resources to successfully operate any acquired business. In addition, certain of our newly and previously acquired dialysis centers and facilities have been in service for many years, which may result in a higher level of maintenance costs. Further, our facilities, equipment and information technology may need to be improved or renovated to maintain or increase operational efficiency, compete for patients and medical directors, or meet changing regulatory requirements. Increases in maintenance costs and capital expenditures could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Businesses we acquire may have unknown or contingent liabilities or liabilities that are in excess of the amounts that we originally estimated, and may have other issues, including those related to internal controls over financial reporting or issues

that could affect our ability to comply with healthcare laws and regulations and other laws applicable to our expanded business, which could harm our reputation. As a result, we cannot make any assurances that the acquisitions we consummate will be successful. Although we generally seek indemnification from the sellers of businesses we acquire for matters that are not properly disclosed to us, we are not always successful. In addition, even in cases where we are able to obtain indemnification, we may discover liabilities greater than the contractual limits, the amounts held in escrow for our benefit (if any), or the financial resources of the indemnifying party. In the event that we are responsible for liabilities substantially in excess of any amounts recovered through rights to indemnification or alternative remedies that might be available to us, or any applicable insurance, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Additionally, joint ventures, including our Asia Pacific joint venture, and minority investments inherently involve a lesser degree of control over business operations, thereby potentially increasing the financial, legal, operational and/or compliance risks associated with the joint venture or minority investment. In addition, we may be dependent on joint venture partners, controlling shareholders or management who may have business interests, strategies or goals that are inconsistent with ours. Business decisions or other actions or omissions of the joint venture partner, controlling shareholders or management may require us to make capital contributions or necessitate other payments, result in litigation or regulatory action against us, result in reputational harm to us or adversely affect the value of our investment or partnership. There can be no assurances that these joint ventures and/or minority investments, including our Asia Pacific joint venture, ultimately will be successful.

If we are unable to compete successfully, including implementing our growth strategy and/or retaining our physicians and patients, it could materially adversely affect our business, results of operations, financial condition and cash flows.

Acquisitions, patient retention and medical director and physician retention are important parts of our growth strategy. We face intense competition from other companies for acquisition targets. In our U.S. dialysis business, we continue to face increased competition from large and medium-sized providers, among others, which compete directly with us for the limited acquisition targets as well as for individual patients and medical directors. In addition, we compete for individual patients, physicians and medical directors based in part on the quality of our facilities. Moreover, as we continue our international expansion into various international markets, we will continue to face competition from large and medium-sized providers, among others, for these acquisition targets as well. As we and our competitors continue to grow and open new dialysis centers, each center in the U.S. is required by applicable regulations to have a medical director, and we may not be able to retain an adequate number of nephrologists to serve as medical directors. Because of the ease of entry into the dialysis business and the ability of physicians to be medical directors for their own centers, competition in existing and expanding markets is not limited to large competitors with substantial financial resources. Individual nephrologists have opened their own dialysis units or facilities. There also has been increasing indications of interest from non-traditional dialysis providers and others to enter the dialysis space and/or develop innovative technologies or business activities that could be disruptive to the industry. Although these potential new competitors and others may face operational and/or financial challenges, if their efforts to offer dialysis services and/or develop innovative technology or business activities in the dialysis or pre-dialysis space are successful and we are unable to effectively compete, it could have a material adverse impact on our business, results of operations, financial condition and cash flows. Further, competitive pressures and the related risks may be impacted by a continued decline in the rate of growth of the ESRD patient population or other reductions in demand for dialysis treatments.

In addition, Fresenius USA, our largest competitor, manufactures a full line of dialysis supplies and equipment in addition to owning and operating dialysis centers. This may give it cost advantages over us because of its ability to manufacture its own products or prevent us from accessing existing or new technology on a cost-effective basis. See further discussion regarding risks associated with our suppliers under the heading below, "If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows."

If we are not able to effectively implement our growth strategy, including by making acquisitions at the desired pace or at all; if we are not able to continue to maintain the expected or desired level of non-acquired growth; if we experience significant patient attrition as a result of new business activities, new technology or other forms of competition, reduced prevalence of ESRD or other reductions in demand for dialysis treatments; or if physicians choose not to refer to our clinics, it could materially adversely affect our business, results of operations, financial condition and cash flows.

If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We have significant suppliers that may be the sole or primary source of products critical to the services we provide, or to which we have committed obligations to make purchases, sometimes at particular prices. If any of these suppliers do not meet our needs for the products they supply, including in the event of a product recall, shortage or dispute, and we are not able to find adequate alternative sources, if we experience material price increases from these suppliers that we are unable to mitigate, or if some of the drugs that we purchase are not reimbursed or not adequately reimbursed by commercial or government payors, it could have a material adverse impact on our business, results of operations, financial condition and cash flows. In addition, the technology related to the products critical to the services we provide is subject to new developments which may result in superior products. If we are not able to access superior products on a cost-effective basis or if suppliers are not able to fulfill our requirements for such products, we could face patient attrition and other negative consequences which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

DMG operates in a different line of business from our historical business, and we may not realize anticipated benefits from DMG.

DaVita Medical Group (DMG) operates in a different line of business from our historical business. We may not have the expertise, experience and resources to profitably pursue all of our businesses at once, and we may be unable to successfully and profitably operate all businesses in the combined company. The administration of DMG requires implementation of appropriate operations, management, forecasting, and financial reporting systems and controls, all of which pose challenges. The management of DMG requires and will continue to require the focused attention of our management team, including a significant commitment of its time and resources. The need for management to focus on these matters could have a material adverse effect on our business, results of operations, financial condition and cash flows. If the DMG operations continue to be less profitable than we currently anticipate or we do not have the experience, the appropriate expertise or the resources to profitably pursue all businesses in the combined company, our results of operations, financial condition and cash flows may be materially and adversely affected.

Laws regulating the corporate practice of medicine could restrict the manner in which DMG and our other subsidiaries are permitted to conduct their respective business, and the failure to comply with such laws could subject these entities to penalties or require a restructuring of these businesses.

Some states have laws that prohibit business entities, such as DMG and our other subsidiaries, including but not limited to, Nephrology Practice Solutions, DaVita Health Solutions, DaVita IKC, and Lifeline, from practicing medicine, employing physicians to practice medicine, exercising control over medical decisions by physicians (also known collectively as the corporate practice of medicine) or engaging in certain arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation. Of the states in which DMG currently operates, California, Colorado, Nevada and Washington generally prohibit the corporate practice of medicine, and other states may as well.

DMG and other DaVita entities operate in those states by maintaining long-term contracts with their associated physician groups which are each owned and operated by physicians and which employ or contract with additional physicians to provide physician services. Under these arrangements, DMG and such other DaVita entities provide non-medical management services and receive a management fee for providing these services; however, DMG and such other DaVita entities do not represent that they offer medical services, and do not exercise influence or control over the practice of medicine by the physicians or the associated physician groups.

In addition to the above management arrangements, DMG has certain contractual rights relating to the orderly transfer of equity interests in certain of its associated physician groups through succession agreements and other arrangements with their physician equity holders. However, such equity interests cannot be transferred to or held by DMG or by any non-professional organization. Accordingly, neither DMG nor DMG's subsidiaries directly own any equity interests in any physician groups in California, Colorado, Nevada and Washington. The other DaVita entities operating in these and multiple other states have similar agreements and arrangements. In the event that any of these associated physician groups fail to comply with the management arrangement or any management arrangement is terminated and/or DMG or any of the other DaVita entities is unable to enforce its contractual rights over the orderly transfer of equity interests in its associated physician groups, such events could have a material adverse effect on the business, results of operations, financial condition and cash flows of DMG or such other DaVita entities.

It is possible that a state regulatory agency or a court could determine that DMG's agreements with physician equity holders of certain managed California, Colorado, Nevada and Washington associated physician groups and the way DMG carries out these arrangements as described above, either independently or coupled with the management services agreements with such associated physician groups, are in violation of the corporate practice of medicine doctrine. As a result, these arrangements could be deemed invalid, potentially resulting in a loss of revenues and an adverse effect on results of operations derived from such associated physician groups. Such a determination could force a restructuring of DMG's management arrangements with associated physician groups in California, Colorado, Nevada and/or Washington, which might include revisions of the management services agreements, including a modification of the management fee and/or establishing an alternative structure that would permit DMG to contract with a physician network without violating the corporate practice of medicine prohibition. There can be no assurance that such a restructuring would be feasible, or that it could be accomplished within a reasonable time frame without a material adverse effect on DMG's business, results of operations, financial condition and cash flows. These same risks exist for the other DaVita entities utilizing similar structures.

In December 2013, DaVita Health Plan of California, Inc. (DHPC) obtained a restricted Knox-Keene license in California, which, among other things, permits DHPC to contract with health plans in California and to arrange health care services through a network of employed or contracting physicians and other providers without violating the corporate practice of medicine prohibition. However, DHPC continues to subcontract with DMG associated physician groups in California to arrange physician services. DMG and DMG's California, Colorado, Nevada and Washington associated physician groups, as well as those physician equity holders of associated physician groups who are subject to succession agreements with DMG, could be subject to criminal or civil penalties or an injunction if, for non-physicians, they are found to be practicing medicine without a license or, for licensed physicians, they are found to be aiding and abetting the unlicensed practice of medicine.

The level of our current and future debt could have an adverse impact on our business and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control.

We have substantial debt outstanding, we incurred a substantial amount of additional debt in connection with our entry into the Increase Joinder Agreement in March 2018, and we may continue to incur additional indebtedness in the future. If we are unable to generate sufficient cash to service our substantial indebtedness and for other intended purposes, it could, for example:

- make it difficult for us to make payments on our debt securities;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flows from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and investments, repurchases of stock at the levels intended or announced, or at all, and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate;
- expose us to interest rate volatility that could adversely affect our business, results of operations, financial condition and cash flows, and our ability to service our indebtedness;
- place us at a competitive disadvantage compared to our competitors that have less debt; and
- limit our ability to borrow additional funds, or to refinance existing debt on favorable terms when otherwise available.

In addition, we may continue to incur additional indebtedness in the future, and the amount of that additional indebtedness may be substantial. Although the indentures governing our senior notes and the agreement governing our senior secured credit facilities include covenants that could limit our indebtedness, we currently have the ability to incur substantial additional debt. The related risks described in this risk factor could intensify, in particular, if there is a delay in closing the sale of DMG or the sale of DMG does not close, or if new debt is added to current debt levels. Further, the variable interest rates payable under our senior secured credit facilities are linked to LIBOR as the benchmark for establishing the rates. LIBOR is the subject of recent national, international and other regulatory guidance and proposals for reform. These reforms may cause LIBOR to disappear entirely or to perform differently than in the past. The consequences of these developments with respect to LIBOR cannot be entirely predicted, but could adversely affect the variable interest rates payable under our senior secured credit facilities.

Our ability to make payments on our indebtedness, to fund planned capital expenditures and expansion efforts, including any strategic acquisitions we may make in the future, to repurchase our stock at the levels intended or announced and to meet our other liquidity needs, will depend on our ability to generate cash. This depends not only on the success of our business but, to a certain extent, is also subject to general economic, financial, competitive, regulatory and other factors that are beyond our control.

If the pending sale of DMG closes, our cash flows will be reduced accordingly. We cannot provide assurances that our business will generate sufficient cash flows from operations in the future or that future borrowings will be available to us in an amount sufficient to enable us to service our indebtedness or to fund other liquidity needs, including those described above. In that regard, approximately \$1.845 billion of indebtedness under secured credit facilities will become due and payable in June 2019 at its stated maturity. Although we plan to seek replacement secured credit facilities to refinance that indebtedness as it becomes due, there can be no assurance that we will be able to do so on terms we consider acceptable or at all. If we are unable to generate sufficient funds to service our outstanding indebtedness or to meet our other liquidity needs, including the intended purposes described above, we would be required to refinance, restructure, or otherwise amend some or all of such indebtedness, sell assets, change or reduce our intended or announced uses or strategy for capital deployment, including for stock repurchases, reduce capital expenditures or planned expansions or raise additional cash through the sale of our equity. In addition, if we are unable to refinance or repay our indebtedness as it becomes due and payable from time to time (including the approximate \$1.845 billion of secured credit facilities indebtedness that becomes due in June 2019), we may seek waivers or extensions from the applicable lenders but there can be no assurance that those would be granted, in which case we would have to seek other sources of financing to repay that indebtedness, which might include sales of assets or equity securities or some of the other strategies discussed above. We cannot make any assurances that any such refinancing, restructurings, sales of assets, or issuances of equity can be accomplished, that any such waivers or extensions from lenders can be obtained or, if accomplished or obtained, will be on favorable terms or would raise sufficient funds to meet these obligations or our other liquidity needs. Any failure to pay any of our indebtedness when due, including if we are unable to refinance the approximately \$1.845 billion of indebtedness under our senior secured credit facilities that becomes due in June 2019, could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could trigger cross default or cross acceleration provisions in our other debt instruments, thereby permitting the holders of that other indebtedness to demand immediate repayment, and, in the case of secured indebtedness, would generally permit the holders of that indebtedness to possess and sell the collateral to satisfy our obligations.

The borrowings under our senior secured credit facilities and senior indentures are guaranteed by a substantial portion of our direct and indirect wholly owned domestic subsidiaries, including certain of DMG's subsidiaries, and borrowings under our senior secured credit facilities are secured by a substantial portion of our and our subsidiaries' assets, including those of certain of DMG's subsidiaries. If the pending sale of DMG closes, we will have fewer subsidiary guarantors of, and fewer assets with which to secure existing and future debt or refinance or restructure existing debt. This will likely reduce the total amount of secured debt that we will be able to incur and may increase the interest rate we are required to pay on our existing secured debt and any secured debt we issue in the future. In addition, by reducing the amount of assets available to meet the claims of our secured and other creditors and the number of subsidiary guarantors, it may also adversely affect the interest rates on our existing unsecured debt and any unsecured debt we issue in the future and may adversely affect our ability to incur additional unsecured debt.

For additional details regarding specific risks we face regarding the pending sale of DMG, see the discussion in the risk factors under the heading "Risk factors related to the sale of DMG."

We may be subject to liability claims for damages and other expenses that are not covered by insurance or exceed our existing insurance coverage that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

Our operations and how we manage our business may subject us, as well as our officers and directors to whom we owe certain defense and indemnity obligations, to litigation and liability for damages. Our business, profitability and growth prospects could suffer if we face negative publicity or we pay damages or defense costs in connection with a claim that is outside the scope or limits of coverage of any applicable insurance coverage, including claims related to adverse patient events, cybersecurity incidents, contractual disputes, professional and general liability and directors' and officers' duties. In addition, we have received notices of claims from commercial payors and other third parties, as well as subpoenas and CIDs from the federal government, related to our business practices, including our historical billing practices and the historical billing practices of acquired businesses. Although the ultimate outcome of these claims cannot be predicted, an adverse result with respect to one or more of these claims could have a material adverse effect on our business, results of operations, financial condition and cash flows. We maintain insurance coverage for those risks we deem are appropriate to insure against and make determinations about whether to self-insure as to other risks or layers of coverage. However, a successful claim, including a

professional liability, malpractice or negligence claim or a claim related to a cybersecurity incident, which is in excess of any applicable insurance coverage, or that is subject to our self-insurance retentions, could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. Additionally, as a result of the broad scope of our DMG division's medical practice, we are exposed to medical malpractice claims, as well as claims for damages and other expenses, that may not be covered by insurance or for which adequate limits of insurance coverage may not be available.

In addition, if our costs of insurance and claims increase, then our earnings could decline. Market rates for insurance premiums and deductibles have been steadily increasing. Our business, results of operations, financial condition and cash flows could be materially and adversely affected by any of the following:

- the collapse or insolvency of our insurance carriers;
- further increases in premiums and deductibles;
- increases in the number of liability claims against us or the cost of settling or trying cases related to those claims; or
- an inability to obtain one or more types of insurance on acceptable terms, if at all.

If we fail to successfully maintain an effective internal control over financial reporting, the integrity of our financial reporting could be compromised, which could have a material adverse effect on our ability to accurately report our financial results, our stock price and the market's perception of our business.

The integration of acquisitions and addition of new business lines into our internal control over financial reporting has required and will continue to require significant time and resources from our management and other personnel and has increased and will continue to, increase our compliance costs. Failure to maintain an effective internal control environment could have a material adverse effect on our ability to accurately report our financial results, our stock price and the market's perception of our business. In addition, we could be required to restate our financial results in the event of a significant failure of our internal control over financial reporting or in the event of inappropriate application of accounting principles.

Deterioration in economic conditions, disruptions in the financial markets or the effects of natural or other disasters or adverse weather events such as hurricanes, earthquakes, fires or flooding could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Deterioration in economic conditions could have a material adverse effect on our business, results of operations, financial condition and cash flows. Among other things, the potential decline in federal and state revenues that may result from such conditions may create additional pressures to contain or reduce reimbursements for our services from Medicare, Medicaid and other government sponsored programs. Increases in job losses in the U.S. as a result of adverse economic conditions has and may continue to result in a smaller percentage of our patients being covered by an employer group health plan and a larger percentage being covered by lower paying Medicare and Medicaid programs. Employers may also select more restrictive commercial plans with lower reimbursement rates. To the extent that payors are negatively impacted by a decline in the economy, we may experience further pressure on commercial rates, a further slowdown in collections and a reduction in the amounts we expect to collect. In addition, uncertainty in the financial markets could adversely affect the variable interest rates payable under our credit facilities or could make it more difficult to obtain or renew such facilities or to obtain other forms of financing in the future, if at all. For additional information regarding the risks related to our indebtedness, see the discussion in the risk factor above under the heading "The level of our current and future debt could have an adverse impact on our business and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control."

Further, some of our operations, including our clinical laboratory, dialysis centers and other facilities, may be adversely impacted by the effects of natural or other disasters or adverse weather events such as hurricanes, earthquakes, fires or flooding. For example, our clinical laboratory is located in Florida, a state that has in the past experienced and may in the future experience hurricanes. Natural or other disasters or adverse weather events could significantly damage or destroy our facilities, disrupt operations, increase our costs to maintain operations and require substantial expenditures and recovery time to fully resume operations.

Any or all of these factors, as well as other consequences of these events, none of which we can currently predict, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Disruptions in federal government operations and funding create uncertainty in our industry and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

A substantial portion of our revenues is dependent on federal healthcare program reimbursement, and any disruptions in federal government operations could have a material adverse effect on our business, results of operations, financial condition and cash flows. If the U.S. government defaults on its debt, there could be broad macroeconomic effects that could raise our cost of borrowing funds, and delay or prevent our future growth and expansion. Any future federal government shutdown, U.S. government default on its debt and/or failure of the U.S. government to enact annual appropriations could have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, disruptions in federal government operations may negatively impact regulatory approvals and guidance that are important to our operations, and create uncertainty about the pace of upcoming regulatory developments.

We could be subject to adverse changes in tax laws, regulations and interpretations or challenges to our tax positions.

We are subject to tax laws and regulations of the U.S. federal, state and local governments as well as various foreign jurisdictions. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. As the tax rates vary among jurisdictions, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable or favorable change in our overall tax provision.

From time to time, changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. For example, the recent U.S. tax legislation enacted on December 22, 2017, represented a significant overhaul of the U.S. federal tax code. We have completed our analysis of the initial impact of the 2017 federal tax law changes. However, it is possible that future guidance in connection with the law and/or the issuance of detailed regulations could impact our tax provision and cash taxes in future periods. Additionally, the legislation made significant changes to the tax rules applicable to insurance companies and other entities with which we do business. There can be no assurance that changes in tax laws or regulations, both within the U.S. and the other jurisdictions in which we operate, will not materially and adversely affect our effective tax rate, tax payments, results of operations, financial condition and cash flows. Similarly, changes in tax laws and regulations that impact our patients, business partners and counterparties or the economy generally may also impact our results of operations, financial condition and cash flows.

In addition, tax laws and regulations are complex and subject to varying interpretations, and any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to substantial penalties and liabilities. We are regularly subject to audits by tax authorities. For example, we are currently under audit by the Internal Revenue Service for the years 2014-2016. Although we believe our tax estimates and related reporting are appropriate, the final determination of this and other tax audits and any related litigation could be materially different from our historical income tax provisions and accruals. Any changes in enacted tax laws (such as the recent U.S. tax legislation), rules or regulatory or judicial interpretations; any adverse development or outcome in connection with tax audits in any jurisdiction; or any change in the pronouncements relating to accounting for income taxes could materially and adversely impact our effective tax rate, tax payments, results of operations, financial condition and cash flows.

Expansion of our operations to and offering our services in markets outside of the U.S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

We are continuing to expand our operations by offering our services and entering new lines of business in certain markets outside of the U.S., which increases our exposure to the inherent risks of doing business in international markets. Depending on the market, these risks include those relating to:

- changes in the local economic environment;
- political instability, armed conflicts or terrorism;
- social changes;
- intellectual property legal protections and remedies;
- trade regulations;
- procedures and actions affecting approval, production, pricing, reimbursement and marketing of products and services;

- foreign currency;
- repatriating or moving to other countries cash generated or held abroad, including considerations relating to tax-efficiencies and changes in tax laws;
- export controls;
- lack of reliable legal systems which may affect our ability to enforce contractual rights;
- changes in local laws or regulations, or interpretation or enforcement thereof;
- potentially longer ramp-up times for starting up new operations and for payment and collection cycles;
- financial and operational, and information technology systems integration;
- failure to comply with U.S. laws, such as the FCPA, or local laws that prohibit us, our partners, or our partners' or our agents or intermediaries from making improper payments to foreign officials or any third party for the purpose of obtaining or retaining business; and
- data and privacy restrictions.

Issues relating to the failure to comply with applicable non-U.S. laws, requirements or restrictions may also impact our domestic business and/or raise scrutiny on our domestic practices.

Additionally, some factors that will be critical to the success of our international business and operations will be different than those affecting our domestic business and operations. For example, conducting international operations requires us to devote significant management resources to implement our controls and systems in new markets, to comply with local laws and regulations, including to fulfill financial reporting requirements, and to overcome the numerous new challenges inherent in managing international operations, including those based on differing languages, cultures and regulatory environments, and those related to the timely hiring, integration and retention of a sufficient number of skilled personnel to carry out operations in an environment with which we are not familiar.

Any expansion of our international operations through acquisitions or through organic growth could increase these risks. Additionally, while we may invest material amounts of capital and incur significant costs in connection with the growth and development of our international operations, including to start up or acquire new operations, we may not be able to operate them profitably on the anticipated timeline, or at all.

These risks could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

Risk factors related to the sale of DMG:

The announcement and pendency of the sale of DMG may continue to adversely affect our business, results of operations, financial condition and cash flows.

The announcement and pending sale of DMG may continue to be disruptive to our business and may continue to adversely affect our relationships with current and prospective teammates, patients, physicians, payors, suppliers and other business partners. Uncertainties related to the pending sale of DMG may continue to impair our ability to attract, retain and motivate key personnel and could continue to cause suppliers and other business partners to defer entering into contracts with us or seek to change existing business relationships with us. The loss or deterioration of significant business and operational relationships could have an adverse effect on our business, results of operations, financial condition and cash flows. In addition, activities relating to the pending sale and related uncertainties could continue to divert the attention of our management and other teammates from our day-to-day business or disrupt our operations in preparation for and during the post-closing separation of DMG. Following the closing of the DMG sale, we will enter into a transition services agreement with Optum, whereby we and Optum will provide various transition services to one another for specified periods beginning on the closing date. In the course of performing our obligations under the transition services agreement, we will allocate certain of our resources, including assets, facilities, equipment and the time and attention of our management and other teammates, for the benefit of the DMG business and not ours, which may negatively impact our business, results of operations, financial condition and cash flows. In addition, it is possible that we could have stranded costs following the closing of the pending sale, which could be material. If we are unable to effectively manage these risks, our business, results of operations, financial condition and cash flows may be adversely affected.

Any continued delay in completing the sale of DMG or any additional modifications to the terms of the sale under the equity purchase agreement may materially adversely affect our business, results of operations, financial condition, cash flows and stock price.

The completion of the proposed sale of DMG is subject to customary closing conditions, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”). On March 12, 2018, we received a request for additional information and documentary materials (commonly referred to as a “second request”) from the U.S. Federal Trade Commission (“FTC”) under the HSR Act in connection with the FTC’s review of the proposed sale of DMG. In connection with its approval of the proposed sale of DMG, the FTC may impose material conditions, terms and obligations, including making its approval subject to the disposition of certain assets, which could further delay completion of the transaction, or the FTC may impose conditions that would require an adverse modification to the equity purchase agreement. If further delays continue in completing the sale of DMG, or if the terms set forth in the equity purchase agreement are further amended, our business, results of operations, financial condition, cash flows and stock price may be materially adversely affected.

If we fail to complete the proposed sale of DMG, our business, results of operations, financial condition, cash flows and stock price may be materially adversely affected.

The completion of the proposed sale of DMG is subject to customary closing conditions, including FTC approval, and if any condition to the closing of the sale of DMG is neither satisfied nor, where permissible, waived, we may be unable to complete the disposition or complete the disposition on the terms set forth in the equity purchase agreement. In addition, either we or Optum may terminate the equity purchase agreement if, among other things, the sale has not been consummated prior to June 30, 2019. If the equity purchase agreement is terminated and our Board of Directors seeks an alternative transaction or another acquiror for the sale of the DMG business, we may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the equity purchase agreement with Optum, or at all. In the third and fourth quarters of 2018, we recognized valuation adjustments with respect to the DMG business based on an updated assessment of fair value, which includes inputs such as the transaction itself, risks and timing, and performance of the business, and we recorded associated goodwill impairment charges in the fourth quarter of 2018. We may recognize additional valuation adjustments related to DMG in the future.

If the sale of DMG is not completed for any reason, investor confidence could decline. A failed transaction may result in negative publicity, protracted litigation, and may affect our relationships with teammates, patients, physicians, payors, suppliers, regulators and other business partners. In addition, in the event of a failed transaction, we will have expended significant management resources in an effort to complete the sale, and we will have incurred significant transaction costs, including legal fees, financial advisor fees and other related costs, without any commensurate benefit. Furthermore, we have incurred additional debt in anticipation of receiving the sale proceeds but there can be no assurances that we will receive the anticipated sale proceeds to repay such debt. Accordingly, if the proposed sale of DMG is not completed on the terms set forth in the equity purchase agreement or at all, our business, results of operations, financial condition, cash flows and stock price may be materially adversely affected.

Our liquidity following the close of our pending sale of DMG and our planned subsequent entry into new external financing arrangements may be less than we anticipate, and we may use the proceeds from the pending sale of DMG and other available funds, including external financing and cash flow from operations, in ways that may not improve our results of operations, financial condition, cash flows or enhance the value of our common stock.

The purchase price for the sale of the DMG business is subject to customary adjustments, both upward and downward, which could be significant. Following the closing of the pending DMG sale, we plan to use sale proceeds and other available funds, including from external financing and cash flow from operations, to repay debt, make significant stock repurchases and for general corporate purposes, which may include growth investments. A number of factors may impact our ability to repurchase stock and the timing of any such stock repurchases, including market conditions, the price of our common stock, our results of operations, financial condition, cash flows, available financing, leverage ratios, and legal, regulatory and contractual requirements and restrictions. Accordingly, the actual amount of common stock we repurchase may be less, perhaps substantially, and the period of time over which we make any stock repurchases may be substantially longer, than we currently anticipate. In addition, we may identify investments or other uses for our available funds (other than the DMG sale proceeds that we plan to use to repay debt) that we believe are more attractive than our current intended uses. Further, there can be no assurance that any investment will yield a favorable return.

Under the terms of the equity purchase agreement, we are subject to certain contractual restrictions while the sale of DMG is pending that, in some cases, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Under the terms of the equity purchase agreement, we are subject to certain restrictions on the conduct of the DMG business prior to completing the sale of DMG, which have adversely affected and may continue to adversely affect our ability to execute certain of our business strategies, including the ability in certain cases to enter into or amend contracts, acquire or dispose of assets, incur indebtedness or incur capital expenditures. Such limitations have negatively affected and could continue to negatively affect our business and operations prior to the completion of the sale of DMG. Each of these risks may be exacerbated by delays or other adverse developments with respect to the completion of the sale of DMG.

Risk factors related to our U.S. dialysis and related lab services, ancillary services and strategic initiatives:

If patients in commercial plans are subject to restriction in plan designs or the average rates that commercial payors pay us decline significantly, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 31% of our U.S. dialysis and related lab services net revenues for the year ended December 31, 2018, were generated from patients who have commercial payors (including hospital dialysis services) as their primary payor. The majority of these patients have insurance policies that pay us on terms and at rates that are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profit and all of our nonacute dialysis profits come from commercial payors. We continue to experience downward pressure on some of our commercial payment rates as a result of general conditions in the market, including as employers shift to less expensive options for medical services, recent and future consolidations among commercial payors, increased focus on dialysis services and other factors. In addition, many commercial payors that sell individual plans both on and off exchange have publicly announced losses in the marketplace. These payors may seek discounts on rates for marketplace plans on and off exchange. Commercial payment rates could be materially lower in the future.

We continuously are in the process of negotiating existing and potential new agreements with commercial payors who aggressively negotiate terms with us. Sometimes many significant agreements are being renegotiated at the same time. In the event that our continual negotiations result in overall commercial rate reductions in excess of overall commercial rate increases, the cumulative effect could have a material adverse effect on our business, results of operations, financial condition and cash flows. Consolidations have significantly increased the negotiating leverage of commercial payors. Our negotiations with payors are also influenced by competitive pressures, and we may experience decreased contracted rates with commercial payors or experience decreases in patient volume as our negotiations with commercial payors continue. In addition to downward pressure on contracted commercial payor rates, payors have been attempting to design and implement plans to restrict access to coverage, and the duration and/or the breadth of benefits, which may result in decreased payments. In addition, payors have been attempting to impose restrictions and limitations on patient access to commercial exchange plans and non-contracted or out-of-network providers, and in some circumstances designate our centers as out-of-network providers. Rates for commercial exchange products and out-of-network providers are on average higher than rates for government products and in-network providers, respectively.

A number of commercial payors have incorporated policies into their provider manuals limiting or refusing to accept charitable premium assistance from non-profit organizations, such as the American Kidney Fund, which may impact the number of patients who are able to afford commercial plans. Paying for coverage is a significant financial burden for many patients, and ESRD disproportionately affects the low-income population. Charitable premium assistance supports continuity of coverage and access to care for patients, many of whom are unable to continue working full-time as a result of their severe condition. A material restriction in patients' ability to access charitable premium assistance may restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage, and may adversely impact a large number of dialysis centers across the U.S. by making certain centers economically unviable, and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

We also believe commercial payors have or will begin to restructure their benefits to create disincentives for patients to stay with commercial insurance or to select or remain with out-of-network providers. In addition, payors may seek to decrease payment rates for out-of-network providers. Decreases in the number of patients with commercial plans, decreases in out-of-network rates and restrictions on out-of-network access, our turning away new patients in instances where we are unable to come to agreement with commercial payors on rates, new business activities of commercial payors, or decreases in contracted rates could result in a significant decrease in our overall revenues derived from commercial payors. If the average rates that commercial payors pay us decline significantly, or if we see a decline in commercial patients, it would have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional details regarding specific risks

we face regarding regulatory changes that could result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates, see the discussion in the risk factor under the heading "Changes in federal and state healthcare regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."

If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our revenue levels are sensitive to the percentage of our patients with higher-paying commercial insurance coverage. A patient's insurance coverage may change for a number of reasons, including changes in the patient's or a family member's employment status. Any changes impacting our highest paying commercial payors will have a disproportionate impact on us. In addition, many patients with commercial and government insurance rely on financial assistance from charitable organizations, such as the American Kidney Fund. Certain payors have challenged our patients' and other providers' patients' ability to utilize assistance from charitable organizations for the payment of premiums, including through litigation and other legal proceedings. Regulators have also questioned the use of charitable premium assistance for ESRD patients. CMS or another regulatory agency or legislative authority may issue a new rule or guidance that challenges or restricts charitable premium assistance. If any of these challenges to kidney patients' use of premium assistance are successful or restrictions are imposed on the use of financial assistance from such charitable organizations such that kidney patients are unable to obtain, or continue to receive or receive for a limited duration, such financial assistance, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, if our assumptions about how kidney patients will respond to any change in financial assistance from charitable organizations are incorrect, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

When Medicare becomes the primary payor, the payment rate we receive for that patient decreases from the employer group health plan or commercial plan rate to the lower Medicare payment rate. The number of our patients who have government-based programs as their primary payors could increase and the percentage of our patients covered under commercial insurance plans could be negatively impacted as a result of improved mortality or declining macroeconomic conditions. To the extent there are sustained or increased job losses in the U.S., independent of whether general economic conditions improve, we could experience a decrease in the number of patients covered under commercial plans and/or an increase in uninsured and underinsured patients. The percentage of our patients covered under commercial insurance plans could also be negatively impacted by a decline in the rate of growth of the ESRD patient population. We could also experience a further decrease in the payments we receive for services if changes to the healthcare regulatory system result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates. In addition, our continual negotiations with commercial payors under existing and potential new agreements could result in a decrease in the number of our patients covered by commercial plans to the extent that we cannot reach agreement with commercial payors on rates and other terms, resulting in termination or non-renewals of existing agreements and our inability to enter into new agreements. Commercial payors have taken and may continue to take steps to control the cost of and/or the eligibility for access to healthcare services, including relative to products on and off the healthcare exchanges. These efforts could impact the number of our patients who are eligible to enroll in commercial insurance plans, and remain on the plans, including plans offered through healthcare exchanges. Additionally, we continue to experience higher amounts of write-offs due to uninsured and underinsured patients, which has resulted in an increase in uncollectible accounts. Commercial payors could also cease paying in the primary position after providing 30 months of coverage resulting in a material reduction in payment as the patient moves to Medicare primary. If there is a significant reduction in the number of patients under higher-paying commercial plans relative to government-based programs that pay at lower rates or a significant increase in the number of patients that are uninsured and underinsured, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 44% of our U.S. dialysis and related lab services net revenues for the year ended December 31, 2018, were generated from patients who have Medicare as their primary payor. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the treatment of dialysis, including pharmaceuticals that were historically separately reimbursed to the dialysis providers, such as erythropoietin (EPO), vitamin D analogs and iron supplements, irrespective of the level of pharmaceuticals administered or additional services performed, except in the case of calcimimetics, which are subject to a transitional drug add-on payment adjustment for the Medicare Part B ESRD payment. Most lab services are also included in the bundled payment. Under the ESRD PPS, the bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set

annually by CMS through the ESRD Quality Incentive Program, which was established by the Medicare Improvements for Patients and Providers Act of 2008. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors. In addition, the ESRD PPS is subject to rebasing, which can have a positive financial effect, or a negative one if the government fails to rebase in a manner that adequately addresses the costs borne by dialysis facilities. Similarly, as new drugs, services or labs are added to the ESRD bundle, CMS' failure to adequately calculate the costs associated with the drugs, services or labs could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The current bundled payment system presents certain operating, clinical and financial risks, which include:

- Risk that our rates are reduced by CMS. Uncertainty about future payment rates remains a material risk to our business.
- Risk that CMS, through its contracted Medicare Administrative Contractors (MACs) or otherwise, implements Local Coverage Determinations (LCDs) or other decisions that limit our ability to bill for treatments or other drugs and services or other rules that may impact reimbursement. Such coverage determinations could have an adverse impact on our revenue. There is also risk commercial insurers could seek to incorporate the requirements or limitations associated with such LCDs into their contracted terms with dialysis providers, which could have an adverse impact on our revenue.
- Risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance; or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance.
- Risk that increases in our operating costs will outpace the Medicare rate increases we receive. We expect operating costs to continue to increase due to inflationary factors, such as increases in labor and supply costs, including increases in maintenance costs and capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet changing regulatory requirements and business needs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the bundled payment rate system.
- Risk of federal budget sequestration cuts. As a result of the Budget Control Act of 2011 and the BBA, an annual 2% reduction to Medicare payments took effect on April 1, 2013, and has been extended through 2027. These across-the-board spending cuts have affected and will continue to adversely affect our business, results of operations, financial condition and cash flows.
- Risk that failure to adequately develop and maintain our clinical systems or failure of our clinical systems to operate effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows. For example, in connection with claims for which at least part of the government's payments to us is based on clinical performance or patient outcomes or co-morbidities, if our clinical systems fail to accurately capture the data we report to CMS or we otherwise have data integrity issues with respect to the reported information, we might be over-reimbursed by the government, which could subject us to liability. For example, CMS published a final rule that implemented a provision of the ACA, requiring providers to report and return Medicare and Medicaid overpayments within the later of (a) 60 days after the overpayment is identified and quantified, or (b) the date any corresponding cost report is due, if applicable. An overpayment impermissibly retained under this statute could, among other things, subject us to liability under the FCA, exclusion from participation in the federal healthcare programs, and penalties under the federal Civil Monetary Penalty statute and could adversely impact our reputation.

We are subject to similar risks for services billed separately from the ESRD bundled payment, including the risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance; or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance. For additional details regarding the risks we face for failing to adhere to our Medicare and Medicaid regulatory compliance obligations, see the risk factor above under the heading "If we fail to adhere to all of the complex government laws and regulations that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price."

Changes in state Medicaid or other non-Medicare government-based programs or payment rates could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 25% of our U.S. dialysis and related lab services net revenues for the year ended December 31, 2018, were generated from patients who have state Medicaid or other non-Medicare government-based programs, such as coverage through the Department of Veterans Affairs (VA), as their primary coverage. As state governments and other governmental organizations face increasing budgetary pressure, we may in turn face reductions in payment rates, delays in the receipt of payments, limitations on enrollee eligibility or other changes to the applicable programs. For example, certain state Medicaid programs and the VA have recently considered, proposed or implemented payment rate reductions.

The VA adopted Medicare's bundled PPS pricing methodology for any veterans receiving treatment from non-VA providers under a national contracting initiative. Since we are a non-VA provider, these reimbursements are tied to a percentage of Medicare reimbursement, and we have exposure to any dialysis reimbursement changes made by CMS. Approximately 3% of our dialysis services revenues for the year ended December 31, 2018 were generated by the VA.

In 2013, we entered into a five-year Nationwide Dialysis Services contract with the VA which is subject to one-year renewal periods, consistent with all provider agreements with the VA under this contract. During the length of the contract, the VA has elected not to make adjustments to reimbursement percentages that are tied to a percentage of Medicare reimbursement rates. These agreements provide the VA with the right to terminate the agreements without cause on short notice. Should the VA renegotiate, or not renew or cancel these agreements for any reason, we may cease accepting patients under this program and may be forced to close centers or experience lower reimbursement rates, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

State Medicaid programs are increasingly adopting Medicare-like bundled payment systems, but sometimes these payment systems are poorly defined and are implemented without any claims processing infrastructure, or patient or facility adjusters. If these payment systems are implemented without any adjusters and claims processing infrastructure, Medicaid payments will be substantially reduced and the costs to submit such claims may increase, which will have a negative impact on our business, results of operations, financial condition and cash flows. In addition, some state Medicaid program eligibility requirements mandate that citizen enrollees in such programs provide documented proof of citizenship. If our patients cannot meet these proof of citizenship documentation requirements, they may be denied coverage under these programs, resulting in decreased patient volumes and revenue. These Medicaid payment and enrollment changes, along with similar changes to other non-Medicare government programs could reduce the rates paid by these programs for dialysis and related services, delay the receipt of payment for services provided and further limit eligibility for coverage which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Changes in clinical practices, payment rates or regulations impacting pharmaceuticals could have a material adverse effect on our business, results of operations, financial condition, cash flows and negatively impact our ability to care for patients.

Medicare bundles certain pharmaceuticals into the PPS at industry average doses and prices. Any variation above the industry average may be subject to partial reimbursement through the PPS outlier reimbursement policy.

Commercial payors have increasingly examined their administration policies for pharmaceuticals and, in some cases, have modified those policies. Changes in labeling of pharmaceuticals in a manner that alters physician practice patterns, including their independent determinations as to appropriate dosing, or accepted clinical practices, and/or changes in private and governmental payment criteria, including the introduction of administration policies could have a material adverse effect on our business, results of operations, financial condition and cash flows. Further increased utilization of certain pharmaceuticals for patients for whom the cost of which is included in a bundled reimbursement rate, or further decreases in reimbursement for pharmaceuticals that are not included in a bundled reimbursement rate, could also have a material adverse effect on our business, results of operations, financial condition and cash flows.

Additionally, as of January 1, 2018, calcimimetics became part of the Medicare Part B ESRD payment, but subject to a transitional drug add-on payment adjustment. We implemented processes designed to provide the drug as required under the applicable regulations and prescribed by physicians and have entered into agreements to provide for access to and distribution of the drug. If payors do not pay as anticipated, if we are not adequately reimbursed for the cost of the drug, or the processes we have implemented to provide the drug do not perform as anticipated, then we could be subject to both financial and operational risk, among other things.

We may be subject to increased inquiries or audits from a variety of governmental bodies or claims by third parties related to pharmaceuticals, which would require management's attention and could result in significant legal expense. Any

negative findings could result in substantial financial penalties or repayment obligations, the imposition of certain obligations on and changes to our practices and procedures as well as the attendant financial burden on us to comply with the obligations, or exclusion from future participation in the Medicare and Medicaid programs, and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

If we fail to comply with our Corporate Integrity Agreement, we could be subject to substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

In October 2014, we entered into a Settlement Agreement with the U.S. and relator David Barbetta to resolve the then pending 2010 and 2011 U.S. Attorney physician relationship investigations and paid \$406 million in settlement amounts, civil forfeiture, and interest to the U.S. and certain states. In connection with the resolution of these matters, and in exchange for the OIG's agreement not to exclude us from participating in the federal healthcare programs, we have entered into a five-year CIA with the OIG. The CIA (i) requires that we maintain certain elements of our compliance programs; (ii) imposes certain expanded compliance-related requirements during the term of the CIA; (iii) requires ongoing monitoring and reporting by an independent monitor, imposes certain reporting, certification, records retention and training obligations, allocates certain oversight responsibility to the Board's Compliance Committee, and necessitates the creation of a Management Compliance Committee and the retention of an independent compliance advisor to the Board; and (iv) contains certain business restrictions related to a subset of our joint venture arrangements, including our agreeing to (1) unwind 11 joint venture transactions that were created through partial divestitures to, or partial acquisitions from, nephrologists, and that cover 26 of our 2,119 clinics that existed at the time we entered into the Settlement Agreement, all of which have been completed, (2) not enter into certain types of partial divestiture joint venture transactions with nephrologists during the term of the CIA, (3) non-enforcement of certain patient-related non-solicitation restrictions, and (4) certain other restrictions. The costs associated with compliance with the CIA are substantial and may be greater than we currently anticipate. In addition, in the event of a breach of the CIA, we could become liable for payment of certain stipulated penalties, and could be excluded from participation in federal healthcare programs. The OIG has notified us in the past that it considered us to be in breach of the CIA, and we cannot provide any assurances that we may not be found in breach of the CIA in the future. In general, the costs associated with compliance with the CIA, or any liability or consequences associated with a breach, could have a material adverse effect on our business, results of operations, financial condition and cash flows. For our domestic dialysis business, we are required under the CIA to report to the OIG (i) probable violations of criminal, civil or administrative laws applicable to any federal health care program for which penalties or exclusions may be authorized under applicable laws and regulations; (ii) substantial overpayments of amounts of money we have received in excess of the amounts due and payable under the federal healthcare program requirements; and (iii) employment of or contracting with individuals ineligible from participating in the federal healthcare programs (we refer to these collectively as Reportable Events). We have provided the OIG notice of Reportable Events, and we may identify and report additional events in the future. If any of our operations are found to violate government laws and regulations, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price, including those consequences described under the risk factor "If we fail to adhere to all of the complex government laws and regulations that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price."

Delays in state Medicare and Medicaid certification or other licensing and/or anything impacting the licensing of our dialysis centers could adversely affect our business, results of operations, financial condition and cash flows.

Before we can begin billing for patients treated in our outpatient dialysis centers who are enrolled in government-based programs, we are required to obtain state and federal certification for participation in the Medicare and Medicaid programs. As state agencies responsible for surveying dialysis centers on behalf of the state and Medicare program face increasing budgetary pressure, certain states are having difficulty keeping up with certifying dialysis centers in the normal course resulting in significant delays in certification. If state governments continue to have difficulty keeping up with certifying new centers in the normal course and we continue to experience significant delays in our ability to treat and bill for services provided to patients covered under government programs, it could cause us to incur write-offs of investments or accelerate the recognition of lease obligations in the event we have to close centers or our centers' operating performance deteriorates, and it could have an adverse effect on our business, results of operations, financial condition and cash flows. Although the BBA passed in February 2018 allows organizations approved by the Department of Health and Human Services (HHS) to accredit dialysis facilities and imposes certain timing requirements regarding the initiation of initial surveys to determine if certain conditions and requirements for payment have been satisfied, we cannot predict the ultimate impact of these changes. In addition to certifications for Medicare and Medicaid, some states have licensing requirements for ESRD facilities. Delays in licensure, denials of licensure, or withdrawal of licensure could also adversely affect our business, results of operations, financial condition and cash flows.

If our joint ventures were found to violate the law, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows.

As of December 31, 2018, we owned a controlling interest in numerous dialysis-related joint ventures, which represented approximately 25% of our net U.S. dialysis and related lab services net revenues for the year ended December 31, 2018. In addition, we also owned noncontrolling equity investments in several other dialysis related joint ventures. We expect to continue to increase the number of our joint ventures. Many of our joint ventures with physicians or physician groups also have certain physician owners providing medical director services to centers we own and operate. Because our relationships with physicians are governed by the federal and state anti-kickback statutes, we have sought to structure our joint venture arrangements to satisfy as many federal safe harbor requirements as we believe are commercially reasonable. Our joint venture arrangements do not satisfy all of the elements of any safe harbor under the federal Anti-Kickback Statute, however, and therefore are susceptible to government scrutiny. For example, in October 2014, we entered into a settlement agreement to resolve the then pending 2010 and 2011 U.S. Attorney physician relationship investigations regarding certain of our joint ventures and paid \$406 million in settlement amounts, civil forfeiture, and interest to the U.S. and certain states. For further details on the settlement agreement, see "If we fail to comply with our Corporate Integrity Agreement, we could be subject to substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition, cash flows, and reputation".

There are significant risks associated with estimating the amount of dialysis revenues and related refund liabilities that we recognize, and if our estimates of revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition or have a material adverse effect on our business, results of operations, financial condition and cash flows.

There are significant risks associated with estimating the amount of U.S. dialysis and related lab services revenues and related refund liabilities that we recognize in a reporting period. The billing and collection process is complex due to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, such as ensuring appropriate documentation. Determining applicable primary and secondary coverage for approximately 202,700 U.S. patients at any point in time, together with the changes in patient coverage that occur each month, requires complex, resource-intensive processes. Errors in determining the correct coordination of benefits may result in refunds to payors. Revenues associated with Medicare and Medicaid programs are also subject to estimating risk related to the amounts not paid by the primary government payor that will ultimately be collectible from other government programs paying secondary coverage, the patient's commercial health plan secondary coverage or the patient. Collections, refunds and payor retractions typically continue to occur for up to three years and longer after services are provided. We generally expect our range of U.S. dialysis and related lab services revenues estimating risk to be within 1% of net revenues for the segment. If our estimates of U.S. dialysis and related lab services revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition and have a material adverse impact on our business, results of operations, financial condition and cash flows.

Our ancillary services and strategic initiatives, including our international operations, that we operate or invest in now or in the future may generate losses and may ultimately be unsuccessful. In the event that one or more of these activities is unsuccessful, our business, results of operations, financial condition and cash flows may be negatively impacted and we may have to write off our investment and incur other exit costs.

Our ancillary services and strategic initiatives are subject to many of the same risks, regulations and laws, as described in the risk factors related to our dialysis business set forth in this Part I, Item 1A, and are also subject to additional risks, regulations and laws specific to the nature of the particular strategic initiative. We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include healthcare services not related to dialysis. Many of these initiatives require or would require investments of both management and financial resources and can generate significant losses for a substantial period of time and may not become profitable in the expected timeframe or at all. There can be no assurance that any such strategic initiative will ultimately be successful. Any significant change in market conditions, or business performance, or in the political, legislative or regulatory environment, may impact the economic viability of any of these strategic initiatives. For example, changes in the oral pharmacy space, including reimbursement rate pressures, negatively impacted the economics of our pharmacy services business. As a result, in the second half of 2018 we transitioned the customer service and fulfillment functions of this business to third parties and wound down our distribution operation, which resulted in a decrease in revenues and costs. In the year ended December 31, 2018, we recognized restructuring charges of \$11 million and incurred asset impairment charges of \$17 million related to the restructuring of our pharmacy business.

If any of our ancillary services or strategic initiatives, including our international operations, are unsuccessful, it would have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit

that line of business. We could incur significant termination costs if we were to exit certain of these lines of business. In addition, we may incur a material write-off or an impairment of our investment, including goodwill, in one or more of our ancillary services or strategic initiatives. In that regard, we have taken, and may in the future take, impairment and restructuring charges in addition to those described above related to our ancillary services and strategic initiatives, including in our international and pharmacy businesses.

If a significant number of physicians were to cease referring patients to our dialysis centers, whether due to regulatory or other reasons, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Physicians, including medical directors, choose where they refer their patients. Some physicians prefer to have their patients treated at dialysis centers where they or other members of their practice supervise the overall care provided as medical director of the center. As a result, referral sources for many of our centers include the physician or physician group providing medical director services to the center.

Our medical director contracts are for fixed periods, generally ten years, and at any given time a large number of them could be up for renewal at the same time. Medical directors have no obligation to extend their agreements with us and, under certain circumstances, our former medical directors may choose to provide medical director services for competing providers or establish their own dialysis centers in competition with ours. Neither our current nor former medical directors have an obligation to refer their patients to our centers.

The aging of the nephrologist population and opportunities presented by our competitors may negatively impact a medical director's decision to enter into or extend his or her agreement with us. Moreover, different affiliation models in the changing healthcare environment that limit a nephrologist's choice in where he or she can refer patients, such as an increase in the number of physicians becoming employed by hospitals or a perceived decrease in the quality of service levels at our centers, may limit a nephrologist's ability or desire to refer patients to our centers or otherwise negatively impact treatment volumes.

In addition, if the terms of any existing agreement are found to violate applicable laws, we may not be successful in restructuring the relationship, which would lead to the early termination of the agreement. If we are unable to obtain qualified medical directors to provide supervision of the operations and care provided at our dialysis centers, it could affect physicians' desire to refer patients to our dialysis centers. If a significant number of physicians were to cease referring patients to our dialysis centers, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

If our labor costs continue to rise, including due to shortages, changes in certification requirements and higher than normal turnover rates in skilled clinical personnel; or currently pending or future rules, regulations or initiatives impose additional requirements or limitations on our operations or profitability; or, if we are unable to attract and retain key leadership talent, we may experience disruptions in our business operations and increases in operating expenses, among other things, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We face increasing labor costs generally, and in particular, we face increased labor costs and difficulties in hiring nurses due to a nationwide shortage of skilled clinical personnel. We compete for nurses with hospitals and other healthcare providers. This nursing shortage may limit our ability to expand our operations. Furthermore, changes in certification requirements can impact our ability to maintain sufficient staff levels, including to the extent our teammates are not able to meet new requirements, among other things. In addition, if we experience a higher than normal turnover rate for our skilled clinical personnel, our operations and treatment growth may be negatively impacted, which could adversely affect our business, results of operations, financial condition and cash flows. We also face competition in attracting and retaining talent for key leadership positions. If we are unable to attract and retain qualified individuals, we may experience disruptions in our business operations, including our ability to achieve strategic goals, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In addition, proposed ballot initiatives or referendums, legislation, regulations or policy changes could cause us to incur substantial costs to challenge and prepare for and, if implemented, impose additional requirements on our operations, including increases in the required staffing levels or staffing ratios for clinical personnel, minimum transition times between treatments, limits on how much patients may be charged for care, limitations as to the amount that can be spent on certain medical costs, and limitations on the amount of revenue that providers can retain. Changes such as those mandated by proposed ballot initiatives or referendums, legislation, regulations or policy changes could materially reduce our revenues and increase our operating expense and impact our ability to staff our clinics to any new, elevated staffing levels, in particular given the ongoing

nationwide shortage of healthcare workers, especially nurses. Any of these events or circumstances could materially reduce our revenues and increase our operating and other costs, require us to close or consolidate existing dialysis centers, postpone or not build new dialysis centers, reduce shifts or negatively impact employee relations, treatment growth and productivity, and could have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional information on these risks, see "Changes in federal and state health regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."

Our business is labor intensive and could be materially adversely affected if we are unable to attract and retain employees or if union organizing activities or legislative or other changes result in significant increases in our operating costs or decreases in productivity.

Our business is labor intensive, and our financial and operating results have been and continue to be subject to variations in labor-related costs, productivity and the number of pending or potential claims against us related to labor and employment practices. Political or other efforts at the national or local level could result in actions or proposals that increase the likelihood or success of union organizing activities at our facilities and ongoing union organizing activities at our facilities could continue or increase for other reasons. We could experience an upward trend in wages and benefits and labor and employment claims, including the filing of class action suits, or adverse outcomes of such claims, or face work stoppages. In addition, we are and may continue to be subject to targeted corporate campaigns by union organizers in response to which we have been and may continue to be required to expend substantial resources, both time and financial. Any of these events or circumstances could have a material adverse effect on our employee relations, treatment growth, productivity, business, results of operations, financial condition and cash flows.

Complications associated with our billing and collections system could materially adversely affect our business, results of operations, financial condition and cash flows.

Our billing system is critical to our billing operations. If there are defects in the billing system, we may experience difficulties in our ability to successfully bill and collect for services rendered, including a delay in collections, a reduction in the amounts collected, increased risk of retractions from and refunds to commercial and government payors, an increase in our provision for uncollectible accounts receivable and noncompliance with reimbursement regulations, any or all of which could materially adversely affect our results of operations.

Risk factors primarily related to DMG:

DMG is subject to many of the same risks to which our dialysis business is subject.

As a participant in the healthcare industry, DMG is subject to many of the same risks as our dialysis business is, as described in the risk factors set forth above in this Part I, Item 1A, many of which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Under most of DMG's agreements with health plans, DMG assumes some or all of the risk that the cost of providing services will exceed its compensation.

Approximately 84% of DMG's revenue for the year ended December 31, 2018, is derived from fixed per member per month (PMPM) fees paid by health plans under capitation agreements with DMG or its associated physician groups. While there are variations specific to each arrangement, DMG, through DHPC, a subsidiary of HealthCare Partners Holdings, LLC and a restricted Knox-Keene licensed entity, and, in certain instances, DMG's associated physician groups, generally contract with health plans to receive a PMPM fee for professional services and assume the financial responsibility for professional services only. In some cases, the health plans separately enter into capitation contracts with third parties (typically hospitals) who receive directly a PMPM fee and assume contractual financial responsibility for hospital services. In other cases, the health plan does not pay any portion of the PMPM fee to the hospital, but rather administers claims for hospital expenses itself. In both scenarios, DMG enters into managed care-related administrative services agreements or similar arrangements with those third parties (typically hospitals) under which DMG agrees to be responsible for utilization review, quality assurance, and other managed care-related administrative functions. As compensation for such administrative services, DMG is entitled to receive a percentage of the amount by which the institutional capitation revenue received from health plans exceeds institutional expenses; any such risk-share amount to which DMG is entitled is recorded as medical revenues, and DMG is also responsible for a percentage of any short-fall in the event that institutional expenses exceed institutional revenues. To the extent that members require more care than is anticipated and/or the cost of care increases, aggregate fixed PMPM amounts, or capitation payments, may be insufficient to cover the costs associated with treatment. If medical costs and expenses exceed estimates, except in very limited circumstances, DMG will not be able to increase the PMPM fee received under these risk

agreements during their then-current terms and could, directly or indirectly through its contracts with its associated physician groups, suffer losses with respect to such agreements.

Changes in DMG's or its associated physician groups' anticipated ratio of medical expense to revenue can significantly impact DMG's financial results. Accordingly, the failure to adequately predict and control medical costs and expenses and to make reasonable estimates and maintain adequate accruals for incurred but not reported claims, could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Historically, DMG's and its associated physician groups' medical costs and expenses as a percentage of revenue have fluctuated. Factors that may cause medical expenses to exceed estimates include:

- the health status of members;
- higher than expected utilization of new or existing healthcare services or technologies;
- an increase in the cost of healthcare services and supplies, including pharmaceuticals, whether as a result of inflation or otherwise;
- changes to mandated benefits or other changes in healthcare laws, regulations and practices;
- periodic renegotiation of provider contracts with specialist physicians, hospitals and ancillary providers;
- periodic renegotiation of contracts with DMG's affiliated primary care physicians and specialists;
- changes in the demographics of the participating members and medical trends;
- contractual or claims disputes with providers, hospitals or other service providers within and outside of a health plan's network;
- the occurrence of catastrophes, major epidemics or acts of terrorism; and
- the reduction of health plan premiums.

Risk-sharing arrangements that DMG and its associated physician groups have with health plans and hospitals could result in their costs exceeding the corresponding revenues, which could reduce or eliminate any shared risk profitability.

Most of the agreements between health plans and DMG and its associated physician groups contain risk-sharing arrangements under which the physician groups can earn additional compensation from the health plans by coordinating the provision of quality, cost-effective healthcare to members. However, such arrangements may require the physician group to assume a portion of any loss sustained from these arrangements, thereby reducing DMG's net income. Under these risk-sharing arrangements, DMG and its associated physician groups are responsible for a portion of the cost of hospital services or other services that are not capitated. The terms of the particular risk-sharing arrangement allocate responsibility to the respective parties when the cost of services exceeds the related revenue, which results in a deficit, or permit the parties to share in any surplus amounts when actual costs are less than the related revenue. The amount of non-capitated medical and hospital costs in any period could be affected by factors beyond the control of DMG, such as changes in treatment protocols, new technologies, longer lengths of stay by the patient and inflation. Certain of DMG's agreements with health plans stipulate that risk-sharing pool deficit amounts are carried forward to offset any future years' surplus amounts DMG would otherwise be entitled to receive. DMG accrues for any such risk-sharing deficits. To the extent that such non-capitated medical and hospital costs are higher than anticipated, revenue may not be sufficient to cover the risk-sharing deficits DMG and its associated physician groups are responsible for, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Renegotiation, renewal or termination of capitation agreements with health plans could have a material adverse effect on DMG's business, results operations, financial condition and cash flows.

Under most of DMG's and its associated physician groups' capitation agreements with health plans, the health plan is generally permitted to modify the benefit and risk obligations and compensation rights from time to time during the terms of the agreements. If a health plan exercises its right to amend its benefit and risk obligations and compensation rights, DMG and its associated physician groups are generally allowed a period of time to object to such amendment. If DMG or its associated physician group so objects, under some of the risk agreements, the relevant health plan may terminate the applicable agreement upon 90 to 180 days written notice. If DMG or its associated physician groups enter into capitation contracts or other risk

sharing arrangements with unfavorable economic terms, or a capitation contract is amended to include unfavorable terms, DMG could, directly or indirectly through its contracts with its associated physician groups, suffer losses with respect to such contract. Since DMG does not negotiate with CMS or any health plan regarding the benefits to be provided under their Medicare Advantage plans, DMG often has just a few months to familiarize itself with each new annual package of benefits it is expected to offer. Depending on the health plan at issue and the amount of revenue associated with the health plan's risk agreement, the renegotiated terms or termination could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

If DMG's agreements or arrangements with any physician equity holder(s) of associated physicians, physician groups or independent practice associations (IPAs) are deemed invalid under state law, including laws against the corporate practice of medicine, or federal law, or are terminated as a result of changes in state law, or if there is a change in accounting standards by the Financial Accounting Standards Board (FASB) or the interpretation thereof affecting consolidation of entities, it could have a material adverse effect on DMG's consolidation of total revenues derived from such associated physician groups.

DMG's financial statements are consolidated in accordance with applicable accounting standards and include the accounts of its majority-owned subsidiaries and certain non-owned DMG-associated and managed physician groups. Such consolidation for accounting and/or tax purposes does not, is not intended to, and should not be deemed to, imply or provide to DMG any control over the medical or clinical affairs of such physician groups. In the event of a change in accounting standards promulgated by FASB or in interpretation of its standards, or if there is an adverse determination by a regulatory agency or a court, or a change in state or federal law relating to the ability to maintain present agreements or arrangements with such physician groups, DMG may not be permitted to continue to consolidate the total revenues of such organizations. A change in accounting for consolidation with respect to DMG's present agreements or arrangements would diminish DMG's reported revenues but would not be expected to materially and adversely affect its reported results of operations, while regulatory or legal rulings or changes in law interfering with DMG's ability to maintain its present agreements or arrangements could materially diminish both revenues and results of operations.

If DHPC is not able to satisfy financial solvency or other regulatory requirements, we could become subject to sanctions and its license to do business in California could be limited, suspended or terminated, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Knox-Keene requires healthcare service plans operating in California to comply with financial solvency and other requirements overseen by the California Department of Managed HealthCare (DMHC). Under Knox-Keene, DHPC is required to, among other things:

- Maintain, at all times, a minimum tangible net equity (TNE);
- Submit periodic financial solvency reports to the DMHC containing various data regarding performance and financial solvency;
- Comply with extensive regulatory requirements; and
- Submit to periodic regulatory audits and reviews concerning DHPC operations and compliance with Knox-Keene.

In the event that DHPC is not in compliance with the provisions of Knox-Keene, we could be subject to sanctions, or limitations on, or suspension of its license to do business in California, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

If DMG's associated physician group is not able to satisfy the California DMHC's financial solvency requirements, DMG's associated physician group could become subject to sanctions and DMG's ability to do business in California could be limited or terminated, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

The California DMHC has instituted financial solvency regulations to monitor the financial solvency of capitated physician groups. Under these regulations, DMG's associated physician group is required to, among other things:

- Maintain, at all times, a minimum cash-to-claims ratio (where cash-to-claims ratio means the organization's cash, marketable securities and certain qualified receivables, divided by the organization's total unpaid claims liability). The regulation currently requires a cash-to-claims ratio of 0.75.

- Submit periodic reports to the California DMHC containing various data and attestations regarding performance and financial solvency, including incurred but not reported calculations and documentation, and attestations as to whether or not the organization was in compliance with Knox-Keene requirements related to claims payment timeliness, had maintained positive TNE (i.e., at least \$1.00) and had maintained positive working capital (i.e., at least \$1.00).

In the event that DMG's associated physician group is not in compliance with any of the above criteria, DMG's associated physician group could be subject to sanctions, or limitations on, or termination of, its ability to do business in California, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Reductions in Medicare Advantage health plan reimbursement rates stemming from healthcare reforms and any future related regulations could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

A significant portion of DMG's revenue is directly or indirectly derived from the monthly premium payments paid by CMS to health plans for medical services provided to Medicare Advantage enrollees. As a result, DMG's results of operations are, in part, dependent on government funding levels for Medicare Advantage programs. Any changes that limit or reduce Medicare Advantage reimbursement levels, such as reductions in or limitations of reimbursement amounts or rates under programs, reductions in funding of programs, expansion of benefits without adequate funding, elimination of coverage for certain benefits, or elimination of coverage for certain individuals or treatments under programs, could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Each year, CMS issues a final rule to establish the Medicare Advantage benchmark payment rates for the following calendar year. Any reduction to Medicare Advantage rates impacting DMG that is greater compared to the industry average rate may have a material adverse effect on DMG's business, results of operations, financial condition and cash flows. The final impact of the Medicare Advantage rates can vary from any estimate we may have and may be further impacted by the relative growth of DMG's Medicare Advantage patient volumes across markets as well as by the benefit plan designs submitted. It is possible that we may underestimate the impact of the Medicare Advantage rates on our business, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Before DMG was reclassified as held for sale, we took impairment charges against the goodwill of several of our DMG reporting units based on continuing developments in our DMG business, including recent annual updates to Medicare Advantage benchmark reimbursement rates, changes in our expectations concerning future government reimbursement rates and our expected ability to mitigate them, medical cost and utilization trends, commercial pricing pressures, commercial membership rates, underperformance of certain at-risk reporting units and other market factors. Depending on the impact of continuing developments on the value of our DMG business, for example if DMG's fair value less the costs incurred in the sale of DMG falls below its carrying amount, we may need to recognize additional impairment charges on this business, and the amount of such charges, if any, could be significant. Our estimates of the fair value of this business rely on certain estimates and assumptions, including the terms and pricing agreed for the sale of this business, as well as applicable market multiples, discount and long-term growth rates, market data and future reimbursement rates, as applicable. Our estimates of the fair value of the DMG business could differ from the actual value that a market participant would pay for this business, and as a result, we may recognize valuation adjustments or record other related charges on our DMG business in the future. For example, in the third and fourth quarters of 2018, we recognized valuation adjustments with respect to DMG based on an updated assessment of fair value, which includes inputs such as the transaction itself, risks and timing, and performance of the business, and we recorded associated goodwill impairment charges in the fourth quarter of 2018. For additional information regarding the risks we face related to the pending sale of DMG, see the discussion in the risk factors under the heading "Risk factors related to the sale of DMG."

DMG's Medicare Advantage revenues may continue to be volatile in the future, which could have a material adverse impact on DMG's business, results of operations, financial condition and cash flows.

The ACA contains a number of provisions that negatively impact Medicare Advantage plans, each of which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows. These provisions include the following:

- Medicare Advantage benchmarks for 2011 were frozen at 2010 levels. From 2012 through 2016, Medicare Advantage benchmark rates were phased down from prior levels. The new benchmarks were fully phased-in in 2017 and range between 95% and 115% of the Medicare Fee-for-Service (Medicare FFS) costs, depending on a plan's geographic area. If our costs escalate faster than can be absorbed by the level of revenues implied by these benchmark rates, then it could have a material adverse effect on DMG's business and results of operations.
- Rebates received by Medicare Advantage plans that were reduced, with larger reductions for plans failing to receive certain quality ratings.
- The Secretary of the HHS has been granted the explicit authority to deny Medicare Advantage plan bids that propose significant increases in cost sharing or decreases in benefits. If the bids submitted by plans contracted with DMG are denied, this could have a material adverse effect on DMG's business and results of operations.
- Medicare Advantage plans with medical loss ratios below 85% are required to pay a rebate to the Secretary of HHS. The rebate amount is the total revenue under the contract year multiplied by the difference between 85% and the plan's actual medical loss ratio. The Secretary of HHS will halt enrollment in any plan failing to meet this ratio for three consecutive years, and terminate any plan failing to meet the ratio for five consecutive years. If a DMG-contracting Medicare Advantage plan experiences a limitation on enrollment or is otherwise terminated from the Medicare Advantage program, it could have a material adverse effect on DMG's business and results of operations.
- Prescription drug plans are required to provide coverage of certain drug categories on a list developed by the Secretary of HHS, which could increase the cost of providing care to Medicare Advantage enrollees, and thereby reduce DMG's revenues and earnings. The Medicare Part D premium amount subsidized for high-income beneficiaries has been reduced, which could lower the number of Medicare Advantage enrollees, which would have a negative impact on DMG's business and results of operations.
- CMS increased coding intensity adjustments for Medicare Advantage plans beginning in 2014 and continuing through 2019, which reduces CMS payments to Medicare Advantage plans, which in turn will likely reduce the amounts payable to DMG and its associated physicians, physician groups, and IPAs under its capitation agreements.

Recent legislative, judicial and executive efforts to enact further healthcare reform legislation have caused the future state of the exchanges, other ACA reforms, and many core aspects of the current U.S. health care system to be unclear. While specific changes and their timing are not yet apparent, enacted reforms and future legislative, regulatory, judicial, or executive changes could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

There is also uncertainty regarding both Medicare Advantage payment rates and beneficiary enrollment, which, if reduced, would reduce DMG's overall revenues and net income. For example, although the Congressional Budget Office (CBO) predicted in 2010 that Medicare Advantage participation would drop substantially by 2020, the CBO has more recently predicted, without taking into account potential future reforms, that enrollment in Medicare Advantage (and other contracts covering Medicare Parts A and B) could reach 31 million by 2027. Although Medicare Advantage enrollment increased by approximately 5.6 million, or by 50%, between the enactment of the ACA in 2010 and 2015, there can be no assurance that this trend will continue. Further, fluctuation in Medicare Advantage payment rates are evidenced by CMS's annual announcement of the expected average change in revenue from the prior year: for 2018, CMS announced an average increase of 0.45%; and for 2019, 3.4%. Uncertainty over Medicare Advantage enrollment and payment rates present a continuing risk to DMG's business.

According to the Kaiser Family Foundation (KFF), Medicare Advantage enrollment continues to be highly concentrated among a few payors, both nationally and in local regions. In 2018, the KFF reported that three payors together accounted for more than half of Medicare Advantage enrollment and seven firms accounted for approximately 75% of the lives. Consolidation among Medicare Advantage plans in certain regions, or the Medicare program's failure to attract additional plans to participate in the Medicare Advantage program, could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

DMG's operations are dependent on competing health plans and, at times, a health plan's and DMG's economic interests may diverge.

For the year ended December 31, 2018, 69% of DMG's consolidated capitated medical revenues were earned through contracts with three health plans.

DMG expects that, going forward, substantially all of its revenue will continue to be derived from its contracts with health plans. Each health plan may immediately terminate any of DMG's contracts and/or any individual credentialed physician upon the occurrence of certain events. They may also amend the material terms of the contracts under certain circumstances. Failure to maintain the contracts on favorable terms, for any reason, would materially and adversely affect DMG's results of operations, financial condition and cash flows. A material decline in the number of members could also have a material adverse effect on DMG's results of operations.

Notwithstanding each health plan's and DMG's current shared interest in providing service to DMG's members who are enrolled in the subject health plans, the health plans may have different and, at times, opposing economic interests from those of DMG. The health plans provide a wide range of health insurance services across a wide range of geographic regions, utilizing a vast network of providers. As a result, they and DMG may have different views regarding the proper pricing of services and/or the proper pricing of the various service providers in their provider networks, the cost of which DMG bears to the extent that the services of such service providers are utilized. These health plans may also have different views than DMG regarding the efforts and expenditures that they, DMG, and/or other service providers should make to achieve and/or maintain various quality ratings. In addition, several health plans have acquired or announced their intent to acquire provider organizations. If health plans with which DMG contracts acquire a significant number of provider organizations, they may not continue to contract with DMG or contract on less favorable terms or seek to prevent DMG from acquiring or entering into arrangements with certain providers. Similarly, as a result of changes in laws, regulations, consumer preferences, or other factors, the health plans may find it in their best interest to provide health insurance services pursuant to another payment or reimbursement structure. In the event DMG's interests diverge from the interests of the health plans, DMG may have limited recourse or alternative options in light of its dependence on these health plans. There can be no assurances that DMG will continue to find it mutually beneficial to work with these health plans. As a result of various restrictive provisions that appear in some of the managed care agreements with health plans, DMG may at times have limitations on its ability to cancel an agreement with a particular health plan and immediately thereafter contract with a competing health plan with respect to the same service area.

DMG and its associated physicians, physician groups and IPAs and other physicians may be required to continue providing services following termination of certain agreements with health plans.

There are circumstances under federal and state law pursuant to which DMG and its associated physician groups, IPAs and other physicians could be obligated to continue to provide medical services to DMG members in their care following a termination of their applicable risk agreement with health plans and termination of the receipt of payments thereunder. In certain cases, this obligation could require the physician group or IPA to provide care to such member following the bankruptcy or insolvency of a health plan. Accordingly, the obligations to provide medical services to DMG members (and the associated costs) may not terminate at the time the applicable agreement with the health plan terminates, and DMG may not be able to recover its cost of providing those services from the health plan, which could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

DMG operates primarily in California, Florida, Nevada, New Mexico, Washington and Colorado and may not be able to successfully establish a presence in new geographic regions.

DMG derives substantially all of its revenue from operations in California, Florida, Nevada, New Mexico, Washington and Colorado (which we refer to as the Existing Geographic Regions). As a result, DMG's exposure to many of the risks described herein is not mitigated by a greater diversification of geographic focus. Furthermore, due to the concentration of DMG's operations in the Existing Geographic Regions, it may be adversely affected by economic conditions, natural disasters (such as earthquakes or hurricanes), or acts of war or terrorism that disproportionately affect the Existing Geographic Regions as compared to other states and geographic markets.

To expand the operations of its network outside of the Existing Geographic Regions, DMG must devote resources to identify and explore perceived opportunities. Thereafter, DMG must, among other things, recruit and retain qualified personnel, develop new offices, establish potential new relationships with one or more health plans, and establish new relationships with physicians and other healthcare providers. The ability to establish such new relationships may be significantly inhibited by competition for such relationships and personnel in the healthcare marketplace in the targeted new geographic regions. Additionally, DMG may face the risk that a substantial portion of the patients served in a new geographic area may be enrolled

in a Medicare FFS program and will not desire to transition to a Medicare Advantage program, such as those offered through the health plans that DMG serves, or they may enroll with other health plans with which DMG does not contract to receive services, which could reduce substantially DMG's perceived opportunity in such geographic area. In addition, if DMG were to seek to expand outside of the Existing Geographic Regions, DMG would be required to comply with laws and regulations of states that may differ from the ones in which it currently operates, and could face competitors with greater knowledge of such local markets. DMG anticipates that any geographic expansion may require it to make a substantial investment of management time, capital and/or other resources. There can be no assurance that DMG will be able to establish profitable operations or relationships in any new geographic markets.

Reductions in the quality ratings of the health plans DMG serves could have a material adverse effect on its business, results of operations, financial condition and cash flows.

As a result of the ACA, the level of reimbursement each health plan receives from CMS is dependent, in part, upon the quality rating of the Medicare plan. Such ratings impact the percentage of any cost savings rebate and any bonuses earned by such health plan. Since a significant portion of DMG's revenue is expected to be calculated as a percentage of CMS reimbursements received by these health plans with respect to DMG members, reductions in the quality ratings of a health plan that DMG serves could have a material adverse effect on its business, results of operations, financial condition and cash flows.

Given each health plan's control of its plans and the many other providers that serve such plans, DMG believes that it will have limited ability to influence the overall quality rating of any such plan. The BBA passed in February 2018 implements certain changes to prevent artificial inflation of star ratings for Medicare Advantage plans offered by the same organization. In addition, CMS has terminated plans that have had a rating of less than three stars for three consecutive years, whereas Medicare Advantage plans with five stars are permitted to conduct enrollment throughout almost the entire year. Because low quality ratings can potentially lead to the termination of a plan that DMG serves, DMG may not be able to prevent the potential termination of a contracting plan or a shift of patients to other plans based upon quality issues which could, in turn, have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

DMG's records and submissions to a health plan may contain inaccurate or unsupported information regarding risk adjustment scores of members, which could cause DMG to overstate or understate its revenue and subject it to various penalties.

DMG, on behalf of itself and its associated physicians, physician groups and IPAs, submits to health plans claims and encounter data that support the Medicare Risk Adjustment Factor (RAF) scores attributable to members. These RAF scores determine, in part, the revenue to which the health plans and, in turn, DMG is entitled for the provision of medical care to such members. The data submitted to CMS by each health plan is based, in part, on medical charts and diagnosis codes prepared and submitted by DMG. Each health plan generally relies on DMG and its employed or affiliated physicians to appropriately document and support such RAF data in DMG's medical records. Each health plan also relies on DMG and its employed or affiliated physicians to appropriately code claims for medical services provided to members. Erroneous claims and erroneous encounter records and submissions could result in inaccurate PMPM fee revenue and risk adjustment payments, which may be subject to correction or retroactive adjustment in later periods. This corrected or adjusted information may be reflected in financial statements for periods subsequent to the period in which the revenue was recorded. DMG might also need to refund a portion of the revenue that it received, which refund, depending on its magnitude, could damage its relationship with the applicable health plan and could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

In September 2018, we entered into a settlement agreement with the DOJ and OIG to resolve matters related to our and our subsidiaries' (including DMG and its subsidiary JSA) provision of services to Medicare Advantage plans and related patient diagnosis coding and risk adjustment submissions and payments. See Note 17 to the consolidated financial statements included in this report for further details and discussions of legal proceedings elsewhere in these Risk Factors.

Additionally, CMS audits Medicare Advantage plans for documentation to support RAF-related payments for members chosen at random. The Medicare Advantage plans ask providers to submit the underlying documentation for members that they serve. It is possible that claims associated with members with higher RAF scores could be subject to more scrutiny in a CMS or plan audit. There is a possibility that a Medicare Advantage plan may seek repayment from DMG should CMS make any payment adjustments to the Medicare Advantage plan as a result of its audits. The plans also may hold DMG liable for any penalties owed to CMS for inaccurate or unsupported RAF scores provided by DMG. In addition, DMG could be liable for penalties to the government under the FCA that range from \$5,500 to \$11,000 (adjusted for inflation) for each false claim, plus up to three times the amount of damages caused by each false claim, which can be as much as the amounts received directly or indirectly from the government for each such false claim. On January 29, 2018, the DOJ issued a final rule announcing

adjustments to FCA penalties, under which the per claim penalty range increases to a range from \$11,181 to \$22,363 for penalties assessed after January 29, 2018, so long as the underlying conduct occurred after November 2, 2015.

CMS has indicated that payment adjustments will not be limited to RAF scores for the specific Medicare Advantage enrollees for which errors are found but may also be extrapolated to the entire Medicare Advantage plan subject to a particular CMS contract. CMS has described its audit process as plan-year specific and stated that it will not extrapolate audit results for plan years prior to 2011. Because CMS has not stated otherwise, there is a risk that payment adjustments made as a result of one plan year's audit would be extrapolated to prior plan years after 2011.

There can be no assurance that a health plan will not be randomly selected or targeted for review by CMS or that the outcome of such a review will not result in a material adjustment in DMG's revenue and profitability, even if the information DMG submitted to the plan is accurate and supportable.

A failure to accurately estimate incurred but not reported medical expense could adversely affect DMG's results of operations.

Patient care costs include estimates of future medical claims that have been incurred by the patient but for which the provider has not yet billed DMG. These claim estimates are made utilizing actuarial methods and are continually evaluated and adjusted by management, based upon DMG's historical claims experience and other factors, including an independent assessment by a nationally recognized actuarial firm. Adjustments, if necessary, are made to medical claims expense and capitated revenues when the assumptions used to determine DMG's claims liability change and when actual claim costs are ultimately determined.

Due to the inherent uncertainties associated with the factors used in these estimates and changes in the patterns and rates of medical utilization, materially different amounts could be reported in DMG's financial statements for a particular period under different conditions or using different, but still reasonable, assumptions. It is possible that DMG's estimates of this type of claim may be inadequate in the future. In such event, DMG's results of operations could be adversely impacted. Further, the inability to estimate these claims accurately may also affect DMG's ability to take timely corrective actions, further exacerbating the extent of any adverse effect on DMG's results of operations.

DMG faces certain competitive threats which could reduce DMG's profitability and increase competition for patients.

DMG faces certain competitive threats based on certain features of the Medicare programs, including the following:

- As a result of the direct and indirect impacts of the ACA, many Medicare beneficiaries may decide that an original Medicare FFS program is more attractive than a Medicare Advantage plan. As a result, enrollment in the health plans DMG serves may decrease.
- Managed care companies offer alternative products such as regional preferred provider organizations (PPOs) and private FFS plans. Medicare PPOs and private FFS plans allow their patients more flexibility in selecting physicians than Medicare Advantage health plans, which typically require patients to coordinate care with a primary care physician. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 has encouraged the creation of regional PPOs through various incentives, including certain risk corridors, or cost reimbursement provisions, a stabilization fund for incentive payments, and special payments to hospitals not otherwise contracted with a Medicare Advantage plan that treat regional plan enrollees. The formation of regional Medicare PPOs and private FFS plans may affect DMG's relative attractiveness to existing and potential Medicare patients in their service areas.
- The payments for the local and regional Medicare Advantage plans are based on a competitive bidding process that may indirectly cause a decrease in the amount of the PMPM fee or result in an increase in benefits offered.
- The annual enrollment process and subsequent lock-in provisions of the ACA may adversely affect DMG's level of revenue growth as it will limit the ability of a health plan to market to and enroll new Medicare beneficiaries in its established service areas outside of the annual enrollment period.
- CMS allows Medicare beneficiaries who are enrolled in a Medicare Advantage plan with a quality rating of 4.5 stars or less to enroll in a 5-star rated Medicare Advantage plan at any time during the benefit year. Therefore, DMG may face a competitive disadvantage in recruiting and retaining Medicare beneficiaries.

In addition to the competitive threats intrinsic to the Medicare programs, competition among health plans and among healthcare providers may also have a negative impact on DMG's profitability. For example, due to the large population of

Medicare beneficiaries, DMG's Existing Geographic Regions have become increasingly attractive to health plans that may compete with DMG. DMG may not be able to continue to compete profitably in the healthcare industry if additional competitors enter the same market. If DMG cannot compete profitably, the ability of DMG to compete with other service providers that contract with competing health plans may be substantially impaired. Furthermore, if DMG is unable to obtain new members or experiences a loss of existing members to competitors during the open enrollment period for Medicare it could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

DMG competes directly with various regional and local companies that provide similar services in DMG's Existing Geographic Regions. DMG's competitors vary in size and scope and in terms of products and services offered. DMG believes that some of its competitors and potential competitors may be significantly larger than DMG and have greater financial, sales, marketing and other resources. Furthermore, it is DMG's belief that some of its competitors may make strategic acquisitions or establish cooperative relationships among themselves.

A disruption in DMG's healthcare provider networks could have a material adverse effect on DMG's operations and profitability.

In any particular service area, healthcare providers or provider networks could refuse to contract with DMG, demand higher payments, or take other actions that could result in higher healthcare costs, disruption of benefits to DMG's members, or difficulty in meeting applicable regulatory or accreditation requirements. In some service areas, healthcare providers or provider networks may have significant market positions. If healthcare providers or provider networks refuse to contract with DMG, use their market position to negotiate favorable contracts, or place DMG at a competitive disadvantage, then DMG's ability to market or to be profitable in those service areas could be adversely affected. DMG's provider networks could also be disrupted by the financial insolvency of a large provider group. Any disruption in DMG's provider networks could result in a loss of members or higher healthcare costs.

DMG's revenues and profits could be diminished if DMG fails to retain and attract the services of key primary care physicians.

Key primary care physicians with large patient enrollment could retire, become disabled, terminate their provider contracts, get lured away by a competing independent physician association or medical group, or otherwise become unable or unwilling to continue practicing medicine or continue contracting with DMG or its associated physicians, physician groups or IPAs. In addition, DMG's associated physicians, physician groups and IPAs could view the business model as unfavorable or unattractive to such providers, which could cause such associated physicians, physician groups or IPAs to terminate their relationships with DMG. Moreover, given limitations relating to the enforcement of post-termination noncompetition covenants in California, it would be difficult to restrict a primary care physician from competing with DMG's associated physicians, physician groups or IPAs. As a result, members who have been served by such physicians could choose to enroll with competitors' physician organizations or could seek medical care elsewhere, which could reduce DMG's revenues and profits. Moreover, DMG may not be able to attract new physicians to replace the services of terminating physicians or to service its growing membership.

Participation in ACO programs is subject to federal regulation, supervision, and evolving regulatory developments that may result in financial liability.

The ACA established the Medicare Shared Savings Program (MSSP) for ACOs, which took effect in January 2012. Under the MSSP, eligible organizations are accountable for the quality, cost and overall care of Medicare beneficiaries assigned to an ACO and may be eligible to share in any savings below a specified benchmark amount. The Secretary of HHS is also authorized, but not required, to use capitation payment models with ACOs. CMS has also implemented the Next Generation ACO model, which allows the ACO to assume higher levels of financial risk and reward than under the MSSP program. DMG has formed an MSSP ACO through a subsidiary in New Mexico and a Next Generation ACO (previously an MSSP ACO) through a subsidiary in California, and is evaluating whether to participate in more ACOs in the future. The continued development and expansion of ACOs, and potential changes to the participation requirements in ACOs, will have an uncertain impact on DMG's revenue and profitability. DaVita Kidney Care is also participating as a dialysis provider in Arizona, Florida, New Jersey, and Pennsylvania for the Innovation Center's CEC Model. Further, in December 2018, CMS issued a final rule for the MSSP, which among other things, requires ACOs to accept a two-sided risk model (as opposed to a one-sided model), wherein ACOs need to share in the financial risk of their patients' healthcare spending (*i.e.*, shared losses) in addition to shared savings. This rule could negatively impact the revenue and profitability of DMG's MSSP ACO.

The ACO programs are relatively new and therefore operational and regulatory guidance is limited. It is possible that the operations of DMG's subsidiary ACOs may not fully comply with current or future regulations and guidelines applicable to ACOs, may not achieve quality targets or cost savings, or may not attract or retain sufficient physicians or patients to allow

DMG to meet its objectives. Additionally, poor performance could put the DMG ACOs at financial risk with a potential obligation to CMS. Traditionally, other than fee-for-service billing by the medical clinics and healthcare facilities offered by DMG, DMG has not directly contracted with CMS and has not operated any health plans or provider sponsored networks. Therefore, DMG may not have the necessary experience, systems or compliance to successfully achieve a positive return on its investment in the ACOs or to avoid financial or regulatory liability. DMG believes that its historical experience with fully delegated managed care will be applicable to operation of its subsidiary ACOs, but there can be no such assurance.

California hospitals may terminate their agreements with HealthCare Partners Affiliates Medical Group and DaVita Health Plan of California, Inc. (formerly HealthCare Partners Plan, Inc., and, together with HealthCare Partners Affiliates Medical Group (AMG)) or reduce the fees they pay to DMG.

In California, AMG maintains significant hospital arrangements designed to facilitate the provision of coordinated hospital care with those services provided to members by AMG and its associated physicians, physician groups and IPAs. Through contractual arrangements with certain key hospitals, AMG provides utilization review, quality assurance and other management services related to the provision of patient care services to members by the contracted hospitals and downstream hospital contractors. In the event that any one of these key hospital agreements is amended in a financially unfavorable manner or is otherwise terminated, such events could have a significant adverse effect on DMG's business, results of operations, financial condition and cash flows.

DMG's professional liability and other insurance coverage may not be adequate to cover DMG's potential liabilities.

DMG maintains primary professional liability insurance and other insurance coverage through California Medical Group Insurance Company, Risk Retention Group, an Arizona corporation in which DMG is the majority owner, and through excess coverage contracted through third-party insurers. DMG believes such insurance is adequate based on its review of what it believes to be all applicable factors, including industry standards. Nonetheless, potential liabilities may not be covered by insurance, insurers may dispute coverage or may be unable to meet their obligations, the amount of insurance coverage and/or related reserves may be inadequate, or the amount of any DMG self-insured retention may be substantial. There can be no assurances that DMG will be able to obtain insurance coverage in the future, or that insurance will continue to be available on a cost-effective basis, if at all. Moreover, even if claims brought against DMG are unsuccessful or without merit, DMG would have to defend itself against such claims. The defense of any such actions may be time-consuming and costly and may distract DMG management's attention. As a result, DMG may incur significant expenses and may be unable to effectively operate its business.

Changes in the rates or methods of third-party reimbursements may materially adversely affect DMG's business, results of operations, financial condition and cash flows.

Any negative changes in governmental capitation or FFS rates or methods of reimbursement for the services DMG provides could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows. Since governmental healthcare programs generally reimburse on a fee schedule basis rather than on a charge-related basis, DMG generally cannot increase its revenues from these programs by increasing the amount it charges for its services. Moreover, if DMG's costs increase, DMG may not be able to recover its increased costs from these programs. Government and private payors have taken and may continue to take steps to control the cost, eligibility for, use, and delivery of healthcare services due to budgetary constraints, and cost containment pressures as well as other financial issues. DMG believes that these trends in cost containment will continue. These cost containment measures, and other market changes in non-governmental insurance plans have generally restricted DMG's ability to recover, or shift to non-governmental payors, any increased costs that DMG experiences. DMG's business, results of operations, financial condition and cash flows may be materially adversely affected by these cost containment measures, and other market changes.

DMG's business model depends on numerous complex management information systems and any failure to successfully maintain these systems or implement new systems could materially harm DMG's operations and result in potential violations of healthcare laws and regulations.

DMG depends on a complex, specialized, and integrated management information system and standardized procedures for operational and financial information, as well as for DMG's billing operations. DMG may experience unanticipated delays, complications or expenses in implementing, integrating, and operating these integrated systems. Moreover, DMG may be unable to enhance its existing management information system or implement new management information systems where necessary. DMG's management information system may require modifications, improvements or replacements that may require both substantial expenditures as well as interruptions in operations. DMG's ability to implement and operate its integrated systems is subject to the availability of information technology and skilled personnel to assist DMG in creating and maintaining these systems.

DMG's failure to successfully implement and maintain all of its systems could have a material adverse effect on its business, results of operations, financial condition and cash flows. For example, DMG's failure to successfully operate its billing systems could lead to potential violations of healthcare laws and regulations. If DMG is unable to handle its claims volume, or if DMG is unable to pay claims timely, DMG may become subject to a health plan's corrective action plan or de-delegation until the problem is corrected, and/or termination of the health plan's agreement with DMG. This could have a material adverse effect on DMG's operations and profitability. In addition, if DMG's claims processing system is unable to process claims accurately, the data DMG uses for its incurred but not reported estimates could be incomplete and DMG's ability to accurately estimate claims liabilities and establish adequate reserves could be adversely affected. Finally, if DMG's management information systems are unable to function in compliance with applicable state or federal rules and regulations, including medical information confidentiality laws such as HIPAA, possible penalties and fines due to this lack of compliance could have a material adverse effect on DMG's results of operations, financial condition and cash flows.

DMG may be impacted by eligibility changes to government and private insurance programs.

Due to potential decreased availability of healthcare through private employers, the number of patients who are uninsured or participate in governmental programs may increase. The ACA has increased the participation of individuals in the Medicaid program in states that elected to participate in the expanded Medicaid coverage. A shift in payor mix from managed care and other private payors to government payors as well as an increase in the number of uninsured patients may result in a reduction in the rates of reimbursement to DMG or an increase in uncollectible receivables or uncompensated care, with a corresponding decrease in net revenue. Changes in the eligibility requirements for governmental programs such as the Medicaid program under the ACA and state decisions on whether to participate in the expansion of such programs also could increase the number of patients who participate in such programs and the number of uninsured patients. Even for those patients who remain in private insurance plans, changes to those plans could increase patient financial responsibility, resulting in a greater risk of uncollectible receivables. These factors and events could have a material adverse effect on DMG's business, results of operations, financial condition and cash flows.

Negative publicity regarding the managed healthcare industry generally or DMG in particular could adversely affect DMG's results of operations or business.

Negative publicity regarding the managed healthcare industry generally, the Medicare Advantage program or DMG in particular, may result in increased regulation and legislative review of industry practices that further increase DMG's costs of doing business and adversely affect DMG's results of operations or business by:

- requiring DMG to change its products and services;
- increasing the regulatory, including compliance, burdens under which DMG operates, which, in turn, may negatively impact the manner in which DMG provides services and increase DMG's costs of providing services;
- adversely affecting DMG's ability to market its products or services through the imposition of further regulatory restrictions regarding the manner in which plans and providers market to Medicare Advantage enrollees; or
- adversely affecting DMG's ability to attract and retain members.

Risk factors related to ownership of our common stock:

Provisions in our charter documents, compensation programs and Delaware law may deter a change of control that our stockholders would otherwise determine to be in their best interests.

Our charter documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in our management, or limit the ability of our stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting our stockholders from acting by written consent; requiring 90 days advance notice of stockholder proposals or nominations to our Board of Directors (or 120 days for nominations made using proxy access); and granting our Board of Directors the authority to issue preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

Most of our outstanding employee stock-based compensation awards include a provision accelerating the vesting of the awards in the event of a change of control. We also maintain a change of control protection program for our employees who do not have a significant number of stock awards, which has been in place since 2001, and which provides for cash bonuses to the employees in the event of a change of control. Based on the market price of our common stock and shares outstanding on December 31, 2018, these cash bonuses under the program would total approximately \$337 million if a change of control

transaction occurred at that price and our Board of Directors did not modify this program. These and any other change of control provisions may affect the price an acquirer would be willing to pay for our Company.

We are also subject to Section 203 of the Delaware General Corporation Law that, subject to exceptions, would prohibit us from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder.

These provisions may discourage, delay or prevent an acquisition of our Company at a price that our stockholders may find attractive. These provisions could also make it more difficult for our stockholders to elect directors and take other corporate actions and could limit the price that investors might be willing to pay for shares of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our corporate headquarters are located in Denver, Colorado, consisting of one owned 240,000 square foot building and one leased location consisting of 345,900 square feet. Our headquarters are occupied by teammates engaged in management, finance, marketing, strategy, legal, compliance and other administrative functions. We lease seven business offices located in California, Colorado, Pennsylvania, Tennessee and Washington for our U.S. dialysis services business. For our DMG business we lease 11 business offices located in California, Colorado, Nevada, New Mexico, Florida and Washington. Our laboratory is based in Florida where we operate our lab services out of one leased building. We also own four administrative offices in the U.S. and lease administrative offices worldwide. Our leases on the properties listed above expire at various dates through the year 2037 for Kidney Care and through the year 2033 for DMG.

For our U.S. dialysis and related lab services business we own the land and buildings for 12 of our outpatient dialysis centers. We also own 15 separate land and buildings and 15 land parcels for development. We lease a total of four owned properties to third-party tenants. Our remaining outpatient dialysis centers are located on premises that we lease.

For DMG, we own the land and buildings for 16 of our clinics. We also own one separate land parcel. Our remaining clinics are located on premises that we lease.

The majority of our leases for our U.S. dialysis and related lab services and for DMG cover periods from five years to 15 years and typically contain renewal options of five to ten years at the fair rental value at the time of renewal. Our leases are generally subject to periodic consumer price index increases, or contain fixed escalation clauses. Our outpatient dialysis centers range in size from approximately 900 to 33,000 square feet, with an average size of approximately 7,800 square feet. DMG's clinics range in size from approximately 1,000 to 192,000 square feet, with an average size of approximately 10,400 square feet. Our international leases generally range from one to ten years.

Some of our outpatient dialysis centers are operating at or near capacity. However, we believe that we have adequate capacity within most of our existing dialysis centers to accommodate additional patient volume through increased hours and/or days of operation, or, if additional space is available within an existing facility, by adding dialysis stations. We can usually relocate existing centers to larger facilities or open new centers if existing centers reach capacity. With respect to relocating centers or building new centers, we believe that we can generally lease space at economically reasonable rates in the areas planned for each of these centers, although there can be no assurances in this regard. Expansion of existing centers or relocation of our dialysis centers is subject to review for compliance with conditions relating to participation in the Medicare ESRD program. In states that require a certificate of need or center license, additional approvals would generally be necessary for expansion or relocation.

Item 3. Legal Proceedings.

The information required by this Part I, Item 3 is incorporated herein by reference to the information set forth under the caption "Contingencies" in Note 17 to the consolidated financial statements included in this report.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the New York Stock Exchange under the symbol DVA. The closing price of our common stock on January 31, 2019 was \$56.13 per share. According to Computershare, our registrar and transfer agent, as of January 31, 2019, there were 8,843 holders of record of our common stock. We have not declared or paid cash dividends to holders of our common stock since 1994. We have no current plans to pay cash dividends and we are restricted from paying dividends under the terms of our senior secured credit facilities and the indentures governing our senior notes. See "Liquidity and capital resources" under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the notes to the consolidated financial statements.

Stock Repurchases

We repurchased a total of 16,844,067 shares for \$1,154 million, or an average price of \$68.48, during the year ended December 31, 2018. No repurchases were made during the fourth quarter of 2018.

The following tables summarizes our repurchases of our common stock during 2018:

| <u>Period</u> | <u>Total Number of Shares Purchased</u> | <u>Average Price Paid per Share</u> | <u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u> | <u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)</u> |
|-------------------------------|---|-------------------------------------|---|---|
| January 1 - March 31, 2018 | 4,197,304 | \$ 71.09 | 4,197,304 | \$ 820.7 |
| April 1 - June 30, 2018 | 7,797,712 | \$ 65.60 | 7,797,712 | \$ 309.2 |
| July 1 - September 30, 2018 | 4,849,051 | \$ 70.86 | 4,849,051 | \$ 1,355.6 |
| October 1 - December 31, 2018 | — | \$ — | — | \$ 1,355.6 |
| Total | 16,844,067 | \$ 68.48 | 16,844,067 | |

On July 11, 2018 our Board of Directors approved an additional share repurchase authorization in the amount of \$1,390 million. This share repurchase authorization was in addition to the \$110 million remaining at that time under our Board of Directors' prior share repurchase authorization approved in October 2017. We are authorized to make purchases from time to time in the open market or in privately negotiated transactions, including without limitations, through accelerated share repurchase transactions, derivative transactions, tender offers, Rule 10b5-1 plans or any combination of the foregoing, depending upon market conditions and other considerations.

During the quarter ended December 31, 2018, we did not repurchase any shares of our common stock. As of February 22, 2019, we have a total of \$1,356 million remaining in Board authorizations available for share repurchases under our repurchase programs. Although these share repurchase authorizations have no expiration dates, we are subject to share repurchase limitations under the terms of our senior secured credit facilities and the indentures governing our senior notes.

Item 6. Selected Financial Data.

The following financial and operating data should be read in conjunction with “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements filed as part of this report. The following table presents selected consolidated financial and operating data for the periods indicated.

| | Year ended December 31, | | | | |
|--|-------------------------|---------------|---------------|---------------|---------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| (in thousands, except share data) | | | | | |
| Income statement data: | | | | | |
| Net revenues ⁽¹⁾ | \$ 11,404,851 | \$ 10,876,634 | \$ 10,707,467 | \$ 9,982,245 | \$ 9,312,049 |
| Operating expenses and charges ⁽²⁾ | 9,879,027 | 9,063,879 | 8,677,757 | 8,845,479 | 7,711,891 |
| Operating income | 1,525,824 | 1,812,755 | 2,029,710 | 1,136,766 | 1,600,158 |
| Debt expense | (487,435) | (430,634) | (414,116) | (408,380) | (410,223) |
| Debt refinancing and redemption charges | — | — | — | (48,072) | (97,548) |
| Other income, net | 10,089 | 17,665 | 7,511 | 8,073 | 1,935 |
| Income from continuing operations before income taxes | 1,048,478 | 1,399,786 | 1,623,105 | 688,387 | 1,094,322 |
| Income tax expense ⁽³⁾ | 258,400 | 323,859 | 431,761 | 207,510 | 366,894 |
| Net income from continuing operations | 790,078 | 1,075,927 | 1,191,344 | 480,877 | 727,428 |
| Net (loss) income from discontinued operations, net of tax ⁽⁴⁾ | (457,038) | (245,372) | (158,262) | (53,467) | 135,902 |
| Net income | 333,040 | 830,555 | 1,033,082 | 427,410 | 863,330 |
| Less: Net income attributable to noncontrolling interests | (173,646) | (166,937) | (153,208) | (157,678) | (140,216) |
| Net income attributable to DaVita Inc. | \$ 159,394 | \$ 663,618 | \$ 879,874 | \$ 269,732 | \$ 723,114 |
| Basic income from continuing operations per share attributable to DaVita Inc. ⁽⁵⁾ | \$ 3.66 | \$ 4.78 | \$ 5.12 | \$ 1.53 | \$ 2.77 |
| Diluted income from continuing operations per share attributable to DaVita Inc. ⁽⁵⁾ | \$ 3.62 | \$ 4.71 | \$ 5.04 | \$ 1.49 | \$ 2.71 |
| Weighted average shares outstanding: ⁽⁵⁾ | | | | | |
| Basic | 170,785,999 | 188,625,559 | 201,641,173 | 211,867,714 | 212,301,827 |
| Diluted | 172,364,581 | 191,348,533 | 204,904,656 | 216,251,807 | 216,927,681 |
| Balance sheet data: | | | | | |
| Working capital ⁽⁶⁾ | \$ 3,532,998 | \$ 5,703,181 | \$ 1,283,784 | \$ 2,104,143 | \$ 1,547,518 |
| Total assets ⁽⁶⁾ | \$ 19,110,252 | \$ 18,974,536 | \$ 18,755,776 | \$ 18,524,224 | \$ 17,624,137 |
| Long-term debt ⁽⁶⁾ | \$ 8,172,847 | \$ 9,158,018 | \$ 8,944,676 | \$ 12,972,282 | \$ 8,298,624 |
| Total DaVita Inc. shareholders' equity ⁽⁵⁾ | \$ 3,703,442 | \$ 4,690,029 | \$ 4,648,047 | \$ 4,870,781 | \$ 5,170,513 |

(1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with our historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of the consolidated financial statements for disclosure on our adoption of Topic 606.

(2) Operating expenses and charges in 2018 included a net gain on changes in ownership interests of \$60,603; other asset impairment charges of \$17,338 and restructuring charges of \$11,366 related to our pharmacy business; an equity investment loss due to the sale of India in our APAC JV of \$8,715; an equity investment loss related to impairments at our APAC JV of \$7,525; and a goodwill impairment charge of \$3,106. Operating expenses and charges for 2017 included goodwill impairment charges of \$34,696 related to our vascular access reporting unit; an equity investment loss of \$6,293 for goodwill impairments at our APAC JV; an impairment of \$280,066 on our investment in the APAC JV; an asset impairment of \$15,168 related to the restructuring of our pharmacy business; restructuring charges in our international business of \$2,700; a net gain on settlement of \$529,504; and a gain adjustment on the 2016 ownership change of our APAC JV of \$6,273. Operating expenses and charges in 2016 included goodwill impairment charges of \$28,415 related to our vascular access reporting unit; an impairment of an investment of \$14,993; an estimated gain on the ownership change of our APAC JV of \$374,374; and estimated accruals for certain legal matters of \$15,770. Operating expenses and charges for 2015 included a settlement charge of \$495,000 related to a private civil suit; goodwill impairment charges of \$4,066 related to our international business; and an estimated accrual for certain legal matters of \$22,530. Operating expenses and charges in 2014 included an additional \$17,000 loss contingency accrual related to the settlement of the 2010 and 2011 U.S. Attorney physician relationship investigations.

- (3) Tax expense for 2017 included a net tax benefit of \$251,510 related to U.S. tax legislation passed in December 2017.
- (4) In December 2017, we entered into an equity purchase agreement to sell our DMG division to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. As a result of this pending transaction, the DMG business has been classified as held for sale and its results of operations are reported as net (loss) income from discontinued operations, net of tax for all periods presented. Net (loss) income from discontinued operations, net of tax, in 2018 included a \$468,005 charge on our DMG business which included a \$316,840 valuation adjustment, a \$41,537 goodwill impairment charge and \$109,628 in related tax expense on this held for sale business based on an updated assessment of fair value, as well as a gain on changes in ownership interests of \$25,096. Net (loss) income from discontinued operations, net of tax, in 2017 includes estimated goodwill impairment charges of \$651,659 related to certain DMG reporting units, a net tax benefit of \$163,555 due to a remeasurement of deferred taxes resulting from DMG's reclassification to held for sale; a non-cash gain associated with our Magan acquisition of \$17,129; restructuring charges of \$9,569; and a reduction in estimated accruals for legal matters of \$14,700. Net (loss) income from discontinued operations, net of tax, in 2016 included goodwill impairment charges of \$253,000 related to certain DMG reporting units; a gain related to the partial sale of our interest in Tandigm of \$40,280; a loss on the DMG Arizona sale of \$10,489; an adjustment to reduce receivables associated with the DMG acquisition escrow provision relating to income tax items of \$30,934; and estimated accruals for legal matters of \$16,000. Net (loss) income from discontinued operations, net of tax, in 2015 included estimated goodwill and other intangible asset impairment charges of \$206,169 related to certain DMG reporting units.
- (5) Share repurchases consisted of 16,844,067 shares of common stock for \$1,153,511 in 2018, 12,966,672 shares of common stock for \$810,949 in 2017, 16,649,090 shares of common stock for \$1,072,377 in 2016, and 7,779,958 shares of common stock for \$575,380 in 2015. No repurchases of common stock were made in 2014. Shares issued in connection with stock awards were 371,347 in 2018, 514,091 in 2017, 1,011,328 in 2016, 1,479,217 in 2015, and 2,179,766 in 2014.
- (6) In 2015, we retrospectively adopted ASU 2015-03 related to simplification of debt issuance costs as well as ASU 2015-17 related to classification of deferred taxes. All periods prior to 2015 have been recast to conform to the revised presentation.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-looking statements

This Annual Report on Form 10-K, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains statements that are forward-looking statements within the meaning of the federal securities laws. All statements that do not concern historical facts are forward-looking statements and include, among other things, statements about our expectations, beliefs, intentions and/or strategies for the future. These forward-looking statements may include statements regarding our future operations, financial condition and prospects, such as expectations for treatment growth rates, revenue per treatment, expense growth, levels of the provision for uncollectible accounts receivable, operating income, cash flow, operating cash flow, earnings per share, estimated tax rates, estimated charges and accruals, capital expenditures, the development of new dialysis centers and dialysis center acquisitions, government and commercial payment rates, revenue estimating risk, the impact of our level of indebtedness on our financial performance, our stock repurchase program, our advocacy costs, and the pending DMG sale transaction. These statements involve substantial known and unknown risks and uncertainties that could cause our actual results to differ materially from those described in the forward-looking statements, including risks resulting from the concentration of profits generated by higher-paying commercial payor plans for which there is continued downward pressure on average realized payment rates, and a reduction in the number of patients under such plans, including as a result of restrictions or prohibitions on the use and/or availability of charitable premium assistance, which may result in the loss of revenues or patients, or our making incorrect assumptions about how our patients will respond to any change in financial assistance from charitable organizations; the extent to which the ongoing implementation of healthcare exchanges or changes in or new legislation, regulations or guidance, or enforcement thereof, including among other things those regarding the exchanges, results in a reduction in reimbursement rates for our services from and/or the number of patients enrolled in higher-paying commercial plans; a reduction in government payment rates under the Medicare End Stage Renal Disease program or other government-based programs; the impact of the Medicare Advantage benchmark structure; risks arising from potential and proposed federal and/or state legislation, regulation or ballot or other initiatives, including healthcare-related and labor-related legislation, regulation or ballot or other initiatives; the impact of the changing political environment and related developments on the current health care marketplace and on our business, including with respect to the future of the Affordable Care Act, the exchanges and many other core aspects of the current health care marketplace; uncertainties related to the impact of federal tax reform legislation; changes in pharmaceutical practice patterns, reimbursement and payment policies and processes, or pharmaceutical pricing, including with respect to calcimimetics; legal compliance risks, such as our continued compliance with complex government regulations and the provisions of our current Corporate Integrity Agreement (CIA) and current or potential investigations by various government entities and related government or private party proceedings, and restrictions on our business and operations required by our CIA and other current or potential settlement terms and the financial impact thereof and our ability to recover any losses related to such legal matters from third parties; continued increased competition from dialysis providers and others, and other potential marketplace changes; our ability to reduce administrative expenses while maintaining targeted levels of service and operating performance, including our ability to achieve anticipated savings from our recent restructurings; our ability to maintain contracts with physician medical directors, changing affiliation models for physicians, and the emergence of new models of care introduced by the government or private sector that may erode our patient base and reimbursement rates, such as accountable care organizations (ACOs), independent practice associations (IPAs) and integrated delivery systems; our ability to complete acquisitions, mergers or dispositions that we might announce or be considering, on terms favorable to us or at all, or to integrate and successfully operate any business we may acquire or have acquired, or to successfully expand our operations and services in markets outside the United States, or to businesses outside of dialysis; noncompliance by us or our business associates with any privacy laws or any security breach by us or a third party involving the misappropriation, loss or other unauthorized use or disclosure of confidential information; the variability of our cash flows; the risk that we may not be able to generate sufficient cash in the future to service our indebtedness or to fund our other liquidity needs, and the risk that we may not be able to refinance our indebtedness as it becomes due, on terms favorable to us or at all; factors that may impact our ability to repurchase stock under our stock repurchase program and the timing of any such stock repurchases, including market conditions, the price of our common stock, our cash flow position, borrowing capacity and leverage ratios, and legal, regulatory and contractual requirements; the risk that we might invest material amounts of capital and incur significant costs in connection with the growth and development of our international operations, yet we might not be able to consistently operate them profitably anytime soon, if at all; risks arising from the use of accounting estimates, judgments and interpretations in our financial statements; impairment of our goodwill, investments or other assets; the risks and uncertainties associated with the timing, conditions and receipt of regulatory approvals and satisfaction of other closing conditions of the DMG sale transaction and continued disruption in connection with the DMG sale transaction making it more difficult to maintain business and operational relationships; risks and uncertainties related to our ability to complete the DMG sale transaction on the timetable expected, and on the terms set forth in the equity purchase agreement or at all; uncertainties related to our liquidity following the close of the DMG sale transaction and our planned subsequent entry into new external financing arrangements, which may be less than we anticipate; uncertainties related to our use of the proceeds from the DMG sale transaction and other available

funds, including external financing and cash flow from operations, which may be used in ways that may not improve our results of operations or enhance the value of our common stock; risks related to certain contractual restrictions on the conduct of DMG's business while the DMG sale transaction is pending; the risk that we may recognize additional valuation adjustments or goodwill impairment related to DMG; the risk that laws regulating the corporate practice of medicine could restrict the manner in which DMG conducts its business; the risk that the cost of providing services under DMG's agreements may exceed our compensation; the risk that any reductions in reimbursement rates, including Medicare Advantage rates, and future regulations may negatively impact DMG's business, revenue and profitability; the risk that DMG may not be able to successfully establish a presence in new geographic regions or successfully address competitive threats that could reduce its profitability; the risk that a disruption in DMG's healthcare provider networks could have an adverse effect on DMG's business operations and profitability; the risk that reductions in the quality ratings of health plans DMG serves or healthcare services that DMG provides could have an adverse effect on DMG's business; the risk that health plans that acquire health maintenance organizations may not be willing to contract with DMG or may be willing to contract only on less favorable terms; and the other risk factors set forth in Part I, Item 1A. of this Annual Report on Form 10-K. We base our forward-looking statements on information currently available to us, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of changes in underlying factors, new information, future events or otherwise.

The following should be read in conjunction with our consolidated financial statements.

Company overview

The Company consists of two major divisions, DaVita Kidney Care (Kidney Care) and DaVita Medical Group (DMG). Kidney Care is comprised of our U.S. dialysis and related lab services, our ancillary services and strategic initiatives, including our international operations, and our corporate administrative support. Our U.S. dialysis and related lab services business is our largest line of business and is a leading provider of kidney dialysis services in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD). DMG is a patient- and physician-focused integrated healthcare delivery and management company with over two decades of providing coordinated, outcomes-based medical care in a cost-effective manner.

In December 2017, we entered into an equity purchase agreement to sell our DMG division to Optum, a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. As a result, the DMG business has been classified as held for sale and its results of operations are reported as discontinued operations for all periods presented and DMG is not included in our Management's Discussion and Analysis below.

Our overall financial performance in 2018 benefited from the administration of calcimimetics, increased treatment volume from acquired and non-acquired growth in both our U.S. dialysis and related lab services and our international businesses, and a corresponding increase in revenue. This was offset by increases in labor costs, benefit costs due to the implementation of a 401(k) matching program, pharmaceutical costs due to the administration of calcimimetics, other center related costs and advocacy costs to counter certain union policy initiatives.

Some of our major accomplishments and financial operating performance indicators in 2018 and year over year were as follows:

- improved key clinical outcomes in our U.S. dialysis operations, including that we were an industry leader for the sixth consecutive year in CMS' Quality Incentive Program and for the last five years under the CMS Five-Star Quality Rating system;
- consolidated net revenue growth of 4.9%, which included 10.4% net revenue growth in our U.S. dialysis segment, an increase of \$20 in average dialysis net patient service revenue per treatment and international revenue growth of 36%, partially offset by a decrease in revenue of 41% in our U.S. ancillary services and strategic initiatives segment due to the restructuring of DaVita Rx;
- solid performance in our normalized non-acquired U.S. dialysis treatment growth of 3.2%, which contributed to an increase of approximately 4.1% in the overall number of U.S. dialysis treatments;
- a net increase of 154 U.S. dialysis centers and a net increase of 4 international dialysis centers;
- an increase in the overall number of patients we serve of approximately 2.5% in the U.S. and 9.3% internationally in 2018;
- repurchased 16,844,067 shares of our common stock for \$1.2 billion;
- Proposition 8, a California state-wide ballot initiative that sought to limit the amount of revenue dialysis providers could retain from caring for patients with commercial insurance, was defeated in California; and
- consolidated operating cash flows of \$1.8 billion, or \$1.5 billion from continuing operations.

We believe we will face challenges in 2019 similar to those we faced in 2018. We expect to see an increase in dialysis treatment volume and expect U.S. dialysis revenue per treatment to be up slightly from 2018. We expect revenue per treatment to be favorably impacted by an increase in Medicare ESRD rates of approximately 1.2%, offset by anticipated downward pressure on commercial payor rates due to a shift of out-of-network patients to in-network. We expect patient care costs to increase due to inflation and a tight labor market and do not foresee an opportunity to fully offset these pressures with productivity or pharmaceutical cost improvements. In addition, we expect to continue to incur advocacy costs in connection with union policy initiatives, such as AB 290 in California and other potential ballot or other legislative initiatives. As a result of expected costs continuing to outpace our expected revenue increases, we anticipate that margins will continue to experience pressure. We remain committed to our plans for international expansion in certain regions, which will continue to require investment.

Following is a summary of our consolidated operating results for reference in the discussion that follows.

| | Year ended December 31, | | | | | |
|---|-------------------------|-------|-----------|-------|----------|-------|
| | 2018 | | 2017 | | 2016 | |
| | (dollars in millions) | | | | | |
| Revenues⁽¹⁾: | | | | | | |
| Dialysis and related lab patient service revenues | \$ 10,710 | | \$ 10,094 | | \$ 9,727 | |
| Less: Provision for uncollectible accounts | (50) | | (485) | | (431) | |
| Net dialysis and related lab patient service revenues | 10,660 | | 9,608 | | 9,296 | |
| Other revenues | 744 | | 1,268 | | 1,411 | |
| Total consolidated revenues | 11,405 | 100 % | 10,877 | 100 % | 10,707 | 100 % |
| Operating expenses and charges: | | | | | | |
| Patient care costs | 8,196 | 72 % | 7,640 | 70 % | 7,432 | 69 % |
| General and administrative | 1,135 | 10 % | 1,064 | 10 % | 1,073 | 10 % |
| Depreciation and amortization | 591 | 5 % | 560 | 5 % | 509 | 5 % |
| Provision for uncollectible accounts | (7) | — % | (7) | — % | 12 | — % |
| Equity investment loss (income) | 4 | — % | 9 | — % | (17) | — % |
| Investment and other asset impairments | 17 | — % | 295 | 3 % | 15 | — % |
| Goodwill impairment charges | 3 | — % | 36 | — % | 28 | — % |
| Gain on changes in ownership interests | (61) | (1)% | (6) | — % | (374) | (3)% |
| Gain on settlement, net | — | — % | (527) | (5)% | — | — % |
| Total operating expenses and charges | 9,879 | 87 % | 9,064 | 83 % | 8,678 | 81 % |
| Operating income | \$ 1,526 | 13 % | \$ 1,813 | 17 % | \$ 2,030 | 19 % |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with our historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.

The following table summarizes our consolidated revenues among our reportable segments:

| | Year ended December 31, | | |
|--|-------------------------|-----------|-----------|
| | 2018 | 2017 | 2016 |
| | (dollars in millions) | | |
| Revenues⁽¹⁾: | | | |
| U.S. dialysis and related lab patient service revenues | \$ 10,367 | \$ 9,822 | \$ 9,551 |
| Provision for uncollectible accounts | (51) | (482) | (430) |
| U.S. dialysis and related lab net patient service revenues | 10,316 | 9,340 | 9,121 |
| Other revenues | 20 | 20 | 17 |
| Total net U.S. dialysis and related lab services revenues | 10,336 | 9,360 | 9,138 |
| Other-ancillary services and strategic initiatives other revenues | 759 | 1,273 | 1,420 |
| Other-ancillary services and strategic initiatives patient service revenues, net | 437 | 323 | 202 |
| Total net other-ancillary services and strategic initiatives revenues | 1,196 | 1,596 | 1,621 |
| Total net segment revenues | 11,532 | 10,956 | 10,759 |
| Elimination of intersegment revenues | (127) | (80) | (52) |
| Consolidated revenues | \$ 11,405 | \$ 10,877 | \$ 10,707 |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on

and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with our historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.

The following table summarizes our consolidated operating income and adjusted consolidated operating income:

| | Year ended December 31, | | |
|--|-------------------------|-----------------|-----------------|
| | 2018 | 2017 | 2016 |
| | (dollars in millions) | | |
| Operating income (loss): | | | |
| U.S. dialysis and related lab services | \$ 1,710 | \$ 2,297 | \$ 1,777 |
| Other — ancillary services and strategic initiatives | (94) | (439) | 267 |
| Corporate administrative support | (90) | (45) | (14) |
| Operating income | <u>\$ 1,526</u> | <u>\$ 1,813</u> | <u>\$ 2,030</u> |
| Reconciliation of non-GAAP measure: | | | |
| <i>Operating expenses:</i> | | | |
| Goodwill impairment charges | \$ 3 | \$ 35 | \$ 28 |
| Impairment of assets | 17 | 15 | — |
| Impairment of investment | — | 280 | 15 |
| Gain on changes in ownership interests, net | (61) | (6) | (374) |
| Gain on settlement, net | — | (527) | — |
| <i>Equity investment loss (income):</i> | | | |
| Loss due to business sale in APAC JV | 9 | — | — |
| Loss due to impairments in APAC JV | 8 | 6 | — |
| Loss related to restructuring charges | — | 1 | — |
| Income related to gain on settlement | — | (3) | — |
| <i>General and administrative expenses:</i> | | | |
| Restructuring charges | 11 | 2 | — |
| Accruals for legal matters | — | — | 16 |
| Adjusted operating income ⁽¹⁾ | <u>\$ 1,513</u> | <u>\$ 1,616</u> | <u>\$ 1,715</u> |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

- (1) For the periods presented in the table above adjusted operating income is defined as operating income before certain items which we do not believe are indicative of ordinary results, including goodwill impairment charges, investment and other asset impairments, restructuring charges, a net settlement gain, net gain (loss) on changes in ownership interests and estimated accruals for certain legal matters. Adjusted operating income as so defined is a non-GAAP measure and is not intended as a substitute for GAAP operating income. We have presented these adjusted amounts because management believes that these presentations enhance a user's understanding of our normal consolidated operating income by excluding certain items which we do not believe are indicative of our ordinary results of operations. As a result, adjusting for these amounts allows for comparison to our normalized prior period results.

Consolidated revenues

Consolidated revenues for 2018 increased by approximately \$528 million, or 4.9%, from 2017. This increase in consolidated revenues was due to an increase in U.S. dialysis and related lab services revenues of approximately \$976 million, principally due to the administration of calcimimetics, an increase in Medicare bad debt revenue, and volume growth from additional treatments in 2018, as discussed below. Revenue for 2018 was negatively impacted by a decrease of approximately \$400 million from 2017 in our ancillary services and strategic initiatives driven primarily from decreases in revenue from our pharmacy business due to changes in reimbursement for calcimimetics, as well as restructuring of our pharmacy business, partially offset by an increase in revenues from expansion in our international business and an increase in revenues in DaVita IKC, as described below.

Effective January 1, 2018, both oral and IV forms of calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder, became the financial responsibility of our U.S. dialysis and lab services business for our Medicare

patients and are now reimbursed under Medicare Part B. During an initial pass-through period, Medicare payment for calcimimetics will be based on a pass-through rate of the average sales price plus approximately 4%. CMS has stated intentions to enter calcimimetics into the ESRD bundle two years after transitioning to Part B. Previously, calcimimetics were reimbursed for Medicare patients through Part D once dispensed from traditional pharmacies, including DaVita Rx.

Consolidated revenues for 2017 increased by approximately \$170 million, or 1.6%, from 2016. This increase in consolidated revenues was due to an increase in U.S. dialysis and related lab services revenues of approximately \$222 million, principally resulting from solid volume growth from additional treatments, partially offset by a decrease of approximately \$5 in average dialysis net patient service revenue per treatment and by one less treatment day in 2017, as discussed below. Revenue for 2017 was negatively impacted by a decrease of approximately \$25 million from 2016 in our ancillary services and strategic initiatives driven primarily from decreases in revenue from our pharmacy business, partially offset by an increase in revenues from expansion in our international business and increases in DaVita IKC revenues, as described below.

Consolidated operating income

Consolidated operating income of \$1.526 billion for 2018, which included a net gain on changes in ownership interests of \$61 million, other asset impairment charges of \$17 million and restructuring charges of \$11 million related to our pharmacy business, an equity investment loss due to the sale of our India business in our APAC JV of \$9 million, an equity investment loss related to impairments at our APAC JV of \$8 million and a goodwill impairment charge of \$3 million, as discussed below, decreased by \$287 million as compared to 2017, which included goodwill impairment charges of \$35 million related to our vascular access reporting unit, an equity investment loss of \$6 million for goodwill impairments at our APAC JV, an impairment of \$280 million on our investment in the APAC JV, an asset impairment of \$15 million related to the restructuring of our pharmacy business, restructuring charges in our international business of \$3 million, a net gain on settlement of \$530 million, and a gain adjustment on the 2016 ownership change of our APAC JV of \$6 million. Excluding these items from their respective periods, adjusted consolidated operating income for 2018 decreased by approximately \$103 million as compared to 2017 due to a decrease in adjusted operating income in U.S. dialysis and related lab services of \$86 million, an increase in expenses in our corporate administrative support of \$45 million, partially offset by a decrease in adjusted operating losses in our ancillary and strategic initiatives of \$29 million, as described below.

Consolidated operating income of \$1.813 billion for 2017, which included goodwill impairment charges of \$35 million related to our vascular access reporting unit, an equity investment loss of \$6 million for goodwill impairments at our APAC JV, an impairment of \$280 million on our investment in the APAC JV, an asset impairment of \$15 million related to the restructuring of our pharmacy business, restructuring charges in our international business of \$3 million, a net gain on settlement of \$530 million, and a gain adjustment on the 2016 ownership change of our APAC JV of \$6 million, as discussed below, decreased by approximately \$217 million from 2016, which included goodwill impairment charges of \$28 million, an investment impairment of \$15 million, an estimated gain on the ownership change of our APAC JV of \$374 million and estimated accruals for legal matters of \$16 million. Excluding these items from their respective periods, adjusted consolidated operating income for 2017 decreased by approximately \$99 million due to an increase in adjusted operating losses in our ancillary and strategic initiatives of \$59 million, an increase in expenses in our corporate administrative support of \$31 million, and a decrease in adjusted operating income in U.S. dialysis and related lab services of \$9 million, as described below.

U.S. dialysis and related lab services business

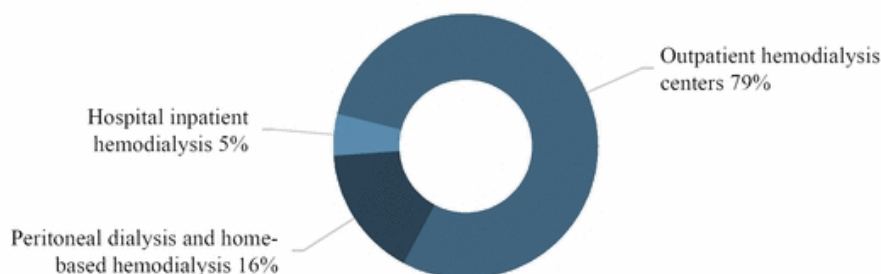
Our U.S. dialysis and related lab services business is a leading provider of kidney dialysis services through a network of 2,664 outpatient dialysis centers which we own and manage through management services agreements, in 46 states and the District of Columbia, serving a total of approximately 202,700 patients. We also provide acute inpatient dialysis services in approximately 900 hospitals. We estimate that we have approximately a 37% share of the U.S. dialysis market based upon the number of patients we serve. In 2018, our overall network of U.S. outpatient dialysis centers increased by 154 dialysis centers, primarily as a result of opening new dialysis centers and from acquisitions of existing dialysis centers. The overall number of patients that we serve in the U.S. increased by approximately 2.5% in 2018 as compared to 2017.

The stated mission of our U.S. dialysis and related lab services business is to be the provider, partner and employer of choice. We believe our attention to these three stakeholders—our patients, our business partners, and our teammates—represents a major driver of our long-term performance, although we are subject to the impact of external factors such as government policy, physician practice patterns, commercial payor payment rates and the mix of commercial and government patients, as further described in Item 1A Risk Factors. Two principal non-financial metrics we track are quality clinical outcomes and teammate turnover. We have developed our own composite index for measuring improvements in our clinical outcomes, which we refer to as the DaVita Quality Index. Our key measures for clinical outcomes have improved over each of the past several years. In addition, our patient mortality percentages have decreased from 19.0% in 2001 to 14.0% in 2017. For the sixth year in a row, we were an industry leader in QIP standards and for the last five years, we have been a leader under the

CMS Five-Star Quality Rating system. Over the last two years our clinical teammate turnover has increased slightly due to increased competition for skilled clinical personnel. We will continue to focus on these three stakeholders and our clinical outcomes as we believe these are fundamental long-term value drivers.

We believe our national scale and commitment to our patients, among other things, allows us to provide industry-leading quality care with superior clinical outcomes that attracts patients, referring physicians, and qualified medical directors to our network, which in turn provides our dialysis patient base with a large number of outpatient dialysis centers to choose from with convenient locations and access to a full range of other integrated services, which in turn provides us the ability to effectively and efficiently manage a patient's care and certain costs.

The following graph summarizes our U.S. dialysis patient services revenues by modality for the year ended December 31, 2018:



Approximately 90% of our 2018 consolidated revenues were derived directly from our U.S. dialysis and related lab services business. Approximately 79% of our 2018 dialysis patient services revenues were derived from outpatient hemodialysis services in our 2,630 consolidated U.S. dialysis centers. Other dialysis services, which are operationally integrated with our dialysis operations, are peritoneal dialysis, home-based hemodialysis, hospital inpatient hemodialysis and management and administrative services provided to dialysis centers in which we own a noncontrolling interest or which are wholly owned by third parties. These services collectively accounted for the balance of our 2018 U.S. dialysis and related lab services revenues.

The principal drivers of our U.S. dialysis and related lab services revenues are:

- the number of treatments, which is primarily a function of the number of chronic patients requiring approximately three treatments per week as well as, to a lesser extent, the number of treatments for peritoneal dialysis and home-based dialysis and hospital inpatient dialysis; and
- average dialysis net patient service revenue per treatment, including the mix of commercial and government patients.

Based on the most recent 2018 annual data report from the USRDS, the U.S. ESRD dialysis patient population has grown at an approximate compound rate of 3.8% from 2000 to 2016. The ESRD dialysis patient base has been a relatively stable and growing factor; however, more recent preliminary data from the USRDS suggest that the rate of growth of the ESRD patient population may be declining.

We believe our ability to maintain a stable or growing share of the U.S. dialysis patient base is influenced by the quality of our clinical care, which can lead to reduced patient mortality rates, as described above, our patient, medical director and physician retention, as well as our ability to open and acquire new dialysis centers, among other things. If we experience significant patient attrition as a result of new business activities, new technology or other forms of competition, reduced prevalence of ESRD or other reductions in demand for dialysis treatments, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. For further discussion regarding the competitive pressures we face and related risks, see the risk factor in Item 1A Risk Factors under the heading "If we are unable to compete

successfully, including implementing our growth strategy and/or retaining our physicians and patients, it could materially adversely affect our business, results of operations, financial condition and cash flows.”

Our average U.S. dialysis and related lab services net patient service revenue per treatment can be significantly impacted by several major factors, including our commercial payment rates; government payment policies regarding reimbursement amounts for dialysis treatments covered under Medicare’s bundled payment rate system, including our ability to capture certain patient characteristics; and changes in the mix of government and commercial patients and the number of commercial patients that are either covered under commercial contracts or are out-of-network.

Government dialysis-related payment rates in the U.S. are principally determined by federal Medicare and state Medicaid policy. For further discussion of government reimbursement and the Medicare ESRD bundled payment system, including QIP, see the discussion in Item 1. Business under the heading “Kidney Care Division-Sources of revenue-concentrations and risks.” For a discussion of operational, clinical and financial risks and uncertainties that we face in connection with the Medicare ESRD bundled payment system, see the risk factor in Item 1A. Risk Factors under the heading “Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows.”

The CMS Innovation Center is currently working with various healthcare providers to develop, refine and implement ACOs and other innovative models of care for Medicare and Medicaid beneficiaries. We are uncertain of the extent to which the long-term operation and evolution of these models of care, including ACOs, the CEC Model (which includes the development of ESCOs), the Duals Demonstration and other models, will impact the healthcare market over time. We are currently participating in the CEC Model with the Innovation Center in certain geographies, and our U.S. dialysis business may choose to participate in additional models either as a partner with other providers or independently. Even in areas where we are not directly participating in these or other Innovation Center models, some of our patients may be assigned to an ACO, another ESRD Care Model or another program, in which case the quality and cost of care that we furnish will be included in an ACO’s, another ESRD Care Model’s or other program’s calculations. In addition to the aforementioned new models of care, federal bipartisan legislation in the form of the PATIENTS Act has been proposed. The PATIENTS Act builds on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as the PATIENTS Act or similar legislation will be passed. If such legislation is passed, there can be no assurances that we will be able to successfully provide integrated care on the broader scale contemplated by this legislation.

On average, dialysis-related payment rates from contracted commercial payors are significantly higher than Medicare, Medicaid and other government program payment rates, and therefore the percentage of commercial patients in relation to total patients represents a major driver of our total average dialysis net patient service revenue per treatment. The percentage of commercial patients covered under contracted plans as compared to commercial patients with out-of-network providers has continued to increase, which can significantly affect our average dialysis net patient service revenue per treatment since commercial payment rates for patients with out-of-network providers are on average higher than in-network payment rates that are covered under commercial contracted plans.

Dialysis payment rates from commercial payors vary and a major portion of our commercial rates are set at contracted amounts with payors and are subject to intense negotiation pressure. As discussed above, our commercial payment rates also include payments for out-of-network patients that on average are higher than our in-network commercial contract rates. Some of our commercial contracts pay us a single bundled payment rate for all dialysis services provided to covered patients. However, some of our commercial contracts also pay us for certain other services and pharmaceuticals in addition to the bundled payment. We are continuously in the process of negotiating agreements with our commercial payors, and if our negotiations result in overall commercial contract payment rate reductions in excess of our commercial contract payment rate increases, or if commercial payors implement plans that restrict access to coverage or the duration or breadth of benefits or impose restrictions or limitations on patient access to non-contracted or out-of-network providers, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, if there is an increase in job losses in the U.S., or depending upon changes to the healthcare regulatory system by CMS and/or the impact of healthcare insurance exchanges, we could experience a decrease in the number of patients covered under commercial insurance plans and/or an increase in uninsured or underinsured patients. Patients with commercial insurance who cannot otherwise maintain coverage frequently rely on financial assistance from charitable organizations, such as the American Kidney Fund. If these patients are unable to obtain or continue to receive or receive for a limited duration such financial assistance, or if our assumptions about how patients will respond to any change in such financial assistance are incorrect, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. For further details, see the risk factor in Item 1A Risk Factors under the heading “If patients in commercial plans are subject to restriction in plan designs or the average

rates that commercial payors pay us decline significantly, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.”

Our operating performance with respect to dialysis services billing and collection can also be a significant factor in the average U.S. dialysis and related lab services net patient service revenue per treatment we recognize and are able to collect. For example, as payors change their systems and requirements, such as changes to what is included in the bundled payment from Medicare, we could experience a negative impact to our cash collection performance, which would affect our average U.S. dialysis and related lab services net patient service revenue per treatment.

Our U.S. dialysis and related lab services revenue recognition involves significant estimation risks. Our estimates are developed based on the best information available to us and our best judgment as to the reasonably assured collectability of our billings as of the reporting date based upon our actual historical collection experience. Changes in estimates are reflected in the then-current period financial statements based upon on-going actual experience and trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies.

Our annual average U.S. dialysis and related lab services net patient service revenue per treatment was approximately \$350, \$330 and \$336 for 2018, 2017 and 2016, respectively. In 2018, our average U.S. dialysis and related lab services net patient service revenue per treatment increased by approximately \$20 per treatment primarily related to the administration of calcimimetics, as discussed above, as well as an increase in Medicare bad debt revenue due to a policy election made under the new revenue recognition accounting standards. In 2017, our average U.S. dialysis and related lab services net patient service revenue per treatment decreased by approximately \$5 per treatment due to a decrease in our commercial treatment volume, a decline in our commercial payor mix, including exchange patients, and an increase in our provision for uncollectible accounts.

We anticipate that we will continue to experience increases in our operating costs in 2019 that may outpace any net Medicare rate increases that we may receive, which could significantly impact our operating results. In particular, we expect to continue experiencing increases in operating costs that are subject to inflation, such as labor and supply costs, including increases in maintenance costs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the ESRD bundled payment rate system. We also expect to continue to incur capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet changing regulatory requirements.

The principal drivers of our U.S. dialysis and related lab services patient care costs are clinical hours per treatment, labor rates, vendor pricing of pharmaceuticals, utilization levels of pharmaceuticals, business infrastructure costs, which include the operating costs of our dialysis centers, and certain professional fees. However, other cost categories can also present significant cost variability, such as employee benefit costs, payroll taxes, insurance costs and medical supply costs. In addition, proposed ballot initiatives or referendums, legislation, regulations or policy changes could cause us to incur substantial costs to challenge and prepare for and, if implemented, impose additional requirements on our operations, including increases in the required staffing levels or staffing ratios for clinical personnel, minimum transition times between treatments, limits on how much patients may be charged for care, limitations as to the amount that can be spent on certain medical costs, and limitations on the amount of revenue that providers can retain. Changes such as these could materially reduce our revenues and increase our operating expenses and impact our ability to staff our clinics to any new, elevated staffing levels, in particular given the ongoing nationwide shortage of healthcare workers, especially nurses.

Our average clinical hours per treatment increased in 2018 compared to 2017. We are always striving for improved productivity levels, however, changes in federal and state policies or regulatory billing requirements can lead to increased labor costs in order to implement these new requirements, which can adversely impact our ability to achieve optimal productivity levels. In addition, improvements in the U.S. economy have stimulated additional competition for skilled clinical personnel resulting in slightly higher teammate turnover in 2018, which we believe negatively affected productivity levels. In 2018 and 2017, we experienced an increase in our clinical labor rates of approximately 3.0% and 4.0%, respectively, consistent with general industry trends, mainly due to the high demand for and nationwide shortage of skilled clinical personnel, along with general inflation increases. In 2018, we experienced an increase in benefit costs due to the implementation of a 401(k) matching program that went into effect January 1, 2018. We also continue to experience increases in the infrastructure and operating costs of our dialysis centers, primarily due to the number of new dialysis centers opened, and general increases in rent, utilities and repairs and maintenance. In 2018, we continued to implement certain cost control initiatives to manage our overall operating costs, including labor productivity.

Our U.S. dialysis and related lab services general and administrative expenses represented 8.1% of our U.S. dialysis and related lab services revenues in both 2018 and 2017. Increases in general and administrative expenses over the last several years were primarily related to strengthening our dialysis business by improving our regulatory compliance and other operational processes, responding to certain legal and compliance matters, professional fees associated with enhancing our

information technology systems and more recent costs to counter union policy efforts. We expect that these levels of general and administrative expenses will continue in 2019 and could possibly increase as we seek out new business opportunities within the dialysis industry and continue to invest in improving our information technology infrastructure and maintaining the level of support required for our regulatory compliance and legal matters.

Results of Operations

The following table reflects the results of operations for our U.S. dialysis and related lab services business:

| | Year ended December 31, | | |
|--|--|------------|------------|
| | 2018 | 2017 | 2016 |
| | (dollars in millions, except treatment data) | | |
| Revenues:⁽¹⁾ | | | |
| U.S. dialysis and related lab patient service revenues | \$ 10,367 | \$ 9,822 | \$ 9,551 |
| Provision for uncollectible accounts | (51) | (482) | (430) |
| U.S. dialysis and related lab net patient service revenues | 10,316 | 9,340 | 9,121 |
| Other revenues | 20 | 20 | 17 |
| Total U.S. dialysis and related lab net services revenues | 10,336 | 9,360 | 9,138 |
| Operating expenses and charges: | | | |
| Patient care costs | 7,280 | 6,334 | 6,145 |
| General and administrative | 836 | 760 | 751 |
| Depreciation and amortization | 559 | 521 | 483 |
| Equity investment income | (20) | (25) | (18) |
| Gain on changes in ownership interests | (28) | — | — |
| Gain on settlement | — | (527) | — |
| Total operating expenses and charges | 8,626 | 7,063 | 7,361 |
| Operating income | \$ 1,710 | \$ 2,297 | \$ 1,777 |
| Reconciliation of non-GAAP measures: | | | |
| Gain on changes in ownership interests | (28) | — | — |
| Gain on settlement, net | — | (527) | — |
| Equity investment income related to gain on settlement | — | (3) | — |
| Adjusted operating income ⁽²⁾ | \$ 1,682 | \$ 1,768 | \$ 1,777 |
| Dialysis treatments | 29,435,304 | 28,271,113 | 27,162,545 |
| Average dialysis treatments per treatment day | 94,073 | 90,468 | 86,532 |
| Average U.S. dialysis and related lab services net patient service revenue per treatment | \$ 350.47 | \$ 330.38 | \$ 335.81 |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with our historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.
- (2) For the periods presented in the table above, adjusted operating income is defined as operating income before certain items which we do not believe are indicative of ordinary results, including a non-cash gain on changes in ownership interests and a net settlement gain. Adjusted operating income as so defined is a non-GAAP measure and is not intended as a substitute for GAAP operating income. We have presented these adjusted amounts because management believes that these presentations enhance a user's understanding of our normal consolidated operating income by excluding certain items which we do not believe are indicative of our ordinary results of operations. As a result, adjusting for these amounts allows for comparison to our normalized prior period results.

Revenues

U.S. dialysis and related lab services revenues for 2018 increased by approximately \$976 million, or 10.4%, from 2017. This increase in revenues was primarily driven by an increase of approximately \$20 in average dialysis net patient service

revenue per treatment due to the administration of calcimimetics, as discussed above, an increase in Medicare bad debt revenue of \$36 million due to a policy election made under the new revenue recognition accounting standards and volume growth from additional treatments of approximately 4.1% due to an increase in acquired and non-acquired treatments.

U.S. dialysis and related lab services revenues for 2017 increased by approximately \$222 million, or 2.4%, from 2016. This increase in revenues was primarily driven by solid volume growth from additional treatments of approximately 4.1% due to an increase in acquired and non-acquired treatments, including the acquisition of Renal Ventures. U.S. dialysis and related lab services' revenues was negatively impacted by approximately one less treatment day in 2017 as compared to 2016, and a decrease in the average dialysis net patient service revenue per treatment of approximately \$5, primarily due to a decrease in our commercial payor mix, including exchange patients. In addition, our provision for uncollectible accounts increased by \$52 million in 2017.

The following table summarizes our U.S. dialysis and related lab patient services revenues by source:

| | 2018 | 2017 | 2016 |
|---|------|------|------|
| Medicare and Medicare-assigned plans | 59% | 56% | 58% |
| Medicaid and managed Medicaid plans | 6 | 7 | 3 |
| Other government-based programs | 4 | 4 | 2 |
| Total government-based programs | 69 | 67 | 63 |
| Commercial (including hospital dialysis services) | 31 | 33 | 37 |
| Total U.S. dialysis and related lab services revenues | 100% | 100% | 100% |

Approximately 69% of our total U.S. dialysis and related lab patient services revenues for the year ended December 31, 2018 were from government-based programs, principally Medicare, Medicaid, Medicare-assigned and managed Medicaid plans, representing approximately 89.6% of our total patients. Over the last year, we have seen a decline in the growth of our commercial patients, which has been outpaced by the growth of our government-based patients. Less than 1% of our U.S. dialysis and related lab services revenues are due directly from patients. There is no single commercial payor that accounted for more than 10% of total U.S. dialysis and related lab services revenues for the year ended December 31, 2018.

On average, dialysis-related payment rates from contracted commercial payors are significantly higher than Medicare, Medicaid and other government program payment rates, and therefore the percentage of commercial patients as a relationship to total patients represents a major driver of our total average dialysis net patient service revenue per treatment. For a patient covered by a commercial insurance plan, Medicare generally becomes the primary payor after 33 months, which includes the three month waiting period, or earlier if the patient's commercial insurance plan coverage terminates. When Medicare becomes the primary payor, the payment rates we receive for that patient shift from the commercial insurance plan rates to Medicare payment rates, which on average are significantly lower than commercial insurance rates. Medicare payment rates are insufficient to cover our costs associated with providing dialysis services, and we therefore lose money on each Medicare treatment that we provide.

Nearly all of our net earnings from our U.S. dialysis and related lab services are derived from commercial payors, some of which pay at established contract rates and others of which pay negotiated payment rates based on an established fee schedule for out-of-network patients, which are typically higher than commercial contracted rates. If we experience an overall net reduction in our contracted and non-contracted commercial payment rates as a result of negotiations, restrictions or changes to the healthcare regulatory system, including the potential impact of healthcare insurance exchanges, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Operating expenses and charges

Patient care costs. U.S. dialysis and related lab services patient care costs are those costs directly associated with operating and supporting our dialysis centers and consist principally of labor, benefits, pharmaceuticals, medical supplies and other operating costs of the dialysis centers. U.S. dialysis and related lab services patient care costs on a per treatment basis were \$247 and \$224 for 2018 and 2017, respectively. The \$23 increase in per treatment costs in 2018 as compared to 2017 was primarily related to the administration of calcimimetics, an increase in labor and benefits costs due to an increase in teammate headcount and the transition to the 401(k) matching program, as described above, as well as an increase in other direct operating expenses associated with our dialysis centers. These increases were partially offset by a decrease in other pharmaceutical costs.

U.S. dialysis and related lab services patient care costs on a per treatment basis were \$224 and \$226 for 2017 and 2016, respectively. The \$2 decrease in per treatment costs in 2017 as compared to 2016 was primarily attributable to a decrease in

pharmaceutical unit costs due to a net price reduction as well as a decrease in profit sharing expense. These decreases were partially offset by an increase in labor and benefit costs due to an increase in teammates and clinical labor rates, and an increase in other direct operating expenses associated with our dialysis centers, including the impact of the hurricanes during the third quarter of 2017.

General and administrative expenses. U.S. dialysis and related lab services general and administrative expenses in 2018 increased by approximately \$76 million as compared to 2017. This increase was primarily due to increases in advocacy costs, benefit costs related to the 401(k) matching program that began in 2018, occupancy costs and consulting fees, partially offset by a decrease in labor costs. The increase in advocacy spending was primarily due to our efforts to oppose certain legislative and ballot initiatives.

U.S. dialysis and related lab services general and administrative expenses in 2017 increased by approximately \$9 million as compared to 2016. This increase was primarily due to an increase in our labor and benefit costs and occupancy costs, partially offset by a decrease in long-term incentive compensation, profit sharing and travel expenses.

Depreciation and amortization. U.S. dialysis and related lab services depreciation and amortization expenses increased by approximately \$38 million for both 2018 as compared to 2017 and 2017 as compared to 2016. The increases were primarily due to growth through new dialysis center developments and acquisitions, as well as additional informational technology initiatives.

Gain on changes in ownership interests, net. During 2018 we acquired a controlling interest in a previously nonconsolidated dialysis partnership. As a result of this transaction, we consolidated this partnership and recognized a non-cash gain of \$28 million on our previously held ownership interest in the partnership.

Gain on settlement, net. During 2017, we reached an agreement with the government for amounts owed to us for dialysis services provided from 2005 through 2011 to patients covered by the Department of Veterans Affairs (VA). As a result of this settlement we recognized a one-time net gain of \$527 million as well as equity investment income of \$3 million for our share of the settlement recognized by our nonconsolidated joint ventures. As such, the total effect of this settlement on our operating income was an increase of \$530 million.

Equity investment income. Equity investment income was approximately \$20 million, \$25 million and \$18 million in 2018, 2017 and 2016, respectively. The decrease in equity investment income in 2018 as compared to 2017 was primarily due to our receipt in 2017 of equity investment income related to the VA settlement of \$3 million. The increase in equity investment income in 2017 compared to 2016 was primarily due to the increase in the number of our nonconsolidated dialysis joint ventures and an increase in profitability at some of these joint ventures.

Segment operating income

U.S. dialysis and related lab services operating income for 2018, which includes a gain on ownership changes of \$28 million, decreased by approximately \$587 million as compared to 2017, which includes a net gain on the VA settlement of \$530 million. Excluding these items from their respective periods, U.S. dialysis and related lab services adjusted operating income decreased by approximately \$86 million from 2017. This decrease in adjusted operating income was primarily due to an increase in labor and benefits costs, an increase in other direct operating expenses and increases in advocacy costs, occupancy costs and consulting fees, as described above. This decrease was partially offset by a net increase related to the administration of calcimimetics and additional treatment growth, as described above.

U.S. dialysis and related lab services operating income for 2017, which includes a net gain on the VA settlement of \$530 million, increased by approximately \$520 million as compared to 2016. Excluding this item from 2017, U.S. dialysis and related lab services adjusted operating income decreased by approximately \$9 million from 2016. This decrease in adjusted operating income was primarily due to a decrease in the average dialysis net patient service revenue per treatment of approximately \$5, one less treatment day, partially offset by treatment growth, as described above. Adjusted operating income also decreased due to an increase in general and administrative expenses, partially offset by lower patient care costs, as described above.

Other—Ancillary services and strategic initiatives business

Our other operations include ancillary services and strategic initiatives which are primarily aligned with our core business of providing dialysis services to our network of patients. As of December 31, 2018, these consisted primarily of disease management services, vascular access services, clinical research programs, physician services, ESRD seamless care organizations, and comprehensive care as well as our international operations. These ancillary services and strategic initiatives,

including our international operations and our pharmacy business, generated approximately \$1.196 billion of revenues in 2018, representing approximately 10% of our consolidated revenues. If any of our ancillary services or strategic initiatives, such as our international operations, are unsuccessful, it would have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit that line of business, which could result in significant termination costs. In addition, we may incur a material write-off or an impairment of our investment, including goodwill, in one or more of our ancillary services or strategic initiatives. In that regard, we have incurred, and may in the future incur, impairment and restructuring charges in addition to those incurred by our pharmacy business, described below.

Recent changes in the oral pharmacy space, including reimbursement rate pressures, have negatively affected the economics of our pharmacy services business. As a result, we have transitioned the customer service and fulfillment functions of this business to third parties and have ceased our distribution operation, which will result in a decline in revenues and costs. In 2018, we recognized restructuring charges of \$11 million and other asset impairment charges of \$17 million related to our pharmacy services business.

We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include healthcare services not related to dialysis. In addition, in connection with our previously announced capital allocation strategy, in 2019 we plan to continue our evaluation of strategic alternatives for various assets in our portfolio. In the second quarter of 2018, we sold Paladina Health (described below), our direct primary care business, as a result of the implementation of this strategy.

As of December 31, 2018, our international dialysis operations provided dialysis and administrative services through a network of 241 outpatient dialysis centers located in nine countries outside of the U.S. The total revenues generated from our international operations, as reflected below, were approximately 4% of our 2018 consolidated revenues.

The following table reflects the results of operations for the ancillary services and strategic initiatives:

| | Year ended December 31, | | |
|---|-------------------------|-----------------|----------------|
| | 2018 | 2017 | 2016 |
| (dollars in millions) | | | |
| U.S. revenues:(1) | | | |
| Other revenues | \$ 749 | \$ 1,268 | \$ 1,413 |
| Total | 749 | 1,268 | 1,413 |
| International revenues:(1) | | | |
| Net dialysis patient service revenues | 437 | 323 | 202 |
| Other revenues | 10 | 5 | 6 |
| Total | 447 | 328 | 208 |
| Total net revenues:(1) | 1,196 | 1,596 | 1,621 |
| Operating expenses and charges: | | | |
| Operating and other general expenses | 1,302 | 1,711 | 1,686 |
| Goodwill impairment | 3 | 36 | 28 |
| Investment and other asset impairments | 17 | 295 | 15 |
| Gain on changes in ownership changes, net | (32) | (6) | (374) |
| Total operating expenses and charges | 1,290 | 2,036 | 1,355 |
| Total ancillary services and strategic initiatives operating (loss) income | \$ (94) | \$ (439) | \$ 267 |
| U.S. operating loss | \$ (70) | \$ (110) | \$ (65) |
| Reconciliation of non-GAAP: | | | |
| Restructuring charges | 11 | — | — |
| Gain on changes in ownership interests, net | (34) | — | — |
| Goodwill impairment | — | 35 | 28 |
| Impairment of assets | 17 | 15 | — |
| Accruals for legal matters | — | — | 16 |
| Adjusted operating loss ⁽²⁾ | \$ (75) | \$ (60) | \$ (21) |
| International operating (loss) income | \$ (23) | \$ (329) | \$ 332 |
| Reconciliation of non-GAAP: | | | |
| Goodwill impairment | 3 | — | — |
| Impairment of investment | — | 280 | 15 |
| Loss (gain) on changes in ownership interests, net | 1 | (6) | (374) |
| <i>Equity investment loss:</i> | | | |
| Loss due to business sale in APAC JV | 9 | — | — |
| Loss due to impairments in APAC JV | 8 | 6 | — |
| Loss related to restructuring charges | — | 1 | — |
| Restructuring charges | — | 2 | — |
| Adjusted operating loss ⁽²⁾ | \$ (3) | \$ (46) | \$ (27) |
| Total adjusted ancillary services and strategic initiatives loss⁽²⁾ | \$ (78) | \$ (107) | \$ (48) |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with our historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.

- (2) For the periods presented in the table above adjusted operating loss is defined as operating loss before certain items which we do not believe are indicative of ordinary results, including goodwill impairment charges, investment and other asset impairments, restructuring charges, gains on ownership changes and accruals for legal matters. Adjusted operating loss as so defined is a non-GAAP measure and is not intended as a substitute for GAAP operating (loss) income. We have presented these adjusted amounts because management believes that these presentations enhance a user's understanding of our normal consolidated operating (loss) income by excluding certain items which we do not believe are indicative of our ordinary results of operations. As a result, adjusting for these amounts allows for comparison to our normalized prior period results.

Revenues

Ancillary services and strategic initiatives revenues for 2018 decreased by approximately \$400 million, or 25.1%, as compared to 2017. This decrease was primarily due to a decline in volume in our pharmacy business due to changes in calcimimetics reimbursement, as well as the restructuring of our pharmacy business, as discussed above, a decrease in our shared savings revenue from our ESCO joint ventures and a decrease in revenue related to the sale of our direct primary care business in the second quarter of 2018. These decreases were partially offset by an increase in revenues from our international expansion due to acquired and non-acquired growth and an increase in DaVita IKC revenues from special needs plans.

Ancillary services and strategic initiatives revenues for 2017 decreased by approximately \$25 million, or 1.5%, as compared to 2016. This decrease was primarily related to a decrease in volume in our pharmacy business, partially offset by an increase in pharmaceutical rates, an increase in DaVita IKC special needs plan revenues, an increase in shared savings revenue recognized by our ESCO joint ventures and an increase in revenues from expansions in our international business and other strategic initiatives.

Operating and general expenses

Ancillary services and strategic initiatives operating and general expenses for 2018, which included restructuring charges of \$11 million related to our pharmacy business, an equity investment loss on the sale of our India business in our APAC JV of \$9 million and an equity investment loss of \$8 million related to impairments at our APAC JV, decreased by approximately \$409 million compared to 2017, which included restructuring charges in our international business of \$3 million and an equity investment loss of \$6 million for goodwill impairments at our APAC JV. Excluding these items from their respective periods, ancillary services and strategic initiatives adjusted operating and general expenses decreased by \$428 million compared to 2017. This decrease was primarily due to a decrease in pharmaceutical costs due to decreased volume related to the changes in calcimimetics reimbursement and restructuring at our pharmacy business, as discussed above, a decrease in expenses related to the sale of our direct primary care business and decreases in labor and benefit costs and professional fees. These decreases in operating expenses were partially offset by an increase in expenses associated with growth in our international operations, an increase in medical costs at DaVita IKC related to the cost of calcimimetics and an increase in members in our special needs plans.

Ancillary services and strategic initiatives operating and general expenses for 2017, which included restructuring charges in our international business of \$3 million, as discussed below, and an equity investment loss of \$6 million for goodwill impairments at our APAC JV, increased by approximately \$25 million from 2016, which included an estimated accrual for certain legal matters of \$16 million. Excluding these items from their respective periods, ancillary services and strategic initiatives adjusted operating and general expenses increased by \$32 million. This increase in adjusted operating and general expenses was primarily related to an increase in medical costs at DaVita IKC, an increase in labor and benefits costs and additional expenses associated with our international dialysis growth, including losses from adverse changes in foreign exchange rates included in equity investment income, partially offset by a decrease in pharmaceutical costs due to decreased volume in our pharmacy services business.

Goodwill impairment charges. During the year ended December 31, 2018, we recognized a goodwill impairment charge of \$3 million at our German other health operations, and during the year ended December 31, 2017, we recognized a goodwill impairment charge of \$2 million at one of our international kidney care businesses.

During the years ended December 31, 2017 and December 31, 2016, we also recognized goodwill impairment charges of \$35 million and \$28 million, respectively, at our vascular access reporting unit. These charges resulted primarily from changes in future governmental reimbursement rates for this business and our then-evolving plans and expected ability to mitigate them. As of December 31, 2017, there was no goodwill remaining at our vascular access reporting unit.

Restructuring charges and other impairments. During the year ended December 31, 2018, we announced a plan to restructure our pharmacy business, as discussed above. As a result of this plan, we recognized restructuring charges of \$11 million which are included in operating and other general expenses. We also recognized other asset impairment charges of \$17 million and \$15 million in 2018 and 2017, respectively, related to the restructuring of our pharmacy business.

During the year ended December 31, 2017, we recognized restructuring charges related to our international business of \$2 million and recognized equity investment losses of \$1 million related to restructuring charges at our APAC JV. These restructuring charges were related to a reorganization of our international general and administrative infrastructure at the global, regional and country level in order to improve efficiency.

During the year ended December 31, 2017, we recognized a non-cash other-than-temporary impairment charge of \$280 million on our investment in the APAC JV. This charge resulted from changes in our expectations for the joint venture based on continuing market research and assessments by both us and DaVita Care Pte. Ltd. (the APAC JV) concerning the size of the addressable market available to the joint venture at attractive risk-adjusted returns. We estimated the fair value of our retained interest in the APAC JV with the assistance of an independent third party valuation firm based on information available to management as of December 31, 2017.

During the year ended December 31, 2016, we recognized an impairment of \$15 million related to an investment in one of our international reporting units.

Gain on changes in ownership interests, net. We sold 100% of the stock of Paladina Health, our direct primary care business, effective June 1, 2018 and recognized a gain of approximately \$34 million on this transaction. In addition, we recognized a loss of approximately \$1 million related to the unwinding of an international business in the second quarter of 2018.

During the year ended December 31, 2017, we recognized a \$6 million non-cash gain related to the 2016 formation of the APAC JV which resulted from a change in estimate for post-closing adjustments that were pending at the formation of this joint venture.

In 2016, we deconsolidated our Asia Pacific dialysis business and recognized an initial non-cash non-taxable estimated gain of \$374 million on our retained investment in the APAC JV net of contingent obligations as a result of adjusting the carrying value of our retained interest in the APAC JV to our proportionate share of the estimated fair value of the business.

Segment operating (loss) income

Ancillary services and strategic initiatives operating results for 2018, which included a net gain on changes in ownership interests of \$32 million, other asset impairment charges of \$17 million and restructuring charges of \$11 million related to our pharmacy business, an equity investment loss due to the sale of our India business in our APAC JV of \$9 million, an equity investment loss related to impairments at our APAC JV of \$8 million and a goodwill impairment charge of \$3 million, increased by approximately \$345 million from the same period in 2017, which included goodwill impairment charges of \$35 million related to our vascular access reporting unit, an impairment of \$280 million on our investment in the APAC JV, an asset impairment of \$15 million related to the restructuring of our pharmacy business, an equity investment loss of \$6 million related to goodwill impairments at our APAC JV, restructuring charges in our international business of \$3 million, and an adjustment to the gain on the 2016 ownership change of our APAC JV of \$6 million. Excluding these items from their respective periods, adjusted operating losses decreased by \$29 million, primarily due to an improvement in our international business, an increase from DaVita IKC revenues from special needs plans, partially offset by a decrease in our shared savings revenue from our ESCO joint ventures, as described above.

Ancillary services and strategic initiatives operating results for 2017, which included goodwill impairment charges of \$35 million related to our vascular access reporting unit, an impairment of \$280 million on our investment in the APAC JV, an asset impairment of \$15 million related to the restructuring of our pharmacy business, an equity investment loss of \$6 million related to goodwill impairments at our APAC JV, restructuring charges in our international business of \$3 million, and an adjustment to the gain on the 2016 ownership change of our APAC JV of \$6 million, decreased by approximately \$706 million from 2016, which included an estimated gain on the ownership change of our APAC JV of \$374 million, goodwill impairment charges of \$28 million at our vascular access reporting unit, estimated accruals for legal matters of \$16 million and an investment impairment of \$15 million. Excluding these items from their respective periods, adjusted operating losses increased by \$59 million, primarily due to a decrease in revenues in our pharmacy services business, an increase in medical costs, higher labor and benefits costs, and additional expenses associated with our international operations, partially offset by an increase in DaVita IKC special needs plan revenues, an increase in shared savings revenue recognized by our ESCO joint ventures, an increase in revenues from expansion in our international business, and a decrease in pharmaceutical costs due to decreased volume in our pharmacy services business.

Corporate level charges

Debt expense. Debt expense for 2018, 2017, and 2016 consisted of interest expense of approximately \$462 million, \$407 million and \$394 million, respectively, and amortization and accretion of debt discounts and premiums, amortization of deferred financing costs and amortization of interest rate cap agreements of approximately \$26 million, \$24 million, and \$20 million, respectively. The increase in debt expense in 2018 as compared to 2017 was primarily due to an increase in our average interest rate and an increase in our average outstanding debt balance. Our overall weighted average effective interest rate in 2018 was 4.96% as compared to 4.70% in 2017.

The increase in debt expense in 2017 as compared to 2016 was primarily due to an increase in our average interest rate, partially offset by a decrease in our average outstanding debt balance. Our overall weighted average effective interest rate in 2017 was 4.70% as compared to 4.43% in 2016.

Corporate administrative support. Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation expense, as well as professional fees for departments which provide support to all of our various operating lines of business. This is partially offset by internal management fees charged to our other lines of business for that support.

Corporate administrative support costs were approximately \$90 million in 2018 and \$45 million in 2017. Corporate administrative support costs increased \$45 million due to an increase in long-term incentive compensation expense due to the adoption of a retirement policy for certain executive officers, as discussed below in "Long-term incentive compensation", as well as a reduction in internal management fees charged to our ancillary lines of business, partially offset by a decrease in legal fees.

Corporate administrative support costs were approximately \$45 million in 2017 and \$14 million in 2016. Corporate administrative support costs increased \$31 million due to a decrease in internal management fees charged to our ancillary lines of business and increases in long-term incentive compensation expense and labor and benefits expenses, partially offset by decreases in professional fees and other general and administrative expenses.

Other income. Other income was approximately \$10 million in 2018, \$18 million in 2017 and \$8 million in 2016, and consisted principally of interest income on cash and cash-equivalents and short- and long-term investments, other non-operating gains from investment transactions, and foreign currency transaction gains and losses. Other income in 2018 as compared to 2017 decreased approximately \$8 million, primarily due to an increase of recognized losses on the sale and market valuation of investments and an increase in foreign currency transaction losses. Other income in 2017 as compared to 2016 increased approximately \$10 million primarily due to a decrease in foreign currency transaction losses.

Provision for income taxes. The provision for income taxes for 2018, 2017 and 2016 represented an effective annualized tax rate of 24.6%, 23.1% and 26.6% of income from continuing operations, respectively. The 2018 effective tax rate is higher than the 2017 effective tax rate primarily due to the fact that the 2017 effective tax rate reflects a \$252 million tax benefit recognized in 2017 related to the enactment of the Tax Cuts and Jobs Act in 2017 ("2017 Tax Act"). Excluding this item, our effective tax rate from continuing operations for 2017 was 41.1%. The decrease in our effective tax rate in 2018 compared to this adjusted effective income tax rate in 2017 of 41.1% was primarily driven by the lower corporate statutory tax rate of 21%, partially offset by an increase in certain items that are no longer deductible under the 2017 Tax Act. The effective tax rate in 2016 was lower than the 2017 adjusted effective tax rate of 41.1%, primarily due to the gain on the APAC JV ownership changes, partially offset by goodwill impairment charges, as discussed above. See Note 13 to the consolidated financial statements for further information.

Noncontrolling interests

Net income attributable to noncontrolling interests for 2018, 2017 and 2016 was approximately \$174 million, \$167 million and \$153 million, respectively. The increase in noncontrolling interests in 2018 as compared to 2017 was primarily due to an increase in earnings at our DMG physician groups offset by a decrease in noncontrolling interests due to one-time items impacting 2017 including the impairment of our vascular access reporting unit, which reduced income to noncontrolling interests by \$10 million, partially offset by the additional income to noncontrolling interests due to the net gain on the settlement with the VA of \$24 million.

The increase in noncontrolling interests in 2017 as compared to 2016 was primarily due to additional income to noncontrolling interests related to the net gain on the settlement with the VA of \$24 million, partially offset by the impairment of our vascular access reporting unit, which impacted income to noncontrolling interests by \$10 million in 2017 and \$8 million in 2016, for a net impact of \$2 million.

The percentage of net U.S. dialysis and related lab services revenues generated from dialysis-related joint ventures was approximately 25% in 2018, 24% in 2017 and 23% in 2016.

Accounts receivable

Our consolidated accounts receivable balances at December 31, 2018 and December 31, 2017 were \$1.859 billion and \$1.715 billion, respectively, representing approximately 62 days and 57 days of revenue (DSO), respectively, net of the allowance for uncollectible accounts. The increase in consolidated DSO was primarily due to higher DSO at our international operations and the cessation of operations at our pharmacy business. Historically, our pharmacy business experienced relatively lower DSO than the rest of our business. Our DSO calculation is based on the current quarter's average revenues per day. There were no significant changes during 2018 from 2017 in the amount of unreserved accounts receivable over one year old or the amounts pending approval from third-party payors.

As of December 31, 2018 and 2017, our net patient services accounts receivable balances more than six months old represents approximately 18% and 21% of our dialysis accounts receivable balances, respectively. The decrease was primarily due to collections at DaVita Health Solutions and in certain international operations. Substantially all revenue realized is from government and commercial payors, as discussed above. There were no significant unreserved balances over one year old. Less than 1% of our revenues are classified as patient pay.

Amounts pending approval from third-party payors associated with Medicare bad debt claims as of December 31, 2018 and 2017, other than the standard monthly billing, consisted of approximately \$136 million and \$104 million, respectively, and are classified as other receivables. A significant portion of our Medicare bad debt claims are typically paid to us before the Medicare fiscal intermediary audits the claims but are subject to adjustment based upon the actual results of these audits. Such audits typically occur one to four years after the claims are filed.

Liquidity and capital resources

Available liquidity. As of December 31, 2018, our Kidney Care cash balance was \$323 million and Kidney Care also had approximately \$3 million in short-term investments. As of December 31, 2018, our DMG cash balance was \$415 million and DMG also had approximately \$4 million in short-term investments. As of December 31, 2018, we had \$175 million drawn on our \$1.0 billion revolving line of credit under our senior secured credit facilities, in addition to the approximately \$14 million committed for outstanding letters of credit. As of December 31, 2018, we also have approximately \$23 million of additional outstanding letters of credit under a separate bilateral secured letter of credit facility and \$0.2 million of committed outstanding letters of credit which are backed by a certificate of deposit.

Consolidated cash flows from operations during 2018 was \$1.8 billion, of which \$1.5 billion was from continuing operations, compared with consolidated cash flows from operations of \$1.9 billion for 2017, of which \$1.6 billion was from continuing operations. Consolidated cash flows decreased due to increases in DSO, cash interest payments, advocacy spend and the timing of other working capital items partially offset by a decrease in cash taxes. Cash flows from operations in 2018 included cash interest payments of approximately \$489 million and cash tax payments of \$93 million. Cash flows from operations in 2017 included cash interest payments of approximately \$425 million and cash tax payments of \$387 million.

Non-operating cash outflows in 2018 included \$987 million for capital asset expenditures, including \$528 million for new center developments and relocations and \$459 million for maintenance and information technology. We also spent an additional \$183 million for acquisitions. In addition, during 2018 we received \$14 million associated with stock award exercises and other share issuances. We also made distributions to noncontrolling interests of \$196 million and received contributions from noncontrolling interests of \$52 million associated with new or existing joint ventures. We also repurchased a total of 16,844,067 shares of our common stock for \$1.2 billion, or an average price of \$68.48 per share, in 2018. In addition, we settled \$8 million in share repurchases related to 2017. Our proceeds from the sale of self-developed properties in 2018 was \$45 million.

Consolidated cash flows from operations during 2017 was \$1.9 billion, of which \$1.6 billion was from continuing operations, compared with cash flows from operations of \$2.0 billion for 2016, of which \$1.7 billion was from continuing operations. Consolidated cash flows declined due to an increase in DSO and the timing of other working capital items, partially offset by the payment received from the settlement with the VA, net of associated tax payments. Cash flows from operations in 2017 included cash interest payments of approximately \$425 million and cash tax payments of \$387 million. Cash flows from operations in 2016 included cash interest payments of approximately \$407 million and cash tax payments of \$339 million.

Non-operating cash outflows in 2017 included \$905 million for capital asset expenditures, including \$559 million for new center developments and relocations and \$346 million for maintenance and information technology. We also spent an

additional \$804 million for acquisitions in 2017. In addition, during 2017 we received \$21 million associated with stock award exercises and other share issuances. We also made distributions to noncontrolling interests of \$211 million, which included \$24 million related to the noncontrolling interest portion of the VA settlement gain, and received contributions from noncontrolling interests of \$75 million associated with new or existing joint ventures. We also repurchased a total of 12,966,672 shares of our common stock for \$811 million, or an average price of \$62.54 per share, of which \$8 million was unsettled at December 31, 2017. Our proceeds from the sale of self-developed properties in 2017 was \$58 million.

During 2018, in the U.S. we opened 152 dialysis centers, acquired 18 dialysis centers, closed and merged eight dialysis centers, closed two dialysis centers, sold one dialysis center, and terminated management and administrative services agreements covering five dialysis centers. In addition, our international dialysis operations acquired 28 dialysis centers, developed three dialysis centers, and closed two dialysis centers. Our APAC JV also acquired two dialysis centers, closed five dialysis centers and sold 22 dialysis centers.

During 2018, our DMG business acquired one primary care physician practice and four private medical practices.

In December 2017, we entered into an equity purchase agreement to sell our DMG division to Optum, a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. On December 11, 2018, we entered into an amendment to the equity purchase agreement, which, among other things, reduced the purchase price for DMG from \$4.900 billion to \$4.340 billion.

During 2017, in the U.S. we opened 121 dialysis centers, acquired 66 dialysis centers, including dialysis centers associated with the acquisition of Renal Ventures, closed and merged ten dialysis centers, closed nine dialysis centers, divested six dialysis centers, deconsolidated seven dialysis centers which we continue to operate under management services agreements, and terminated two management services agreements. In addition, our international dialysis operations acquired 68 dialysis centers, opened eight dialysis centers, and closed one dialysis center. Our APAC JV acquired two dialysis centers, opened nine dialysis centers and closed three dialysis centers.

During 2017, our DMG business acquired four primary care physician practices, including the acquisition of Magan, seven private medical practices and one independent physician association.

During the year ended December 31, 2018, we made mandatory principal payments under our senior secured credit facilities totaling \$100 million on Term Loan A and \$35 million on Term Loan B. During the year ended December 31, 2017, we made mandatory principal payments under our senior secured credit facilities totaling \$88 million on Term Loan A and \$35 million on Term Loan B.

Interest rate cap agreements

As of December 31, 2018, we maintain several interest rate cap agreements that were entered into in October 2015 with notional amounts totaling \$3.5 billion. These cap agreements became effective June 29, 2018, have the economic effect of capping the LIBOR variable component of our interest rate at a maximum of 3.50% on an equivalent amount of our debt, and expire on June 30, 2020. As of December 31, 2018, the total fair value of these cap agreements was an asset of approximately \$0.9 million. During the year ended December 31, 2018, we recognized debt expense of \$4.3 million from these cap agreements and recorded a loss of \$0.2 million in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements.

Previously, we maintained other interest rate cap agreements that were entered into in November 2014 with notional amounts also totaling \$3.5 billion. These cap agreements had the economic effect of capping the LIBOR variable component of our interest rate at a maximum of 3.50% on an equivalent amount of our debt and expired on June 30, 2018. During the year ended 2018, we recognized debt expense of \$4.1 million from these cap agreements and recorded an immaterial loss in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements through expiration.

Other items

As of December 31, 2018, our Term Loan B debt bears interest at LIBOR plus an interest rate margin of 2.75%. Term Loan B is subject to an interest rate cap if LIBOR should rise above 3.50%. Term Loan A bears interest at LIBOR plus an interest rate margin of 2.00% and Term Loan A-2 bears interest at LIBOR plus an interest rate margin of 1.00%. The capped portion of Term Loan A if LIBOR should rise above 3.50% is \$157.5 million. Both the uncapped portion of Term Loan A of \$517.5 million and the entire balance of Term Loan A-2 are subject to the variability of LIBOR. Interest rates on our Senior Notes are fixed by their terms.

Our overall weighted average effective interest rate on the senior secured credit facilities at the end of 2018 was 5.11%, based upon the current margins in effect of 2.00% for Term Loan A, 1.00% for Term Loan A-2 and 2.75% for Term Loan B.

As of December 31, 2018, the interest rates were fixed on approximately 48% of our total debt, and were fixed and economically fixed, including via interest rate cap agreements, on approximately 82% of our total debt.

Our overall weighted average effective interest rate during the year ended December 31, 2018 was 4.96% and as of December 31, 2018 was 5.19%.

As of December 31, 2018, we had \$175 million drawn on our \$1.0 billion revolving line of credit under our senior secured credit facilities, in addition to approximately \$14 million committed for outstanding letters of credit. As of December 31, 2018, we also have approximately \$23 million of additional outstanding letters of credit under a separate bilateral secured letter of credit facility, and \$0.2 million of committed outstanding letters of credit which are backed by a certificate of deposit.

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our existing credit facilities and anticipated debt refinancing, as well as proceeds from the anticipated sale of our DMG business if consummated, will be sufficient to fund our scheduled debt service under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. However, our primary recurrent sources of liquidity are cash from operations and cash from borrowings, which are subject to general, economic, financial, competitive, regulatory and other factors that are beyond our control, as described in Item 1A Risk Factors under the heading "The level of our current and future debt could have an adverse impact on our business and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control."

Goodwill

We elected to early adopt ASU No. 2017-04, *Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*, effective January 1, 2017. The amendments in this ASU simplify the test for goodwill impairment by eliminating the second step in the assessment. All goodwill impairment tests performed since adoption of this ASU were performed under this new guidance.

During the year ended December 31, 2018, we performed annual and other impairment assessments for various reporting units. As a result of these assessments, we recognized a goodwill impairment charge of \$3 million at our German other health operations during the year ended December 31, 2018. We also recognized a goodwill impairment charge of \$2 million at one of our international kidney care businesses during the year ended December 31, 2017.

During the years ended December 31, 2017 and December 31, 2016, we recognized goodwill impairment charges of \$35 million and \$28 million, respectively, at our vascular access reporting unit. These charges resulted primarily from changes in future governmental reimbursement rates for this business and our then-evolving plans and expected ability to mitigate them. As of December 31, 2017, there was no goodwill remaining at our vascular access reporting unit.

Based on our most recent assessments, we determined that reductions in reimbursement rates, changes in actual or expected growth rates, or other significant adverse changes in expected future cash flows or valuation assumptions could result in goodwill impairment charges in the future for the following reporting units, which remain at risk of goodwill impairment as of December 31, 2018:

| Reporting unit | Goodwill balance as of December 31, 2018 (in millions) | Carrying amount coverage ⁽¹⁾ | Sensitivities | |
|---------------------------------|---|--|------------------------------------|---------------------------------|
| | | | Operating income ⁽²⁾ | Discount rate ⁽³⁾ |
| Germany Kidney Care | \$ 403 | 0.5% | (1.5)% | (10.3)% |
| Brazil Kidney Care | \$ 39 | 9.8% | (2.5)% | (7.3)% |
| Germany other health operations | \$ 13 | 8.1% | (2.2)% | (11.1)% |

(1) Excess of estimated fair value of the reporting unit over its carrying amount as of the latest assessment date.

(2) Potential impact on estimated fair value of a sustained, long-term reduction of 3% in operating income as of the latest assessment date.

(3) Potential impact on estimated fair value of an increase in discount rates of 100 basis points as of the latest assessment date.

There were no major changes in the business, prospects, or expected future results of these reporting units from their latest assessment date through December 31, 2018.

Except as described above, none of our various other reporting units was considered at risk of significant goodwill impairment as of December 31, 2018. Since the dates of our last annual goodwill impairment tests, there have been certain developments, events, changes in operating performance and other changes in key circumstances that have affected our businesses. However, except as further described above, these did not cause management to believe it is more likely than not that the fair values of any of our reporting units would be less than their respective carrying amounts as of December 31, 2018.

Long-term incentive compensation

Long-term incentive program (LTIP) compensation includes both stock-based awards (principally stock-settled stock appreciation rights, restricted stock units and performance stock units) as well as long-term performance-based cash awards. Long-term incentive compensation expense, which was primarily general and administrative in nature, was attributed among our U.S. dialysis and related lab services business, corporate administrative support, and the ancillary services and strategic initiatives.

Our stock-based compensation expense for stock-settled awards are measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards unless the stock awards are based on non-market based performance metrics, in which case expense is adjusted for expected ultimate payouts as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on the estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

During 2018, we granted 1,902,652 stock-settled stock appreciation rights with an aggregate grant-date fair value of \$30.9 million and a weighted-average expected life of approximately 4.2 years and 1,101,388 stock units with an aggregate grant-date fair value of \$72.9 million and a weighted-average expected life of approximately 3.3 years. We did not grant any cash-settled stock-based awards during 2018.

For the year ended December 31, 2018, long-term incentive compensation expense of \$85.8 million increased by approximately \$23.8 million as compared to 2017. This increase in long-term incentive compensation expense was primarily due to the adoption of a retirement policy (Rule of 65 policy). The Rule of 65 policy generally provides that Section 16 executive officers that are a minimum age of 55 with five years of continuous service with the Company receive certain benefits with respect to their outstanding equity awards upon a qualifying retirement if the sum of their age plus years of service is greater than or equal to 65. These benefits include accelerated vesting of restricted stock unit awards, continued vesting of stock-settled stock appreciation rights and performance stock unit awards and an exercise window from the original vest date through the original expiration date regardless of continued employment, with pro rata vesting for a Rule of 65 retirement within one year of the award grant date. The adoption of the Rule of 65 policy resulted in a \$14.7 million modification charge and a net acceleration of expense of \$9.7 million during the year ended December 31, 2018 that is included in the expense amounts reported above. Future equity awards to Rule of 65 eligible executives will be expensed over the period during which risk of forfeiture exists.

For the year ended December 31, 2017, long-term incentive compensation expense of \$62.0 million decreased by approximately \$3.0 million as compared to 2016. This decrease in long-term incentive compensation expense was primarily due to cumulative revaluation of liability-based awards for reductions in estimated ultimate payouts, as well as the final vesting of a prior broad grant that is no longer contributing expense.

As of December 31, 2018, there was \$99.9 million in total estimated but unrecognized long-term incentive compensation expense for LTIP awards outstanding, including \$88.6 million relating to stock-based awards under our equity compensation plans. We expect to recognize the performance-based cash component of this LTIP expense over a weighted average remaining period of 0.8 years and the stock-based component of this LTIP expense over a weighted average remaining period of 1.5 years.

For the years ended December 31, 2018, 2017 and 2016, we received \$8.0 million, \$13.5 million and \$28.4 million, respectively, in actual tax benefits upon the exercise of stock awards. Since we issue stock-settled stock appreciation rights rather than stock options, we did not receive cash proceeds from stock option exercises during the years ended December 31, 2018, 2017 and 2016.

Stock repurchases

We repurchased a total of 16,844,067 shares for \$1.2 billion, or an average price of \$68.48, during the year ended December 31, 2018. We also repurchased a total of 12,966,672 shares for \$811 million, or an average price of \$62.54, during the year ended December 31, 2017 and a total of 16,649,090 shares for \$1.1 billion, or an average price of \$64.41, during the

year ended December 31, 2016. Subsequent to December 31, 2018, we have not repurchased any shares of our common stock through February 22, 2019. We retired all shares held in treasury effective December 31, 2018 and December 31, 2017.

On July 11, 2018, our Board of Directors approved an additional share repurchase authorization in the amount of \$1.4 billion. This share repurchase authorization was in addition to the \$110 million remaining at that time under our Board of Directors' prior share repurchase authorization approved in October 2017. Accordingly, as of February 22, 2019, we have a total of \$1.4 billion available under the current Board repurchase authorizations for additional share repurchases. Although these share repurchase authorizations do not have expiration dates, we remain subject to share repurchase limitations under the terms of our senior secured credit facilities and the indentures governing our senior notes.

Off-balance sheet arrangements and aggregate contractual obligations

In addition to the debt obligations reflected on our balance sheet, we have commitments associated with operating leases and letters of credit, as well as potential obligations associated with our equity investments in nonconsolidated businesses and to dialysis centers that are wholly-owned by third parties. Substantially all of our U.S. dialysis facilities are leased. We have potential obligations to purchase the noncontrolling interests held by third parties in several of our majority-owned joint ventures and other nonconsolidated entities. These obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods as outlined in each specific put provision. If these put provisions were exercised, we would be required to purchase the third-party owners' equity interests at either the appraised fair market value or a predetermined multiple of earnings or cash flows attributable to the equity interests put to us, which is intended to approximate fair value. The methodology we use to estimate the fair values of noncontrolling interests subject to put provisions assumes the higher of either a liquidation value of net assets or an average multiple of earnings, based on historical earnings, patient mix and other performance indicators that can affect future results, as well as other factors. The estimated fair values of noncontrolling interests subject to put provisions are a critical accounting estimate that involves significant judgments and assumptions and may not be indicative of the actual values at which the noncontrolling interests may ultimately be settled, which could vary significantly from our current estimates. The estimated fair values of noncontrolling interests subject to put provisions can fluctuate and the implicit multiple of earnings at which these noncontrolling interests obligations may be settled will vary significantly depending upon market conditions including potential purchasers' access to the capital markets, which can impact the level of competition for dialysis and non-dialysis related businesses, the economic performance of these businesses and the restricted marketability of the third-party owners' equity interests. The amount of noncontrolling interests subject to put provisions that employ a contractually predetermined multiple of earnings rather than fair value are immaterial. For additional information see Note 18 to the consolidated financial statements.

We also have certain other potential commitments to provide operating capital to several dialysis centers that are wholly-owned by third parties or businesses in which we own a noncontrolling equity interest as well as to physician-owned vascular access clinics or medical practices that we operate under management and administrative services agreements.

The following is a summary of these contractual obligations and commitments as of December 31, 2018:

| | 1 year | 2-3 years | 4-5 years | After 5 years | Total |
|---|-----------------|-----------------|-----------------|------------------|------------------|
| (dollars in millions) | | | | | |
| Scheduled payments under contractual obligations: | | | | | |
| Long-term debt principal | \$ 1,907 | \$ 3,345 | \$ 1,283 | \$ 3,336 | \$ 9,871 |
| Interest payments on the senior notes | 237 | 473 | 401 | 202 | 1,313 |
| Interest payments on Term Loan B ⁽¹⁾ | 178 | 263 | — | — | 441 |
| Interest payments on Term Loan A ⁽²⁾ | 15 | — | — | — | 15 |
| Interest payments on Term Loan A-2 ⁽²⁾ | 18 | — | — | — | 18 |
| Kidney Care capital lease obligations | 22 | 49 | 46 | 166 | 283 |
| Kidney Care operating leases | 483 | 895 | 745 | 1,590 | 3,714 |
| DMG capital lease obligations | 35 | — | — | — | 35 |
| DMG operating leases | 90 | 154 | 117 | 267 | 628 |
| | <u>\$ 2,985</u> | <u>\$ 5,179</u> | <u>\$ 2,592</u> | <u>\$ 5,561</u> | <u>\$ 16,318</u> |
| Potential cash requirements under other commitments: | | | | | |
| Letters of credit | \$ 37 | \$ — | \$ — | \$ — | \$ 37 |
| Noncontrolling interests subject to put provisions | 624 | 265 | 113 | 123 | 1,125 |
| Non-owned and minority owned put provisions | 2 | — | 456 | — | 458 |
| Operating capital advances | 1 | 2 | 1 | 1 | 5 |
| Purchase commitments | 304 | 571 | 251 | — | 1,126 |
| | <u>\$ 968</u> | <u>\$ 838</u> | <u>\$ 821</u> | <u>\$ 124</u> | <u>\$ 2,751</u> |

(1) Based upon current LIBOR-based interest rates in effect at December 31, 2018 plus an interest rate margin of 2.75% for Term Loan B.

(2) Based upon current LIBOR-based interest rates in effect at December 31, 2018 plus an interest rate margin of 2.00% for Term Loan A and plus an interest rate margin of 1.00% for Term Loan A-2.

In addition to the commitments listed above, we have an agreement with Fresenius Medical Care (FMC) to purchase a certain amount of dialysis equipment, parts and supplies from FMC, which was extended through December 31, 2020. The actual amount of purchases in future years from FMC will depend upon a number of factors, including the operating requirements of our centers, the number of centers we acquire, and growth of our existing centers.

We also have an agreement with Baxter Healthcare Corporation (Baxter) that commits us to purchase a certain amount of peritoneal dialysis supplies at fixed prices through 2022.

In 2017, we entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of this agreement, we will purchase EPO in amounts necessary to meet no less than 90% of our requirements for erythropoiesis stimulating agents (ESAs) through the expiration of the contract with Amgen. The actual amount of EPO that we will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that we serve.

Settlements of approximately \$49 million of existing income tax liabilities for unrecognized tax benefits, including interest, penalties and other long-term tax liabilities, are excluded from the above table as reasonably reliable estimates of their timing cannot be made.

Supplemental information concerning certain physician groups and unrestricted subsidiaries

The following information is presented as supplemental data as required by the indentures governing our senior notes.

We provide services to certain physician groups, including those within our DMG business, which while consolidated in our financial statements for financial reporting purposes, are not subsidiaries of or owned by us, do not constitute "Subsidiaries" as defined in the indentures governing our outstanding senior notes, and do not guarantee those senior notes. In addition, we have entered into management agreements with these physician groups pursuant to which we receive management fees from the physician groups.

As of December 31, 2018, if these physician groups were not consolidated in our financial statements, our consolidated assets would have been approximately \$18.578 billion and our consolidated other liabilities would have been approximately \$3.571 billion. Our consolidated indebtedness would have remained approximately \$10.154 billion since almost all of these physician groups are classified as held for sale and the remainder of them do not carry third party debt. For the year ended December 31, 2018, if these physician groups were not consolidated in our financial statements, our consolidated net income would have been reduced by approximately \$30 million. Our consolidated total net revenues and consolidated operating income would have remained approximately \$11.405 billion and \$1.526 billion, respectively, since almost all of these physician groups are being reported as discontinued operations.

In addition, our DMG business owns a 67% equity interest in California Medical Group Insurance (CMGI), which is an Unrestricted Subsidiary as defined in the indentures governing our outstanding senior notes, and does not guarantee those senior notes. DMG's equity interest in CMGI is accounted for under the equity method of accounting, meaning that, although CMGI is not consolidated in our financial statements for financial reporting purposes, our consolidated income statement reflects our pro rata share of CMGI's net income within net loss from discontinued operations.

For the year ended December 31, 2018, excluding DMG's equity investment income attributable to CMGI, our consolidated net income would be decreased by approximately \$92 thousand. See Note 29 to the consolidated financial statements for further details.

Contingencies

The information in Note 17 to the consolidated financial statements included in this report is incorporated by reference in response to this item.

Critical accounting policies, estimates and judgments

Our consolidated financial statements and accompanying notes are prepared in accordance with United States generally accepted accounting principles. These accounting principles require us to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and temporary equity. All significant estimates, judgments and assumptions are developed based on the best information available to us at the time made and are regularly reviewed and updated when necessary. Actual results will generally differ from these estimates, and such differences may be material. Changes in estimates are reflected in our financial statements in the period of change based upon on-going actual experience trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Interim changes in estimates are applied prospectively within annual periods. Certain accounting estimates, including those concerning revenue recognition and accounts receivable, impairments of goodwill and investments, accounting for income taxes, consolidation of variable interest entities, and fair value estimates are considered to be critical to evaluating and understanding our financial results because they involve inherently uncertain matters and their application requires the most difficult and complex judgments and estimates.

Dialysis and related lab services revenue recognition and accounts receivable. There are significant estimating risks associated with the amount of dialysis and related lab services revenue that we recognize in a given reporting period. Payment rates are often subject to significant uncertainties related to wide variations in the coverage terms of the commercial healthcare plans under which we receive payments. In addition, ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage, and other payor issues complicate the billing and collection process. Net revenue recognition and allowances for uncollectible billings require the use of estimates of the amounts that will ultimately be realized considering, among other items, retroactive adjustments that may be associated with regulatory reviews, audits, billing reviews and other matters.

Revenues associated with Medicare and Medicaid programs are recognized based on (a) the payment rates that are established by statute or regulation for the portion of the payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, the estimated amounts that will ultimately be collectible from other government programs paying secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient. Our dialysis related reimbursements from Medicare are subject to certain variations under Medicare's single bundled payment rate system whereby our reimbursements can be adjusted for certain patient characteristics and certain other factors. Our revenue recognition depends upon our ability to effectively capture, document and bill for Medicare's base payment rate and these other factors. In addition, as a result of the potential range of variations that can occur in our dialysis-related reimbursements from Medicare under the single bundled payment rate system, our revenue recognition is subject to a greater degree of estimating risk.

Commercial healthcare plans, including contracted managed-care payors, are billed at our usual and customary rates; however, revenue is recognized based on estimated net realizable revenue for the services provided. Net realizable revenue is estimated based on contractual terms for the patients covered under commercial healthcare plans with which we have formal agreements, non-contracted commercial healthcare plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in our billing and collection processes that can result in denied claims for payments, a slowdown in collections, a reduction in the amounts that we expect to collect and regulatory compliance issues. Determining applicable primary and secondary coverage for our approximately 202,700 U.S. dialysis patients at any point in time, together with the changes in patient coverages that occur each month, requires complex, resource-intensive processes. Collections, refunds and payor retractions typically continue to occur for up to three years or longer after services are provided.

We generally expect the range of our dialysis and related lab services revenues estimating risk to be within 1% of its revenue, which can represent as much as approximately 5% of dialysis and related lab services' adjusted operating income. Changes in estimates are reflected in the then-current financial statements based on on-going actual experience trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Changes in revenue estimates for prior periods are separately disclosed and reported if material to the current reporting period and longer term trend analyses, and have not been significant.

Laboratory service revenues for current period dates of services are recognized at the estimated net realizable amounts to be received.

Impairments of goodwill and investments. We account for impairments of goodwill and equity method and other investments in accordance with the provisions of applicable accounting guidance. Goodwill is not amortized, but is assessed for impairment when changes in circumstances warrant and at least annually. An impairment charge is recorded when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value. Equity method and other investments are assessed for other-than-temporary impairment when changes in circumstances warrant. An other-than-temporary impairment charge is recorded when the fair value of an investment has fallen below its carrying amount and the shortfall is expected to be indefinitely or permanently unrecoverable.

Such changes in circumstance can include, among others, changes in the legal environment, addressable market, business strategy, development or business plans, reimbursement structure, operating performance, future prospects, relationships with partners, and/or market value indications for the subject business. We use a variety of factors to assess changes in the financial condition, future prospects and other circumstances concerning the subject businesses and to estimate their fair value when applicable. Any change in the factors, assessments or assumptions involved could affect a determination of whether and when to assess goodwill or an investment for impairment as well as the outcome of such an assessment. These assessments and the related valuations can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Accounting for income taxes. Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. We are subject to income taxes in the United States and numerous state and foreign jurisdictions, and changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. The actual impact of any such laws or regulations could be materially different from our current estimates.

Significant judgments and estimates are required in determining our consolidated income tax expense. Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, results of recent operations, and assumptions about the amount of future federal, state, and foreign pre-tax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require significant judgments and are consistent with the plans and estimates we use to manage the underlying businesses. To the extent that recovery is not likely, a valuation allowance is established. The allowance is regularly reviewed and updated for changes in circumstances that would cause a change in judgment about the realizability of the related deferred tax assets.

Consolidation of variable interest entities. We rely on the operating activities of certain entities that we do not directly own or control, but over which we have indirect influence and of which we are considered the primary beneficiary. Under accounting guidance applicable to variable interest entities, we have determined that these entities are to be included in our consolidated financial statements. The analyses upon which these determinations rest are complex, involve uncertainties, and require judgment on various matters, some of which could be subject to reasonable disagreement. While these determinations

have a meaningful effect on the description and classification of various amounts in our consolidated financial statements, non-consolidation of these entities would not have had a material effect on our results of operations.

Fair value estimates. The FASB defines fair value generally as the amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale. It also defines fair value more specifically for most purposes as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

We rely on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities and noncontrolling interests subject to put provisions (temporary equity). These purposes can include the accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, and other long-lived assets; recurrent revaluation of investments in debt and equity securities, interest rate cap agreements or other derivative instruments, contingent earn-out obligations, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, among others. The criticality of a particular fair value estimate to our consolidated financial statements depends upon the nature and size of the item being measured, the extent of uncertainties involved and the nature and magnitude or potential effect of assumptions and judgments required. Critical fair value estimates can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Significant new accounting standards

See Note 1 to the consolidated financial statements included in this report for information regarding certain recent financial accounting standards that have been issued by the FASB.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Interest rate sensitivity

The tables below provide information about our financial instruments that are sensitive to changes in interest rates. The table below presents principal repayments and current weighted average interest rates on our debt obligations as of December 31, 2018. The variable rates presented reflect the weighted average LIBOR rates in effect for all debt tranches plus interest rate margins in effect as of December 31, 2018. The Term Loan A margin in effect at December 31, 2018 is 2.00%, and along with the revolving line of credit, is subject to adjustment depending upon changes in certain of our financial ratios, including a leverage ratio. Term Loan A-2 currently bears interest at LIBOR plus an interest rate margin of 1.00%. Term Loan B currently bears interest at LIBOR plus an interest rate margin of 2.75%.

| | Expected maturity date | | | | | Thereafter | Total | Average interest rate | Fair value |
|-----------------------|------------------------|------|------|------|------|------------|-------|-----------------------|------------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | | | | |
| (dollars in millions) | | | | | | | | | |

Long term debt:

| | | | | | | | | | |
|---------------|----------|-------|----------|----------|-------|----------|----------|-------|----------|
| Fixed rate | \$ 37 | \$ 34 | \$ 29 | \$ 1,279 | \$ 28 | \$ 3,494 | \$ 4,901 | 5.29% | \$ 4,643 |
| Variable rate | \$ 1,892 | \$ 46 | \$ 3,285 | \$ 12 | \$ 10 | \$ 8 | \$ 5,253 | 5.11% | \$ 5,259 |

| | Notional amount | Contract maturity date | | | | | Receive variable | Fair value |
|-----------------------|-----------------|------------------------|----------|------|------|------|------------------|------------|
| | | 2019 | 2020 | 2021 | 2022 | 2023 | | |
| (dollars in millions) | | | | | | | | |
| Cap agreements | \$ 3,500 | \$ — | \$ 3,500 | \$ — | \$ — | \$ — | LIBOR above 3.5% | \$ 0.9 |

On March 29, 2018, we entered into an Increase Joinder No. 1 (Increase Joinder Agreement) under our existing senior secured credit facilities. Pursuant to this Increase Joinder Agreement, we entered into an additional \$995 million Term Loan A-2.

Our senior secured credit facilities, which include Term Loan A, Term Loan A-2, and Term Loan B, consist of various individual tranches of debt that can range in maturity from one month to twelve months (currently, all tranches are one month in duration). For Term Loan A, Term Loan A-2, and Term Loan B, each tranche bears interest at a LIBOR rate that is determined by the duration of such tranche plus an interest rate margin. The LIBOR variable component of the interest rate for

each tranche is reset as such tranche matures and a new tranche is established. LIBOR can fluctuate significantly depending upon conditions in the credit and capital markets.

As of December 31, 2018, our Term Loan A bears interest at LIBOR plus an interest rate margin of 2.00%, our Term Loan A-2 bears interest at LIBOR plus an interest rate margin of 1.00%, and our Term Loan B bears interest at LIBOR plus an interest rate margin of 2.75%. LIBOR was greater than the 0.75% embedded LIBOR floor on Term Loan B, resulting in Term Loan B being subject to LIBOR-based interest rate volatility on the LIBOR variable component of our interest rate as of December 31, 2018. However, this LIBOR-based interest component is effectively limited to a maximum LIBOR rate of 3.50% on the outstanding principal debt on Term Loan B and on \$157.5 million of Term Loan A as a result of the interest rate cap agreements, as described below. In addition, the uncapped portion of Term Loan A of \$517.5 million and the entire balance of Term Loan A-2 are subject to the variability of LIBOR. See the table above for further details. Interest rates on our Senior Notes are fixed by their terms.

As of December 31, 2018, we maintain several interest rate cap agreements that were entered into in October 2015 with notional amounts totaling \$3.5 billion. These cap agreements became effective June 29, 2018, have the economic effect of capping the LIBOR variable component of our interest rate at a maximum of 3.50% on an equivalent amount of our debt, and will expire on June 30, 2020. As of December 31, 2018, the total fair value of these cap agreements was an asset of approximately \$0.9 million. During the year ended December 31, 2018, we recognized debt expense of \$4.3 million from these cap agreements and recorded a loss of \$0.2 million in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements.

Previously, we maintained other interest rate cap agreements that were entered into in November 2014 with notional amounts also totaling \$3.5 billion. These cap agreements had the economic effect of capping the LIBOR variable component of our interest rate at a maximum of 3.50% on an equivalent amount of our debt and expired on June 30, 2018. During the year ended 2018, we recognized debt expense of \$4.1 million from these cap agreements and recorded an immaterial loss in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements through expiration.

Our overall weighted average effective interest rate on the senior secured credit facilities at the end of 2018 was 5.11%, based upon the current margins in effect of 2.00% for Term Loan A, 1.00% for Term Loan A-2 and 2.75% for Term Loan B as of December 31, 2018.

Our overall weighted average effective interest rate during the year ended December 31, 2018 was 4.96% and as of December 31, 2018 was 5.19%.

As of December 31, 2018, we had \$175 million drawn on our \$1.0 billion revolving line of credit under our senior secured credit facilities, in addition to approximately \$14.2 million committed for outstanding letters of credit. We also have approximately \$22.6 million of additional outstanding letters of credit under a separate bilateral secured letter of credit facility, and \$0.2 million of committed outstanding letters of credit which are backed by a certificate of deposit.

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our existing credit facilities and anticipated debt refinancing, as well as proceeds from the anticipated sale of our DMG business if consummated, will be sufficient to fund our scheduled debt service under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. Our primary sources of liquidity are cash from operations and cash from borrowings.

One means of assessing exposure to debt-related interest rate changes is a duration-based analysis that measures the potential loss in net income resulting from a hypothetical increase in interest rates of 100 basis points across all variable rate maturities (referred to as a parallel shift in the yield curve). Under this model, with all else constant, it is estimated that such an increase would have reduced net income by approximately \$37.8 million, \$27.6 million, and \$11.6 million, net of tax, for the years ended December 31, 2018, 2017, and 2016, respectively.

Exchange rate sensitivity

While our business is predominantly conducted in the U.S. we have developing operations in nine other countries as well. For financial reporting purposes, the U.S. dollar is our reporting currency. However, the functional currencies of our operating businesses in other countries are typically those of the countries in which they operate. Therefore, changes in the rate of exchange between the U.S. dollar and the local currencies in which our international operations are conducted affect our results of operations and financial position as reported in our consolidated financial statements.

We have consolidated the balance sheets of our non-U.S. dollar denominated operations into U.S. dollars at the exchange rates prevailing at the balance sheet dates and have translated their revenues and expense at average exchange rates during each period. Additionally, our individual subsidiaries are exposed to transactional risks mainly resulting from intercompany transactions between and among subsidiaries with different functional currencies. This exposes the subsidiaries to fluctuations in the rate of exchange between the invoicing or obligation currencies and the currency in which their local operations are conducted.

We evaluate our exposure to foreign exchange risk through the judgment of our regional and corporate management teams. Through 2018, our international operations remained fairly small relative to the size of our consolidated financial statements, constituting less than 7% of our consolidated assets as of December 31, 2018 and approximately 4% of our consolidated net revenues for the year ended December 31, 2018. In addition, our foreign currency translation (losses) gains were less than approximately (3)%, 6%, and (2)% of our consolidated operating income for the years ended December 31, 2018, 2017 and 2016.

Given the still small size of our international operations, management does not consider our exposure to foreign exchange risk to be significant to the consolidated enterprise. As such, through December 31, 2018 we have not engaged in transactions to hedge the exposure of our international transactions or net investments to foreign currency risk. However, we may do so in the future.

Item 8. Financial Statements and Supplementary Data.

See the Index to Financial Statements and Index to Financial Statement Schedules included at “Item 15. Exhibits, Financial Statement Schedules.”

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Management has established and maintains disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that it files or submits pursuant to the Securities Exchange Act of 1934 (Exchange Act) as amended is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management including our Chief Executive Officer and Chief Financial Officer as appropriate to allow for timely decisions regarding required disclosures.

At the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures in accordance with the Exchange Act requirements. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective for timely identification and review of material information required to be included in our Exchange Act reports, including this report on Form 10-K. Management recognizes that these controls and procedures can provide only reasonable assurance of desired outcomes, and that estimates and judgments are still inherent in the process of maintaining effective controls and procedures.

Beginning January 1, 2018, we adopted FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*. Although the new standard is expected to have an immaterial impact on our ongoing net income, we did implement new business processes and related control activities in order to maintain appropriate controls over financial reporting. There was no other change in our internal control over financial reporting that was identified during the evaluation that occurred during the fourth fiscal quarter and that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

We intend to disclose any amendments or waivers to the Code of Ethics applicable to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions, on our website located at <http://www.davita.com>. In 2002, we adopted a Corporate Governance Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, and to all of our financial accounting and legal professionals who are directly or indirectly involved in the preparation, reporting and fair presentation of our financial statements and Exchange Act reports. The Code of Ethics is posted on our website, located at <http://www.davita.com>. We also maintain a Corporate Code of Conduct that applies to all of our employees, officers and directors, which is posted on our website.

Under our Corporate Governance Guidelines all Board Committees including the Audit Committee, Nominating and Governance Committee and the Compensation Committee, which are comprised solely of independent directors as defined within the listing standards of the New York Stock Exchange, have written charters that outline the committee's purpose, goals, membership requirements and responsibilities. These charters are regularly reviewed and updated as necessary by our Board of Directors. All Board Committee charters as well as the Corporate Governance Guidelines are posted on our website located at <http://www.davita.com>.

The other information required to be disclosed by this item will appear in, and is incorporated by reference from, the sections entitled "Proposal 1 Election of Directors", "Corporate Governance", and "Security Ownership of Certain Beneficial Owners and Management" included in our definitive proxy statement relating to our 2019 annual stockholder meeting.

Item 11. Executive Compensation.

The information required by this item will appear in, and is incorporated by reference from, the sections entitled "Executive Compensation", "Pay Ratio Disclosure", "Compensation of Directors" and "Compensation Committee Interlocks and Insider Participation" included in our definitive proxy statement relating to our 2019 annual stockholder meeting. The information required by Item 407(e)(5) of Regulation S-K will appear in and is incorporated by reference from the section entitled "Compensation Committee Report" included in our definitive proxy statement relating to our 2019 annual stockholder meeting; however, this information shall not be deemed to be filed.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table provides information about our common stock that may be issued upon the exercise of stock-settled stock appreciation rights, restricted stock units and other rights under all of our existing equity compensation plans as of December 31, 2018, which consist of our 2011 Incentive Award Plan and our Employee Stock Purchase Plan. The material terms of these plans are described in Note 19 to the consolidated financial statements.

| Plan category | Number of shares to be issued upon exercise of outstanding options, warrants and rights | Weighted average exercise price of outstanding options, warrants and rights | Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) | Total of shares reflected in columns (a) and (c) |
|--|---|---|---|--|
| | (a) | (b) | (c) | (d) |
| Equity compensation plans approved by shareholders | 8,155,501 ⁽¹⁾ | 69.90 ⁽²⁾ | 29,818,042 | 37,973,543 |
| Equity compensation plans not requiring shareholder approval | — | — | — | — |
| Total | 8,155,501 | \$ 69.90 | 29,818,042 | 37,973,543 |

(1) Includes 722,412 shares of common stock reserved for issuance in connection with performance share units and performance stock appreciation rights at the maximum number of shares issuable thereunder.

(2) This weighted-average includes performance stock appreciation rights at 100% of target amount and excludes full value awards such as restricted stock units and performance share units.

Other information required to be disclosed by Item 12 will appear in, and is incorporated by reference from, the section entitled “Security Ownership of Certain Beneficial Owners and Management” included in our definitive proxy statement relating to our 2019 annual stockholder meeting.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “Certain Relationships and Related Transactions” and the section entitled “Corporate Governance” included in our definitive proxy statement relating to our 2019 annual stockholder meeting.

Item 14. Principal Accounting Fees and Services.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “Proposal 2 Ratification of the Appointment of our Independent Registered Public Accounting Firm” included in our definitive proxy statement relating to our 2019 annual stockholder meeting.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this Report:

(1) Index to Financial Statements:

| | <u>Page</u> |
|---|-------------|
| Management's Report on Internal Control Over Financial Reporting | F-1 |
| Report of Independent Registered Public Accounting Firm | F-2 |
| Report of Independent Registered Public Accounting Firm | F-3 |
| Consolidated Statements of Income for the years ended December 31, 2018, 2017, and 2016 | F-4 |
| Consolidated Statements of Comprehensive Income for the years ended December 31, 2018, 2017, and 2016 | F-5 |
| Consolidated Balance Sheets as of December 31, 2018, and 2017 | F-6 |
| Consolidated Statements of Cash Flow for the years ended December 31, 2018, 2017, and 2016 | F-7 |
| Consolidated Statements of Equity for the years ended December 31, 2018, 2017, and 2016 | F-8 |
| Notes to Consolidated Financial Statements | F-10 |
| <i>(2) Index to Financial Statement Schedules:</i> | |
| Schedule II—Valuation and Qualifying Accounts | S-3 |

(3) Exhibits

The information required by this Item is set forth in the Exhibit Index that precedes the signature pages of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary.

None.

DAVITA INC.
MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and which includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

During the last fiscal year, the Company conducted an evaluation, under the oversight of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's internal control over financial reporting. This evaluation was completed based on the criteria established in the report titled "Internal Control—Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based upon our evaluation under the COSO framework, we have concluded that the Company's internal control over financial reporting was effective as of December 31, 2018.

The Company's independent registered public accounting firm, KPMG LLP, has issued an attestation report on the Company's internal control over financial reporting, which report is included in this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
DaVita Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of DaVita Inc. and subsidiaries (the Company) as of December 31, 2018 and 2017, the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2018, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 22, 2019 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Notes 1 and 2 to the consolidated financial statements, the Company has changed its method of accounting for revenue recognition in 2018 due to the adoption of the Financial Accounting Standards Board's Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers*.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2000.

Seattle, Washington
February 22, 2019

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
DaVita Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited DaVita Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2018 and 2017, the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2018, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements), and our report dated February 22, 2019 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Seattle, Washington
February 22, 2019

DAVITA INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

| | Year ended December 31, | | |
|---|-------------------------|---------------|--------------|
| | 2018 | 2017 | 2016 |
| Dialysis and related lab patient service revenues | \$ 10,709,981 | \$ 10,093,670 | \$ 9,727,360 |
| Provision for uncollectible accounts | (49,587) | (485,364) | (431,304) |
| Net dialysis and related lab patient service revenues | 10,660,394 | 9,608,306 | 9,296,056 |
| Other revenues | 744,457 | 1,268,328 | 1,411,411 |
| Total revenues | 11,404,851 | 10,876,634 | 10,707,467 |
| Operating expenses and charges: | | | |
| Patient care costs and other costs | 8,195,513 | 7,640,005 | 7,431,582 |
| General and administrative | 1,135,454 | 1,064,026 | 1,072,841 |
| Depreciation and amortization | 591,035 | 559,911 | 509,497 |
| Provision for uncollectible accounts | (7,300) | (7,033) | 11,677 |
| Equity investment income | 4,484 | 8,640 | (16,874) |
| Investment and other asset impairments | 17,338 | 295,234 | 14,993 |
| Goodwill impairment charges | 3,106 | 36,196 | 28,415 |
| Gain on changes in ownership interest, net | (60,603) | (6,273) | (374,374) |
| Gain on settlement, net | — | (526,827) | — |
| Total operating expenses and charges | 9,879,027 | 9,063,879 | 8,677,757 |
| Operating income | 1,525,824 | 1,812,755 | 2,029,710 |
| Debt expense | (487,435) | (430,634) | (414,116) |
| Other income, net | 10,089 | 17,665 | 7,511 |
| Income from continuing operations before income taxes | 1,048,478 | 1,399,786 | 1,623,105 |
| Income tax expense | 258,400 | 323,859 | 431,761 |
| Net income from continuing operations | 790,078 | 1,075,927 | 1,191,344 |
| Net loss from discontinued operations, net of tax | (457,038) | (245,372) | (158,262) |
| Net income | 333,040 | 830,555 | 1,033,082 |
| Less: Net income attributable to noncontrolling interests | (173,646) | (166,937) | (153,208) |
| Net income attributable to DaVita Inc. | \$ 159,394 | \$ 663,618 | \$ 879,874 |
| Earnings per share attributable to DaVita Inc.: | | | |
| Basic net income from continuing operations per share | \$ 3.66 | \$ 4.78 | \$ 5.12 |
| Basic net income per share | \$ 0.93 | \$ 3.52 | \$ 4.36 |
| Diluted net income from continuing operations per share | \$ 3.62 | \$ 4.71 | \$ 5.04 |
| Diluted net income per share | \$ 0.92 | \$ 3.47 | \$ 4.29 |
| Weighted average shares for earnings per share: | | | |
| Basic | 170,785,999 | 188,625,559 | 201,641,173 |
| Diluted | 172,364,581 | 191,348,533 | 204,904,656 |
| Amounts attributable to DaVita Inc.: | | | |
| Net income from continuing operations | \$ 624,321 | \$ 901,277 | \$ 1,032,373 |
| Net loss from discontinued operations | (464,927) | (237,659) | (152,499) |
| Net income attributable to DaVita Inc. | \$ 159,394 | \$ 663,618 | \$ 879,874 |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(dollars in thousands)

| | Year ended December 31, | | |
|---|-------------------------|------------|--------------|
| | 2018 | 2017 | 2016 |
| Net income | \$ 333,040 | \$ 830,555 | \$ 1,033,082 |
| Other comprehensive (loss) income: | | | |
| Unrealized losses on interest rate cap and swap agreements, net: | | | |
| Unrealized losses | (133) | (5,437) | (3,670) |
| Reclassification into net income | 6,286 | 5,058 | 2,566 |
| Unrealized gains (losses) on investments, net: | | | |
| Unrealized losses | — | 3,705 | 1,427 |
| Reclassification into net income | — | (220) | (423) |
| Foreign currency translation adjustments: | | | |
| Foreign currency translation adjustments | (45,944) | 99,770 | (39,614) |
| Reclassification into net income | — | — | 10,087 |
| Other comprehensive (loss) income | (39,791) | 102,876 | (29,627) |
| Total comprehensive income | 293,249 | 933,431 | 1,003,455 |
| Less: Comprehensive income attributable to noncontrolling interests | (173,646) | (166,935) | (153,398) |
| Comprehensive income attributable to DaVita Inc. | \$ 119,603 | \$ 766,496 | \$ 850,057 |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

| | December 31, 2018 | December 31, 2017 |
|--|----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 323,038 | \$ 508,234 |
| Restricted cash and equivalents | 92,382 | 10,686 |
| Short-term investments | 2,935 | 32,830 |
| Accounts receivable, net | 1,858,608 | 1,714,750 |
| Inventories | 107,381 | 181,799 |
| Other receivables | 469,796 | 399,262 |
| Prepaid and other current assets | 111,840 | 112,058 |
| Income tax receivable | 68,614 | 49,440 |
| Current assets held for sale, net | 5,389,565 | 5,761,642 |
| Total current assets | 8,424,159 | 8,770,701 |
| Property and equipment, net | 3,393,669 | 3,149,213 |
| Intangible assets, net | 118,846 | 113,827 |
| Equity method and other investments | 224,611 | 245,534 |
| Long-term investments | 35,424 | 37,695 |
| Other long-term assets | 71,583 | 47,287 |
| Goodwill | 6,841,960 | 6,610,279 |
| | <u>\$ 19,110,252</u> | <u>\$ 18,974,536</u> |
| LIABILITIES AND EQUITY | | |
| Accounts payable | \$ 463,270 | \$ 509,116 |
| Other liabilities | 595,850 | 579,005 |
| Accrued compensation and benefits | 658,913 | 616,116 |
| Current portion of long-term debt | 1,929,369 | 178,213 |
| Current liabilities held for sale | 1,243,759 | 1,185,070 |
| Total current liabilities | 4,891,161 | 3,067,520 |
| Long-term debt | 8,172,847 | 9,158,018 |
| Other long-term liabilities | 450,669 | 365,325 |
| Deferred income taxes | 562,536 | 486,247 |
| Total liabilities | 14,077,213 | 13,077,110 |
| Commitments and contingencies: | | |
| Noncontrolling interests subject to put provisions | 1,124,641 | 1,011,360 |
| Equity: | | |
| Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued) | — | — |
| Common stock (\$0.001 par value, 450,000,000 shares authorized; 166,387,307 and 182,462,278 shares issued and outstanding, respectively) | 166 | 182 |
| Additional paid-in capital | 995,006 | 1,042,899 |
| Retained earnings | 2,743,194 | 3,633,713 |
| Accumulated other comprehensive (loss) income | (34,924) | 13,235 |
| Total DaVita Inc. shareholders' equity | 3,703,442 | 4,690,029 |
| Noncontrolling interests not subject to put provisions | 204,956 | 196,037 |
| Total equity | 3,908,398 | 4,886,066 |
| | <u>\$ 19,110,252</u> | <u>\$ 18,974,536</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(dollars in thousands)

| | Year ended December 31, | | |
|--|-------------------------|--------------|--------------|
| | 2018 | 2017 | 2016 |
| Cash flows from operating activities: | | | |
| Net income | \$ 333,040 | \$ 830,555 | \$ 1,033,082 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 591,035 | 777,485 | 720,252 |
| Impairment charges | 61,981 | 981,589 | 296,408 |
| Valuation adjustment on disposal group | 316,840 | — | — |
| Stock-based compensation expense | 73,061 | 35,092 | 38,338 |
| Deferred income taxes | 273,660 | (395,217) | 52,010 |
| Equity investment income, net | 26,449 | 28,925 | 17,766 |
| Gain on sales of business interests, net | (85,699) | (23,402) | (404,165) |
| Other non-cash charges, net | 82,374 | 66,920 | (7,343) |
| Changes in operating assets and liabilities, net of effect of acquisitions and divestitures: | | | |
| Accounts receivable | (81,176) | (156,305) | (152,240) |
| Inventories | 73,505 | (18,625) | 22,920 |
| Other receivables and other current assets | 236,995 | (111,432) | (45,351) |
| Other long-term assets | 3,497 | (11,945) | 35,893 |
| Accounts payable | (35,959) | 26,876 | 11,897 |
| Accrued compensation and benefits | 84,165 | (78,239) | 68,272 |
| Other current liabilities | (157,462) | 1,908 | 176,494 |
| Income taxes | (23,635) | (52,176) | 77,376 |
| Other long-term liabilities | (1,031) | 11,157 | 30,517 |
| Net cash provided by operating activities | 1,771,640 | 1,913,166 | 1,972,126 |
| Cash flows from investing activities: | | | |
| Additions of property and equipment | (987,138) | (905,250) | (829,095) |
| Acquisitions | (183,156) | (803,879) | (563,856) |
| Proceeds from asset and business sales | 150,205 | 92,336 | 64,725 |
| Purchase of investments available for sale | (8,448) | (13,117) | (13,539) |
| Purchase of investments held-to-maturity | (5,963) | (228,990) | (1,133,192) |
| Proceeds from sale of investments available for sale | 9,526 | 6,408 | 18,963 |
| Proceeds from investments held-to-maturity | 34,862 | 492,470 | 1,240,502 |
| Purchase of equity investments | (19,177) | (4,816) | (27,096) |
| Proceeds from sale of equity investments | — | — | 40,920 |
| Distributions received on equity investments | 3,646 | 106 | — |
| Net cash used in investing activities | (1,005,643) | (1,364,732) | (1,201,668) |
| Cash flows from financing activities: | | | |
| Borrowings | 59,934,750 | 50,991,960 | 51,991,490 |
| Payments on long-term debt and other financing costs | (59,239,973) | (50,837,112) | (52,116,120) |
| Purchase of treasury stock | (1,161,511) | (802,949) | (1,097,822) |
| Distributions to noncontrolling interests | (196,441) | (211,467) | (192,401) |
| Stock award exercises and other share issuances, net | 13,577 | 21,252 | 23,543 |
| Excess tax benefits from stock award exercises | — | — | 13,251 |
| Contributions from noncontrolling interests | 52,311 | 74,552 | 47,590 |
| Proceeds from sales of additional noncontrolling interests | 15 | 2,864 | — |
| Purchases of noncontrolling interests | (28,082) | (5,357) | (21,512) |
| Net cash used in financing activities | (625,354) | (766,257) | (1,351,981) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (3,350) | 254 | 4,276 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 137,293 | (217,569) | (577,247) |
| Less: Net increase (decrease) in cash, cash equivalents and restricted cash from discontinued operations | 240,793 | (53,026) | (15,793) |
| Net decrease in cash, cash equivalents and restricted cash from continuing operations | (103,500) | (164,543) | (561,454) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 518,920 | 683,463 | 1,244,917 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 415,420 | \$ 518,920 | \$ 683,463 |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY
(dollars and shares in thousands)

| | Non-controlling interests subject to put provisions | DaVita Inc. Shareholders' Equity | | | | | | | | Non-controlling interests not subject to put provisions |
|---|---|----------------------------------|--------|----------------------------|-------------------|----------------|--------------|---|--------------|---|
| | | Common stock | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | Total | |
| | | Shares | Amount | | | Shares | Amount | | | |
| Balance at December 31, 2015 | \$ 864,066 | 217,120 | \$ 217 | \$ 1,118,326 | \$ 4,356,835 | (7,366) | \$ (544,772) | \$ (59,826) | \$ 4,870,780 | \$ 213,392 |
| Comprehensive income: | | | | | | | | | | |
| Net income | 99,834 | | | | 879,874 | | | | 879,874 | 53,374 |
| Other comprehensive loss | | | | | | | | (29,817) | (29,817) | 190 |
| Stock purchase shares issued | | 438 | 1 | 23,902 | | | | | 23,903 | |
| Stock unit shares issued | | 4 | — | (19,815) | | 276 | 19,815 | | — | |
| Stock-settled SAR shares issued | | 218 | — | (36,685) | | 513 | 36,685 | | — | |
| Stock-settled stock-based compensation expense | | | | 37,970 | | | | | 37,970 | |
| Excess tax benefits from stock awards exercised | | | | 13,251 | | | | | 13,251 | |
| Changes in non-controlling interests from: | | | | | | | | | | |
| Distributions | (111,092) | | | | | | | | | (81,309) |
| Contributions | 33,517 | | | | | | | | | 14,073 |
| Acquisitions and divestitures | 28,874 | | | 3,423 | | | | | 3,423 | 2,585 |
| Partial purchases | (6,660) | | | (13,105) | | | | | (13,105) | (1,747) |
| Fair value remeasurements | 65,855 | | | (65,855) | | | | | (65,855) | |
| Reclassifications and expirations of puts | (1,136) | | | | | | | | | 1,136 |
| Purchase of treasury stock | | | | | | (16,649) | (1,072,377) | | (1,072,377) | |
| Retirement of treasury stock | | (23,226) | (23) | (34,230) | (1,526,396) | 23,226 | 1,560,649 | | | |
| Balance at December 31, 2016 | \$ 973,258 | 194,554 | \$ 195 | \$ 1,027,182 | \$ 3,710,313 | — | \$ — | \$ (89,643) | \$ 4,648,047 | \$ 201,694 |
| Comprehensive income: | | | | | | | | | | |
| Net income | 103,641 | | | | 663,618 | | | | 663,618 | 63,296 |
| Other comprehensive income | | | | | | | | 102,878 | 102,878 | (2) |
| Stock purchase shares issued | | 360 | | 22,131 | | | | | 22,131 | |
| Stock unit shares issued | | 117 | | (101) | | | | | (101) | |
| Stock-settled SAR shares issued | | 398 | | — | | | | | — | |
| Stock-settled stock-based compensation expense | | | | 34,981 | | | | | 34,981 | |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (128,853) | | | | | | | | | (82,614) |
| Contributions | 52,911 | | | | | | | | | 21,641 |
| Acquisitions and divestitures | 43,799 | | | (823) | | | | | (823) | (5,770) |
| Partial purchases | (397) | | | (2,752) | | | | | (2,752) | (2,208) |
| Fair value remeasurements | (32,999) | | | 32,999 | | | | | 32,999 | |
| Purchase of treasury stock | | | | | | (12,967) | (810,949) | | (810,949) | |
| Retirement of treasury stock | | (12,967) | (13) | (70,718) | (740,218) | 12,967 | 810,949 | | | |
| Balance at December 31, 2017 | \$ 1,011,360 | 182,462 | \$ 182 | \$ 1,042,899 | \$ 3,633,713 | — | \$ — | \$ 13,235 | \$ 4,690,029 | \$ 196,037 |

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY - continued
(dollars and shares in thousands)

| | Non-controlling interests subject to put provisions | DaVita Inc. Shareholders' Equity | | | | | | | Non-controlling interests not subject to put provisions | |
|---|---|----------------------------------|--------|----------------------------|-------------------|----------------|-------------|---|---|------------|
| | | Common stock | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | | Total |
| | | Shares | Amount | | | Shares | Amount | | | |
| Comprehensive income: | | | | | | | | | | |
| Net income | 105,531 | | | | 159,394 | | | | 159,394 | 68,115 |
| Cumulative effect of change in accounting principle | | | | | 8,368 | | | (8,368) | — | |
| Comprehensive income | | | | | | | | (39,791) | (39,791) | |
| Stock purchase shares issued | | 398 | | 17,398 | | | | | | 17,398 |
| Stock unit shares issued | | 158 | | (448) | | | | | | (448) |
| Stock-settled SAR shares issued | | 213 | 1 | (4,887) | | | | | | (4,886) |
| Stock-settled stock-based compensation expense | | | | 73,081 | | | | | | 73,081 |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (119,173) | | | | | | | | | (77,268) |
| Contributions | 32,918 | | | | | | | | | 19,393 |
| Acquisitions and divestitures | 79,078 | | | 3,546 | | | | | 3,546 | 318 |
| Partial purchases | (8,546) | | | (17,897) | | | | | (17,897) | (1,639) |
| Fair value remeasurements | 23,473 | | | (23,473) | | | | | (23,473) | |
| Purchase of treasury stock | | | | | | (16,844) | (1,153,511) | | (1,153,511) | |
| Retirement of treasury stock | | (16,844) | (17) | (95,213) | (1,058,281) | 16,844 | 1,153,511 | | — | |
| Balance at December 31, 2018 | \$ 1,124,641 | 166,387 | \$ 166 | \$ 995,006 | \$ 2,743,194 | — | \$ — | \$ (34,924) | \$ 3,703,442 | \$ 204,956 |

See notes to consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except per share data)

1. Organization and summary of significant accounting policies

Organization

DaVita Inc. (the Company) consists of two major divisions, DaVita Kidney Care (Kidney Care) and DaVita Medical Group (DMG). The Kidney Care division is comprised of the Company's U.S. dialysis and related lab services, its ancillary services and strategic initiatives, including its international operations, and its corporate administrative support. The Company's largest line of business is its U.S. dialysis and related lab services business, which operates kidney dialysis centers in the U.S. for patients suffering from chronic kidney failure also known as end stage renal disease (ESRD). As of December 31, 2018, the Company operated or provided administrative services through a network of 2,664 U.S. outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 202,700 patients. In addition, as of December 31, 2018, the Company operated or provided administrative services to a total of 241 outpatient dialysis centers serving approximately 25,000 patients located in nine countries outside of the U.S.

The Company's DMG division is a patient- and physician-focused integrated healthcare delivery and management company that provides medical services to members primarily through capitation contracts with some of the nation's leading health plans. In December 2017, the Company entered into an agreement to sell its DMG division to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. As a result, the DMG business has been classified as held for sale and its results of operations are reported as discontinued operations for all periods presented in these consolidated financial statements. For financial information about the DMG business, see Note 22.

The Company's U.S. dialysis and related lab services business qualifies as a separately reportable segment and the Company's other ancillary services and strategic initiatives, including its international operations, have been combined and disclosed in the other segments category.

Basis of presentation

These consolidated financial statements are prepared in accordance with United States generally accepted accounting principles (U.S. GAAP). The financial statements include DaVita Inc. and its subsidiaries, partnerships and other entities in which it maintains a majority voting interest or other controlling financial interest (collectively, the Company). All significant intercompany transactions and balances have been eliminated. Equity investments in investees over which the Company has significant influence are recorded on the equity method, while investments in other equity securities are recorded at fair value or pursuant to an adjusted cost method measurement alternative, as applicable. For the Company's international subsidiaries, local currencies are considered their functional currencies. Translation adjustments result from translating the Company's international subsidiaries' financial statements from their functional currencies into the Company's reporting currency (the U.S. dollar, or USD). Prior year balances and amounts have been reclassified to conform to the current year presentation.

The Company has evaluated subsequent events through the date these consolidated financial statements were issued and has included all necessary adjustments and disclosures.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and noncontrolling interests subject to put provisions. Although actual results in subsequent periods will differ from these estimates, such estimates are developed based on the best information available to management and management's best judgments at the time. All significant assumptions and estimates underlying the amounts reported in the financial statements and accompanying notes are regularly reviewed and updated when necessary. Changes in estimates are reflected in the financial statements based upon on-going actual experience trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Interim changes in estimates related to annual operating costs are applied prospectively within annual periods.

The most significant assumptions and estimates underlying these financial statements and accompanying notes involve revenue recognition and accounts receivable, contingencies, impairments of goodwill and investments, accounting for income taxes, consolidation of variable interest entities, and certain fair value estimates. Specific estimating risks and contingencies are further addressed within these notes to the consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Revenues

On January 1, 2018, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results for reporting periods beginning on and after January 1, 2018 are presented under Topic 606, while prior period amounts continue to be presented in accordance with the Company's historical accounting under *Revenue Recognition* (Topic 605).

The adoption of this new standard primarily changed the Company's presentation of revenues, provision for uncollectible accounts and allowance for doubtful accounts. Topic 606 requires revenue to be recognized based on the Company's estimate of the transaction price the Company expects to collect as a result of satisfying its performance obligations. Accordingly, for performance obligations satisfied after the adoption of Topic 606, the Company no longer separately presents a provision for uncollectible accounts on the consolidated income statement and no longer presents the related allowance for doubtful accounts on the consolidated balance sheet. However, as a result of the Company's election to apply Topic 606 only to contracts not substantially completed as of January 1, 2018, the Company continues to maintain an allowance for doubtful accounts related to performance obligations satisfied prior to the adoption of Topic 606. Net collections or write-offs of accounts receivable generated prior to January 1, 2018, beyond amounts previously reserved thereon, are presented in the provision for uncollectible accounts on the consolidated income statement in accordance with Topic 605.

Dialysis and related lab patient service revenues

Dialysis patient service revenues are recognized in the period services are provided. Revenues consist primarily of payments from government and commercial health plans for dialysis and related lab services provided to patients. A usual and customary fee schedule is maintained for the Company's dialysis treatments and related lab services; however, actual collectible revenue is normally recognized at a discount from the fee schedule.

Revenues associated with Medicare and Medicaid programs are estimated based on: (a) the payment rates that are established by statute or regulation for the portion of payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, estimates of the amounts ultimately collectible from other government programs paying secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient.

Under Medicare's bundled payment rate system, services covered by Medicare are subject to estimating risk, whereby reimbursements from Medicare can vary significantly depending upon certain patient characteristics and other variable factors. Even with the bundled payment rate system, Medicare payments for bad debt claims as established by cost reports require evidence of collection efforts. As a result, billing and collection of Medicare bad debt claims can be delayed significantly and final payment is subject to audit. The Company's revenue recognition is estimated based on its judgment regarding its ability to collect, which depends upon its ability to effectively capture, document and bill for Medicare's base payment rate as well as these other variable factors.

Medicaid payments, when Medicaid coverage is secondary, can also be difficult to estimate. For many states, Medicaid payment terms and methods differ from Medicare, and may prevent accurate estimation of individual payment amounts prior to billing.

Revenues associated with commercial health plans are estimated based on contractual terms for the patients under healthcare plans with which the Company has formal agreements, non-contracted health plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in the Company's billing and collection processes that can result in denied claims for payments, and regulatory compliance matters.

Commercial revenue recognition also involves significant estimating risks. With many larger commercial insurers, the Company has several different contracts and payment arrangements, and these contracts often include only a subset of the Company's centers. In certain circumstances, it may not be possible to determine which contract, if any, should be applied prior to billing. In addition, for services provided by non-contracted centers, final collection may require specific negotiation of a payment amount, typically at a significant discount from the Company's usual and customary rates.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Other revenues

Other revenues consist of the revenues associated with the non-dialysis ancillary services and strategic initiatives, management and administrative support services that are provided to outpatient dialysis centers that the Company does not own or in which the Company owns a noncontrolling interest, and administrative and management support services to certain other non-dialysis joint ventures in which the Company owns a noncontrolling interest. Revenues associated with pharmacy services are estimated as prescriptions are filled and shipped to patients. Revenues associated with dialysis management services, disease management services, clinical research programs, physician services, ESRD seamless care organizations, and comprehensive care are estimated in the period services are provided. Revenues associated with direct primary care were estimated over the membership period.

Other income

Other income includes interest income on cash and cash-equivalents and short- and long-term investments, other non-operating gains from investment transactions, and foreign currency transaction gains and losses.

Cash and cash equivalents

Cash equivalents are short-term highly liquid investments with maturities of three months or less at date of purchase.

Restricted cash and equivalents

Restricted cash and equivalents are restricted cash or cash equivalents held in trust to satisfy insurer and state regulatory requirements related to the Company's self-insurance for professional and general liability and workers' compensation risks administered by wholly-owned captive insurance entities.

Investments in debt and equity securities

The Company classifies certain debt securities as held-to-maturity and records them at amortized cost based on the Company's intentions and strategies concerning those investments. Equity securities that have readily determinable fair values or redemption values are classified as short-term or long-term investments and recorded at estimated fair value with changes in fair value recognized in current earnings. See Note 5 for further details, including recent changes to the Company's accounting for these investments.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or net realizable value and consist principally of pharmaceuticals and dialysis-related supplies. Rebates related to inventory purchases are recorded when earned and are based on certain qualification requirements which are dependent on a variety of factors including future pricing levels by the manufacturer and data submission.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and amortization and is further reduced by any impairments. Maintenance and repairs are charged to expense as incurred. Depreciation and amortization expenses are computed using the straight-line method over the useful lives of the assets estimated as follows: buildings, 20 years to 40 years; leasehold improvements, the shorter of ten years or the expected lease term; and equipment and information systems, principally three years to 15 years. Disposition gains and losses are included in current operating expenses.

Amortizable intangibles

Amortizable intangible assets and liabilities include non-competition and similar agreements, lease agreements and hospital acute services contracts, each of which have finite useful lives. Amortization expense is computed using the straight-line method over the useful lives of the assets estimated as follows: non-competition and similar agreements, two years to ten years; and lease agreements and hospital acute service contracts, over the term of the lease or contract period, respectively.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Indefinite-lived intangibles

Indefinite-lived intangible assets include international licenses and accreditations that allow the Company to be reimbursed for providing dialysis services to patients, each of which has an indefinite useful life. Indefinite-lived intangibles are not amortized, but are assessed for impairment at least annually and whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Equity method and other investments

Equity investments that do not have readily determinable fair values are carried on the equity method if the Company maintains significant influence over the investee, or on an adjusted cost method measurement alternative representing either the Company's cost or a subsequent observation of fair value, in each case net of any applicable other-than-temporary impairment. The Company classifies its equity and adjusted cost method investments as "Equity method and other investments" on its balance sheet. See Note 10 to these consolidated financial statements for further details, including recent changes to the Company's accounting for these investments.

Goodwill

Goodwill represents the difference between the fair value of businesses acquired and the fair value of the identifiable tangible and intangible net assets acquired. Goodwill is not amortized, but is assessed by individual reporting unit for impairment as circumstances warrant and at least annually. An impairment charge is recorded when and to the extent a reporting unit's carrying amount is determined to exceed its fair value. The Company operates multiple reporting units. See Note 11 to these consolidated financial statements for further details.

Impairment of equity method and other investments

Equity method and other investments are assessed for other-than-temporary impairment when significant events or changes in circumstances indicate that an other-than-temporary impairment may have occurred. An other-than-temporary impairment charge is recorded when the fair value of an investment has fallen below its carrying amount and the shortfall is expected to be indefinitely or permanently unrecoverable.

Impairment of other long-lived assets

Other long-lived assets, including property and equipment and intangible assets, are reviewed for possible impairment whenever significant events or changes in circumstances indicate that an impairment may have occurred. Such changes can include changes in the Company's business strategy and plans, changes in the quality or structure of its relationships with its partners or deteriorating performance of individual outpatient dialysis centers or other business units. An impairment of an amortizable or depreciable asset is indicated when the sum of the expected future undiscounted net cash flows identifiable to the related asset group is less than its carrying amount. Impairment losses are measured based on the difference between the estimated fair value and the carrying amount of the subject asset group and are included in operating expenses.

Self-insurance

The Company is predominantly self-insured with respect to professional and general liability and workers' compensation risks through wholly-owned captive insurance companies, with excess or reinsurance coverage for additional risk. The Company is also predominantly self-insured with respect to employee medical and other health benefits. The Company records insurance liabilities for the professional and general liability, workers' compensation, and employee health benefit risks that it retains and estimates its liability for those risks using third party actuarial calculations that are based upon historical claims experience and expectations for future claims.

Income taxes

Federal and state income taxes are computed at currently enacted tax rates less tax credits using the asset and liability method. Deferred taxes are adjusted both for items that do not currently have tax consequences and for the cumulative effect of any changes in tax rates from those previously used to determine deferred tax assets or liabilities. Tax provisions include amounts that are currently payable, changes in deferred tax assets and liabilities that arise because of temporary differences between the timing of when items of income and expense are recognized for financial reporting and income tax purposes, changes in the recognition of tax positions and any changes in the valuation allowance caused by a change in judgment about

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

the realizability of the related deferred tax assets. A valuation allowance is established when necessary to reduce deferred tax assets to amounts expected to be realized.

The Company uses a recognition threshold of more-likely-than-not and a measurement attribute on all tax positions taken or expected to be taken in a tax return in order to be recognized in the financial statements. Once the recognition threshold is met, the tax position is then measured to determine the actual amount of benefit to recognize in the financial statements.

Stock-based compensation

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards unless the stock awards are based on non-market based performance metrics, in which case expense is adjusted for expected ultimate payouts as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on the estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

Interest rate cap and swap agreements

The Company often carries a combination of current or forward interest rate caps or interest rate swaps on portions of its variable rate debt as a means of hedging its exposure to changes in LIBOR interest rates as part of its overall interest rate risk management strategy. These interest rate caps and swaps are not held for trading or speculative purposes and are typically designated as qualifying cash flow hedges. See Note 14 to these consolidated financial statements for further details.

Noncontrolling interests

Noncontrolling interests represent third-party equity ownership interests in entities which are consolidated by the Company for financial statement reporting purposes. As of December 31, 2018, third parties held noncontrolling equity interests in 653 consolidated legal entities, including 650 legal entities classified within continuing operations.

Fair value estimates

The Company relies on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities and noncontrolling interests subject to put provisions (temporary equity). These purposes can include the accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, or other long-lived assets; recurrent revaluation of investments in debt and equity securities, interest rate cap agreements or other derivative instruments, contingent earn-out obligations, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, as applicable. The Company has also classified its assets, liabilities and temporary equity into the appropriate fair value hierarchy levels as defined by the FASB. See Note 24 to these consolidated financial statements for further details.

New accounting standards

On May 28, 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. In 2015, 2016 and 2017, the FASB issued ASU 2015-14, ASU 2016-08, ASU 2016-10, ASU 2016-11, ASU 2016-12, and ASU 2017-10, each of which amended the guidance in ASU 2014-09. These ASUs replaced most existing revenue recognition guidance in GAAP. The Company adopted these ASUs beginning January 1, 2018. See Note 2 for further details.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. In February 2018, the FASB issued ASU 2018-03, which provides various related technical corrections and improvements. The Company adopted these ASUs beginning January 1, 2018. See Note 5 for further details.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The amendments in this ASU include revisions to lessee accounting, requiring lessees to recognize a lease liability and a right-of-use asset for substantially all leases with lease terms in excess of twelve months. The Company plans to adopt the amendments in this ASU as of January 1, 2019 using a modified retrospective transition approach for leases existing at, or entered into after, the adoption date with a cumulative effect adjustment. The Company is planning on electing the package of practical expedients to not reassess prior

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

conclusions related to contracts containing leases, lease classification and initial direct costs. The Company estimates the impact of this guidance will result in recognition of additional net lease liabilities of approximately \$3,000,000 as of January 1, 2019. The Company is still finalizing its calculations, including the amount of right of use assets to recognize as well as, the cumulative effect adjustment to beginning retained earnings. The Company does not believe this new guidance will have a material effect on its results of operations or liquidity.

In August 2016, the FASB issued ASU No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. The amendments in this ASU clarify how certain cash receipts and cash payments should be classified on the statement of cash flows. In November 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted cash*. The amendments in this ASU require that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The adoption of these ASUs did not have a material impact on the Company's consolidated financial statements when adopted on January 1, 2018.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*. The amendments in this ASU allow entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The prior guidance did not allow recognition until the asset had been sold to an outside party. The amendments in this ASU were effective for the Company beginning on January 1, 2018 and have been applied on a modified retrospective basis. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. The amendments in this ASU better align an entity's risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The amendments in this ASU are effective for the Company on January 1, 2019 and are to be applied prospectively. The adoption of this ASU is not expected to have a material impact on the Company's consolidated financial statements.

In February 2018, the FASB issued ASU No. 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows for the reclassification of certain income tax effects related to the Tax Cuts and Jobs Act (2017 Tax Act) between "Accumulated other comprehensive income" and "Retained earnings." This ASU relates to the requirement that adjustments to deferred tax liabilities and assets related to a change in tax laws or rates be included in "Income from continuing operations", even in situations where the related items were originally recognized in "Other comprehensive income" (rather than in "Income from continuing operations"). The amendments in this ASU were effective for all entities for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, with early adoption permitted. The Company elected to early adopt this ASU on January 1, 2018 and applied the change in the period of adoption. The adoption of this ASU resulted in the reclassification of an immaterial amount of deferred tax effects from accumulated other comprehensive income to retained earnings via a cumulative change in accounting principle effective January 1, 2018. See Note 20 for more details.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The applicable amendments in this ASU remove requirements for disclosures concerning transfers between fair value measurement Levels 1, 2 and 3 and disclosures concerning valuation processes for Level 3 fair value measurements. The applicable amendments in this ASU also add a requirement to separately disclose the changes in unrealized gains and losses included in other comprehensive income for the reporting period for Level 3 items measured at fair value on a recurring basis, and require disclosure of the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The amendments in this ASU are effective for the Company beginning on January 1, 2020 and its new requirements are to be applied on a prospective basis. The adoption of this ASU is not expected to have a material impact on the Company's consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

2. Revenue recognition and accounts receivable

The following table summarizes the Company's segment revenues by primary payor source:

| | Year ended December 31, 2018 | | |
|---------------------------------------|--|--|----------------------|
| | U.S. dialysis and related lab services | Other - Ancillary services and strategic initiatives | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,063,891 | \$ — | \$ 6,063,891 |
| Medicaid and Managed Medicaid | 628,766 | — | 628,766 |
| Other government | 446,999 | 335,594 | 782,593 |
| Commercial | 3,176,413 | 101,681 | 3,278,094 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | — | 492,812 | 492,812 |
| Medicaid and Managed Medicaid | — | 44,246 | 44,246 |
| Commercial | — | 90,890 | 90,890 |
| Other ⁽¹⁾ | 19,880 | 130,865 | 150,745 |
| Eliminations of intersegment revenues | (92,950) | (34,236) | (127,186) |
| Total | \$ 10,242,999 | \$ 1,161,852 | \$ 11,404,851 |

(1) Other consists of management service fees earned in the respective Company line of business as well as revenue from the Company's ancillary services and strategic initiatives.

| | Year ended December 31, 2017 ⁽¹⁾ | | |
|---------------------------------------|---|--|----------------------|
| | U.S. dialysis and related lab services | Other - Ancillary services and strategic initiatives | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 5,253,012 | \$ — | \$ 5,253,012 |
| Medicaid and Managed Medicaid | 606,827 | — | 606,827 |
| Other government | 362,567 | 259,651 | 622,218 |
| Commercial | 3,117,920 | 63,505 | 3,181,425 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | — | 902,289 | 902,289 |
| Medicaid and Managed Medicaid | — | 71,426 | 71,426 |
| Commercial | — | 116,503 | 116,503 |
| Other ⁽²⁾ | 19,739 | 182,974 | 202,713 |
| Eliminations of intersegment revenues | (55,176) | (24,603) | (79,779) |
| Total | \$ 9,304,889 | \$ 1,571,745 | \$ 10,876,634 |

(1) As noted above, prior period amounts have not been adjusted under the cumulative effect method. In this table, the Company's dialysis and related lab services revenues for the year ended December 31, 2017 has been presented net of the provision for uncollectible accounts of \$485,364 to conform to the current period presentation.

(2) Other consists of management service fees earned in the respective Company line of business as well as revenue from the Company's ancillary services and strategic initiatives.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

| | Year ended December 31, 2016 ⁽¹⁾ | | |
|---------------------------------------|---|--|----------------------|
| | U.S. dialysis and related lab services | Other - Ancillary services and strategic initiatives | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 5,303,718 | \$ — | \$ 5,303,718 |
| Medicaid and Managed Medicaid | 319,553 | — | 319,553 |
| Other government | 143,207 | 165,193 | 308,400 |
| Commercial | 3,355,066 | 36,674 | 3,391,740 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | — | 974,146 | 974,146 |
| Medicaid and Managed Medicaid | — | 82,428 | 82,428 |
| Commercial | — | 128,824 | 128,824 |
| Other ⁽²⁾ | 16,645 | 234,107 | 250,752 |
| Eliminations of intersegment revenues | (27,355) | (24,739) | (52,094) |
| Total | \$ 9,110,834 | \$ 1,596,633 | \$ 10,707,467 |

(1) As noted above, prior period amounts have not been adjusted under the cumulative effect method. In this table, the Company's dialysis and related lab services revenues for the year ended December 31, 2016 has been presented net of the provision for uncollectible accounts of \$431,304 to conform to the current period presentation.

(2) Other consists of management service fees earned in the respective Company line of business as well as revenue from the Company's ancillary services and strategic initiatives.

The Company's allowance for doubtful accounts related to performance obligations satisfied prior to the adoption of Topic 606 was \$52,924 and \$218,399 as of December 31, 2018 and 2017, respectively.

There are significant risks associated with estimating revenue, which generally take several years to resolve. These estimates are subject to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, as well as patient issues including determining applicable primary and secondary coverage, changes in patient coverage and coordination of benefits. As these estimates are refined over time, both positive and negative adjustments to revenue are recognized in the current period. As a result of changes in these estimates, additional revenue was recognized during the year ended December 31, 2018 associated with performance obligations satisfied in years prior to the adoption of Topic 606 of \$88,495, which includes a benefit of \$36,000 for the year ended December 31, 2018 from electing to apply Topic 606 only to contracts not substantially completed as of January 1, 2018.

There is no single commercial payor that accounted for more than 10% of total consolidated accounts receivable or consolidated net revenues at or for the year ended December 31, 2018 and 2017.

Net dialysis and related lab services accounts receivable and other receivables from Medicare, including Medicare-assigned plans, and Medicaid, including managed Medicaid plans, were approximately \$1,080,561 and \$874,971 as of December 31, 2018 and 2017, respectively. Approximately 18% and 21% of the Company's net patient services accounts receivable balances as of December 31, 2018 and 2017, respectively, were more than six months old. The decrease was primarily due to improved collections at DaVita Health Solutions and in certain international operations. There were no significant balances over one year old at December 31, 2018. Accounts receivable are principally from Medicare and Medicaid programs and commercial insurance plans.

3. Earnings per share

Basic earnings per share is calculated by dividing net income attributable to the Company, adjusted for any change in noncontrolling interest redemption rights in excess of fair value, by the weighted average number of common shares, net of the weighted average shares held in escrow that under certain circumstances may have been returned to the Company.

Diluted earnings per share includes the dilutive effect of outstanding stock-settled stock appreciation rights and unvested stock units (under the treasury stock method) as well as the weighted average shares held in escrow that were outstanding during the period.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The reconciliations of the numerators and denominators used to calculate basic and diluted earnings per share were as follows:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2018 | 2017 | 2016 |
| | (shares in thousands) | | |
| Numerators: | | | |
| Net income from continuing operations attributable to DaVita Inc. | \$ 624,321 | \$ 901,277 | \$ 1,032,373 |
| Net loss from discontinued operations attributable to DaVita Inc. | (464,927) | (237,659) | (152,499) |
| Net income attributable to DaVita Inc. for earnings per share calculation | <u>\$ 159,394</u> | <u>\$ 663,618</u> | <u>\$ 879,874</u> |
| Basic: | | | |
| Weighted average shares outstanding during the period | 171,886 | 190,820 | 203,835 |
| Weighted average contingently returnable shares previously held in escrow for the DaVita HealthCare Partners merger | (1,100) | (2,194) | (2,194) |
| Weighted average shares for basic earnings per share calculation | <u>170,786</u> | <u>188,626</u> | <u>201,641</u> |
| Basic net income from continuing operations per share attributable to DaVita Inc. | \$ 3.66 | \$ 4.78 | \$ 5.12 |
| Basic net loss from discontinued operations per share attributable to DaVita Inc. | (2.73) | (1.26) | (0.76) |
| Basic net income per share attributable to DaVita Inc. | <u>\$ 0.93</u> | <u>\$ 3.52</u> | <u>\$ 4.36</u> |
| Diluted: | | | |
| Weighted average shares outstanding during the period | 171,886 | 190,820 | 203,835 |
| Assumed incremental shares from stock plans | 479 | 529 | 1,070 |
| Weighted average shares for diluted earnings per share calculation | <u>172,365</u> | <u>191,349</u> | <u>\$ 204,905</u> |
| Diluted net income from continuing operations per share attributable to DaVita Inc. | \$ 3.62 | \$ 4.71 | \$ 5.04 |
| Diluted net loss from discontinued operations per share attributable to DaVita Inc. | (2.70) | (1.24) | (0.75) |
| Diluted net income per share attributable to DaVita Inc. | <u>\$ 0.92</u> | <u>\$ 3.47</u> | <u>\$ 4.29</u> |
| Anti-dilutive stock-settled awards excluded from calculation ⁽¹⁾ | <u>5,295</u> | <u>4,350</u> | <u>2,523</u> |

(1) Shares associated with stock-settled stock appreciation rights excluded from the diluted denominator calculation because they were anti-dilutive under the treasury stock method.

4. Restricted cash and equivalents

The Company had restricted cash and cash equivalents of \$92,382 and \$10,686 at December 31, 2018 and 2017, respectively. Approximately \$79,329 of the balance at December 31, 2018 represents restricted cash equivalents held in trust to satisfy insurer and state regulatory requirements related to the Company's self-insurance for professional and general liability and workers' compensation risks administered by wholly-owned captive insurance entities. Prior to the first quarter of 2018, these requirements were satisfied by a letter of credit rather than restricted cash held in trust. The remaining restricted cash and equivalents held at December 31, 2018 and 2017 primarily represent cash pledged to third parties in connection with two of the Company's ancillary and strategic initiatives businesses.

5. Short-term and long-term investments

Effective January 1, 2018, the Company adopted ASU No. 2016-01, *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The amendments in this ASU revise accounting related to (i) the classification and measurement of investments in equity securities and (ii) the presentation of certain fair value changes for financial liabilities at fair value. The Company also adopted ASU 2018-03 which provides related technical corrections and improvements. The principal effect of these ASUs on the Company's consolidated financial statements is that, prior to adoption of ASU 2016-01, changes in the fair values of available-for-sale equity investments with readily determinable fair values or redemption values were recognized in other comprehensive income until realized, while under ASU 2016-01 all changes in the fair values of such equity securities are recognized in current earnings within "Other income, net". The adoption of these ASUs did not have a material effect on these consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Effective January 1, 2018, the Company recognized a cumulative effect of change in accounting principle upon adoption of ASUs 2016-01 and 2018-03, in conjunction with ASU 2018-02, the effect of which was to decrease accumulated other comprehensive income, and to increase retained earnings, by \$5,662 in after-tax unrealized gains accumulated in other comprehensive income through December 31, 2017 from equity securities classified as available-for-sale investments prior to adoption of ASU 2016-01.

From January 1, 2018, equity securities that have readily determinable fair values or redemption values are recorded at estimated fair value with changes in their value recognized in current earnings. The Company classifies its debt securities as held-to-maturity and records them at amortized cost based on its intentions and strategy concerning those investments.

The Company classifies these debt and equity investments as "Short-term investments" or "Long-term investments" on its consolidated balance sheet, as applicable, based on the characteristics of the financial instrument or the Company's intentions or expectations for the investment.

The Company's investments in these short-term and long-term debt and equity investments consist of the following:

| | December 31, 2018 | | | December 31, 2017 | | |
|---|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| | Debt securities | Equity securities | Total | Debt securities | Equity securities | Total |
| Certificates of deposit and other time deposits | \$ 2,235 | \$ — | \$ 2,235 | \$ 31,630 | \$ — | \$ 31,630 |
| Investments in mutual funds and common stock | — | 36,124 | 36,124 | — | 38,895 | 38,895 |
| | <u>\$ 2,235</u> | <u>\$ 36,124</u> | <u>\$ 38,359</u> | <u>\$ 31,630</u> | <u>\$ 38,895</u> | <u>\$ 70,525</u> |
| Short-term investments | \$ 2,235 | \$ 700 | \$ 2,935 | \$ 31,630 | \$ 1,200 | \$ 32,830 |
| Long-term investments | — | 35,424 | 35,424 | — | 37,695 | 37,695 |
| | <u>\$ 2,235</u> | <u>\$ 36,124</u> | <u>\$ 38,359</u> | <u>\$ 31,630</u> | <u>\$ 38,895</u> | <u>\$ 70,525</u> |

Debt securities: The Company's short-term debt investments are principally bank certificates of deposit with contractual maturities longer than three months but shorter than one year. These debt securities are accounted for as held-to-maturity and recorded at amortized cost, which approximates their fair values at December 31, 2018 and 2017.

Equity securities: The Company's equity investments in mutual funds and common stock are held within a trust to fund existing obligations associated with several of the Company's non-qualified deferred compensation plans. During 2018, the Company recognized pre-tax net losses of \$1,208 in the income statement associated with changes in the fair value of these equity securities, comprised of pre-tax realized gains of \$4,490 and a net decrease in unrealized gains of \$5,698. During 2017, the Company recognized pre-tax realized gains on the sale or redemption of equity securities of \$360, or \$220 after tax, which were previously recorded in other comprehensive income.

6. Other receivables

Other receivables were comprised of the following:

| | December 31, | |
|--|-------------------|-------------------|
| | 2018 | 2017 |
| Supplier rebates and non-trade receivables | \$ 334,156 | \$ 295,292 |
| Medicare bad debt claims | 135,640 | 103,970 |
| | <u>\$ 469,796</u> | <u>\$ 399,262</u> |

7. Prepaid and other current assets

Other current assets were comprised of the following:

| | December 31, | |
|------------------|-------------------|-------------------|
| | 2018 | 2017 |
| Prepaid expenses | \$ 108,315 | \$ 104,727 |
| Other | 3,525 | 7,331 |
| | <u>\$ 111,840</u> | <u>\$ 112,058</u> |

8. Property and equipment

Property and equipment were comprised of the following:

| | December 31, | |
|--|---------------------|---------------------|
| | 2018 | 2017 |
| Land | \$ 37,384 | \$ 33,814 |
| Buildings | 467,181 | 473,489 |
| Leasehold improvements | 3,164,943 | 2,816,675 |
| Equipment and information systems, including internally developed software | 2,586,564 | 2,352,246 |
| New center and capital asset projects in progress | 661,695 | 576,651 |
| | 6,917,767 | 6,252,875 |
| Less accumulated depreciation | (3,524,098) | (3,103,662) |
| | <u>\$ 3,393,669</u> | <u>\$ 3,149,213</u> |

Depreciation expense on property and equipment was \$574,799, \$544,129, and \$494,945 for 2018, 2017 and 2016, respectively.

During 2018 and 2017, the Company recognized asset impairment charges of \$17,338 and \$15,168, respectively, related to the restructuring of its pharmacy business.

Interest on debt incurred during the development of new centers and other capital asset projects is capitalized as a component of the asset cost based on the respective in-process capital asset balances. Interest capitalized was \$25,978, \$19,176 and \$12,990 for 2018, 2017 and 2016, respectively.

9. Intangibles

Intangible assets other than goodwill were comprised of the following:

| | December 31, | |
|-------------------------------------|-------------------|-------------------|
| | 2018 | 2017 |
| Noncompetition and other agreements | \$ 131,360 | \$ 429,140 |
| Lease agreements | 7,584 | 7,623 |
| Indefinite-lived assets | 59,885 | 33,255 |
| Other | 583 | 583 |
| | 199,412 | 470,601 |
| Less accumulated amortization | (80,566) | (356,774) |
| | <u>\$ 118,846</u> | <u>\$ 113,827</u> |

Amortization expense from amortizable intangible assets, other than lease agreements, was \$16,236, \$15,782, and \$14,552 for 2018, 2017 and 2016, respectively. Lease agreement intangible assets and liabilities were amortized to rent expense in the amounts of \$(296), \$(203) and \$(232) for 2018, 2017 and 2016, respectively.

During the years ended December 31, 2018, 2017 and 2016, the Company recognized no impairment charges on any intangible assets other than goodwill.

Amortizable intangible liabilities as of December 31, 2018 and 2017 were comprised of lease agreements of \$5,930 and \$5,447, respectively, which were net of accumulated amortization of \$4,362 and \$3,508, respectively.

Lease agreement intangible liabilities are classified in other long-term liabilities and amortized to rent expense.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Scheduled amortization charges from amortizable intangible assets and liabilities as of December 31, 2018 were as follows:

| | Noncompetition and other agreements | Lease liabilities | Other |
|--------------|---|----------------------|---------------|
| 2019 | \$ 14,442 | \$ (901) | \$ 91 |
| 2020 | 13,020 | (895) | 45 |
| 2021 | 10,816 | (871) | — |
| 2022 | 7,001 | (864) | — |
| 2023 | 4,235 | (704) | — |
| Thereafter | 9,311 | (1,695) | — |
| Total | \$ 58,825 | \$ (5,930) | \$ 136 |

10. Equity method and other investments

Equity investments in nonconsolidated businesses over which the Company maintains significant influence, but which do not have readily determinable fair values, are carried on the equity method.

As described in Note 5 to these consolidated financial statements, effective January 1, 2018, the Company adopted ASU 2016-01 and related ASU 2018-03 concerning recognition and measurement of financial assets and financial liabilities. In adopting this new guidance, the Company has made an accounting policy election to adopt an adjusted cost method measurement alternative for investments in equity securities without readily determinable fair values.

Specifically, under this measurement alternative, unless elected otherwise for a particular investment, the Company initially records equity investments that qualify for the measurement alternative at cost but remeasures them to fair value through earnings when there is an observable transaction involving the same or a similar investment with the same issuer or upon an impairment.

The Company maintains equity method and minor adjusted cost method investments in the private securities of certain other healthcare and healthcare-related businesses. The Company classifies these investments as "Equity method and other investments" on its consolidated balance sheet.

The Company's equity method and other investments were comprised of the following:

| | December 31, | |
|----------------------------------|-------------------|-------------------|
| | 2018 | 2017 |
| APAC joint venture | \$ 129,173 | \$ 160,481 |
| Other equity method partnerships | 83,052 | 79,667 |
| Adjusted cost method investments | 12,386 | 5,386 |
| | \$ 224,611 | \$ 245,534 |

During 2018, 2017 and 2016, the Company recognized equity investment (loss) income of \$(4,484), \$(8,640) and \$16,874, respectively, from equity method investments in nonconsolidated businesses.

The Company's largest equity method investment is its ownership interest in DaVita Care Pte. Ltd. (the APAC joint venture, or APAC JV). As of December 31, 2018 and 2017, the Company held a 60% voting interest and a 73.3% current economic interest in the APAC JV. Based on the governance structure and voting rights established for the APAC JV at its formation on August 1, 2016, certain key decisions affecting the joint venture's operations are not subject to the unilateral discretion of the Company, but rather are shared with the other noncontrolling investors. These other noncontrolling investors currently collectively hold a 40% voting interest and a 26.7% economic interest in the APAC JV. During the third quarter of 2018, the investors in the APAC JV jointly agreed to a six-month deferral of the subscribed incremental capital contributions originally scheduled for August 1, 2018 based upon revised assessments of the capital needs of the joint venture. Subsequent to December 31, 2018, the investors have jointly agreed to a further deferral of those capital contributions originally scheduled for August 1, 2018, which will now be due with the final capital contributions originally scheduled for August 1, 2019. The Company continues to expect the economic interests of the noncontrolling investors in the APAC JV to adjust to match their voting interests by August 1, 2019.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Upon formation of the APAC JV on August 1, 2016, the Company deconsolidated this Asia Pacific dialysis business based on the governance structure and voting rights put in place at that time and recognized an initial non-cash non-taxable estimated gain of \$374,374 on its retained investment, net of contingent obligations. This retained interest in the APAC JV was adjusted to the Company's proportionate share of the estimated fair value of the business, as implied by the investment commitments from the JV partners and adjusted for certain time value of money and uncertainty discounts. The Company then recognized an additional \$6,273 gain in the first quarter of 2017 upon resolution of certain post-closing adjustments related to this transaction. Subsequent to its deconsolidation on August 1, 2016, the Company's retained interest in the APAC JV has been accounted for under the equity method.

During the year ended December 31, 2017, the Company recognized a non-cash other-than-temporary impairment charge of \$280,066 on its investment in the APAC JV. This charge resulted from changes in its expectations for the joint venture based on continuing market research and assessments by both the Company and the APAC JV concerning the size of the addressable market available to the joint venture at attractive risk-adjusted returns. The Company estimated the fair value of its retained interest in the APAC JV with the assistance of an independent third party valuation firm based on information available to management as of December 31, 2017.

The Company's other equity method investments include 22 legal entities over which the Company has significant influence but in which it does not maintain a controlling financial interest. Almost all of these are U.S. partnerships in the form of limited liability companies. The Company's ownership interests in these partnerships vary, but typically range from 30% to 50%.

The total carrying amount of equity investments carried under the adjusted cost method measurement alternative at December 31, 2018 was \$12,386. During 2018, there have been no meaningful impairments or other downward or upward valuation adjustments recognized on these investments.

11. Goodwill

Changes in the carrying value of goodwill by reportable segments were as follows:

| | U.S. dialysis and related lab services | Other ancillary services and strategic initiatives | Consolidated total |
|--|---|--|---------------------|
| Balance at December 31, 2016 | \$ 5,691,587 | \$ 323,788 | \$ 6,015,375 |
| Acquisitions | 485,434 | 131,598 | 617,032 |
| Divestitures | (32,260) | (126) | (32,386) |
| Impairment charges | — | (36,196) | (36,196) |
| Foreign currency and other adjustments | — | 46,454 | 46,454 |
| Balance at December 31, 2017 | \$ 6,144,761 | \$ 465,518 | \$ 6,610,279 |
| Acquisitions | 130,574 | 147,774 | 278,348 |
| Divestitures | (331) | (15,166) | (15,497) |
| Impairment charges | — | (3,106) | (3,106) |
| Foreign currency and other adjustments | — | (28,064) | (28,064) |
| Balance at December 31, 2018 | <u>\$ 6,275,004</u> | <u>\$ 566,956</u> | <u>\$ 6,841,960</u> |
| Goodwill | \$ 6,275,004 | \$ 594,229 | \$ 6,869,233 |
| Accumulated impairment charges | — | (27,273) | (27,273) |
| | <u>\$ 6,275,004</u> | <u>\$ 566,956</u> | <u>\$ 6,841,960</u> |

The Company elected to early adopt ASU No. 2017-04, *Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment* effective January 1, 2017. The amendments in this ASU simplify the test for goodwill impairment by eliminating the second step in the assessment. All goodwill impairment tests performed since adoption of this ASU were performed under this new guidance.

Each of the Company's operating segments described in Note 25 to these consolidated financial statements represents an individual reporting unit for goodwill impairment testing purposes and each sovereign jurisdiction within the Company's international operating segments is considered a separate reporting unit.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Within the U.S. dialysis and related lab services operating segment, the Company considers each of its dialysis centers to constitute an individual business for which discrete financial information is available. However, since these dialysis centers have similar operating and economic characteristics, and the allocation of resources and significant investment decisions concerning these businesses are highly centralized and the benefits broadly distributed, the Company has aggregated these centers and deemed them to constitute a single reporting unit.

The Company has applied a similar aggregation to the vascular access service centers in its vascular access services reporting unit, to the physician practices in its physician services reporting units, and to the dialysis centers and other health operations within each international reporting unit. For the Company's other operating segments, discrete business components below the operating segment level constitute individual reporting units.

During the year ended December 31, 2018, the Company performed annual and other impairment assessments for various reporting units. As a result of these assessments, the Company recognized a goodwill impairment charge of \$3,106 at its German other health operations during the year ended December 31, 2018.

During the years ended December 31, 2017 and December 31, 2016 the Company recognized goodwill impairment charges of \$34,696 and \$28,415, respectively, at its vascular access reporting unit. These charges resulted primarily from changes in future governmental reimbursement rates for this business and the Company's then-evolving plans and expected ability to mitigate them. As of December 31, 2017, there was no goodwill remaining at the Company's vascular access reporting unit. The Company also recognized a goodwill impairment charge of \$1,500 at one of its international reporting units during the year ended December 31, 2017.

Based on the most recent assessments, the Company determined that reductions in reimbursement rates, changes in actual or expected growth rates, or other significant adverse changes in expected future cash flows or valuation assumptions could result in goodwill impairment charges in the future for the following reporting units, which remain at risk of goodwill impairment as of December 31, 2018:

| Reporting unit | Goodwill balance as of December 31, 2018 | Carrying amount coverage ⁽¹⁾ | Sensitivities | |
|---------------------------------|--|--|------------------------------------|---------------------------------|
| | | | Operating income ⁽²⁾ | Discount rate ⁽³⁾ |
| Germany Kidney Care | \$ 403,200 | 0.5% | (1.5)% | (10.3)% |
| Brazil Kidney Care | \$ 39,452 | 9.8% | (2.5)% | (7.3)% |
| Germany other health operations | \$ 12,646 | 8.1% | (2.2)% | (11.1)% |

(1) Excess of estimated fair value of the reporting unit over its carrying amount as of the latest assessment date.

(2) Potential impact on estimated fair value of a sustained, long-term reduction of 3% in operating income as of the latest assessment date.

(3) Potential impact on estimated fair value of an increase in discount rates of 100 basis points as of the latest assessment date.

There were no major changes in the business, prospects, or expected future results of these reporting units from their latest assessment date through December 31, 2018.

Except as described above, none of the Company's other reporting units were considered at risk of significant goodwill impairment as of December 31, 2018. Since the dates of the Company's last annual goodwill impairment tests, there have been certain developments, events, changes in operating performance and other changes in key circumstances that have affected the Company's businesses. However, except as further described above, these did not cause management to believe it is more likely than not that the fair values of any of the Company's reporting units would be less than their respective carrying amounts as of December 31, 2018.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

12. Other liabilities

Other liabilities were comprised of the following:

| | December 31, | |
|---------------------------------------|-------------------|-------------------|
| | 2018 | 2017 |
| Payor refunds and retractions | \$ 302,244 | \$ 292,370 |
| Insurance and self-insurance accruals | 58,569 | 64,924 |
| Accrued interest | 82,827 | 83,362 |
| Accrued non-income tax liabilities | 28,663 | 28,317 |
| Other | 123,547 | 110,032 |
| | <u>\$ 595,850</u> | <u>\$ 579,005</u> |

13. Income taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Income before income taxes from continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------|-------------------------|---------------------|---------------------|
| | 2018 | 2017 | 2016 |
| Domestic | \$ 1,083,578 | \$ 1,725,822 | \$ 1,278,754 |
| International | (35,100) | (326,036) | 344,351 |
| | <u>\$ 1,048,478</u> | <u>\$ 1,399,786</u> | <u>\$ 1,623,105</u> |

Income tax expense for continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------------------|-------------------------|-------------------|-------------------|
| | 2018 | 2017 | 2016 |
| Current: | | | |
| Federal | \$ 140,064 | \$ 330,191 | \$ 322,940 |
| State | 32,990 | 47,228 | 44,525 |
| International | 7,557 | 3,422 | 1,928 |
| Total current income tax | 180,611 | 380,841 | 369,393 |
| Deferred: | | | |
| Federal | 52,034 | (98,760) | 88,412 |
| State | 21,096 | 37,347 | (28,530) |
| International | 4,659 | 4,431 | 2,486 |
| Total deferred income tax | 77,789 | (56,982) | 62,368 |
| | <u>\$ 258,400</u> | <u>\$ 323,859</u> | <u>\$ 431,761</u> |

Income taxes are allocated between continuing and discontinued operations as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|--------------------|-------------------|
| | 2018 | 2017 | 2016 |
| Continuing operations | \$ 258,400 | \$ 323,859 | \$ 431,761 |
| Discontinued operations | 99,768 | (364,856) | 24,052 |
| | <u>\$ 358,168</u> | <u>\$ (40,997)</u> | <u>\$ 455,813</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The reconciliation between the Company's effective tax rate from continuing operations and the U.S. federal income tax rate is as follows:

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2018 | 2017 | 2016 |
| Federal income tax rate | 21.0 % | 35.0 % | 35.0 % |
| State income taxes, net of federal benefit | 4.1 | 3.7 | 2.6 |
| Gain on APAC JV ownership changes | — | (0.2) | (9.9) |
| Political advocacy costs | 2.3 | — | — |
| APAC investment impairment | — | 6.4 | — |
| Impact of 2017 Tax Act | (0.1) | (20.5) | — |
| Other | 1.9 | 2.0 | 1.8 |
| Impact of noncontrolling interests primarily attributable to non-tax paying entities | (4.6) | (3.3) | (2.9) |
| Effective tax rate | <u>24.6 %</u> | <u>23.1 %</u> | <u>26.6 %</u> |

On December 22, 2017, the President signed into law tax legislation known as the Tax Cuts and Jobs Act ("2017 Tax Act"). Consistent with Securities and Exchange Commission (SEC) Staff Accounting Bulletin No. 118, the Company completed its analysis of certain aspects of the 2017 Tax Act in the prior year and recorded provisional amounts for those items for which the accounting was not complete as of December 31, 2017. As of December 31, 2018, the Company has completed its analysis of these provisional items and recorded immaterial adjustments to the original estimates.

Deferred tax assets and liabilities arising from temporary differences for continuing operations were as follows:

| | December 31, | |
|----------------------------------|---------------------|---------------------|
| | 2018 | 2017 |
| Receivables | \$ 19,327 | \$ 19,705 |
| Accrued liabilities | 106,506 | 96,537 |
| Net operating loss carryforwards | 117,511 | 108,429 |
| Other | 36,712 | 37,794 |
| Deferred tax assets | 280,056 | 262,465 |
| Valuation allowance | (70,474) | (61,282) |
| Net deferred tax assets | 209,582 | 201,183 |
| Intangible assets | (555,822) | (501,763) |
| Property and equipment | (118,008) | (100,376) |
| Investments in partnerships | (67,354) | (61,529) |
| Other | (30,934) | (23,762) |
| Deferred tax liabilities | (772,118) | (687,430) |
| Net deferred tax liabilities | <u>\$ (562,536)</u> | <u>\$ (486,247)</u> |

At December 31, 2018, the Company had federal net operating loss carryforwards of approximately \$124,935 that expire through 2037, although a substantial amount expire by 2028. The Company also had state net operating loss carryforwards of \$459,558 that expire through 2038 and international net operating loss carryforwards of \$186,757, some of which have an indefinite life. The utilization of a portion of these losses may be limited in future years based on the profitability of certain entities. The net increase of \$9,192 in the valuation allowance is primarily due to newly created net operating loss carryforwards in state and foreign jurisdictions that the Company does not anticipate being able to utilize.

The Company's foreign earnings continue to be indefinitely reinvested as of December 31, 2018. As a result of the passage of the 2017 Tax Act, the Company does not expect such earnings to be taxable if remitted.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Unrecognized tax benefits

A reconciliation of the beginning and ending liability for unrecognized tax benefits that do not meet the more-likely-than-not threshold is as follows:

| | Year ended December 31, | |
|---|-------------------------|------------------|
| | 2018 | 2017 |
| Beginning balance | \$ 32,776 | \$ 24,066 |
| Additions for tax positions related to current year | 6,111 | 7,606 |
| Additions for tax positions related to prior years | 4,134 | 804 |
| Reductions related to lapse of applicable statute | (338) | (1,380) |
| Impact of 2017 Tax Act | — | 3,731 |
| Reductions related to settlements with taxing authorities | (2,301) | (2,051) |
| Ending balance | <u>\$ 40,382</u> | <u>\$ 32,776</u> |

As of December 31, 2018, the Company's total liability for unrecognized tax benefits relating to tax positions that do not meet the more-likely-than-not threshold is \$40,382, of which \$37,538 would impact the Company's effective tax rate if recognized. This balance represents an increase of \$7,606 from the December 31, 2017 balance of \$32,776, primarily due to additions for tax positions related to the current year.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. At December 31, 2018 and 2017, the Company had approximately \$9,019 and \$4,195, respectively, accrued for interest and penalties related to unrecognized tax benefits, net of federal tax benefit.

The Company and its subsidiaries file U.S. federal and state income tax returns and various foreign income tax returns. The Company is no longer subject to U.S. federal and state examinations by tax authorities for years before 2014 and 2009, respectively. In addition to being under audit in various state and local tax jurisdictions, the Company's federal tax returns are under audit by the Internal Revenue Service for the years 2014-2016.

14. Long-term debt

Long-term debt was comprised of the following:

| | December 31, | | Interest rate | Maturity date |
|--|---------------------|---------------------|------------------------------|---------------|
| | 2018 | 2017 | | |
| Senior Secured Credit Facilities: | | | | |
| Term Loan A | \$ 675,000 | \$ 775,000 | 2.00% + LIBOR | 6/24/2019 |
| Term Loan A-2 | 995,000 | — | 1.00% + LIBOR | 6/24/2019 |
| Term Loan B | 3,342,500 | 3,377,500 | 2.75% + LIBOR ⁽²⁾ | 6/24/2021 |
| Revolver | 175,000 | 300,000 | 2.00% + LIBOR | 6/24/2019 |
| Senior Notes: | | | | |
| 5 3/4% Senior Notes | 1,250,000 | 1,250,000 | 5.75% | 8/15/2022 |
| 5 1/8% Senior Notes | 1,750,000 | 1,750,000 | 5.125% | 7/15/2024 |
| 5% Senior Notes | 1,500,000 | 1,500,000 | 5% | 5/1/2025 |
| Acquisition obligations and other notes payable ⁽¹⁾ | 183,979 | 150,512 | 6.24% | 2019-2025 |
| Capital lease obligations ⁽¹⁾ | 282,737 | 297,170 | 5.49% | 2019-2036 |
| Total debt principal outstanding | <u>10,154,216</u> | <u>9,400,182</u> | | |
| Discount and deferred financing costs | <u>(52,000)</u> | <u>(63,951)</u> | | |
| | 10,102,216 | 9,336,231 | | |
| Less current portion | <u>(1,929,369)</u> | <u>(178,213)</u> | | |
| | <u>\$ 8,172,847</u> | <u>\$ 9,158,018</u> | | |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

- (1) For acquisition obligations and other notes payable and capital lease obligations, the interest rate is the weighted average interest rate as of December 31, 2018 and the maturity date is the range of maturity dates as of December 31, 2018.
- (2) Term Loan B has a floor of 0.75%.

Scheduled maturities of long-term debt at December 31, 2018 were as follows:

| | | |
|------------|----|-----------|
| 2019 | \$ | 1,929,369 |
| 2020 | | 80,016 |
| 2021 | | 3,314,149 |
| 2022 | | 1,291,472 |
| 2023 | | 37,881 |
| Thereafter | \$ | 3,501,329 |

During the year ended December 31, 2018, the Company made mandatory principal payments under its senior secured credit facilities totaling \$100,000 on Term Loan A and \$35,000 on Term Loan B.

Term Loans

On March 29, 2018, the Company entered into an Increase Joinder No. 1 (Increase Joinder Agreement) under its existing senior secured credit facilities. Pursuant to this Increase Joinder Agreement, the Company entered into an additional \$995,000 Term Loan A-2.

Total outstanding borrowings under Term Loan A, Term Loan A-2 and Term Loan B consist of various individual tranches that can range in maturity from one month to twelve months (currently all tranches are one month in duration). For Term Loan A, Term Loan A-2 and Term Loan B, each tranche bears interest at a London Interbank Offered Rate (LIBOR) that is determined by the duration of such tranche plus an interest rate margin. The LIBOR variable component of the interest rate for each tranche is reset as such tranche matures and a new tranche is established. At December 31, 2018, the overall weighted average interest rate for Term Loan A, Term Loan A-2 and Term Loan B was determined based upon the LIBOR interest rates in effect for all of the individual tranches plus their respective interest rate margins noted in the table above.

The Company maintains several interest rate cap agreements that have the economic effect of capping the LIBOR variable component of the Company's interest rate at a maximum of 3.50% on \$3,500,000 of outstanding principal debt, including all of Term Loan B and part of Term Loan A. However, the remaining \$517,500 outstanding principal balance of Term Loan A and the entire outstanding balance on Term Loan A-2 would still be subject to LIBOR-based interest rate volatility. See below for further details. The Company is restricted from paying dividends under the terms of its senior secured credit facilities.

Revolving lines of credit

As of December 31, 2018, the Company has \$175,000 drawn on its \$1,000,000 revolving line of credit under its senior secured credit facilities, in addition to approximately \$14,155 committed for outstanding letters of credit. The Company also has approximately \$22,621 of additional outstanding letters of credit under a separate bilateral secured letter of credit facility, and \$211 of committed outstanding letters of credit which are backed by a certificate of deposit.

Senior Notes

The Senior Notes are unsecured obligations, rank equally in right of payment with the Company's existing and future unsecured senior indebtedness, are guaranteed by substantially all of the Company's direct and indirect wholly-owned domestic subsidiaries, and require semi-annual interest payments. The Company may redeem some or all of the Senior Notes at any time on or after certain specific dates and at certain specific redemption prices as outlined in each senior note agreement. Interest rates on the Senior Notes are fixed by their terms, and the Company is restricted from paying dividends under the indentures governing its Senior Notes.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Interest rate cap and swap agreements

As of December 31, 2018, the Company maintains several interest rate cap agreements as a means of hedging its exposure to and volatility from variable-based interest rate changes as part of its overall interest rate risk management strategy. These agreements are not held for trading or speculative purposes and had the economic effect of capping the Company's maximum exposure to LIBOR variable interest rate changes on specific portions of the Company's floating rate debt, as described below. These cap agreements are also designated as cash flow hedges and, as a result, changes in the fair values of these cap agreements are reported in other comprehensive income. The amortization of the original cap premium is recognized as a component of debt expense on a straight-line basis over the term of the cap agreements. These cap agreements do not contain credit-risk contingent features.

The Company's current interest rate cap agreements were entered into in October 2015 with notional amounts totaling \$3,500,000. These cap agreements became effective June 29, 2018, have the economic effect of capping the LIBOR variable component of the Company's interest rate at a maximum of 3.50% on an equivalent amount of the Company's debt, and will expire on June 30, 2020. As of December 31, 2018, the total fair value of these cap agreements was an asset of approximately \$851. During the year ended December 31, 2018, the Company recognized debt expense of \$4,327 from these cap agreements and recorded a loss of \$181 in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements.

Previously, the Company maintained other interest rate cap agreements that were entered into in November 2014 with notional amounts also totaling \$3,500,000. These cap agreements had the economic effect of capping the LIBOR variable component of the Company's interest rate at a maximum of 3.50% on an equivalent amount of the Company's debt and expired on June 30, 2018. During the year ended 2018, the Company recognized debt expense of \$4,140 from these cap agreements and recorded an immaterial loss in other comprehensive income due to a decrease in the unrealized fair value of these cap agreements through expiration.

The following table summarizes the Company's derivative instruments as of December 31, 2018 and 2017:

| Derivatives designated as hedging instruments | Balance sheet location | Fair value | |
|--|-------------------------------|--------------------------|--------------------------|
| | | December 31, 2018 | December 31, 2017 |
| Interest rate cap agreements | Other long-term assets | \$ 851 | \$ 1,032 |

The following table summarizes the effects of the Company's interest rate cap and swap agreements for the years ended December 31, 2018, 2017 and 2016:

| Derivatives designated as cash flow hedges | Amount of unrealized losses in OCI on interest rate cap and swap agreements | | | Location of losses | Amount of losses reclassified from accumulated OCI into income | | |
|---|--|-------------------|-------------------|---------------------------|---|-----------------|-----------------|
| | Year ended December 31, | | | | Year ended December 31, | | |
| | 2018 | 2017 | 2016 | | 2018 | 2017 | 2016 |
| Interest rate cap agreements | \$ (181) | \$ (8,897) | \$ (5,198) | Debt expense | \$ 8,466 | \$ 8,278 | \$ 3,899 |
| Interest rate swap agreements | — | — | (815) | Debt expense | — | — | 299 |
| Tax benefit | 48 | 3,460 | 2,343 | Tax expense | (2,180) | (3,220) | (1,632) |
| Total | \$ (133) | \$ (5,437) | \$ (3,670) | | \$ 6,286 | \$ 5,058 | \$ 2,566 |

The Company's overall weighted average effective interest rate on the senior secured credit facilities at the end of 2018 was 5.11%, based upon the current margins in effect as of December 31, 2018.

The Company's overall weighted average effective interest rate during the year ended December 31, 2018 was 4.96% and as of December 31, 2018 was 5.19%.

Debt expense

Debt expense consisted of interest expense of \$461,897, \$406,341 and \$394,013 and the amortization and accretion of debt discounts and premiums, amortization of deferred financing costs and the amortization of interest rate cap agreements of

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

\$25,538, \$24,293 and \$20,103 for 2018, 2017 and 2016, respectively. These interest expense amounts are net of capitalized interest.

15. Leases

The majority of the Company's facilities are leased under non-cancellable operating leases ranging in terms from five years to 15 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal. The Company's leases are generally subject to periodic consumer price index increases or contain fixed escalation clauses. The Company also leases certain facilities and equipment under capital leases.

Future minimum lease payments under non-cancellable operating and capital leases are as follows:

| | Operating leases | Capital leases |
|--|---------------------|-------------------|
| 2019 | \$ 483,488 | \$ 36,754 |
| 2020 | 462,154 | 41,044 |
| 2021 | 432,950 | 34,026 |
| 2022 | 395,462 | 33,690 |
| 2023 | 349,649 | 33,845 |
| Thereafter | 1,589,949 | 194,611 |
| | <u>\$ 3,713,652</u> | <u>373,970</u> |
| Less portion representing interest | | (91,233) |
| Total capital lease obligations, including current portion | | <u>\$ 282,737</u> |

Rent expense under all operating leases for 2018, 2017, and 2016 was \$596,117, \$530,748 and \$478,531, respectively. Rent expense is recorded on a straight-line basis over the term of the lease for leases that contain fixed escalation clauses or include abatement provisions. Leasehold improvement incentives are deferred and amortized to rent expense over the term of the lease. The net book value of property and equipment under capital leases was \$235,194 and \$257,772 at December 31, 2018 and 2017, respectively. Capital lease obligations are included in long-term debt. See Note 14 to these consolidated financial statements.

16. Employee benefit plans

The Company has a 401(k) retirement savings plan for substantially all of its Kidney Care employees which has been established pursuant to the applicable provisions of the Internal Revenue Code (IRC). The plan allows for employees to contribute a percentage of their base annual salaries on a tax-deferred basis not to exceed IRC limitations. Beginning in 2018, the Company implemented a 401(k) matching program under which the Company matches 50% of the employee's contribution up to 6% of the employee's salary, subject to certain limitations. The matching contributions are subject to certain eligibility and vesting conditions. For the year ended December 31, 2018, the Company accrued matching contributions totaling approximately \$67,807. Prior to 2018, the Company did not provide matching contributions in connection with the 401(k) savings plan for its Kidney Care employees.

The Company also maintains a voluntary compensation deferral plan, the Deferred Compensation Plan, as well as other legacy deferral plans. The Deferred Compensation Plan plan is non-qualified and permits certain employees whose annualized base salary equals or exceeds a minimum annual threshold amount as set by the Company to elect to defer all or a portion of their annual bonus payment and up to 50% of their base salary into a deferral account maintained by the Company. Total contributions to this plan in 2018, 2017 and 2016 were \$3,090, \$4,497 and \$5,344, respectively. Deferred amounts are generally paid out in cash at the participant's election either in the first or second year following retirement or in a specified future period at least three to four years after the deferral election was effective. During 2018, 2017 and 2016 the Company distributed \$4,652, \$2,789 and \$1,065, respectively, to participants from its deferred compensation plans. Participants are credited with their proportional amount of annual earnings from the plans. The assets of these plans are held in rabbi trusts and as such are subject to the claims of the Company's general creditors in the event of its bankruptcy. As of December 31, 2018 and 2017, the total fair value of assets held in these plans' trusts was \$36,124 and \$38,895, respectively. The assets of these plans are recorded at fair value with changes in fair value recorded in other comprehensive income prior to 2018 and recognized in "Other income, net" since January 1, 2018. Any fair value changes to the corresponding liability balance are recorded as compensation expense. See Note 5 to these consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Most of the Company's outstanding employee stock plan awards include a provision accelerating the vesting of the award in the event of a change of control. The Company also maintains a change of control protection program for its employees who do not have a significant number of stock awards, which has been in place since 2001, and which provides for cash bonuses to employees in the event of a change of control. Based on the market price of the Company's common stock and shares outstanding at December 31, 2018, these cash bonuses would total approximately \$336,530 if a change of control transaction occurred at that price and the Company's Board of Directors did not modify the program. This amount has not been accrued at December 31, 2018, and would only be accrued upon a change of control. These change of control provisions may affect the price an acquirer would be willing to pay for the Company.

17. Contingencies

The majority of the Company's revenues are from government programs and may be subject to adjustment as a result of: (i) examination by government agencies or contractors, for which the resolution of any matters raised may take extended periods of time to finalize; (ii) differing interpretations of government regulations by different Medicare contractors or regulatory authorities; (iii) differing opinions regarding a patient's medical diagnosis or the medical necessity of services provided; and (iv) retroactive applications or interpretations of governmental requirements. In addition, the Company's revenues from commercial payors may be subject to adjustment as a result of potential claims for refunds, as a result of government actions or as a result of other claims by commercial payors.

The Company operates in a highly regulated industry and is a party to various lawsuits, claims, *qui tam* suits, governmental investigations and audits (including investigations resulting from its obligation to self-report suspected violations of law) and other legal proceedings. The Company records accruals for certain legal proceedings and regulatory matters to the extent that the Company determines an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. As of December 31, 2018, and December 31, 2017, the Company's total recorded accruals, including DMG, with respect to legal proceedings and regulatory matters, net of anticipated third party recoveries, were immaterial. While these accruals reflect the Company's best estimate of the probable loss for those matters as of the dates of those accruals, the recorded amounts may differ materially from the actual amount of the losses for those matters, and any anticipated third party recoveries for any such losses may not ultimately be recoverable. Additionally, in some cases, no estimate of the possible loss or range of loss in excess of amounts accrued, if any, can be made because of the inherently unpredictable nature of legal proceedings and regulatory matters, which also may be impacted by various factors, including that they may involve indeterminate claims for monetary damages or may involve fines, penalties or non-monetary remedies; present novel legal theories or legal uncertainties; involve disputed facts; represent a shift in regulatory policy; are in the early stages of the proceedings; or result in a change of business practices. Further, there may be various levels of judicial review available to the Company in connection with any such proceeding.

The following is a description of certain lawsuits, claims, governmental investigations and audits and other legal proceedings to which the Company is subject.

Inquiries by the Federal Government and Certain Related Civil Proceedings

2016 U.S. Attorney Texas Investigation: In early February 2016, the Company announced that its pharmacy services' wholly-owned subsidiary, DaVita Rx, LLC (DaVita Rx), received a Civil Investigative Demand (CID) from the U.S. Attorney's Office, Northern District of Texas. The government is conducting a federal False Claims Act (FCA) investigation concerning allegations that DaVita Rx presented or caused to be presented false claims for payment to the government for prescription medications, as well as an investigation into the Company's relationships with pharmaceutical manufacturers. The CID covers the period from January 1, 2006 through the present. In connection with the Company's ongoing efforts working with the government, the Company learned that a *qui tam* complaint had been filed covering some of the issues in the CID and practices that had been identified by the Company in a self-disclosure filed with the Office of Inspector General (OIG) for the U.S. Department of Health and Human Services (HHS) in February 2016. In December 2017, the Company finalized and executed a settlement agreement with the government and relators in the *qui tam* matter that included total monetary consideration of \$63,700, as previously disclosed, of which \$41,500 was an incremental cash payment and \$22,200 was for amounts previously refunded, and all of which was previously accrued. The government's investigation into certain of the Company's relationships with pharmaceutical manufacturers is ongoing, and in July 2018 the OIG served the Company with a subpoena seeking additional documents and information relating to those relationships. The Company is continuing to cooperate with the government in this investigation.

2017 U.S. Attorney Massachusetts Investigation: In January 2017, the Company was served with an administrative subpoena for records by the U.S. Attorney's Office, District of Massachusetts, relating to an investigation into possible federal

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

health care offenses. The subpoena covers the period from January 1, 2007 through the present, and seeks documents relevant to charitable patient assistance organizations, particularly the American Kidney Fund, including documents related to efforts to provide patients with information concerning the availability of charitable assistance. The Company is continuing to cooperate with the government in this investigation.

2017 U.S. Attorney Colorado Investigation: In November 2017, the U.S. Attorney's Office, District of Colorado informed the Company of an investigation it was conducting into possible federal health care offenses involving DaVita Kidney Care, as well as several of the Company's wholly-owned subsidiaries, including DMG, DaVita Rx, DaVita Laboratory Services, Inc. (DaVita Labs), and RMS Lifeline Inc. (Lifeline). In August 2018, the Company received a CID from the U.S. Attorney's Office. The CID was issued pursuant to the FCA and covers the period from January 2005 through the present. In connection with the resolution of the *2015 U.S. OIG Medicare Advantage Civil Investigation* referred to below, the Company resolved possible claims relating to DMG in this investigation. The Company is continuing to cooperate with the government in this investigation.

2017 U.S. Attorney Florida Investigation: In November 2017, the U.S. Attorney's Office, Southern District of Florida informed the Company of an investigation it was conducting into possible federal healthcare offenses involving the Company's wholly-owned subsidiary, Lifeline. The Company is continuing to cooperate with the government in this investigation.

2018 U.S. Attorney Florida Investigation: In March 2018, DaVita Labs received two CIDs from the U.S. Attorney's Office, Middle District of Florida that were identical in nature but directed to the two different labs. According to the face of the CIDs, the U.S. Attorney's Office is conducting an investigation as to whether the Company's subsidiary submitted claims for blood, urine, and fecal testing, where there were insufficient test validation or stability studies to ensure accurate results, in violation of the FCA. In October 2018, DaVita Labs received a subpoena from the OIG in connection with this matter requesting certain patient records linked to clinical laboratory tests. The Company is continuing to cooperate with the government in this investigation.

* * *

Although the Company cannot predict whether or when proceedings might be initiated or when these matters may be resolved (other than as may be described above), it is not unusual for inquiries such as these to continue for a considerable period of time through the various phases of document and witness requests and on-going discussions with regulators and to develop over the course of time. In addition to the inquiries and proceedings specifically identified above, the Company frequently is subject to other inquiries by state or federal government agencies and/or private civil *qui tam* complaints filed by relators. Negative findings or terms and conditions that the Company might agree to accept as part of a negotiated resolution of pending or future government inquiries or relator proceedings could result in, among other things, substantial financial penalties or awards against the Company, substantial payments made by the Company, harm to the Company's reputation, required changes to the Company's business practices, exclusion from future participation in the Medicare, Medicaid and other federal health care programs and, if criminal proceedings were initiated against the Company, possible criminal penalties, any of which could have a material adverse effect on the Company.

Shareholder and Derivative Claims

Peace Officers' Annuity and Benefit Fund of Georgia Securities Class Action Civil Suit: On February 1, 2017, the Peace Officers' Annuity and Benefit Fund of Georgia filed a putative federal securities class action complaint in the U.S. District Court for the District of Colorado against the Company and certain executives. The complaint covers the time period of August 2015 to October 2016 and alleges, generally, that the Company and its executives violated federal securities laws concerning the Company's financial results and revenue derived from patients who received charitable premium assistance from an industry-funded non-profit organization. The complaint further alleges that the process by which patients obtained commercial insurance and received charitable premium assistance was improper and "created a false impression of DaVita's business and operational status and future growth prospects." In November 2017, the court appointed the lead plaintiff and an amended complaint was filed on January 12, 2018. On March 27, 2018, the Company and various individual defendants filed a motion to dismiss. Briefing on the motion is complete. The plaintiffs filed an opposition to the motion to dismiss on June 6, 2018. The Company filed a reply in support of the motion on July 19, 2018. The Company disputes these allegations and intends to defend this action accordingly.

In re DaVita Inc. Stockholder Derivative Litigation: On August 15, 2017, the U.S. District Court for the District of Delaware consolidated three previously disclosed shareholder derivative lawsuits: the Blackburn Shareholder action filed on February 10, 2017, the Gabilondo Shareholder action filed on May 30, 2017, and the City of Warren Police and Fire Retirement

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

System Shareholder action filed on June 9, 2017. The complaint covers the time period from 2015 to present and alleges, generally, breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, corporate waste, and misrepresentations and/or failures to disclose certain information in violation of the federal securities laws in connection with an alleged practice to direct patients with government-subsidized health insurance into private health insurance plans to maximize the Company's profits. An amended complaint was filed in September 2017, and on December 18, 2017, the Company filed a motion to dismiss and a motion to stay proceedings in the alternative. The plaintiffs filed an opposition to the motion to dismiss on March 9, 2018. On June 25, 2018, the U.S. District Court for the District of Delaware granted the Company's motion to stay proceedings and stayed the case until January 7, 2019, the date of the next status conference. During the status conference on January 7, 2019 the court further extended the stay until February 8, 2019. The parties submitted a proposed scheduling order on that date. The Company asked the Court to rule on the fully-briefed motion to dismiss before opening discovery. The Company disputes these allegations and intends to defend this action accordingly.

Other Proceedings

In addition to the foregoing, from time to time the Company is subject to other lawsuits, demands, claims, governmental investigations and audits and legal proceedings that arise due to the nature of its business, including contractual disputes, such as with payors, suppliers and others, employee-related matters and professional and general liability claims. From time to time, the Company also initiates litigation or other legal proceedings as a plaintiff arising out of contracts or other matters.

Resolved Matters

2011 Suit against the U.S. Department of Veterans Affairs: As previously disclosed, the Company had a pending lawsuit in the U.S. Court of Federal Claims against the federal government which was originally filed in May 2011. The lawsuit related to the U.S. Department of Veterans Affairs (VA) underpayment of dialysis services the Company provided from 2005 through 2011 to veterans pursuant to VA regulations. In the first quarter of 2017, the Company received a payment of \$538,000 related to the settlement with the VA. The Company's consolidated entities recognized a net gain of \$527,000 on this settlement. The Company's nonconsolidated and managed entities recognized a gain of \$9,000, of which the Company's equity investment share was \$3,000. The net effect was a net increase of \$530,000 to the Company's operating income.

2015 OIG Medicare Advantage Civil Investigation: In March 2015, JSA HealthCare Corporation (JSA), a subsidiary of DMG, received a subpoena from the OIG requesting documents and information for the period from January 1, 2008 through December 31, 2013, for certain MA plans for which JSA provided services. It also requested information regarding JSA's communications about patient diagnoses as they related to certain MA plans generally, and more specifically as related to two Florida physicians with whom JSA previously contracted.

In addition to the subpoena described above, in June 2015, the Company received a civil subpoena from the OIG seeking production of a wide range of documents relating to the Company's and its subsidiaries' (including DMG and its subsidiary JSA) provision of services to MA plans and related patient diagnosis coding and risk adjustment submissions and payments. The Company believes that the request was part of a broader industry investigation into MA patient diagnosis coding and risk adjustment practices and potential overpayments by the government. The information requested included information related to patient diagnosis coding practices for a number of conditions, including potentially improper historical DMG coding for a particular condition. With respect to that condition, the guidance related to that coding issue was discontinued following the Company's November 1, 2012, acquisition of HealthCare Partners (now known as the Company's DMG business), and the Company notified Centers for Medicare and Medicaid Services (CMS) in April 2015 of the coding practice and potential overpayments. In that regard, the Company identified certain additional coding practices which may have been problematic, some of which were the subject of the previously disclosed and dismissed *Swoben Private Civil Suit*.

The Company entered into a settlement agreement with the DOJ and OIG to resolve these matters on September 28, 2018. As previously disclosed, an escrow established in connection with the Company's acquisition of HealthCare Partners in 2012 held back a portion of the purchase price to the prior owners of HealthCare Partners as security for the indemnification rights of the Company. The settlement amount of \$270,000 was paid with these escrowed funds.

White, Kathleen, et al. v. DaVita Healthcare Partners, Inc., Civil Action No. 15-cv-2106, U.S. District Court for the District of Colorado: Three actions (Menchaca v. DaVita Healthcare Partners, Inc., Saldana v. DaVita Healthcare Partners, Inc. and Hardin v. DaVita Healthcare Partners, Inc.) were consolidated in December 2016 into one action in U.S. District Court for the District of Colorado. In all three actions, the plaintiffs brought claims for wrongful death based on allegations related to Granuflo®, a product used as a component of the dialysis process. The Menchaca and Saldana actions arose out of the treatment of patients in California, while the Hardin action arose out of the treatment of a patient in Illinois. On June 27, 2018,

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

the jury returned a verdict in favor of the plaintiffs, collectively awarding \$8,500 in compensatory damages and \$375,000 in punitive damages. Judgment on this verdict was not entered. In November 2018, the parties settled all three of the consolidated actions collectively for \$25,500, and all three cases were dismissed with prejudice. One of the Company's insurance carriers paid \$9,200 of the settlement. The Company believes it is probable that it will be able to recover the remainder of the settlement amount from other insurers, indemnitors, and the like; however, the Company can make no assurances that it will recover the full amount.

* * *

Other than as described above, the Company cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which the Company is or may be subject from time to time, including those described in this Note 17 to these consolidated financial statements, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on the Company's revenues, earnings and cash flows. Further, any legal proceedings or regulatory matters involving the Company, whether meritorious or not, are time consuming, and often require management's attention and result in significant legal expense, and may result in the diversion of significant operational resources, or otherwise harm the Company's business, results of operations, financial condition, cash flows or reputation.

18. Noncontrolling interests subject to put provisions and other commitments

Noncontrolling interests subject to put provisions

The Company has potential obligations to purchase the equity interests held by third parties in several of its majority-owned joint ventures and other nonconsolidated entities. These obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods as outlined in each specific put provision. If these put provisions were exercised, the Company would be required to purchase the third-party owners' equity interests at either the appraised fair market value or a predetermined multiple of earnings or cash flows attributable to the equity interests put to the Company, which is intended to approximate fair value. The methodology the Company uses to estimate the fair values of noncontrolling interests subject to put provisions assumes the higher of either a liquidation value of net assets or an average multiple of earnings, based on historical earnings, patient mix and other performance indicators that can affect future results, as well as other factors. The estimated fair values of noncontrolling interests subject to put provisions are a critical accounting estimate that involves significant judgments and assumptions and may not be indicative of the actual values at which the noncontrolling interests may ultimately be settled, which could vary significantly from the Company's current estimates. The estimated fair values of noncontrolling interests subject to put provisions can fluctuate and the implicit multiple of earnings at which these noncontrolling interests obligations may be settled will vary significantly depending upon market conditions including potential purchasers' access to the capital markets, which can impact the level of competition for dialysis and non-dialysis related businesses, the economic performance of these businesses and the restricted marketability of the third-party owners' equity interests. The amount of noncontrolling interests subject to put provisions that employ a contractually predetermined multiple of earnings rather than fair value is immaterial.

The Company has certain other potential commitments to provide operating capital to a number of dialysis centers that are wholly-owned by third parties or businesses in which the Company owns a noncontrolling equity interest as well as to physician-owned vascular access clinics or medical practices that the Company operates under management and administrative service agreements of approximately \$4,675.

Certain consolidated joint ventures are originally contractually scheduled to dissolve after terms ranging from ten years to 50 years. While noncontrolling interests in these limited life entities qualify as mandatorily redeemable financial instruments, they are subject to a classification and measurement scope exception from the accounting guidance generally applicable to other mandatorily redeemable financial instruments. Future distributions upon dissolution of these entities would be valued below the related noncontrolling interest carrying balances in the consolidated balance sheet.

Other commitments

In 2017, the Company entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of the agreement, the Company will purchase EPO in amounts necessary to meet no less than 90% of its requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract from Amgen. The actual amount of EPO that the Company will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that the Company serves.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The Company has an agreement with Fresenius Medical Care (FMC) to purchase a certain amount of dialysis equipment, parts and supplies from FMC, which was extended through December 31, 2020. During 2018, 2017 and 2016, the Company purchased \$182,446, \$176,212 and \$164,766, respectively, of certain equipment, parts and supplies from FMC.

The Company also has an agreement with Baxter Healthcare Corporation (Baxter) that commits the Company to purchase a certain amount of peritoneal dialysis supplies at fixed prices through 2022. During 2018, 2017 and 2016, the Company purchased \$162,858, \$166,764 and \$162,109 of peritoneal dialysis supplies from Baxter under this agreement.

Other than operating leases disclosed in Note 15 to these consolidated financial statements, the letters of credit disclosed in Note 14 to these consolidated financial statements, and the arrangements as described above, the Company has no off balance sheet financing arrangements as of December 31, 2018.

19. Long-term incentive compensation and shareholders' equity

Long-term incentive compensation

Long-term incentive program (LTIP) compensation includes both stock-based awards (principally stock-settled stock appreciation rights, restricted stock units and performance stock units) as well as long-term performance-based cash awards. Long-term incentive compensation expense, which was primarily general and administrative in nature, was attributed to the Company's U.S. dialysis and related lab services business, corporate administrative support, and the ancillary services and strategic initiatives.

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards unless the stock awards are based on non-market based performance metrics, in which case expense is adjusted for expected ultimate payouts as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on the estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

Stock-based compensation to be settled in shares is recorded to the Company's shareholders' contributed capital, while stock-based compensation to be settled in cash is recorded to a liability. Shares issued upon exercise of stock awards are issued from authorized but unissued shares.

Long-term incentive compensation plans

The Company's 2011 Incentive Award Plan (the 2011 Plan) is the Company's omnibus equity compensation plan and provides for grants of stock-based awards to employees, directors and other individuals providing services to the Company, except that incentive stock options may only be awarded to employees. The 2011 Plan authorizes the Company to award stock options, stock appreciation rights, restricted stock units, restricted stock, and other stock-based or performance-based awards, and is designed to enable the Company to grant equity and cash awards that qualified as performance-based compensation under Section 162(m) of the Internal Revenue Code for tax years 2017 and prior. The 2011 Plan mandates a maximum award term of five years and stipulates that stock appreciation rights and stock options be granted with prices not less than fair market value on the date of grant. The 2011 Plan also requires that full value share awards such as restricted stock units reduce shares available under the 2011 Plan at a ratio of 3.5:1. The Company's nonqualified stock appreciation rights and stock units awarded under the 2011 Plan generally vest over 36 months to 48 months from the date of grant. At December 31, 2018, there were 6,162,797 stock-settled stock appreciation rights, 1,860,475 stock-settled stock units, 23,000 cash-settled stock appreciation rights and 1,600 cash-settled stock units outstanding, and 23,091,764 shares available for future grants, under the 2011 Plan.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

A combined summary of the status of the Company's stock-settled awards under the 2011 Plan, including base shares for stock-settled stock appreciation rights (SSARs) and stock-settled stock unit awards is as follows:

| | Year ended December 31, 2018 | | | | |
|---------------------------------------|------------------------------|---------------------------------|---|------------------|---|
| | Stock appreciation rights | | | Stock units | |
| | Awards | Weighted average exercise price | Weighted average remaining contractual life | Awards | Weighted average remaining contractual life |
| Outstanding at beginning of year | 6,648,199 | \$ 67.92 | | 1,075,572 | |
| Granted | 1,902,652 | \$ 66.54 | | 1,101,388 | |
| Exercised | (2,059,872) | \$ 60.34 | | (165,543) | |
| Canceled | (328,182) | \$ 70.44 | | (150,942) | |
| Outstanding at end of period | <u>6,162,797</u> | <u>\$ 69.90</u> | <u>2.9</u> | <u>1,860,475</u> | <u>2.2</u> |
| Exercisable at end of period | 1,422,529 | \$ 73.39 | 0.9 | — | — |
| Weighted-average fair value of grants | | | | | |
| 2018 | \$ 16.24 | | | \$ 66.23 | |
| 2017 | <u>\$ 14.51</u> | | | <u>\$ 65.73</u> | |
| 2016 | <u>\$ 13.74</u> | | | <u>\$ 70.99</u> | |

| Range of SSARs base prices | Awards Outstanding | Weighted average exercise price | Awards exercisable | Weighted average exercise price |
|----------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| \$50.01–\$60.00 | 131,470 | \$ 57.90 | — | \$ — |
| \$60.01–\$70.00 | 4,083,162 | \$ 66.66 | 757,237 | \$ 68.96 |
| \$70.01–\$80.00 | 1,351,997 | \$ 74.78 | 346,316 | \$ 73.81 |
| \$80.01–\$90.00 | 596,168 | \$ 83.60 | 318,976 | \$ 83.47 |
| Total | <u>6,162,797</u> | <u>\$ 69.90</u> | <u>1,422,529</u> | <u>\$ 73.39</u> |

The Company did not grant any cash-settled stock-based awards during 2018. Liability-classified stock-based awards contributed \$(20), \$114 and \$376 to stock-based compensation expense for the years ended December 31, 2018, 2017 and 2016, respectively. As of December 31, 2018, the Company had 24,600 liability-classified stock-based awards outstanding, none of which were vested, and a total stock-based compensation liability balance of \$79.

For the years ended December 31, 2018, 2017, and 2016, the aggregate intrinsic value of stock-based awards exercised was \$31,045, \$34,895 and \$73,944, respectively. At December 31, 2018, the aggregate intrinsic value of stock-based awards outstanding was \$95,822 and the aggregate intrinsic value of stock awards exercisable was zero.

Estimated fair value of stock-based compensation awards

The Company has estimated the grant-date fair value of stock-settled stock appreciation rights awards using the Black-Scholes-Merton valuation model and stock-settled stock unit awards at intrinsic value on the date of grant, except for portions of the Company's performance stock unit awards for which a Monte Carlo simulation was used to estimate the grant-date fair value. The following assumptions were used in estimating these values and determining the related stock-based compensation expense attributable to the current period:

Expected term of the awards: The expected term of awards granted represents the period of time that they are expected to remain outstanding from the date of grant. The Company determines the expected term of its stock awards based on its historical experience with similar awards, considering the Company's historical exercise and post-vesting termination patterns, and the terms expected by peer companies in near industries.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Expected volatility: Expected volatility represents the volatility anticipated over the expected term of the award. The Company determines the expected volatility for its awards based on the volatility of the price of its common stock over the most recent retrospective period commensurate with the expected term of the award, considering the volatility expectations implied by the market price of its exchange-traded options and the volatilities expected by peer companies in near industries.

Expected dividend yield: The Company has not paid dividends on its common stock and does not currently expect to pay dividends during the term of stock awards granted.

Risk-free interest rate: The Company bases the expected risk-free interest rate on the implied yield currently available on stripped interest coupons of U.S. Treasury issues with a remaining term equivalent to the expected term of the award.

A summary of the weighted average valuation inputs described above used for estimating the grant-date fair value of stock-settled stock appreciation rights awards granted in the periods indicated is as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|-------|-------|
| | 2018 | 2017 | 2016 |
| Expected term | 4.2 | 4.2 | 4.2 |
| Expected volatility | 23.8% | 23.9% | 21.0% |
| Expected dividend yield | —% | —% | —% |
| Risk-free interest rate | 2.9% | 1.7% | 1.0% |

The Company estimates expected forfeitures based upon historical experience with separate groups of employees that have exhibited similar forfeiture behavior in the past. Stock-based compensation expense is recorded only for awards that are expected to vest.

Employee stock purchase plan

The Employee Stock Purchase Plan entitles qualifying employees to purchase up to \$25 of the Company's common stock during each calendar year. The amounts used to purchase stock are accumulated through payroll withholdings or through optional lump sum payments made in advance of the first day of the purchase right period. This compensatory plan allows employees to purchase stock for the lesser of 100% of its fair market value on the first day of the purchase right period or 85% of its fair market value on the last day of the purchase right period. Purchase right periods begin on January 1 and July 1, and end on December 31. Contributions used to purchase the Company's common stock under this plan for the 2018, 2017 and 2016 participation periods were \$17,398, \$22,131 and \$23,902, respectively. Shares purchased pursuant to the plan's 2018, 2017 and 2016 participation periods were 397,749, 360,368 and 438,002, respectively. At December 31, 2018, there were 6,726,278 shares remaining available for future grants under this plan.

The fair value of participants' purchase rights was estimated as of the beginning dates of the purchase right periods using the Black-Scholes-Merton valuation model with the following weighted average assumptions for purchase right periods in 2018, 2017 and 2016, respectively: expected volatility of 24%, 23% and 22%; risk-free interest rate of 1.9%, 1.3% and 0.8%, and no dividends. Using these assumptions, the weighted average estimated fair value of these purchase rights was \$17.45, \$15.19 and \$16.73 for 2018, 2017 and 2016, respectively.

Long-term incentive compensation expense and proceeds

For the years ended December 31, 2018, 2017 and 2016, the Company recognized \$85,759, \$61,978 and \$64,956, respectively, in total long-term incentive program (LTIP) expense, of which \$73,582, \$34,431 and \$34,530, respectively, was stock-based compensation expense for stock appreciation rights, stock units and discounted employee stock plan purchases, which are primarily included in general and administrative expenses. The estimated tax benefits recorded for stock-based compensation in 2018, 2017 and 2016 were \$13,591, \$7,717 and \$12,731, respectively. As of December 31, 2018, there was \$99,935 total estimated unrecognized compensation expense for outstanding LTIP awards, including \$88,596 related to stock-based compensation arrangements under the Company's equity compensation and stock purchase plans. The Company expects to recognize the performance-based cash component of this LTIP expense over a weighted average remaining period of 0.8 years and the stock-based component of this LTIP expense over a weighted average remaining period of 1.5 years.

During the year ended December 31, 2018, the Company adopted a retirement policy (Rule of 65 policy). The Rule of 65 policy generally provides that Section 16 executive officers that are a minimum age of 55 with five years of continuous service with the Company receive certain benefits with respect to their outstanding equity awards upon a qualifying retirement if the

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

sum of their age plus years of service is greater than or equal to 65. These benefits generally include accelerated vesting of restricted stock unit awards, continued vesting of stock-settled stock appreciation rights and performance stock unit awards and an exercise window from the original vest date through the original expiration date regardless of continued employment, with pro rata vesting for a Rule of 65 retirement within one year of the award grant date. The adoption of the Rule of 65 policy resulted in a \$14,704 modification charge and a net acceleration of expense of \$9,727 during the year ended December 31, 2018 that is included in the expense amounts reported above.

For the years ended December 31, 2018, 2017 and 2016, the Company received \$7,988, \$13,473 and \$28,397, respectively, in actual tax benefits upon the exercise of stock awards. Since the Company issues stock-settled stock appreciation rights rather than stock options, there have been no cash proceeds from stock option exercises during the years ended December 31, 2018, 2017 and 2016.

Stock repurchases

During the years ended December 31, 2018 and 2017, the Company repurchased a total of 16,844,067 shares and 12,966,672 shares of its common stock for \$1,153,511 and \$810,949, or an average price of \$68.48 and \$62.54 per share, respectively, pursuant to previously announced authorizations by the Board of Directors. Subsequent to December 31, 2018, the Company has not repurchased any shares of its common stock through February 22, 2019.

On July 11, 2018, the Company's Board of Directors approved an additional share repurchase authorization in the amount of \$1,389,999. This share repurchase authorization was in addition to the \$110,001 remaining at that time under the Company's Board of Directors' prior share repurchase authorization approved in October 2017. Accordingly, as of February 22, 2019, the Company has a total of \$1,355,605 available under the current Board repurchase authorizations for additional share repurchases. Although these share repurchase authorizations do not have expiration dates, the Company remains subject to share repurchase limitations under the terms of its senior secured credit facilities and the indentures governing its Senior Notes.

The Company retired all shares held in its treasury effective as of December 31, 2018 and December 31, 2017.

Charter documents & Delaware law

The Company's charter documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in management, or limit the ability of stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting stockholders from acting by written consent, requiring 90 days advance notice of stockholder proposals or nominations to the Board of Directors and granting the Board of Directors the authority to issue up to 5,000,000 shares of preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

The Company is also subject to Section 203 of the Delaware General Corporation Law which, subject to exceptions, would prohibit the Company from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder. These restrictions may discourage, delay or prevent a change in the control of the Company.

Changes in DaVita Inc.'s ownership interest in consolidated subsidiaries

The effects of changes in DaVita Inc.'s ownership interest in consolidated subsidiaries on the Company's consolidated equity are as follows:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2018 | 2017 | 2016 |
| Net income attributable to DaVita Inc. | \$ 159,394 | \$ 663,618 | \$ 879,874 |
| Changes in paid-in-capital for: | | | |
| Sales of noncontrolling interest | 79 | (114) | — |
| Purchase of noncontrolling interests | (17,897) | (2,752) | (13,105) |
| Net transfer in noncontrolling interests | (17,818) | (2,866) | (13,105) |
| Net income attributable to DaVita Inc. net of transfers in noncontrolling interests | <u>\$ 141,576</u> | <u>\$ 660,752</u> | <u>\$ 866,769</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The Company acquired additional ownership interests in several existing majority-owned joint ventures for \$28,082, \$5,357, and \$21,512 in 2018, 2017, and 2016, respectively.

20. Accumulated other comprehensive (loss) income

Charges and credits to other comprehensive (loss) income have been as follows:

| | Interest rate cap and swap agreements | Investment securities | Foreign currency translation adjustments | Accumulated other comprehensive (loss) income |
|--|---|--------------------------|---|--|
| Balance at January 1, 2016 | \$ (10,925) | \$ 1,361 | \$ (50,262) | \$ (59,826) |
| Unrealized (losses) gains | (6,013) | 1,802 | (39,614) | (43,825) |
| Related income tax | 2,343 | (565) | — | 1,778 |
| | (3,670) | 1,237 | (39,614) | (42,047) |
| Reclassification of income (loss) into net income | 4,198 | (690) | 10,087 | 13,595 |
| Related income tax | (1,632) | 267 | — | (1,365) |
| | 2,566 | (423) | 10,087 | 12,230 |
| Balance at December 31, 2016 | \$ (12,029) | \$ 2,175 | \$ (79,789) | \$ (89,643) |
| Unrealized (losses) gains | (8,897) | 5,075 | 99,770 | 95,948 |
| Related income tax | 3,460 | (1,368) | — | 2,092 |
| | (5,437) | 3,707 | 99,770 | 98,040 |
| Reclassification of income (loss) into net income | 8,278 | (360) | — | 7,918 |
| Related income tax | (3,220) | 140 | — | (3,080) |
| | 5,058 | (220) | — | 4,838 |
| Balance at December 31, 2017 | \$ (12,408) | \$ 5,662 | \$ 19,981 | \$ 13,235 |
| Cumulative effect of change in accounting principle ⁽¹⁾ | (2,706) | (5,662) | — | (8,368) |
| Unrealized losses | (181) | — | (45,944) | (46,125) |
| Related income tax | 48 | — | — | 48 |
| | (133) | — | (45,944) | (46,077) |
| Reclassification of income into net income | 8,466 | — | — | 8,466 |
| Related income tax | (2,180) | — | — | (2,180) |
| | 6,286 | — | — | 6,286 |
| Balance at December 31, 2018 | \$ (8,961) | \$ — | \$ (25,963) | \$ (34,924) |

(1) Reflects the cumulative effect of a change in accounting principle for ASUs 2016-01 and 2018-03 on classification and measurement of financial instruments and ASU 2018-02 on remeasurement and reclassification of deferred tax effects in accumulated other comprehensive income associated with the 2017 Tax Act. See Note 5 for further details.

The reclassification of net cap and swap realized losses into income are recorded as debt expense in the corresponding consolidated statements of income. See Note 14 to these consolidated financial statements for further details.

Prior to January 1, 2018, unrealized gains and losses on available-for-sale equity securities were recorded to accumulated other comprehensive income and reclassified to other income when realized. From January 1, 2018, unrealized gains and losses on investment securities are recorded directly to other income rather than to accumulated other comprehensive income.

21. Acquisitions and divestitures

Routine acquisitions

During 2018, the Company acquired 18 dialysis centers in the U.S. and 28 dialysis centers outside the U.S. for a total of \$176,161 in net cash paid, earn-outs of \$1,246, and deferred purchase price and liabilities assumed of \$34,394. In one of these transactions we acquired a controlling interest in a previously nonconsolidated U.S. dialysis partnership for which we

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

recognized a non-cash gain of \$28,152 on our prior interest upon consolidation. During 2017, the Company acquired 30 dialysis centers in the U.S. and 68 dialysis centers outside the U.S. for a total of \$308,550 in net cash, earn-outs of \$2,692, and deferred purchase price of \$23,748. During 2016, the Company acquired eight dialysis centers in the U.S. and 21 dialysis centers outside the U.S. for a total of \$165,108 in net cash, earn-outs of \$1,511 and deferred purchase price of \$17,963. The assets and liabilities for all acquisitions were recorded at their estimated fair values at the dates of the acquisitions and are included in the Company's financial statements and operating results from the effective dates of the acquisitions. For several of the 2018 acquisitions, certain income tax amounts are pending final evaluation and quantification of any pre-acquisition tax contingencies. In addition, valuation of intangibles and certain other working capital items relating to several of these acquisitions are pending final quantification.

The following table summarizes the assets acquired and liabilities assumed in these transactions and recognized at their acquisition dates at estimated fair values, as well as the estimated fair value of noncontrolling interests assumed in these transactions:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2018 | 2017 | 2016 |
| Current assets | \$ 23,686 | \$ 14,366 | \$ 3,996 |
| Property and equipment | 11,421 | 18,192 | 8,840 |
| Amortizable intangible and other long-term assets | 3,079 | 11,663 | 5,876 |
| Non-amortizable intangibles | 23,656 | 32,296 | — |
| Goodwill | 278,348 | 318,832 | 198,927 |
| Deferred income taxes | — | (210) | 597 |
| Noncontrolling interests assumed | (80,291) | (44,303) | (30,337) |
| Liabilities assumed | (19,946) | (15,846) | (3,317) |
| Aggregate purchase cost | <u>\$ 239,953</u> | <u>\$ 334,990</u> | <u>\$ 184,582</u> |

Amortizable intangible assets acquired, primarily related to non-compete agreements, during 2018, 2017 and 2016 had weighted-average estimated useful lives of six years, seven years and seven years, respectively. The total amount of goodwill deductible for tax purposes associated with these acquisitions for 2018, 2017, and 2016 was approximately \$165,013, \$237,363 and \$169,379, respectively.

Acquisition of Renal Ventures

On May 1, 2017, the Company completed its acquisition of 100% of the equity of Colorado-based Renal Ventures Management, LLC (Renal Ventures) for approximately \$359,913 in net cash. Renal Ventures operated 36 dialysis centers, one uncertified dialysis center and one home program, that provided services to approximately 2,600 patients in six states. As a part of this transaction, the Company was required to divest three Renal Ventures outpatient dialysis centers, and three outpatient dialysis centers and one uncertified dialysis center of the Company, for approximately \$21,219 in net cash. The Company also incurred approximately \$11,950 in transaction and integration costs during the year ended December 31, 2017 associated with this acquisition that are included in general and administrative expenses.

The purchase price allocation for the Renal Ventures acquisition was finalized in 2018 with no material change to the initial allocation.

The following table summarizes the assets acquired and liabilities assumed in this transaction and recognized at the acquisition date at estimated fair values:

| | |
|---|-------------------|
| Current assets, net of cash acquired | \$ 22,739 |
| Property and equipment | 36,295 |
| Amortizable intangible and other long-term assets | 11,547 |
| Goodwill | 298,200 |
| Current liabilities | (8,389) |
| Long-term liabilities | (479) |
| | <u>\$ 359,913</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Amortizable intangible assets acquired, primarily related to non-compete agreements, had weighted-average estimated useful lives of five years. The total estimated amount of goodwill deductible for tax purposes associated with this acquisition was approximately \$298,200.

Change in ownership interests in Asia Pacific joint venture

Upon formation of the APAC JV on August 1, 2016, the Company deconsolidated this Asia Pacific dialysis business based on the governance structure and voting rights put in place at that time and recognized an initial non-cash non-taxable estimated gain of \$374,374 on its retained investment, net of contingent obligations. See further discussion of this joint venture in Note 10.

Pro forma financial information (unaudited)

The following summary, prepared on a pro forma basis, combines the results of operations as if all acquisitions within continuing operations in 2018 and 2017 had been consummated as of the beginning of 2017, including the impact of certain adjustments such as amortization of intangibles, interest expense on acquisition financing and income tax effects.

| | Year ended December 31, | |
|---|-------------------------|---------------|
| | 2018 | 2017 |
| | (unaudited) | |
| Pro forma net revenues | \$ 11,508,555 | \$ 11,176,736 |
| Pro forma net income from continuing operations attributable to DaVita Inc. | \$ 634,326 | \$ 922,718 |
| Pro forma basic net income per share from continuing operations attributable to DaVita Inc. | \$ 3.71 | \$ 4.89 |
| Pro forma diluted net income per share from continuing operations attributable to DaVita Inc. | \$ 3.68 | \$ 4.82 |

Contingent earn-out obligations

The Company has several contingent earn-out obligations associated with acquisitions that could result in the Company paying the former shareholders of acquired companies a total of up to approximately \$11,210 if certain EBITDA, operating income performance targets or quality margins are met over the next one year to five years.

Contingent earn-out obligations are remeasured to fair value at each reporting date until the contingencies are resolved with changes in the liability due to the remeasurement recognized in earnings. See Note 24 to these consolidated financial statements for further details. As of December 31, 2018, the Company estimated the fair value of these contingent earn-out obligations to be \$2,608, of which a total of \$431 is included in other liabilities, and the remaining \$2,177 is included in other long-term liabilities in the Company's consolidated balance sheet.

The following is a reconciliation of changes in contingent earn-out obligations for the year ended December 31, 2018:

| | |
|--|----------|
| Beginning balance December 31, 2017 | \$ 6,388 |
| Contingent earn-out obligations associated with acquisitions | 1,246 |
| Remeasurement of fair value | (4,729) |
| Payments of contingent earn-out obligations | (297) |
| Ending balance December 31, 2018 | \$ 2,608 |

22. Held for sale and discontinued operations

DaVita Medical Group (DMG)

In December 2017, the Company entered into an equity purchase agreement to sell its DMG division to Optum, a subsidiary of UnitedHealth Group Inc., subject to receipt of required regulatory approvals and other customary closing conditions. On December 11, 2018, the Company entered into an amendment to the equity purchase agreement, which, among other things, reduced the purchase price for DMG from \$4,900,000 to \$4,340,000. The current deadline to close the transaction under the equity purchase agreement is June 30, 2019, and the transaction is expected to close prior to that date. As a result of

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

this pending transaction, the DMG business has been classified as held for sale and its results of operations are reported as discontinued operations for all periods presented in these consolidated financial statements.

During 2018, the Company recorded \$468,005 in charges on its DMG business which included a \$316,840 valuation adjustment, a \$41,537 goodwill impairment charge and \$109,628 in related tax expense on this held-for-sale business based on updated assessments of fair value.

The following table presents the financial results of discontinued operations related to DMG:

| | Year ended December 31, | | |
|---|-------------------------|--------------|--------------|
| | 2018 | 2017 | 2016 |
| Net revenues | \$ 4,963,792 | \$ 4,676,213 | \$ 4,113,414 |
| Expenses | 4,962,686 | 4,634,782 | 3,994,624 |
| Goodwill and other asset impairment charges | 41,537 | 651,659 | 253,000 |
| Valuation adjustment on disposal group | 316,840 | — | — |
| Loss from discontinued operations before taxes | (357,271) | (610,228) | (134,210) |
| Income tax expense (benefit) | 99,768 | (364,856) | 24,052 |
| Net loss from discontinued operations, net of tax | \$ (457,038) | \$ (245,372) | \$ (158,262) |

The following table presents the financial position of discontinued operations related to DMG:

| | December 31, 2018 | December 31, 2017 |
|---|-------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | \$ 414,683 | \$ 179,668 |
| Other current assets | 557,403 | 826,608 |
| Property and equipment, net | 458,040 | 379,945 |
| Intangible assets, net | 1,316,974 | 1,316,550 |
| Other long-term assets | 112,127 | 178,894 |
| Goodwill | 2,847,178 | 2,879,977 |
| Valuation allowance on disposal group | (316,840) | — |
| Total current assets held for sale | \$ 5,389,565 | \$ 5,761,642 |
| Liabilities | | |
| Other liabilities | \$ 479,134 | \$ 505,734 |
| Medical payables | 436,839 | 457,040 |
| Current portion of long-term debt | 3,122 | 2,845 |
| Long-term debt | 33,425 | 35,003 |
| Other long-term liabilities | 291,239 | 184,448 |
| Total current liabilities held for sale | \$ 1,243,759 | \$ 1,185,070 |

The following table presents cash flows of discontinued operations related to DMG:

| | Year ended December 31, | | |
|--|-------------------------|--------------|--------------|
| | 2018 | 2017 | 2016 |
| Net cash provided by operating activities from discontinued operations | \$ 290,684 | \$ 357,274 | \$ 287,044 |
| Net cash used in investing activities from discontinued operations | \$ (57,382) | \$ (232,329) | \$ (430,917) |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

DMG acquisitions

During 2018, the Company's DMG business acquired other medical businesses for a total of \$6,995 in net cash and deferred purchase price of \$1,142. During 2017, the Company's DMG business acquired other medical businesses for a total of \$135,416 in net cash, deferred purchase price of \$1,038, and liabilities assumed of \$10,145. During 2016, the Company's DMG business acquired other medical businesses for a total of \$398,748 in net cash and deferred purchase price and liabilities assumed of \$7,694. For several of the 2018 acquisitions, certain income tax amounts are pending final evaluation and quantification of any pre-acquisition tax contingencies. In addition, valuation of medical claims liabilities and certain other working capital items relating to several of these acquisitions are pending final quantification. The assets and liabilities for all acquisitions were recorded at their estimated fair values at the dates of the acquisitions and are included in the Company's current held for sale assets and liabilities.

Sale of Tandigm Health investment

In 2018, DMG sold its 19% ownership interest in the Tandigm Health joint venture and a related supporting business for a gain of \$25,096 and associated taxes of \$6,460, resulting in a net of tax gain of \$18,636.

Goodwill impairment charges

The Company recorded goodwill and other asset impairment charges for the DMG business as presented above. As a result of the December 2018 amendment to the equity purchase agreement, discussed above, the Company recorded a goodwill impairment charge in 2018. Goodwill impairment charges for 2017 and 2016 resulted from continuing developments in the Company's DMG business, including recent annual updates to Medicare Advantage benchmark reimbursement rates, changes in expectations concerning future government reimbursement rates and the Company's expected ability to mitigate them, medical cost and utilization trends, commercial pricing pressures, underperformance of certain DMG business units and other market factors.

23. Variable interest entities

The Company relies on the operating activities of certain entities that it does not directly own or control, but over which it has indirect influence and of which it is considered the primary beneficiary. These entities are subject to the consolidation guidance applicable to variable interest entities (VIEs).

Under U.S. GAAP, VIEs typically include entities for which (i) the entity's equity is not sufficient to finance its activities without additional subordinated financial support; (ii) the equity holders as a group lack the power to direct the activities that most significantly influence the entity's economic performance, the obligation to absorb the entity's expected losses, or the right to receive the entity's expected returns; or (iii) the voting rights of some investors are not proportional to their obligations to absorb the entity's losses.

The Company has determined that substantially all of the legal entities it is associated with that qualify as VIEs must be included in its consolidated financial statements. A number of these VIEs are within the Company's DMG business, which has been reclassified as held for sale and as a discontinued operation in these financial statements. The Company manages these entities and provides operating and capital funding as necessary for the entities to accomplish their operational and strategic objectives. A number of these entities are subject to nominee share ownership or share transfer restriction agreements that effectively transfer the majority of the economic risks and rewards of their ownership to the Company. In other cases, the Company's management agreements with these entities include both financial terms and protective and participating rights to the entities' operating, strategic and non-clinical governance decisions which transfer substantial powers over and economic responsibility for the entities to the Company. In some cases, such entities are subject to broad exclusivity or noncompetition restrictions that benefit the Company. Further, in some cases, the Company has contractual arrangements with its related party nominee owners that effectively indemnify these parties from the economic losses from, or entitle the Company to the economic benefits of, these entities.

At December 31, 2018, these consolidated financial statements include total assets of VIEs of \$917,922 and total liabilities and noncontrolling interests of VIEs to third parties of \$507,445, including assets of \$658,684 and liabilities and noncontrolling interests of \$355,196 related to the Company's DMG business which is classified as held for sale.

The Company also sponsors certain deferred compensation plans whose trusts qualify as VIEs and the Company consolidates these plans as their primary beneficiary. The assets of these plans are recorded in short-term or long-term investments with related liabilities recorded in accrued compensation and benefits and other long-term liabilities. See Note 16

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

to these consolidated financial statements for disclosures on the assets of these consolidated non-qualified deferred compensation plans.

24. Fair values of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are determined based on the principal or most advantageous market for the item being measured, assume that buyers and sellers are independent, willing and able to transact, and knowledgeable, with access to all information customarily available in such a transaction, and are based on assumptions that market participants would use in pricing the item, not assumptions specific to the reporting entity.

The Company measures the fair value of certain assets, liabilities and noncontrolling interests subject to put provisions (temporary equity) based upon certain valuation techniques that include observable or unobservable inputs and assumptions that market participants would use in pricing these assets, liabilities, temporary equity and commitments. The Company has also classified certain assets, liabilities and temporary equity that are measured at fair value into the appropriate fair value hierarchy levels as defined by the FASB.

The following table summarizes the Company's assets, liabilities and temporary equity measured at fair value on a recurring basis as of December 31, 2018 and 2017:

| | Total | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|--|--------------|---|---|--|
| December 31, 2018 | | | | |
| Assets | | | | |
| Investments in equity securities | \$ 36,124 | \$ 36,124 | \$ — | \$ — |
| Interest rate cap agreements | \$ 851 | \$ — | \$ 851 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 2,608 | \$ — | \$ — | \$ 2,608 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,124,641 | \$ — | \$ — | \$ 1,124,641 |
| December 31, 2017 | | | | |
| Assets | | | | |
| Investments in equity securities | \$ 38,895 | \$ 38,895 | \$ — | \$ — |
| Interest rate cap agreements | \$ 1,032 | \$ — | \$ 1,032 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 6,388 | \$ — | \$ — | \$ 6,388 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,011,360 | \$ — | \$ — | \$ 1,011,360 |

Investments in equity securities represent investments in various open-ended registered investment companies (mutual funds) and common stock and are recorded at fair value estimated based on reported market prices or redemption prices, as applicable. See Note 5 to these consolidated financial statements for further discussion.

Interest rate cap agreements are recorded at fair value estimated from valuation models utilizing the income approach and commonly accepted valuation techniques that use inputs from closing prices for similar assets and liabilities in active markets as well as other relevant observable market inputs at quoted intervals such as current interest rates, forward yield curves, implied volatility and credit default swap pricing. The Company does not believe the ultimate amount that could be realized upon settlement of these interest rate cap agreements would be materially different from the fair value estimates currently reported. See Note 14 to these consolidated financial statements for further discussion.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The estimated fair value measurements of contingent earn-out obligations are primarily based on unobservable inputs, including projected EBITDA. The estimated fair value of these contingent earn-out obligations is remeasured as of each reporting date and could fluctuate based upon any significant changes in key assumptions, such as changes in the Company credit risk adjusted rate that is used to discount obligations to present value. See Note 21 to these consolidated financial statements for further discussion.

See Note 18 to these consolidated financial statements for a discussion of the Company's methodology for estimating the fair values of noncontrolling interests subject to put obligations.

Other financial instruments consist primarily of cash, accounts receivable, accounts payable, other accrued liabilities and debt. The balances of non-debt financial instruments are presented in the consolidated financial statements at December 31, 2018 and 2017 at their approximate fair values due to the short-term nature of their settlements. The carrying amount of the Company's senior secured credit facilities totaled \$5,168,815, including a discount of \$6,104 and deferred financing costs of \$12,580, as of December 31, 2018, and the fair value was approximately \$5,194,163 based upon quoted market prices. The carrying amount of the Company's Senior Notes was approximately \$4,466,685, including deferred financing costs of \$33,316, at December 31, 2018 and the fair value was approximately \$4,241,250 at December 31, 2018 based upon quoted market prices. The fair value of all other debt approximates its carrying value.

25. Segment reporting

The Company consists of two major divisions, DaVita Kidney Care (Kidney Care) and DaVita Medical Group (DMG). The Kidney Care division is comprised of the Company's U.S. dialysis and related lab services business, various ancillary services and strategic initiatives, including its international operations, and the Company's corporate administrative support. See Note 1 "*Organization*" for a summary description of the Company's businesses.

The Company's operating segments have been defined based on the separate financial information that is regularly produced and reviewed by the Company's chief operating decision maker in making decisions about allocating resources to and assessing the financial performance of the Company's various operating lines of business. The chief operating decision maker for the Company is its Chief Executive Officer.

The Company's separate operating segments include its U.S. dialysis and related lab services business, each of its ancillary services and strategic initiatives, its kidney care operations in each foreign sovereign jurisdiction, its other health operations in each foreign sovereign jurisdiction, and its equity method investment in the Asia Pacific joint venture. The U.S. dialysis and related lab services business qualifies as a separately reportable segment, and all other ancillary services and strategic initiatives operating segments, including the international operating segments, have been combined and disclosed in the other segments category.

The Company's operating segment financial information included in this report is prepared on the internal management reporting basis that the chief operating decision maker uses to allocate resources and assess the financial performance of the Company's operating segments. For internal management reporting, segment operations include direct segment operating expenses but generally exclude corporate administrative support costs, which consist primarily of indirect labor, benefits and long-term incentive-based compensation expenses of certain departments which provide support to all of the Company's various operating lines of business, except to the extent that such costs are charged to and borne by certain ancillary services and strategic initiatives via internal management fees. These corporate administrative support costs are reduced by internal management fees received from the Company's ancillary lines of business.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

The following is a summary of segment revenues, segment operating margin (loss), and a reconciliation of segment operating margin to consolidated income from continuing operations before income taxes:

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2018 | 2017 | 2016 |
| Segment revenues:⁽¹⁾ | | | |
| U.S. dialysis and related lab services | | | |
| Patient service revenues: | | | |
| External sources | \$ 10,274,046 | \$ 9,767,123 | \$ 9,524,067 |
| Intersegment revenues | 92,950 | 55,176 | 27,355 |
| Total U.S. dialysis and related lab services revenues | 10,366,996 | 9,822,299 | 9,551,422 |
| Provision for uncollectible accounts | (50,927) | (481,973) | (429,878) |
| Net U.S. dialysis and related lab services patient service revenues | 10,316,069 | 9,340,326 | 9,121,544 |
| Other revenues ⁽²⁾ | 19,880 | 19,739 | 16,645 |
| Total net U.S. dialysis and related lab services revenues | 10,335,949 | 9,360,065 | 9,138,189 |
| Other - Ancillary services and strategic initiatives | | | |
| Net patient service revenues | 437,275 | 323,156 | 201,867 |
| Other external sources | 724,577 | 1,248,589 | 1,394,766 |
| Intersegment revenues | 34,236 | 24,603 | 24,739 |
| Total ancillary services and strategic initiatives revenues | 1,196,088 | 1,596,348 | 1,621,372 |
| Total net segment revenues | 11,532,037 | 10,956,413 | 10,759,561 |
| Elimination of intersegment revenues | (127,186) | (79,779) | (52,094) |
| Consolidated net revenues | \$ 11,404,851 | \$ 10,876,634 | \$ 10,707,467 |
| Segment operating margin (loss): | | | |
| U.S. dialysis and related lab services | \$ 1,709,721 | \$ 2,297,198 | \$ 1,777,014 |
| Other—Ancillary services and strategic initiatives | (93,789) | (439,477) | 266,324 |
| Total segment margin | 1,615,932 | 1,857,721 | 2,043,338 |
| Reconciliation of segment operating margin to consolidated income from continuing operations before income taxes: | | | |
| Corporate administrative support | (90,108) | (44,966) | (13,628) |
| Consolidated operating income | 1,525,824 | 1,812,755 | 2,029,710 |
| Debt expense | (487,435) | (430,634) | (414,116) |
| Other income | 10,089 | 17,665 | 7,511 |
| Income from continuing operations before income taxes | \$ 1,048,478 | \$ 1,399,786 | \$ 1,623,105 |

(1) On January 1, 2018, the Company adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results related to performance obligations satisfied beginning on and after January 1, 2018 are presented under Topic 606, while results related to the satisfaction of performance obligations in prior periods continue to be reported in accordance with the Company's historical accounting under *Revenue Recognition* (Topic 605). See Notes 1 and 2 of these consolidated financial statements for further discussion of the Company's adoption of Topic 606.

(2) Includes management fee revenues from providing management and administrative services to dialysis ventures in which the Company owns a noncontrolling interest or which are wholly-owned by third parties.

Depreciation and amortization expense by reportable segment is as follows:

| | Year ended December 31, | | |
|--|-------------------------|------------|------------|
| | 2018 | 2017 | 2016 |
| U.S. dialysis and related lab services | \$ 558,810 | \$ 520,965 | \$ 482,768 |
| Other - Ancillary services and strategic initiatives | 32,225 | 38,946 | 26,729 |
| | \$ 591,035 | \$ 559,911 | \$ 509,497 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Summary of assets by reportable segment is as follows:

| | Year ended December 31, | |
|---|-------------------------|----------------------|
| | 2018 | 2017 |
| Segment assets | | |
| U.S. dialysis and related lab services (including equity investments of \$95,290 and \$84,866, respectively) | \$ 12,333,641 | \$ 11,802,131 |
| Other - Ancillary services and strategic initiatives ⁽¹⁾ (including equity investments of \$129,321 and \$160,668, respectively) | 1,387,046 | 1,410,763 |
| DMG - Held for sale (including equity investments of \$4,833 and \$10,321, respectively) | 5,389,565 | 5,761,642 |
| Consolidated assets | \$ 19,110,252 | \$ 18,974,536 |

(1) Includes approximately \$136,052 and \$125,932 in 2018 and 2017, respectively, of net property and equipment related to the Company's international operations.

Expenditures for property and equipment by reportable segment is as follows:

| | Year ended December 31, | | |
|--|-------------------------|-------------------|-------------------|
| | 2018 | 2017 | 2016 |
| U.S. dialysis and related lab services | \$ 856,108 | \$ 769,732 | \$ 675,994 |
| Other - Ancillary services and strategic initiatives | 45,806 | 40,377 | 68,702 |
| DMG - Held for sale | 85,224 | 95,141 | 84,399 |
| | \$ 987,138 | \$ 905,250 | \$ 829,095 |

26. Supplemental cash flow information

The table below provides supplemental cash flow information:

| | Year ended December 31, | | |
|---|-------------------------|------------|------------|
| | 2018 | 2017 | 2016 |
| Cash paid: | | | |
| Income taxes | \$ 92,526 | \$ 387,159 | \$ 339,411 |
| Interest | \$ 488,974 | \$ 424,547 | \$ 406,987 |
| Non-cash investing and financing activities: | | | |
| Fixed assets under capital lease obligations | \$ 8,828 | \$ 48,378 | \$ 28,127 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

27. Selected quarterly financial data (unaudited)

| 2018 | December 31 | September 30 | June 30 | March 31 |
|---|--------------------|---------------------|----------------|-----------------|
| Total revenues | \$ 2,821,124 | \$ 2,847,330 | \$ 2,886,953 | \$ 2,849,444 |
| Operating income | \$ 387,908 | \$ 289,038 | \$ 438,192 | \$ 410,686 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 160,332 | \$ 73,371 | \$ 199,603 | \$ 191,015 |
| Net (loss) income from discontinued operations ⁽²⁾ | \$ (310,104) | \$ (210,167) | \$ 67,673 | \$ (12,329) |
| Net (loss) income | \$ (149,772) | \$ (136,796) | \$ 267,276 | \$ 178,686 |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 0.97 | \$ 0.44 | \$ 1.16 | \$ 1.07 |
| Basic net (loss) income from discontinued operations | \$ (1.87) | \$ (1.26) | \$ 0.40 | \$ (0.07) |
| Basic net (loss) income | \$ (0.90) | \$ (0.82) | \$ 1.56 | \$ 1.00 |
| Diluted net income from continuing operations | \$ 0.96 | \$ 0.44 | \$ 1.15 | \$ 1.05 |
| Diluted net (loss) income from discontinued operations | \$ (1.86) | \$ (1.26) | \$ 0.38 | \$ (0.07) |
| Diluted net (loss) income | \$ (0.90) | \$ (0.82) | \$ 1.53 | \$ 0.98 |
| 2017 | | | | |
| Total revenues | \$ 2,780,913 | \$ 2,765,071 | \$ 2,699,399 | \$ 2,631,251 |
| Operating income | \$ 150,337 | \$ 395,294 | \$ 391,196 | \$ 875,928 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 156,210 | \$ 152,870 | \$ 151,292 | \$ 440,905 |
| Net income (loss) from discontinued operations ⁽²⁾ | \$ 147,186 | \$ (367,346) | \$ (24,291) | \$ 6,792 |
| Net income (loss) | \$ 303,396 | \$ (214,476) | \$ 127,001 | \$ 447,697 |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 0.86 | \$ 0.81 | \$ 0.79 | \$ 2.29 |
| Basic net income (loss) from discontinued operations | \$ 0.80 | \$ (1.95) | \$ (0.13) | \$ 0.04 |
| Basic net income (loss) | \$ 1.66 | \$ (1.14) | \$ 0.66 | \$ 2.33 |
| Diluted net income from continuing operations | \$ 0.85 | \$ 0.80 | \$ 0.78 | \$ 2.26 |
| Diluted net income (loss) from discontinued operations | \$ 0.79 | \$ (1.92) | \$ (0.13) | \$ 0.03 |
| Diluted net income (loss) | \$ 1.64 | \$ (1.12) | \$ 0.65 | \$ 2.29 |

- (1) Included in the fourth quarter of 2018 is a net gain on changes in ownership interests of \$28,152; an equity investment loss of \$8,715 due to the sale of the APAC JV's India business; and an equity investment loss of \$1,530 due to impairments at the APAC JV. The third quarter of 2018 includes restructuring charges of \$11,366 and other asset impairment charges of \$6,093 related to the Company's pharmacy business; an equity investment loss of \$5,995 due to impairments at the APAC JV; an adjustment to the gain on changes in ownership interests on the sale of the Company's direct primary care business of \$1,506; and \$23,470 in additional stock-based compensation expense related to modification charges and net acceleration of expense. The second quarter of 2018 includes asset impairment charges of \$11,245 related to the pharmacy business; a net gain on changes in ownership interests of \$35,205 on the Company's direct primary care business; a loss of \$1,248 related to the unwinding of a business internationally; and a goodwill impairment charge of \$3,106 at the Company's German other health operations. Included in the fourth quarter of 2017 was an impairment of \$280,066 on the Company's investment in the APAC JV. The third quarter of 2017 included an equity investment loss of \$6,293 for goodwill impairments at the APAC JV and restructuring charges in the Company's international business of \$2,700. The second quarter of 2017 included goodwill impairment charges of \$10,498 related to the vascular access reporting unit. The first quarter of 2017 included a net gain on settlement of \$529,504; goodwill impairment charges of \$24,198 related to the vascular access reporting unit; an asset impairment of \$15,168 related to the restructuring of the pharmacy business; and a gain adjustment on the 2016 ownership change of the APAC JV of \$6,273.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

(2) Included in discontinued operations in the fourth quarter of 2018 is a \$218,639 disposal group valuation adjustment, a \$41,537 goodwill impairment charge and \$8,318 in related tax benefit. The third quarter of 2018 includes a \$216,147 charge on the Company's DMG business which included a \$98,201 disposal group valuation adjustment and \$117,946 in related tax expense on this held-for-sale business. The second quarter of 2018 includes a gain on the sale of the Company's Tandigm investment of \$25,096. The fourth quarter of 2017 includes a net tax benefit of \$163,555 due to a remeasurement of deferred taxes resulting from DMG's reclassification to held for sale. The third quarter of 2017 includes goodwill impairment charges of \$601,040 related to certain DMG reporting units; a non-cash gain associated with the Company's Magan acquisition of \$17,129; restructuring charges of \$9,569; and a reduction in estimated accruals for legal matters of \$11,100. The second quarter of 2017 includes goodwill impairment charges of \$50,619 related to certain DMG reporting units and a reduction in estimated accruals for legal matters of \$3,600.

28. Consolidating financial statements

The following information is presented in accordance with Rule 3-10 of Regulation S-X. The operating and investing activities of the separate legal entities included in the Company's consolidated financial statements are fully interdependent and integrated. Revenues and operating expenses of the separate legal entities include intercompany charges for management and other services. The Company's Senior Notes are guaranteed by substantially all of its domestic subsidiaries. Each of the guarantor subsidiaries has guaranteed the Senior Notes on a joint and several basis. However, the guarantor subsidiaries can be released from their obligations in the event of a sale or other disposition of all or substantially all of the assets of such subsidiary, including by merger or consolidation or the sale of all equity interests in such subsidiary owned by the Company, if such subsidiary guarantor is designated as an unrestricted subsidiary or otherwise ceases to be a restricted subsidiary, and if such subsidiary guarantor no longer guarantees any other indebtedness of the Company. Certain domestic subsidiaries, foreign subsidiaries, joint ventures, partnerships and third parties are not guarantors of the Senior Notes.

Consolidating Statements of Income

| For twelve months ended December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Dialysis and related lab patient service revenues | \$ — | \$ 7,263,195 | \$ 3,657,456 | \$ (210,670) | \$ 10,709,981 |
| Less: Provision for uncollectible accounts | — | (36,377) | (13,210) | — | (49,587) |
| Net dialysis and related lab patient service revenues | — | 7,226,818 | 3,644,246 | (210,670) | 10,660,394 |
| Other revenues | 799,230 | 714,489 | 189,927 | (959,189) | 744,457 |
| Total net revenues | 799,230 | 7,941,307 | 3,834,173 | (1,169,859) | 11,404,851 |
| Operating expenses and charges | 646,640 | 7,100,415 | 3,301,831 | (1,169,859) | 9,879,027 |
| Operating income | 152,590 | 840,892 | 532,342 | — | 1,525,824 |
| Debt expense | (491,749) | (208,484) | (36,427) | 249,225 | (487,435) |
| Other income, net | 418,839 | 10,367 | 22,195 | (441,312) | 10,089 |
| Income tax expense | 23,482 | 187,691 | 47,227 | — | 258,400 |
| Equity earnings in subsidiaries | 103,196 | 344,025 | — | (447,221) | — |
| Net income from continuing operations | 159,394 | 799,109 | 470,883 | (639,308) | 790,078 |
| Net (loss) income from discontinued operations, net of tax | — | (695,913) | 46,788 | 192,087 | (457,038) |
| Net income | 159,394 | 103,196 | 517,671 | (447,221) | 333,040 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (173,646) | (173,646) |
| Net income attributable to DaVita Inc. | \$ 159,394 | \$ 103,196 | \$ 517,671 | \$ (620,867) | \$ 159,394 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Statements of Income - (continued)

| For twelve months ended December 31, 2017 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Dialysis and related lab patient service revenues | \$ — | \$ 6,884,750 | \$ 3,393,026 | \$ (184,106) | \$ 10,093,670 |
| Less: Provision for uncollectible accounts | — | (340,552) | (151,982) | 7,170 | (485,364) |
| Net dialysis and related lab patient service revenues | — | 6,544,198 | 3,241,044 | (176,936) | 9,608,306 |
| Other revenues | 793,751 | 1,204,467 | 68,322 | (798,212) | 1,268,328 |
| Total net revenues | 793,751 | 7,748,665 | 3,309,366 | (975,148) | 10,876,634 |
| Operating expenses and charges | 527,942 | 6,475,550 | 3,035,535 | (975,148) | 9,063,879 |
| Operating income | 265,809 | 1,273,115 | 273,831 | — | 1,812,755 |
| Debt expense | (426,149) | (209,612) | (34,831) | 239,958 | (430,634) |
| Other income, net | 411,731 | 11,169 | 18,467 | (423,702) | 17,665 |
| Income tax expense | 65,965 | 237,670 | 20,224 | — | 323,859 |
| Equity earnings in subsidiaries | 478,192 | 74,375 | — | (552,567) | — |
| Net income from continuing operations | 663,618 | 911,377 | 237,243 | (736,311) | 1,075,927 |
| Net (loss) income from discontinued operations, net of tax | — | (433,185) | 4,069 | 183,744 | (245,372) |
| Net income | 663,618 | 478,192 | 241,312 | (552,567) | 830,555 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (166,937) | (166,937) |
| Net income attributable to DaVita Inc. | <u>\$ 663,618</u> | <u>\$ 478,192</u> | <u>\$ 241,312</u> | <u>\$ (719,504)</u> | <u>\$ 663,618</u> |

| For twelve months ended December 31, 2016 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Dialysis and related lab patient service revenues | \$ — | \$ 6,665,601 | \$ 3,215,085 | \$ (153,326) | \$ 9,727,360 |
| Less: Provision for uncollectible accounts | — | (272,426) | (158,878) | — | (431,304) |
| Net dialysis and related lab patient service revenues | — | 6,393,175 | 3,056,207 | (153,326) | 9,296,056 |
| Other revenues | 767,791 | 1,378,952 | 30,184 | (765,516) | 1,411,411 |
| Total net revenues | 767,791 | 7,772,127 | 3,086,391 | (918,842) | 10,707,467 |
| Operating expenses and charges | 493,175 | 6,907,469 | 2,195,955 | (918,842) | 8,677,757 |
| Operating income | 274,616 | 864,658 | 890,436 | — | 2,029,710 |
| Debt expense | (407,925) | (191,083) | (40,434) | 225,326 | (414,116) |
| Other income, net | 396,797 | 3,726 | 7,694 | (400,706) | 7,511 |
| Income tax expense | 77,334 | 238,446 | 115,981 | — | 431,761 |
| Equity earnings in subsidiaries | 693,720 | 667,278 | — | (1,360,998) | — |
| Net income from continuing operations | 879,874 | 1,106,133 | 741,715 | (1,536,378) | 1,191,344 |
| Net (loss) income from discontinued operations, net of tax | — | (412,413) | 78,771 | 175,380 | (158,262) |
| Net income | 879,874 | 693,720 | 820,486 | (1,360,998) | 1,033,082 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (153,208) | (153,208) |
| Net income attributable to DaVita Inc. | <u>\$ 879,874</u> | <u>\$ 693,720</u> | <u>\$ 820,486</u> | <u>\$ (1,514,206)</u> | <u>\$ 879,874</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Statements of Comprehensive Income

| For the year ended December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|---|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Net income | \$ 159,394 | \$ 103,196 | \$ 517,671 | \$ (447,221) | \$ 333,040 |
| Other comprehensive income (loss) | 6,153 | — | (45,944) | — | (39,791) |
| Total comprehensive income | 165,547 | 103,196 | 471,727 | (447,221) | 293,249 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (173,646) | (173,646) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 165,547</u> | <u>\$ 103,196</u> | <u>\$ 471,727</u> | <u>\$ (620,867)</u> | <u>\$ 119,603</u> |
| For the year ended December 31, 2017 | | | | | |
| Net income | \$ 663,618 | \$ 478,192 | \$ 241,312 | \$ (552,567) | \$ 830,555 |
| Other comprehensive income | 3,106 | — | 99,770 | — | 102,876 |
| Total comprehensive income | 666,724 | 478,192 | 341,082 | (552,567) | 933,431 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (166,935) | (166,935) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 666,724</u> | <u>\$ 478,192</u> | <u>\$ 341,082</u> | <u>\$ (719,502)</u> | <u>\$ 766,496</u> |
| For the year ended December 31, 2016 | | | | | |
| Net income | \$ 879,874 | \$ 693,720 | \$ 820,486 | \$ (1,360,998) | \$ 1,033,082 |
| Other comprehensive loss | (290) | — | (29,337) | — | (29,627) |
| Total comprehensive income | 879,584 | 693,720 | 791,149 | (1,360,998) | 1,003,455 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (153,398) | (153,398) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 879,584</u> | <u>\$ 693,720</u> | <u>\$ 791,149</u> | <u>\$ (1,514,396)</u> | <u>\$ 850,057</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Balance Sheets

| As of December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|---------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Cash and cash equivalents | \$ 60,653 | \$ — | \$ 262,385 | \$ — | \$ 323,038 |
| Restricted cash and equivalents | 1,005 | 12,048 | 79,329 | — | 92,382 |
| Accounts receivable, net | — | 1,264,290 | 594,318 | — | 1,858,608 |
| Other current assets | 37,185 | 601,318 | 122,063 | — | 760,566 |
| Current assets held for sale | — | 4,440,953 | 948,612 | — | 5,389,565 |
| Total current assets | 98,843 | 6,318,609 | 2,006,707 | — | 8,424,159 |
| Property and equipment, net | 491,462 | 1,624,835 | 1,277,372 | — | 3,393,669 |
| Intangible assets, net | 153 | 42,933 | 75,760 | — | 118,846 |
| Investments in subsidiaries | 10,102,750 | 3,239,862 | — | (13,342,612) | — |
| Intercompany receivables | 3,419,448 | — | 1,471,203 | (4,890,651) | — |
| Other long-term assets and investments | 53,385 | 80,537 | 197,696 | — | 331,618 |
| Goodwill | — | 4,812,365 | 2,029,595 | — | 6,841,960 |
| Total assets | \$ 14,166,041 | \$ 16,119,141 | \$ 7,058,333 | \$ (18,233,263) | \$ 19,110,252 |
| Current liabilities | \$ 1,945,943 | \$ 1,251,534 | \$ 449,925 | \$ — | \$ 3,647,402 |
| Current liabilities held for sale | — | 722,766 | 520,993 | — | 1,243,759 |
| Total current liabilities | 1,945,943 | 1,974,300 | 970,918 | — | 4,891,161 |
| Intercompany payables | — | 3,327,026 | 1,563,625 | (4,890,651) | — |
| Long-term debt and other long-term liabilities | 7,918,581 | 715,065 | 552,406 | — | 9,186,052 |
| Noncontrolling interests subject to put provisions | 598,075 | — | — | 526,566 | 1,124,641 |
| Total DaVita Inc. shareholders' equity | 3,703,442 | 10,102,750 | 3,239,862 | (13,342,612) | 3,703,442 |
| Noncontrolling interests not subject to put provisions | — | — | 731,522 | (526,566) | 204,956 |
| Total equity | 3,703,442 | 10,102,750 | 3,971,384 | (13,869,178) | 3,908,398 |
| Total liabilities and equity | \$ 14,166,041 | \$ 16,119,141 | \$ 7,058,333 | \$ (18,233,263) | \$ 19,110,252 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Balance Sheets - (continued)

| As of December 31, 2017 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|----------------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Cash and cash equivalents | \$ 149,305 | \$ — | \$ 358,929 | \$ — | \$ 508,234 |
| Restricted cash and equivalents | 1,002 | 9,384 | 300 | — | 10,686 |
| Accounts receivable, net | — | 1,208,715 | 506,035 | — | 1,714,750 |
| Other current assets | 67,025 | 621,409 | 86,955 | — | 775,389 |
| Current assets held for sale | — | 4,992,067 | 769,575 | — | 5,761,642 |
| Total current assets | 217,332 | 6,831,575 | 1,721,794 | — | 8,770,701 |
| Property and equipment, net | 408,010 | 1,560,390 | 1,180,813 | — | 3,149,213 |
| Intangible assets, net | 250 | 50,971 | 62,606 | — | 113,827 |
| Investments in subsidiaries | 10,009,874 | 3,085,722 | — | (13,095,596) | — |
| Intercompany receivables | 3,677,947 | — | 1,313,213 | (4,991,160) | — |
| Other long-term assets and investments | 47,297 | 68,344 | 214,875 | — | 330,516 |
| Goodwill | — | 4,732,320 | 1,877,959 | — | 6,610,279 |
| Total assets | <u>\$ 14,360,710</u> | <u>\$ 16,329,322</u> | <u>\$ 6,371,260</u> | <u>\$ (18,086,756)</u> | <u>\$ 18,974,536</u> |
| Current liabilities | \$ 238,706 | \$ 1,207,482 | \$ 436,262 | \$ — | \$ 1,882,450 |
| Current liabilities held for sale | — | 739,294 | 445,776 | — | 1,185,070 |
| Total current liabilities | 238,706 | 1,946,776 | 882,038 | — | 3,067,520 |
| Intercompany payables | — | 3,690,042 | 1,301,118 | (4,991,160) | — |
| Long-term debt and other long-term liabilities | 8,857,373 | 682,630 | 469,587 | — | 10,009,590 |
| Noncontrolling interests subject to put provisions | 574,602 | — | — | 436,758 | 1,011,360 |
| Total DaVita Inc. shareholders' equity | 4,690,029 | 10,009,874 | 3,085,722 | (13,095,596) | 4,690,029 |
| Noncontrolling interests not subject to put provisions | — | — | 632,795 | (436,758) | 196,037 |
| Total equity | 4,690,029 | 10,009,874 | 3,718,517 | (13,532,354) | 4,886,066 |
| Total liabilities and equity | <u>\$ 14,360,710</u> | <u>\$ 16,329,322</u> | <u>\$ 6,371,260</u> | <u>\$ (18,086,756)</u> | <u>\$ 18,974,536</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Statements of Cash Flow

| For the year ended December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 159,394 | \$ 103,196 | \$ 517,671 | \$ (447,221) | \$ 333,040 |
| Changes in operating assets and liabilities and non-cash items included in net income | (86,070) | 818,027 | 259,422 | 447,221 | 1,438,600 |
| Net cash provided by operating activities | 73,324 | 921,223 | 777,093 | — | 1,771,640 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (175,787) | (534,278) | (277,073) | — | (987,138) |
| Acquisitions | — | (73,046) | (110,110) | — | (183,156) |
| Proceeds from asset sales, net of cash divested | — | 61,962 | 88,243 | — | 150,205 |
| Investments and other items | 30,962 | (16,362) | (154) | — | 14,446 |
| Net cash used in investing activities | (144,825) | (561,724) | (299,094) | — | (1,005,643) |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | 725,889 | (11,437) | (19,675) | — | 694,777 |
| Intercompany borrowing | 404,897 | (311,778) | (93,119) | — | — |
| Other items | (1,147,934) | (28,067) | (144,130) | — | (1,320,131) |
| Net cash used in financing activities | (17,148) | (351,282) | (256,924) | — | (625,354) |
| Effect of exchange rate changes on cash | — | — | (3,350) | — | (3,350) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (88,649) | 8,217 | 217,725 | — | 137,293 |
| Less: Net increase in cash, cash equivalents and restricted cash from discontinued operations | — | 5,553 | 235,240 | — | 240,793 |
| Net (decrease) increase in cash, cash equivalents and restricted cash from continuing operations | (88,649) | 2,664 | (17,515) | — | (103,500) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 150,307 | 9,384 | 359,229 | — | 518,920 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 61,658 | \$ 12,048 | \$ 341,714 | \$ — | \$ 415,420 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Statements of Cash Flow - (continued)

| For the year ended December 31, 2017 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 663,618 | \$ 478,192 | \$ 241,312 | \$ (552,567) | \$ 830,555 |
| Changes in operating assets and liabilities and non-cash items included in net income | (533,300) | 368,135 | 695,209 | 552,567 | 1,082,611 |
| Net cash provided by operating activities | 130,318 | 846,327 | 936,521 | — | 1,913,166 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (155,972) | (490,800) | (258,478) | — | (905,250) |
| Acquisitions | — | (693,522) | (110,357) | — | (803,879) |
| Proceeds from asset and business sales, net of cash divested | — | 90,340 | 1,996 | — | 92,336 |
| Investments and other items | 211,619 | (7,004) | 47,446 | — | 252,061 |
| Net cash provided by (used in) investing activities | 55,647 | (1,100,986) | (319,393) | — | (1,364,732) |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | 173,529 | (12,662) | (6,019) | — | 154,848 |
| Intercompany borrowing | 22,589 | 218,980 | (241,569) | — | — |
| Other items | (781,697) | (2,493) | (136,915) | — | (921,105) |
| Net cash (used in) provided by financing activities | (585,579) | 203,825 | (384,503) | — | (766,257) |
| Effect of exchange rate changes on cash | — | — | 254 | — | 254 |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (399,614) | (50,834) | 232,879 | — | (217,569) |
| Less: Net decrease in cash, cash equivalents and restricted cash from discontinued operations | — | (51,531) | (1,495) | — | (53,026) |
| Net (decrease) increase in cash, cash equivalents and restricted cash from continuing operations | (399,614) | 697 | 234,374 | — | (164,543) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 549,921 | 8,687 | 124,855 | — | 683,463 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 150,307 | \$ 9,384 | \$ 359,229 | \$ — | \$ 518,920 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Consolidating Statements of Cash Flow - (continued)

| For the year ended December 31, 2016 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 879,874 | \$ 693,720 | \$ 820,486 | \$ (1,360,998) | \$ 1,033,082 |
| Changes in operating assets and liabilities and non-cash items included in net income | (612,706) | 359,366 | (168,614) | 1,360,998 | 939,044 |
| Net cash provided by operating activities | 267,168 | 1,053,086 | 651,872 | — | 1,972,126 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (139,303) | (382,305) | (307,487) | — | (829,095) |
| Acquisitions | — | (472,413) | (91,443) | — | (563,856) |
| Proceeds from asset sales | — | 70,342 | (5,617) | — | 64,725 |
| Investments and other items | 153,031 | (29,038) | 2,565 | — | 126,558 |
| Net cash provided by (used in) investing activities | 13,728 | (813,414) | (401,982) | — | (1,201,668) |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | (92,460) | (27,830) | (4,152) | — | (124,442) |
| Intercompany borrowing | 236,052 | (231,800) | (4,252) | — | — |
| Other items | (1,061,203) | (21,525) | (144,811) | — | (1,227,539) |
| Net cash used in financing activities | (917,611) | (281,155) | (153,215) | — | (1,351,981) |
| Effect of exchange rate changes on cash | — | — | 4,276 | — | 4,276 |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (636,715) | (41,483) | 100,951 | — | (577,247) |
| Less: Net (decrease) increase in cash, cash equivalents and restricted cash from discontinued operations | — | (50,170) | 34,377 | — | (15,793) |
| Net (decrease) increase in cash, cash equivalents and restricted cash from continuing operations | (636,715) | 8,687 | 66,574 | — | (561,454) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 1,186,636 | — | 58,281 | — | 1,244,917 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | <u>\$ 549,921</u> | <u>\$ 8,687</u> | <u>\$ 124,855</u> | <u>\$ —</u> | <u>\$ 683,463</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

29. Supplemental data (unaudited)

The following information is presented as supplemental data as required by the indentures governing the Company's Senior Notes.

Condensed Consolidating Statements of Income

| For the year ended December 31, 2018 | Consolidated Total | Physician Groups | Unrestricted Subsidiaries | Company and Restricted Subsidiaries ⁽¹⁾ |
|--|--------------------|------------------|---------------------------|--|
| Dialysis and related lab patient service revenues | \$ 10,709,981 | \$ — | \$ — | \$ 10,709,981 |
| Less: Provision for uncollectible accounts | (49,587) | — | — | (49,587) |
| Net dialysis and related lab patient service revenues | 10,660,394 | — | — | 10,660,394 |
| Other revenues | 744,457 | — | — | 744,457 |
| Total net revenues | 11,404,851 | — | — | 11,404,851 |
| Operating expenses and charges | 9,879,027 | — | — | 9,879,027 |
| Operating income | 1,525,824 | — | — | 1,525,824 |
| Debt expense | (487,435) | — | — | (487,435) |
| Other income, net | 10,089 | — | — | 10,089 |
| Income tax expense | 258,400 | — | — | 258,400 |
| Net income from continuing operations | 790,078 | — | — | 790,078 |
| Net (loss) income from discontinued operations, net of tax | (457,038) | 37,373 | 92 | (494,503) |
| Net income | 333,040 | 37,373 | 92 | 295,575 |
| Less: Net income attributable to noncontrolling interests | (173,646) | (7,841) | — | (165,805) |
| Net income attributable to DaVita Inc. | <u>\$ 159,394</u> | <u>\$ 29,532</u> | <u>\$ 92</u> | <u>\$ 129,770</u> |

Condensed Consolidating Statements of Comprehensive Income

| For the year ended December 31, 2018 | Consolidated Total | Physician Groups | Unrestricted Subsidiaries | Company and Restricted Subsidiaries ⁽¹⁾ |
|--|--------------------|------------------|---------------------------|--|
| Net income | \$ 333,040 | \$ 37,373 | \$ 92 | \$ 295,575 |
| Other comprehensive loss | (39,791) | — | — | (39,791) |
| Total comprehensive income | 293,249 | 37,373 | 92 | 255,784 |
| Less: Comprehensive income attributable to noncontrolling interest | (173,646) | (7,841) | — | (165,805) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 119,603</u> | <u>\$ 29,532</u> | <u>\$ 92</u> | <u>\$ 89,979</u> |

(1) After the elimination of the unrestricted subsidiaries and the physician groups

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Condensed Consolidating Balance Sheets

| As of December 31, 2018 | Consolidated Total | Physician Groups | Unrestricted Subsidiaries | Company and Restricted Subsidiaries ⁽¹⁾ |
|--|--------------------|------------------|---------------------------|--|
| Cash and cash equivalents | \$ 323,038 | \$ — | \$ — | \$ 323,038 |
| Restricted cash and equivalents | 92,382 | — | — | 92,382 |
| Accounts receivable, net | 1,858,608 | — | — | 1,858,608 |
| Other current assets | 760,566 | — | — | 760,566 |
| Other current assets held for sale | 5,389,565 | 532,050 | 2,825 | 4,854,690 |
| Total current assets | 8,424,159 | 532,050 | 2,825 | 7,889,284 |
| Property and equipment, net | 3,393,669 | — | — | 3,393,669 |
| Amortizable intangibles, net | 118,846 | — | — | 118,846 |
| Other long-term assets | 331,618 | — | — | 331,618 |
| Goodwill | 6,841,960 | — | — | 6,841,960 |
| Total assets | \$ 19,110,252 | \$ 532,050 | \$ 2,825 | \$ 18,575,377 |
| Current liabilities | \$ 3,647,402 | \$ — | \$ — | \$ 3,647,402 |
| Current liabilities held for sale | 1,243,759 | 351,925 | — | 891,834 |
| Total current liabilities | 4,891,161 | 351,925 | — | 4,539,236 |
| Payables to parent | — | 25,456 | 2,825 | (28,281) |
| Long-term debt and other long-term liabilities | 9,186,052 | — | — | 9,186,052 |
| Noncontrolling interests subject to put provisions | 1,124,641 | — | — | 1,124,641 |
| Total DaVita Inc. shareholders' equity | 3,703,442 | 154,669 | — | 3,548,773 |
| Noncontrolling interests not subject to put provisions | 204,956 | — | — | 204,956 |
| Shareholders' equity | 3,908,398 | 154,669 | — | 3,753,729 |
| Total liabilities and shareholders' equity | \$ 19,110,252 | \$ 532,050 | \$ 2,825 | \$ 18,575,377 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars in thousands, except per share data)

Condensed Consolidating Statements of Cash Flow

| For the year ended December 31, 2018 | Consolidated Total | Physician Groups | Unrestricted Subsidiaries | Company and Restricted Subsidiaries ⁽¹⁾ |
|--|--------------------|------------------|---------------------------|--|
| Cash flows from operating activities: | | | | |
| Net income | \$ 333,040 | \$ 37,373 | \$ 92 | \$ 295,575 |
| Changes in operating and intercompany assets and liabilities and non-cash items included in net income | 1,438,600 | 81,722 | (92) | 1,356,970 |
| Net cash provided by operating activities | 1,771,640 | 119,095 | — | 1,652,545 |
| Cash flows from investing activities: | | | | |
| Additions of property and equipment | (987,138) | (2,746) | — | (984,392) |
| Acquisitions and divestitures, net | (183,156) | — | — | (183,156) |
| Proceeds from asset sales | 150,205 | — | — | 150,205 |
| Investments and other items, net | 14,446 | (154) | — | 14,600 |
| Net cash used in investing activities | (1,005,643) | (2,900) | — | (1,002,743) |
| Cash flows from financing activities: | | | | |
| Long-term debt and related financing costs, net | 694,777 | — | — | 694,777 |
| Intercompany | — | 25,296 | — | (25,296) |
| Other items | (1,320,131) | — | — | (1,320,131) |
| Net cash (used in) provided by financing activities | (625,354) | 25,296 | — | (650,650) |
| Effect of exchange rate changes on cash | (3,350) | — | — | (3,350) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 137,293 | 141,491 | — | (4,198) |
| Less: Net increase in cash, cash equivalents and restricted cash from discontinued operations | 240,793 | 141,491 | — | 99,302 |
| Net decrease in cash, cash equivalents and restricted cash from continuing operations | (103,500) | — | — | (103,500) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 518,920 | — | — | 518,920 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | <u>\$ 415,420</u> | <u>\$ —</u> | <u>\$ —</u> | <u>\$ 415,420</u> |

(1) After the elimination of the unrestricted subsidiaries and the physician groups

EXHIBIT INDEX

- [2.1](#) Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(28)
- [2.2](#) Amendment, dated as of July 6, 2012, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(25)
- [2.3](#) Amendment No. 2, dated as of August 30, 2013, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.✓
- [2.4](#) Amendment No. 3, dated as of June 22, 2018, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(30)
- [3.1](#) Restated Certificate of Incorporation of DaVita Inc., as filed with the Secretary of State of Delaware on November 1, 2016.(1)
- [3.2](#) Amended and Restated Bylaws for DaVita Inc. dated as of September 7, 2016.(1)
- [4.1](#) Indenture, dated August 28, 2012, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(4)
- [4.2](#) Form of 5.750% Senior Notes due 2022 and related Guarantee (included in Exhibit 4.1).(4)
- [4.3](#) Indenture, dated June 13, 2014, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(26)
- [4.4](#) Form of 5.125% Senior Notes due 2024 and related Guarantee (included in Exhibit 4.3).(26)
- [4.5](#) Second Supplemental Indenture for the 5.750% Senior Notes due 2022, dated June 13, 2014, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(21)
- [4.6](#) Indenture for the 5.000% Senior Notes due 2025, dated April 17, 2015, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(22)
- [4.7](#) Form of 5.000% Senior Notes due 2025 and related Guarantee (included in Exhibit 4.6).(22)
- [10.1](#) Sourcing and Supply Agreement between DaVita Inc. and Amgen USA Inc. effective as of January 6, 2017.(6)**
- [10.2](#) Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita Inc., Collaborative Care Holdings, LLC, and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated.(2)
- [10.3](#) Amendment No. 1 dated as of September 20, 2018, to that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., a Delaware corporation, Collaborative Care Holdings, LLC, a Delaware limited liability company and a wholly owned subsidiary of Optum, Inc., and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated, a Delaware corporation.(31)

- [10.4](#) Second Amendment to Equity Purchase Agreement by and between DaVita, Inc., a Delaware corporation, and Collaborative Care Holdings, LLC, a Delaware limited liability company, dated as of December 11, 2018, amending that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., Collaborative Care Holdings, LLC, and, solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated (as previously amended).(14)
- [10.5](#) Credit Agreement, dated as of June 24, 2014, by and among DaVita Inc., the guarantors the guarantors party thereto, the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, Barclays Bank PLC, and Wells Fargo Bank, National Association as Co-Syndication Agents, Bank of America, N.A., Credit Suisse AG, Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., and SunTrust Bank, as Co-Documentation Agents, Barclays Bank PLC, Wells Fargo Securities, LLC, Credit Suisse Securities (USA) LLC, Goldman Sachs Bank USA, J.P. Morgan Securities, LLC, Bank of America, N.A., Morgan Stanley Senior Funding, Inc., and SunTrust Robinson Humphrey, Inc. as Joint Lead Arrangers and Joint Bookrunners, The Bank of Nova Scotia, Credit Agricole Securities (USA) Inc., The Bank of Tokyo-Mitsubishi UFJ, Ltd., and Sumitomo Mitsui Banking Corporation, as Senior Managing Agents, HSBC Securities (USA) Inc., Fifth Third Bank, and Compass Bank as Managing Agents. (21)
- [10.6](#) Amendment No. 1, dated as of November 21, 2018, to that certain Credit Agreement, dated as of June 24, 2014, by and among DaVita Inc., the guarantors party thereto, the lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, and the other agents from time to time party thereto.(16)
- [10.7](#) Corporate Integrity Agreement, dated as of October 22, 2014, by and among the Office of Inspector General of The Department of Health and Human Services and DaVita Inc.(27)
- [10.8](#) Form of Non-Competition and Non-Solicitation Agreement, dated as of May 20, 2012, between DaVita Inc. and Dr. Robert Margolis, Dr. William Chin, Dr. Thomas Paulsen, Mr. Zan Calhoun, and Ms. Lori Glisson. (28)
- [10.9](#) Employment Agreement, effective July 25, 2008, between DaVita Inc. and Kent J. Thiry.(15)*
- [10.10](#) Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and Kent J. Thiry.*✓
- [10.11](#) Amendment Number Two to Employment Agreement, effective as of August 20, 2018, by and between DaVita Inc. and Kent J. Thiry (32).*
- [10.12](#) Employment Agreement, effective March 17, 2010, by and between DaVita Inc. and Javier Rodriguez.(20)*
- [10.13](#) Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and Javier Rodriguez.*✓
- [10.14](#) Employment Agreement, effective February 21, 2017, by and between DaVita Inc. and Joel Ackerman.(9)*
- [10.15](#) Employment Agreement, effective April 27, 2016, by and between DaVita HealthCare Partners Inc. and Kathleen A. Waters.(6)*
- [10.16](#) Employment Agreement, effective September 22, 2005, by and between DaVita Inc. and James Hilger.(8)*
- [10.17](#) Amendment to Mr. Hilger's Employment Agreement, effective December 12, 2008.(18)*
- [10.18](#) Second Amendment to Mr. Hilger's Employment Agreement, effective December 27, 2012.(23)*
- [10.19](#) Third Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and James Hilger.*✓
- [10.20](#) Transition Agreement, dated as of July 31, 2018, by and between DaVita Inc. and James Hilger.(30)*

- [10.21](#) Amendment to Stock Appreciation Rights Agreements, entered into effective as of March 1, 2018, by and between DaVita Inc. and Carol Anthony Davidson.(29)*
- [10.22](#) Consulting Agreement, effective June 15, 2017, by and between DaVita Inc. and Roger J. Valine.(3)*
- [10.23](#) Amendment to Stock Appreciation Rights Agreements, effective June 15, 2017, by and between DaVita Inc. and Roger J. Valine. (3)*
- [10.24](#) Form of Indemnity Agreement.(12)*
- [10.25](#) Form of Indemnity Agreement.(7)*
- [10.26](#) DaVita Deferred Compensation Plan.(9)*
- [10.27](#) Executive Incentive Plan (as Amended and Restated effective January 1, 2009).(19)*
- [10.28](#) DaVita Voluntary Deferral Plan.(5)*
- [10.29](#) Deferred Bonus Plan (Prosperity Plan).(17)*
- [10.30](#) Amendment No. 1 to Deferred Bonus Plan (Prosperity Plan).(18)*
- [10.31](#) Amended and Restated Employee Stock Purchase Plan.(13)*
- [10.32](#) DaVita Inc. Severance Plan for Directors and Above.*✓
- [10.33](#) Change in Control Bonus Program.(18)*
- [10.34](#) DaVita Inc. Non-Employee Director Compensation Policy. (29)*
- [10.35](#) Amended and Restated DaVita Inc. 2011 Incentive Award Plan.(11)*
- [10.36](#) DaVita Inc. Rule of 65 Policy, adopted on August 19, 2018.(32)*
- [10.37](#) Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)*
- [10.38](#) Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)*
- [10.39](#) Form of Performance Stock Units Agreement -Executives (DaVita Inc. 2011 Incentive Award Plan).(30)*
- [10.40](#) Form of Stock Appreciation Rights Agreement-Board members (DaVita Inc. 2011 Incentive Award Plan).(30)*
- [10.41](#) Form of 2014 Long Term Incentive Program Stock Appreciation Rights Agreement under the DaVita Inc. 2011 Incentive Award Plan and Long-Term Incentive Program.(10)*
- [10.42](#) Form of 2014 Long Term Incentive Program Restricted Stock Units Agreement under the DaVita Inc. 2011 Incentive Award Plan and Long-Term Incentive Program.(10)*
- [10.43](#) Form of Stock Appreciation Rights Agreement-Board members (DaVita Inc. 2011 Incentive Award Plan).(24)*

| | |
|-----------------------|--|
| 10.44 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(23)* |
| 10.45 | Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(24)* |
| 10.46 | Form of Long-Term Incentive Program Award Agreement (For 162(m) designated teammates) (DaVita Inc. 2011 Incentive Award Plan).(23)* |
| 10.47 | Form of Long-Term Incentive Program Award Agreement (DaVita Inc. 2011 Incentive Award Plan).(23)* |
| 21.1 | List of our subsidiaries.✓ |
| 23.1 | Consent of KPMG LLP, independent registered public accounting firm.✓ |
| 24.1 | Powers of Attorney with respect to DaVita. (Included on Page S-1). |
| 31.1 | Certification of the Chief Executive Officer, dated February 22, 2019, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.✓ |
| 31.2 | Certification of the Chief Financial Officer, dated February 22, 2019, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.✓ |
| 32.1 | Certification of the Chief Executive Officer, dated February 22, 2019, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.✓ |
| 32.2 | Certification of the Chief Financial Officer, dated February 22, 2019, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.✓ |
| 101.INS | XBRL Instance Document - the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.✓ |
| 101.SCH | XBRL Taxonomy Extension Schema Document.✓ |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document.✓ |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document.✓ |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document.✓ |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document.✓ |

✓ Included in this filing.

* Management contract or executive compensation plan or arrangement.

** Portions of this exhibit are subject to a request for confidential treatment and have been redacted and filed separately with the SEC.

- (1) Filed on November 2, 2016 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016.
- (2) Filed on December 6, 2017 as an exhibit to the Company's Current Report on Form 8-K.
- (3) Filed on November 7, 2017 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017.
- (4) Filed on August 28, 2012 as an exhibit to the Company's Current Report on Form 8-K.
- (5) Filed on November 8, 2005 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
- (6) Filed on May 2, 2017 as an exhibit to the Company's Quarterly Report on 10-Q for the quarter ended March 31, 2017.

- (7) Filed on March 3, 2005 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2004.
- (8) Filed on August 7, 2006 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ending June 30, 2006.
- (9) Filed on February 24, 2017 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2016.
- (10) Filed on November 6, 2014 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.
- (11) Filed on April 28, 2014 as Appendix A to the Company's Definitive Proxy Statement on Schedule 14A.
- (12) Filed on December 20, 2006 as an exhibit to the Company's Current Report on Form 8-K.
- (13) Filed on June 4, 2007 as an exhibit to the Company's Current Report on Form 8-K.
- (14) Filed on December 17, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (15) Filed on July 31, 2008 as an exhibit to the Company's Current Report on Form 8-K.
- (16) Filed on November 26, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (17) Filed on February 29, 2008 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2007.
- (18) Filed on February 27, 2009 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2008.
- (19) Filed on June 18, 2009 as an exhibit to the Company's Current Report on Form 8-K.
- (20) Filed on April 14, 2010 as an exhibit to the Company's Current Report on Form 8-K.
- (21) Filed on August 1, 2014 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.
- (22) Filed on April 17, 2015 as an exhibit to the Company's Current Report on Form 8-K.
- (23) Filed on March 1, 2013 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2012.
- (24) Filed on August 4, 2011 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.
- (25) Filed on July 9, 2012 as an exhibit to the Company's Current Report on Form 8-K.
- (26) Filed on June 16, 2014 as an exhibit to the Company's Current Report on Form 8-K.
- (27) Filed on October 23, 2014 as an exhibit to the Company's Current Report on Form 8-K.
- (28) Filed on May 21, 2012 as an exhibit to the Company's Current Report on Form 8-K.
- (29) Filed on May 3, 2018 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.
- (30) Filed on August 1, 2018 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018.
- (31) Filed on September 24, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (32) Filed on August 23, 2018 as an exhibit to the Company's Current Report on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, we have duly caused this Annual Report on Form 10-K to be signed on our behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, on February 22, 2019.

DAVITA INC.

By: _____ /s/ KENT J. THIRY

Kent J. Thiry
Chairman and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENT, that each person whose signature appears below constitutes and appoints Kent J. Thiry, Joel Ackerman, and Kathleen Waters, and each of them his or her true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| Signature | Title | Date |
|--|---|-------------------|
| /S/ KENT J. THIRY Kent J. Thiry | Chairman and Chief Executive Officer (Principal Executive Officer) | February 22, 2019 |
| /S/ JOEL ACKERMAN Joel Ackerman | Chief Financial Officer (Principal Financial Officer) | February 22, 2019 |
| /S/ JAMES K. HILGER James K. Hilger | Chief Accounting Officer (Principal Accounting Officer) | February 22, 2019 |
| /S/ PAMELA M. ARWAY Pamela M. Arway | Director | February 22, 2019 |
| /S/ CHARLES G. BERG Charles G. Berg | Director | February 22, 2019 |
| /S/ BARBARA J. DESOER Barbara J. Desoer | Director | February 22, 2019 |
| /S/ PASCAL DESROCHES Pascal Desroches | Director | February 22, 2019 |
| /S/ PAUL J. DIAZ Paul J. Diaz | Director | February 22, 2019 |
| /S/ PETER T. GRAUER Peter T. Grauer | Director | February 22, 2019 |
| /S/ JOHN M. NEHRA John M. Nehra | Director | February 22, 2019 |
| /S/ WILLIAM L. ROPER William L. Roper | Director | February 22, 2019 |
| /S/ PHYLLIS R. YALE Phyllis R. Yale | Director | February 22, 2019 |

DAVITA INC.
SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

| Description | Balance at beginning of year | Acquisitions | Amounts charged to income | Amounts written off | Balance at end of year |
|---------------------------------------|------------------------------------|--------------|---------------------------------|------------------------|---------------------------|
| | (in thousands) | | | | |
| Allowance for uncollectible accounts: | | | | | |
| Year ended December 31, 2018 | \$ 218,399 | \$ — | \$ 42,287 | \$ 207,762 | \$ 52,924 |
| Year ended December 31, 2017 | \$ 238,897 | \$ — | \$ 478,365 | \$ 498,863 | \$ 218,399 |
| Year ended December 31, 2016 | \$ 251,734 | \$ — | \$ 442,985 | \$ 455,822 | \$ 238,897 |

AMENDMENT NO. 2 TO AGREEMENT AND PLAN OF MERGER

This Amendment, dated as of August 30, 2013 (this "Amendment"), to the AGREEMENT AND PLAN OF MERGER is by and among DAVITA HEALTHCARE PARTNERS INC., a Delaware corporation ("DaVita"), HEALTHCARE PARTNERS HOLDINGS, LLC, a California limited liability company (the "Company"), and ROBERT D. MOSHER, as the member representative (the "Member Representative"). Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in that certain Agreement and Plan of Merger, dated as of May 20, 2012, as amended by that certain Amendment to Agreement and Plan of Merger, dated as of July 6, 2012 (the "Merger Agreement"), by and among DaVita, Seismic Acquisition LLC ("Merger Sub"), the Company, and the Member Representative, relating to the merger of Merger Sub with and into the Company, with the Company continuing as the surviving entity and as a wholly owned subsidiary of DaVita.

RECITALS

WHEREAS, pursuant to the Merger Agreement, if the Earn-Out EBITDA for the fiscal year ended December 31, 2013 is equal to or greater than \$600,000,000, then (x) DaVita shall pay to the Members and holders of Company Options the Second Tranche (less the aggregate amount payable pursuant to clause (y) below) in cash, which shall be allocated among the Members and the holders of Company Options pro rata based on the Fully Diluted Units held by such Members or attributable to the Company Options held by such holders of Company Options as of immediately prior to the Closing relative to Total Outstanding Company Units, and (y) DaVita shall pay, or cause to be paid, any Nevada Second Tranche Payment that is due and payable pursuant to Section 1(b) of each of the Nevada Settlement Agreements;

WHEREAS, in light of the uncertainty whether Earn-Out EBITDA for the fiscal year ended December 31, 2013 will be equal to or greater than \$600,000,000, DaVita and the Member Representative agree that, in lieu of waiting to the end of the fiscal year ending December 31, 2013, and making a final Earn-Out EBITDA determination for such period and calculating the resulting Per Unit Earn-Out Payment as described in Section 3.06 of the Merger Agreement, DaVita will pay the amounts as specified in this Amendment;

WHEREAS, it is the desire of DaVita and the Member Representative by entering into this Amendment to fully, completely, and permanently resolve all of the Member Representative's, and the Members' and holders of Company Options' claims, against DaVita and the Company, together with the subsidiaries, affiliates, officers, managers, employees, and agents of each (collectively the "Released Parties"), whether such claims are presently known or unknown, related to the Second Tranche;

WHEREAS, the parties hereby agree that any claims that the Member Representative, or the Members or holders of Company Options, may have against the Released Parties related to

the Second Tranche are fully released upon the execution of this Amendment and the payment of the amounts detailed below;

WHEREAS, JSA Healthcare Nevada, L.L.C., a Nevada limited liability company ("JSA"), and Sherif W. Abdou, M.D., a resident of the State of Nevada, are entering into an Amendment to Settlement Agreement, dated as of August 30, 2013 (the "Abdou Amendment"), pursuant to which the parties have agreed that they will release all claims against each other with respect to the Transaction Settlement Payment (as defined in the Abdou Amendment) and JSA will pay Dr. Abdou the amounts specified in the Abdou Amendment in full and final settlement of all claims relating to or arising out of the Transaction Settlement Payment;

WHEREAS, JSA and Amir Bacchus, M.D., a resident of the State of Nevada, are entering into an Amendment to Settlement Agreement, dated as of August 30, 2013 (the "Bacchus Amendment" and together with the Abdou Amendment, the "Doctor Amendments"), pursuant to which the parties have agreed that they will release all claims against each other with respect to the Transaction Settlement Payment (as defined in the Bacchus Amendment) and JSA will pay Dr. Bacchus the amounts specified in the Bacchus Amendment in full and final settlement of all claims relating to or arising out of the Transaction Settlement Payment; and

WHEREAS, pursuant to Section 10.07 of the Merger Agreement, the Merger Agreement may be amended or modified by an instrument in writing signed by, or on behalf of, DaVita, the Company, and the Member Representative.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements contained herein and for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENTS

1. Earn-Out Payments.

- a. DaVita and the Member Representative agree that, in lieu of waiting to the end of the fiscal year ending December 31, 2013, making a final Earn-Out EBITDA determination for such period and calculating the resulting Per Unit Earn-Out Payment as described in Section 3.06 of the Merger Agreement, and making payment of the Second Tranche or any other payment pursuant to or in respect of Section 3.06 of the Merger Agreement, DaVita will pay the amounts specified in Section 1b and (if applicable) 1c of this Amendment as full and final settlement of the Second Tranche and any and all other payments that may be required pursuant to Section 3.06 of the Merger Agreement.
- b. As soon as practicable following the execution of this Amendment, DaVita shall pay to the Members and holders of Company Options \$68,750,000 (less \$5,000,000 payable to Drs. Abdou and Bacchus pursuant to Section 1(a) of the Doctor Amendments) in cash.

- c. In the event ABQ Health Partners, LLC (“ABQ”) or any of its affiliates enters into a binding agreement (or other arrangement satisfactory to DaVita) with Health Care Service Corporation (operating Blue Shield of New Mexico) (“HCSC”) to retain any portion of the Network Stability Payments described in that certain Coordinated Care Strategic Alliance Agreement, by and between ABQ and HCSC, effective July 23, 2012, then DaVita and the Member Representative will engage in negotiations to determine if, how much and when any additional payments will be made to the Members, holders of Company Options and Drs. Abdou and Bacchus.

2. Shareholder Releases.

- a. Effective as of the date of this Amendment, the Member Representative, on behalf of each Member and holder of Company Options, agrees not to sue and fully releases and discharges the Released Parties with respect to and from any and all claims, demands, rights, liens, contracts, covenants, proceedings, causes of action, obligations, debts, and losses of whatever kind or nature in law, equity, or otherwise, whether now known or unknown, and whether or not concealed or hidden, all of which each such person now owns or holds or has at any time owned or held against the Released Parties connected with or relating to any matter occurring on or prior to the date of this Amendment related to the Second Tranche, or any other payments that may be required pursuant to Section 3.06 of the Merger Agreement; provided, however, that nothing in this Section 2(a) will be deemed to constitute a release by the Member Representative, or any Member or holder of Company Options, of any right of such person under this Amendment or any right of such person under the Merger Agreement other than those related to the Second Tranche.
- b. It is the intention of the Member Representative, on behalf of each Member and holder of Company Options, that such release be effective as a bar to each and every claim, demand, and cause of action specified in Section 2(a).
- c. The Member Representative, on behalf of each Member and holder of Company Options, acknowledges and intends that the Released Parties are being released from unknown and unforeseen claims to the fullest extent permitted by law and the Member Representative, on behalf of each Member and holder of Company Options, waives any defenses based thereon. The Member Representative, on behalf of each Member and holder of Company Options, acknowledges that such person has been advised by his attorneys with respect to this release.

- 3. Transaction Settlement Payments. DaVita covenants and agrees that it shall timely make or pay any amounts required to be paid pursuant to Section 1 of each of the Doctor Amendments, and the Member Representative hereby authorizes such payments.

- 4. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York. All Actions arising out of or relating to this

Amendment shall be heard and determined exclusively in any federal court sitting in the Borough of Manhattan of the City of New York; provided, however, that, if such federal court does not have jurisdiction over such Action, such Action shall be heard and determined exclusively in any New York state court sitting in the Borough of Manhattan of the City of New York. Consistent with the preceding sentence, the parties hereto hereby (a) submit to the exclusive jurisdiction of any federal or state court sitting in the Borough of Manhattan of the City of New York for the purpose of any Action arising out of or relating to this Amendment brought by any party hereto; (b) consent to service of process in accordance with the procedure set forth in Section 10.02 of the Merger Agreement; and (c) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the Action is brought in an inconvenient forum, that the venue of the Action is improper, or that this Amendment or the Transactions may not be enforced in or by any of the above-named courts.

5. Severability. If any term or other provision of this Amendment is invalid, illegal, or incapable of being enforced under any Law or public policy, all other terms and provisions of this Amendment shall nevertheless remain in full force and effect, provided that the economic and legal substance of the actions set forth herein is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Amendment so as to effect the original intent of the parties hereto as closely as possible in a mutually acceptable manner in order that the Transactions are consummated as originally contemplated to the greatest extent possible.
6. Counterparts. This Amendment may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in "pdf" form) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.
7. No Other Amendment and Agreements. Except to the extent expressly amended by this Amendment, all terms of the Merger Agreement shall remain in full force and effect without further amendment, change, or modification.

[Signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed as of the date first written above by its representative thereunto duly authorized.

DAVITA INC.

By: /s/ Kent J. Thiry
Name: Kent J. Thiry
Title: Chief Executive Officer

HEALTHCARE PARTNERS HOLDINGS LLC

By: /s/ Robert J. Margolis
Name: Robert J. Margolis, M.D.
Title: Chief Executive Officer

MEMBER REPRESENTATIVE

/s/ Robert D. Mosher
Name: Robert D. Mosher

[Signature Page to Amendment No. 2 to Agreement and Plan of Merger]

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("Third Amendment ") amends the Employment Agreement (the "Agreement"), entered into as of July 25, 2008 (the "Agreement"), by and between DaVita Inc. (now called DaVita HealthCare Partners Inc. and referred to in this Amendment "Employer") and Kent J. Thiry ("Employee"). Specifically, effective December 31, 2014, the parties agree to amend the Agreement as follows:

1. A new Section 2.1 is hereby added to the Agreement as follows:

"Possible Recoupment of Certain Compensation. Notwithstanding any other provision in this Agreement to the contrary, Employee shall be subject to the written policies of the Board of Directors as well as laws and regulations applicable to executives of the Employer, including without limitation the DaVita HealthCare Partners Inc. Incentive Compensation Clawback Policy approved by the Board of Directors on December 4, 2014 and rules adopted pursuant to the Dodd-Frank Act, and any other Board policy, law or regulation relating to recoupment or "clawback" of compensation that may exist from time to time during the Employee's employment by the Employer and thereafter."

In all other respects, and with the exception of any all previous amendments, the Agreement remains unchanged and in full force and effect.

EMPLOYER / DAVITA HEALTHCARE EMPLOYEE/
PARTNERS INC.

By /s/ Laura Mildenerger /s/ Kent Thiry
Laura Mildenerger Kent J. Thiry
Chief People Officer

Approved as to Form

/s/ Michael Freimann
Michael A. Freimann
Assistant General Counsel – Labor & Employment

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement ("Amendment") amends the Employment Agreement (the "Agreement"), entered into as of March 17, 2010 (the "Agreement "), by and between DaVita Inc. (now called DaVita HealthCare Partners Inc. and referred to in this Amendment " Employer") and Javier Rodriguez ("Employee"). Specifically, effective December 31, 2014, the parties agree to amend the Agreement as follows:

1. A new Section 2.8 is hereby added to the Agreement as follows:

"Possible Recoupment of Certain Compensation. Notwithstanding any other provision in this Agreement to the contrary, Employee shall be subject to the written policies of the Board of Directors as well as laws and regulations applicable to executives of the Employer, including without limitation the DaVita HealthCare Partners Inc. Incentive Compensation Clawback Policy approved by the Board of Directors on December 4, 2014 and rules adopted pursuant to the Dodd-Frank Act, and any other Board policy, law or regulation relating to recoupment or "clawback" of compensation that may exist from time to time during the Employee's employment by the Employer and thereafter."

In all other respects, and with the exception of any all previous amendments, the Agreement remains unchanged and in full force and effect.

EMPLOYER / DAVITA HEALTHCARE EMPLOYEE/
PARTNERS INC.

By /s/ Laura Mildenberger /s/ Javier Rodriguez
 Laura Mildenberger Javier Rodriguez
 Chief People Officer

Approved as to Form

/s/ Michael Freimann
Michael A. Freimann
Assistant General Counsel – Labor & Employment

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This Third Amendment to Employment Agreement ("Third Amendment") amends the Employment Agreement (the "Agreement"), entered into as of September 22, 2005 (the "Agreement"), by and between DaVita Inc. (now called DaVita HealthCare Partners Inc. and referred to in this Amendment "Employer") and James Hilger ("Employee"). Specifically, effective December 31, 2014, the parties agree to amend the Agreement as follows:

1. A new Section 2.10 is hereby added to the Agreement as follows:

"Possible Recoupment of Certain Compensation. Notwithstanding any other provision in this Agreement to the contrary, Employee shall be subject to the written policies of the Board of Directors as well as laws and regulations applicable to executives of the Employer, including without limitation the DaVita HealthCare Partners Inc. Incentive Compensation Clawback Policy approved by the Board of Directors on December 4, 2014 and rules adopted pursuant to the Dodd-Frank Act, and any other Board policy, law or regulation relating to recoupment or "clawback" of compensation that may exist from time to time during the Employee's employment by the Employer and thereafter."

In all other respects, and with the exception of any all previous amendments, the Agreement remains unchanged and in full force and effect.

EMPLOYER / DAVITA HEALTHCARE EMPLOYEE/
PARTNERS INC.

By /s/ Laura Mildenerger /s/ James Hilger
Laura Mildenerger James Hilger
Chief People Officer

Approved as to Form

/s/ Michael Freimann
Michael A. Freimann
Assistant General Counsel – Labor & Employment

**DAVITA INC.
SEVERANCE PLAN FOR DIRECTORS AND ABOVE**

DaVita Inc., a Delaware corporation (the “Company”), hereby restates the DaVita Inc. Severance Plan for Directors and Above (this “Plan”), effective September 1, 2016, for the benefit of certain Teammates of the Company and its subsidiaries.

This Plan is intended to secure the continued services and ensure the continued dedication of the Teammates (as defined in Section 1(d)) by providing to such Teammates certain protections in the event of a Qualifying Termination (as defined in Section 1(f)).

This Plan is intended to qualify as an employee welfare benefit plan as described in section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

1. Definitions. As used in this Plan, the following terms shall have the respective meanings set forth below:

(a) “Base Salary” means the Teammate’s weekly base wage at the rate in effect on the Termination Date, excluding for this purpose all categories of pay that are not base wages (including, but not limited to overtime, bonuses, commissions, incentive pay and any taxable or nontaxable fringe benefit or payment).

(b) “Code” means the Internal Revenue Code of 1986, as amended.

(c) “Company” means DaVita Inc., a Delaware corporation.

(d) “Teammate” means any person who at the time of the Qualifying Termination is employed by the Company or any of its wholly owned subsidiaries in a position of Vice President or Director, as reflected on the Company’s records, but excluding:

i) independent contractors or consultants of the Company,

ii) teammates who are employed by DaVita DPC Holding Co., LLC or any of their subsidiaries, including Paladina Health LLC or any other subsidiaries of the Company operating as part of or included within the business unit of the Company known as Paladina Health or direct primary care,

iii) teammates who are employed by HealthCare Partners Holdings LLC, or any of its subsidiaries, or any other subsidiaries of the Company operating as part of or included

within the business unit known as HealthCare Partners or integrated health care delivery and management, and

iv) teammates who are employed by entities that are a part of or included within the international business operations of the Company, except to the extent that such teammates are employed by an entity incorporated in and are residents of one of the states of the United States of America.

(e) “Period of Service” means a consecutive period measured from a Teammate’s hire date with the Company, as reflected in the payroll records of the Company, during which the Teammate is employed by the Company, without interruption by quit, discharge, layoff, or other termination of employment.

(f) “Qualifying Termination” means the involuntary termination of a Teammate’s employment by the Company under circumstances for which the payment of severance payments and benefits under this Plan is approved by the Senior Vice President of People Services and the Assistant General Counsel-Labor of the Company; provided, however, that a Teammate will not incur a Qualifying Termination and will not receive severance payments and benefits under this Plan if the Teammate’s employment is terminated by the Company for any action which the Company, in its sole discretion, determines is for material cause, including, but not limited to, failure to perform job responsibilities, violation of the Company’s policies and procedures, an act of fraud or dishonesty affecting or involving the Company, or a breach of a material provision of the Teammate’s employment agreement or other similar agreement with the Company.

(g) “Termination Date” with respect to a Teammate means the last day of work for which the Teammate will be paid for work as designated in the notice advising the Teammate that he or she will be subject to a Qualifying Termination. Neither unused time off benefits nor the payment of severance pay under this Plan will extend a Teammate’s Termination Date.

2. Payments and Benefits Upon Qualifying Termination. If a Teammate shall incur a Qualifying Termination, and the Teammate (or the Teammate’s executor or other legal representative in the case of the Teammate’s death or disability following such termination) executes and does not revoke a waiver and release agreement substantially in the form of Exhibit A hereto (the “Severance Agreement”) and a noncompetition and confidentiality agreement substantially in the form of Exhibit B hereto (the “Noncompetition Agreement”) by the deadline specified in the agreements to sign and not revoke such agreements, the Company shall provide to the Teammate as compensation for services rendered to the Company, and in consideration of the covenants set forth in the Severance Agreement and Noncompetition Agreement, the payments and benefits described in this Section 2. Notwithstanding the foregoing provisions of this Section 2, if, as a result of a Teammate’s termination of employment on the Termination Date, a Teammate is entitled

to severance payments and benefits from the Company or any of its subsidiaries which are not payable pursuant to this Plan, but are payable pursuant to an employment agreement or other compensation arrangement entered into between such Teammate and the Company or any of its subsidiaries (“Other Severance Payments and Benefits”), the payments and benefits to be received by the Teammate pursuant to this Section 2 shall be reduced, but not below zero, on a dollar-for-dollar basis for every dollar of the Other Severance Payments and Benefits, if any, received by the Teammate.

(a) Subject to Section 3 of this Plan, the Company shall pay to the Teammate (or the Teammate’s beneficiary or estate, as the case may be), commencing within 14 days following the date of execution of the Severance Agreement and Noncompetition Agreement, the Teammate’s Base Salary for the applicable period set forth below based on the Teammate’s job classification and Period of Service:

:

| <u>Job Classification</u> | <u>Period of Service</u> | <u>Salary Continuation Period</u> |
|---------------------------|--------------------------|-----------------------------------|
| Vice President and Above | Less than one year | 6 months |
| Vice President and Above | One year or more | 12 months |
| Director | Less than 1 months | 1 month |
| Director | 1 to less than 3 months | 2 months |
| Director | 3 to 24 months | 3 months |
| Director | More than 24 months | 6 months |

Such payments will be subject to all applicable tax and other withholdings, except that no withholding shall be made for the DaVita Retirement Savings Plan, or any other 401(k) plan, or for premiums for continued insurance coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act (“COBRA”).

(b) The Company shall provide outplacement assistance to the Teammate, the nature of which will be at the Company’s discretion, and which shall, in no event be provided after the last day of the second calendar year following the calendar year in which the termination date occurs.

(c) The Teammate’s stock options, restricted stock units, other stock-based awards, and other long-term incentives shall be treated in accordance with the terms of any agreements that Teammate has previously entered into with the Company concerning these benefits.

3. Section 409A of the Code. This Plan is intended to fall within the exemptions to Section 409A of the Code for separation pay plans and short-term deferrals that meet the

requirements of the exemption from Section 409A of the Code and shall be interpreted and construed consistent with that intent. Notwithstanding any other provision of this Plan, to the extent that the right to any payment (including the provision of benefits) to a Teammate hereunder provides for the “deferral of compensation” within the meaning of Section 409A(d)(1) of the Code, the payment shall be made (or provided) in accordance with the following:

If the Teammate is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date of the Teammate’s Termination Date, then no such payment shall be made during the period beginning on the Termination Date and ending on the date that is six months following the Termination Date or, if earlier, on the date of the Teammate’s death, if the earlier making of such payment would result in tax penalties being imposed on the Teammate under Section 409A of the Code. The amount of any payment that would otherwise be made during this period shall instead be made on the first business day following the date that is six months following the Termination Date or, if earlier, the date of the Teammate’s death. Each payment and benefit hereunder shall constitute a “separately identified” amount within the meaning of Treasury Regulation Section 1.409A-2(b)(2).

With respect to any payments due under Section 2(a) of this Plan as a result of the Teammate’s Qualifying Termination made pursuant to the terms of this Plan, and which are subject to the Teammate’s execution and delivery of the Severance Agreement and Noncompetition Agreement described in Section 2 hereof, in any case where the Termination Date and the Release Expiration Date fall in two separate taxable years, any payments required to be made to the Teammate which are conditioned on the timely execution of the Severance Agreement and Noncompetition Agreement and are treated as nonqualified deferred compensation for purposes of Section 409A shall be made in the later taxable year. For purposes of this section, “Release Expiration Date” shall mean deadline following the Termination Date as described in Section 2 hereof, during which the Teammate may timely deliver an executed Severance Agreement and Noncompetition Agreement and not revoke such agreements in order to receive payments and benefits under this Plan.

4. Plan Administration; Claims Procedure.

(a) This Plan shall be interpreted and administered by the Company, or if the Company has delegated its authority to interpret and administer this Plan, by the person or persons appointed by the Company from time to time to interpret and administer this Plan (the “Plan Administrator”), who shall have complete authority, in his or her sole discretion subject to the express provisions of this Plan, to make all determinations necessary or advisable for the administration of this Plan. At the time of this restatement, the Company has delegated its authority as the Plan Administrator to the Welfare Benefits Committee. Such determinations shall include, but are not limited to, determination of eligibility, the Termination Date, termination of eligibility, and the amount payable to the Teammate. All questions arising in connection with the interpretation

of this Plan or its administration shall be submitted to and determined by the Plan Administrator in a fair and equitable manner in accordance with the procedure for claims and appeals described in Section 4(b).

(b) Any Teammate whose employment has been terminated who believes that he or she is entitled to receive benefits under this Plan, including benefits other than those initially determined by the Plan Administrator to be payable, may file a claim in writing with the Plan Administrator, specifying the reasons for such claim. The Plan Administrator shall, within 90 days after receipt of such written claim (unless special circumstances require an extension of time, but in no event more than 180 days after such receipt), send a written notification to the Teammate as to the disposition of such claim. Such notification shall be written in a manner calculated to be understood by the claimant and in the event that such claim is denied in whole or in part, shall (i) state the specific reasons for the denial, (ii) make specific reference to the pertinent Plan provisions on which the denial is based, (iii) provide a description of any additional material or information necessary for the Teammate to perfect the claim and an explanation of why such material or information is necessary, and (iv) set forth the procedure by which the Teammate may appeal the denial of such claim. The Teammate (or his or her duly authorized representative) may request a review of the denial of any such claim or portion thereof by making application in writing to the Plan Administrator within 60 days after receipt of such denial. Such Teammate (or his or her duly authorized representative) may, upon written request to the Plan Administrator, review any documents pertinent to such claim, and submit in writing issues and comments in support of such claim. Within 60 days after receipt of a written appeal (unless special circumstances require an extension of time, but in no event more than 120 days after such receipt), the Plan Administrator shall notify the Teammate of the final decision with respect to such claim. Such decision shall be written in a manner calculated to be understood by the claimant and shall state the specific reasons for such decision and make specific references to the pertinent Plan provision on which the decision is based.

(c) The Plan Administrator may from time to time delegate any of his or her duties hereunder to such person or persons as the Plan Administrator may designate. The Plan Administrator is empowered, on behalf of this Plan, to engage accountants, legal counsel and such other persons as the Plan Administrator deems necessary or advisable for the performance of his or her duties under this Plan. The functions of any such persons engaged by the Plan Administrator shall be limited to the specified services and duties for which they are engaged, and such persons shall have no other duties, obligations or responsibilities under this Plan. Such persons shall exercise no discretionary authority or discretionary control respecting the administration of this Plan. All reasonable fees and expenses of such persons shall be borne by the Company.

5. Withholding Taxes. The Company will withhold from all payments due under this Plan to each Teammate (or the Teammate's beneficiary or estate) all taxes which, by applicable federal, state, local or other law, the Company is required to withhold therefrom.

6. Amendment. The Company shall have the right, in its sole discretion, pursuant to action by the Company's Board of Directors or its delegate, to amend this Plan in any respect; provided, however, that no amendment may reduce any severance payments or benefits due hereunder with respect to a Teammate who previously incurred a Qualifying Termination and who has not forfeited such payments and benefits pursuant to the Noncompetition Agreement or the offset provisions of Sections 2 or 8. In the event that this Plan is determined to be a "deferred compensation plan" subject to Section 409A of the Code, the Company's Board of Directors or its delegate shall, as necessary, adopt such conforming amendments as are necessary to comply with Section 409A of the Code without reducing the payments and benefits due to the Teammates hereunder.

7. Effect of Plan. Any amount payable pursuant to this Plan shall be reduced by any other amount of severance relating to salary continuation or any other continuation of medical coverage to be received by the Teammate upon termination of employment of the Teammate under any severance plan, policy or arrangement of the Company. Subject to the foregoing and to the provisions of Sections 2 and 8 hereof, the rights of, and benefits payable to, a Teammate pursuant to this Plan are in addition to any rights of, or benefits payable to, a Teammate under any other Teammate benefit plan or compensation program of the Company. All rights of a Teammate under any such plan or program shall be determined in accordance with the provisions of such plan or program.

8. Offset; Mitigation.

(a) If the Company is obligated by law or contract to pay severance pay, notice pay or other similar benefits, or if the Company is obligated by law to provide advance notice of separation ("Notice Period"), then any payments hereunder shall be reduced, but not below zero, on a dollar-for-dollar basis by the amount of any such severance pay, notice pay or other similar benefits, as applicable, and by the amount of any severance pay, notice pay or other similar benefits received during any Notice Period.

(b) To the extent permitted by applicable law, the Company may, at its sole discretion, apply any payment amounts otherwise due and payable under this Plan against any Teammate loans outstanding to the Company or other debts of the Teammate to the Company existing on the Termination Date.

(c) Any amount payable pursuant to this Plan shall also be reduced, but not below zero, on a dollar-for-dollar basis by any amount of compensation received by the Teammate from another employer (as an employee, consultant, or independent contractor) during the applicable salary continuation period set forth in Section 2(a) hereof. Teammate may not defer compensation with his new employer or client or take any other action in an effort to avoid the dollar-for-dollar reduction required by this Plan, and that if Teammate does take such action, the benefits under this Plan may be reduced by the Plan Administrator in its sole discretion.

(d) A Teammate who is entitled to receive severance payments and benefits hereunder shall be obligated to seek other employment and to take all other reasonable actions so as to mitigate the amounts payable and the benefits to be provided to such Teammate under any of the provisions of this Plan. In order to receive payments pursuant to this Plan, a Teammate must:

i) attest, on a monthly basis, that he or she is actively seeking other employment, and provide any additional information as determined in the discretion of the Plan Administrator; and

ii) agree to advise the Company immediately whether he or she has obtained new employment (either as an employee, consultant, or independent contractor) or received any other earnings, and what his or her overall compensation is, including salary, all forms of bonuses, any deferred compensation, and any equity in lieu of cash compensation.

If a Teammate fails to meet the attestation and notification requirements, the Teammate will not be paid any remaining portion of the payments under this Plan, and any remaining payments will be cancelled.

9. Unfunded Plan. This Plan shall not be funded. No Teammate entitled to benefits hereunder shall have any right to, or interest in, any specific assets of the Company, but a Teammate shall have only the rights of a general creditor of the Company to receive benefits on the terms and subject to the conditions provided in this Plan.

10. Payments to Minors, Incompetents and Beneficiaries. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of giving a receipt therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Company, the Plan Administrator and all other parties with respect thereto. If a Teammate shall die while any amounts would be payable to the Teammate under this Plan had the Teammate continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Plan to such person or persons appointed in writing by the Teammate to receive such amounts or, if no person is so appointed, to the estate of the Teammate.

11. Non-Assignability. None of the payments, benefits or rights of any Teammate shall be subject to any claim of any creditor, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment, trustee's process or any other legal or equitable process available to any creditor of such Teammate. Except as otherwise provided herein or by law, no right or interest of any Teammate under this Plan shall be assignable or transferable, in whole or in part, either directly or by operation of law or otherwise, including without limitation by execution, levy, garnishment, attachment or pledge; no attempted assignment or transfer thereof shall be effective; and no right or interest of any Teammate under this Plan shall be subject to any obligation or liability of such Teammate.

12. No Rights to Continued Employment. Neither the adoption of this Plan, nor any amendment hereof, nor the creation of any fund, trust or account, nor the payment of any benefits, shall be construed as giving any Teammate the right to be retained in the service of the Company, and all Teammates shall remain subject to discharge to the same extent as if this Plan had not been adopted.

13. Successors; Binding Agreement. This Plan shall inure to the benefit of and be binding upon the beneficiaries, heirs, executors, administrators, successors and assigns of the parties, including each Teammate, present and future, and any successor to the Company or one of its subsidiaries. This Plan shall not be terminated by any merger or consolidation of the Company whereby the Company is or is not the surviving or resulting corporation or as a result of any transfer of all or substantially all of the assets of the Company. In the event of any such merger, consolidation or transfer of assets, the provisions of this Plan shall be binding upon the surviving or resulting corporation or the person or entity to which such assets are transferred. The Company agrees that concurrently with any merger, consolidation or transfer of assets referred to in this Section 13, it will cause any surviving or resulting corporation or transferee unconditionally to assume all of the obligations of the Company hereunder.

14. Headings. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Plan and shall not be employed in the construction of this Plan.

15. Notices. Any notice or other communication required or permitted pursuant to the terms hereof shall have been duly given when delivered or mailed by United States mail, first class, postage prepaid, addressed to the intended recipient at his, her or its last known address.

16. Effective Date and Term. This Plan shall be effective as of the date hereof and shall end on the date on which this Plan is terminated by the Company; provided that this Plan and the obligations of the Company hereunder shall not terminate with respect to any severance payments or benefits due hereunder with respect to a Teammate who previously incurred a Qualifying Termination and who has not forfeited such payments and benefits pursuant to the Noncompetition Agreement until such obligations have been fully satisfied by the Company.

17. Employment with, and Action by, Subsidiaries. For purposes of this Plan, subject to Section 1(d), employment with the Company or actions taken by the Company with respect to the Teammate shall include employment with or actions taken by any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities of such corporation or other entity entitled to vote generally in the election of directors.

18. Governing Law; Validity. This Plan shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware (without regard to principles of conflicts of laws) to the extent not preempted by ERISA or other Federal law, which shall otherwise control. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and this Plan shall be construed and enforced as if such provision had not been included.

IN WITNESS WHEREOF, the Company has caused this Plan to be adopted as of the 2nd day of September, 2016.

DAVITA INC.

By: /s/ Susan Rutherford

SEVERANCE AGREEMENT

This Severance Agreement (“Agreement”) is entered into by [NAME OF EMPLOYEE] (“Employee”) and DaVita Inc. (“DaVita”), together the “Parties” on the date specified below, pursuant to Section 2 of the DaVita Inc. Severance Plan for Directors and Above (the “Plan”). This Severance Agreement is considered an integral part of the Plan.

1. **Termination of Employment.** Employee’s employment with DaVita will end on [INSERT DATE], the “Termination Date.”

2. **Payment and Notices.** Regardless of whether Employee signs this Agreement, Employee will receive payment of final wages for work through the Employee’s last day of employment; notice of the terms under which Employee may elect to continue health insurance coverage, and other notifications required by law.

3. **Severance Payment.** In exchange for Employee’s acceptance and agreement to all the terms of this Agreement, and Employee’s compliance with obligations contained in this Agreement and the Plan, DaVita will continue to pay Employee’s base salary for up to a period of ____ months (the “Severance Payment”) from which DaVita will deduct all withholding taxes required by federal, state and local laws. All Employee obligations in this Agreement and in the Plan are material terms, including but not limited to the following: Employee’s (i) release, waiver and covenant not to sue, (ii) obligation to return property, (iii) acknowledgements, (iv) exit-interview and disclosure obligations, (v) non-competition agreement, non-solicitation and confidentiality obligations, (vi) representations and warranties, and (vii) offset and mitigation provisions in Section 8 of the Plan (including, but not limited to, the notification and monthly attestation requirements) which may impact the duration and amount of such Severance Payments.

4. **Return of Property.** Employee has returned and/or will immediately return to DaVita within five business days of Employee’s termination date, unless prohibited by any applicable federal, state or local law or regulation, all DaVita-owned property in Employee’s possession, including, but not limited to, (i) credit cards, (ii) keys and access cards to DaVita buildings or property, (iii) DaVita-owned equipment, (iv) DaVita documents, papers, manuals, files, and price lists, and (v) trade secret and confidential DaVita information in paper or electronic form.

5. **Waiver and Release of Claims by Employee.** Employee, on his or her own behalf and on behalf of his or her heirs, family members, executors, agents, and assigns, agrees to fully

and forever release DaVita and its current and former successors, subrogees, assigns, principals, agents, attorneys, partners, heirs, employees, officers, subsidiaries and affiliates, shareholders, and directors, all in both their individual and representative capacities, (together the "Released Parties") from any and all claims, actions, causes of action, liabilities, demands, rights, damages, costs, attorneys' fees, expenses and controversies of every kind and description through the date of this Agreement. This general release and waiver shall include, but not be limited to, the following:

- a. any and all claims relating to or arising from Employee's employment relationship with DaVita and the end of that relationship;
- b. any and all claims relating to, or arising from, Employee's right to purchase, or actual purchase of shares of stock of DaVita, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;
- c. any and all claims for violation of any federal, state, or municipal statute, regulation or constitutional provision, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; Section 1981 of the Civil Rights Act; the National Labor Relations Act; the Americans with Disabilities Act as amended; the ADA Amendments Act of 2008; the Fair Labor Standards Act, except as prohibited by law; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967;; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; the Lilly Ledbetter Fair Pay Act;; and
- d. [For California Employees only]. Certain California civil rights provided by the Ralph Civil Rights Act (Civil Code 51.7) and the Tom Bane Civil Rights Act (Civil Code 52.1).

6. Unknown Claims. This Agreement includes claims of every nature and kind, known or unknown, and suspected or unsuspected. Employee acknowledges that he or she may hereafter discover facts different from, or in addition to, those which they now know to be or believe to be true with respect to the Agreement, and he or she agrees that this Agreement and the releases contained herein shall be and remain effective in all respects, notwithstanding such different or additional facts or the discovery thereof.

7. [For California Employees only]. Employees in California, or to whom California law applies, knowingly voluntarily and expressly waive, relinquish and forfeit all rights and benefits accorded by the provisions of Section 1542 of the California Civil Code and furthermore waive any rights that he or she might have to invoke said provisions and furthermore waives any rights to invoke said provisions or other States' laws of similar effect now or in the future with

respect to the releases contained herein or other States' laws of similar effect now or in the future with respect to the releases contained herein. Section 1542 states:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

8. Limitation on Release. Notwithstanding the generality of the releases contained in this Agreement, it does not include a release of any claim which may not be released by private agreement without judicial or governmental supervision or any claim for DaVita benefits under a DaVita employee benefit plan that have accrued and vested as of Employee's termination date and that, by their express terms, survive any termination of employment.

9. Other litigation. Employee covenants that he or she will not initiate any lawsuit asserting any claim, action or cause of action, of any kind that he or she has herein released, except for those administrative matters permitted in paragraph 20 below.

10. Medicare Coverage/Acknowledgement. Employee affirms, covenants, and warrants he/she is not a Medicare beneficiary and is not currently receiving, has not received in the past, will not have received at the time of payment pursuant to this Agreement, is not entitled to, is not eligible for, and has not applied for or sought Social Security Disability or Medicare benefits. In the event any statement in the preceding sentence is incorrect (for example, but not limited to, if Employee is a Medicare beneficiary, etc.), the following sentences (i.e., the remaining sentences of this paragraph) apply. Employee affirms, covenants, and warrants he/she has made no claim for illness or injury against, nor is he/she aware of any facts supporting any claim against, the released parties under which the released parties could be liable for medical expenses incurred by the Employee before or after the execution of this agreement. Furthermore, Employee is aware of no medical expenses which Medicare has paid and for which the released parties are or could be liable now or in the future. Employee agrees and affirms that, to the best of his/her knowledge, no liens of any governmental entities, including those for Medicare conditional payments, exist. Employee will indemnify, defend, and hold the released parties harmless from Medicare claims, liens, damages, conditional payments, and rights to payment, if any, including attorneys' fees, and Employee further agrees to waive any and all future private causes of action for damages pursuant to 42 U.S.C. § 1395y(b)(3)(A) et seq.

11. Employee Representations and Warranties. Employee makes the following general representations and warranties:

- a. He or she has had a reasonable time to consider the terms of this Agreement.
- b. He or she has voluntarily executed this Agreement without being pressured or influenced by any statement or representation of any person acting on behalf of another Party including the officers, agents and attorneys for any other Party.
- c. He or she has no pending lawsuit, against DaVita or any of its officers, directors, agents or employees arising out of or otherwise connected with any of the matters herein released.
- d. He or she has not previously disclosed any information which, if disclosed after execution of this Agreement, would be a violation of the Confidentiality provisions as outlined in paragraph 22.
- e. He or she has full and complete legal capacity to enter into this Agreement.
- f. In making the decision to enter into this Agreement, he or she has not relied on any statement made by DaVita, either expressed or implied, either by statement or omission.

12. [For Employees age 40 or over.] Waiver and Release of Claims under ADEA. Employee acknowledges, warrants and represents the following:

- a. He or she is waiving and releasing any rights he or she may have under the Age Discrimination in Employment Act of 1967 ("ADEA"),
- b. This waiver and release does not apply to any rights or claims that may arise under the ADEA after the Effective Date of this Agreement.
- c. The consideration given for this waiver and release is in addition to anything of value to which Employee was already entitled.
- d. Employee has been advised by this writing that he or she should consult with an attorney prior to executing this Agreement.
- e. Employee has been provided with at least 21 days from the date he or she received this Agreement to consider whether to sign this Agreement, and that if Employee signs the Agreement in less than 21 days, that signature shall constitute a knowing and voluntary

waiver of his or her right to consider the agreement for the full 21 days. [~~Should this be a reduction in force for two or more employees delete e. above and add the following as e.~~: Employee has been provided with at least 45 days from the date he or she received this Agreement to consider whether to sign this Agreement, and that if Employee signs the Agreement in less than 45 days, that signature shall constitute a knowing and voluntary waiver of his or her right to consider the agreement for the full 45 days.]

f. After Employee accepts this Agreement, Employee will have an additional 7 days (15 days in Minnesota) in which to revoke his or her acceptance, which Employee may do by returning to DaVita a written notice of revocation. Any such revocation notice shall be by hand delivery, fax or by priority mail, and it must be addressed to and received by the following within the revocation period:

Jan Schneider
DaVita Inc.
1551 Wewatta Street
Denver, CO 80202
eFax: (866) 894-2611

g. This Agreement shall not be effective until after the revocation period has expired.

h. [~~Should this be a reduction in force for two or more employees add as h:~~ Employee acknowledges that he or she has received the information attached hereto as Exhibit A concerning the selection of teammates for layoff.]

13. Acknowledgment with Respect to Payments. Employee hereby admits, acknowledges and agrees that with payments hereunder he or she has received, or will receive, full and final payment of any wages and/or bonus amounts and/or other benefits that are or could be due under the terms of his or her employment with DaVita.

14. Transfer into Regular Position Prior to Termination Date. If Employee transfers into a regular position at DaVita, or any of its affiliated companies, prior to the Termination Date, and thus is not terminated by DaVita, Employee is ineligible to sign this Agreement, this Agreement is void, and no payments or benefits will be provided under this Agreement. Furthermore, if after the Termination but before DaVita's receipt of this Agreement, Employee begins another regular position at DaVita or any of its affiliated companies, Employee will no longer be eligible for payments or benefits under this Agreement.

15. Offset/Termination of Severance Payments. DaVita reserves the right to offset from the Severance Payment any amount legally owed by Employee to DaVita on or after

termination of Employee's employment. DaVita also reserves the right to offset from the Severance Payment any compensation received by the Employee from any other employer (as an employee, consultant or independent contractor) for the period specified in the Plan. DaVita also reserves the right to cancel any remaining Severance Payments if the Employee fails to meet the attestation and notification requirements of the Plan.

16. Entire Agreement. The Agreement, including all forms and notices and the Plan referenced herein, together with the provisions of any written agreements with DaVita that survive termination of Employee's employment, e.g., provisions on post-employment non-competition, non-solicitation and confidentiality, constitute the entire agreement and understanding of the parties on the subjects contained herein and this Agreement and those provisions supersede and replace all prior negotiations and all prior agreements, proposed or otherwise, whether oral or written.

17. Cooperation. After the termination of Employee's employment with DaVita, Employee agrees to fully cooperate with DaVita with any actual or potential legal proceedings, or internal investigations, in which DaVita requests his or her assistance. Such assistance shall include, but is not limited to, participating in interviews with representatives of DaVita, attending, as a witness, depositions, trials, or other similar proceedings without requiring a subpoena, and producing and/or providing any documents.. This cooperation shall be at no additional cost to DaVita, with the exception of reasonable out-of-pocket expenses which must have been pre-approved in writing by DaVita.

18. Compliance Exit Questionnaire and Interview. Employee agrees to be available to participate in an exit interview with the Company's Corporate Compliance Department or its designee. Employee further agrees that he or she is required to answer any questions fully and completely and that a failure to do so is a material breach of this Agreement.

19. Compliance Obligations. Employee acknowledges that he or she has fulfilled all obligations to raise any and all compliance concerns while employed with DaVita and that he or she is not currently aware of any compliance-related issues that he or she has not previously raised with the company. If he or she is currently aware of a compliance-related issue, Employee acknowledges his or her obligation to raise the concern(s) during his or her compliance exit interview and that failure to do so is a material breach of this Agreement.

20. Non-disparagement. Employee agrees not to disparage DaVita or any other Released Party, orally or in writing; provided that Employee may respond accurately and fully to compulsory legal process. Employee agrees to notify immediately DaVita upon receipt of any subpoena or court order related to any of the Released Parties. However, nothing in this paragraph or paragraph 22 below shall limit Employee's right to engage in legally protected

conduct including the filing of administrative charges with governmental agencies or participating in the investigation of any such charges by governmental agencies, including providing documents or other information to such agencies.

21. No Admission of Liability. Nothing contained herein, and no action taken by any party hereto with regard to the Agreement, shall be construed as an admission by any party of liability for any purpose whatsoever.

22. Confidentiality of this Agreement. Employee agrees that from the date of this Agreement forward, he or she will keep the terms of this Agreement confidential and will not disclose the fact or terms to anyone except to members of his or her immediate family, his or her attorney or counselor, and persons assisting him/her in financial planning or income tax preparation, provided that these people agree to keep such information confidential.

23. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware (without regard to principles of conflicts of laws) to the extent not preempted by the Employee Retirement Income Security Act of 1974, as amended, or other Federal law, which shall otherwise control. **In any such proceeding, Employee hereby knowingly and voluntarily waives his or her right to a jury trial.**

24. Changes to Agreement. This Agreement may not be changed orally, but only in writing signed by all parties.

25. Severability. Should one or more of the terms of this Agreement be declared invalid by a court of competent jurisdiction, the rest will continue to be valid and interpreted to be fully effective to the maximum extent permitted by law, except that if Employee's release of claims is declared invalid, DaVita at its option may discontinue making any payments under this Agreement and recover any payments already made.

26. Effective Date of Agreement. This Agreement shall be effective 8 days after it has been dated and signed by all parties, and returned to DaVita via DocuSign.

27. Timing of Severance Payments. After DaVita has received this signed Agreement, and the time for revocation has passed without revocation being made, the payments under this Agreement will be made to Employee, at Employee's home address, as soon as administratively practicable in the payroll cycle. However, any severance obligations by DaVita does not arise until at a minimum of 14 days after the company receives an executed copy of both this Agreement and the Compliance Questionnaire and after Employee has returned all company

property. Any Agreements signed and received by DaVita prior to the Employee's termination date will be returned for signature after termination.

Employee acknowledges and represents that Employee has read this Agreement, understands its terms and effect, and freely and knowingly agrees to it on the date set out below.

DAVITA INC.

EMPLOYEE SIGNATURE

By: __ __
Name: __ Name: __
Title: __

Date: __

Employee's personal email address (required to receive severance benefits):

Approved as to Form

By: ____
Name: __
Assistant General Counsel - Labor and Employment

**Exhibit B1 to Plan
CONFIDENTIALITY, NONCOMPETITION,
NONSOLICITATION, AND INTELLECTUAL PROPERTY AGREEMENT
(DIRECTOR LEVEL)**

THIS CONFIDENTIALITY, NONCOMPETITION, NONSOLICITATION, AND INTELLECTUAL PROPERTY AGREEMENT (this "Agreement") is made and entered into as of _____, 201_ by and between DaVita Inc., which includes its subsidiaries and affiliated companies ("DaVita"), and _____ ("Teammate").

WHEREAS, DaVita is engaged in the highly competitive business of providing kidney care and related services to its Patients and Customers and has offered to hire or continue to employ Teammate and Teammate has agreed to work or continue to work for DaVita;

WHEREAS, DaVita will expend a great deal of time, money, and effort to develop Teammate's skills to assist Teammate in performing his or her duties for DaVita and will disclose to Teammate its proprietary, Confidential, and Trade Secret Information (defined below), all of which Teammate agrees are valuable assets of DaVita that are developed at great effort and expense to DaVita, and;

WHEREAS, Teammate understands that DaVita has a valid interest in protecting its valuable assets, including its Confidential Information and Trade Secrets, the goodwill and business relationships with its Patients and Customers, other employees, and the general public, and the specialized training of its employees, and acknowledges that the covenants and restrictions contained herein are necessary to protect these valuable assets of DaVita; and

NOW, THEREFORE, in consideration of DaVita's initial or continued employment of Teammate, DaVita's promise to disclose to Teammate Confidential Information and Trade Secrets and provide specialized training to allow Teammate to perform Teammate's duties for DaVita, and the mutual benefits conferred herein (the sufficiency of all of which are hereby acknowledged by Teammate), DaVita and Teammate agree as follows:

1. Definition of Key Terms.

- a. **"Business Contact"** means contact that is intended to establish or strengthen a business or professional relationship for DaVita, regardless of whether the contact is with a patient directly assigned to Teammate or a patient with which Teammate otherwise has contact in furtherance of the Teammate's job duties.
- b. **"Business of DaVita"** means providing a variety of health care services to patient populations throughout the United States and abroad through its various Business Units (as defined below and in Appendix A), including, but not limited to, dialysis and other services for Patients with chronic kidney failure and end stage renal disease, innovative clinical care, integrated treatment plans, personalized care teams, and health-management services for Patients and Customers.

- c. “**Business Units**” means one or more of the businesses within DaVita listed in Appendix A. Teammate understands that this list of Business Units may expand or contract during Teammate’s employment and is not meant to be all-inclusive or final. Teammate understands that DaVita intends to keep the restrictions in this Agreement narrow by defining the Business Units as a means of identifying the actual work Teammate performs for the Company and potential competitive activity as it relates to Teammate’s employment and post-employment activities and not as a means of broadening such activity to Business Units for which Teammate did not work.
- d. “**Competing Business**” means any individual (including Teammate), corporation, limited liability company, partnership, joint venture, association, or other entity, regardless of form, that is directly engaged in whole or in relevant part in any business or enterprise that is the same as, or substantially the same as, the Business of DaVita, or that is taking material steps to engage in such business.
- e. “**Confidential Information**” means (i) competitively sensitive information, (ii) of importance to DaVita, (iii) that is kept in confidence by DaVita, (iv) that becomes known to Teammate through his or her employment with DaVita, and (v) that is not a trade secret under the Colorado Trade Secrets Act, Defend Trade Secrets Act of 2016 or other applicable law, as trade secrets are and shall remain separately protected and enforceable pursuant to applicable law. Assuming the foregoing criteria are met, Confidential Information includes, but is not limited to, information about DaVita’s operations, services, research and development of DaVita’s operations or services, names and other listings of current or prospective Patients or Customers, proposals to any current or prospective Patients or Customers, the terms of any arrangements or agreements with any Patients or Customers, including payment and pricing information, the implementation of patient or Customer-specific projects, the composition or description of future services that will or may be offered by DaVita, marketing strategies, financial and sales information, and technical expertise and know-how developed by DaVita, including the unique manner in which DaVita conducts its business. Confidential Information also includes information disclosed to DaVita by any third party (including, but not limited to, current or prospective Customers) that DaVita is required to treat as confidential. Confidential Information shall not include information readily available in the public domain so long as such information was not made available through the wrongdoing or fault of Teammate or any other individual.
- f. “**Creative Works**” means any and all works of authorship including, for example, written documents, spreadsheets, graphics, designs, trademarks, service marks, algorithms, computer programs or code, protocols, formulas, mask works, brochures, presentations, photographs, music or compositions, manuals, reports, and compilations of various elements, whether patentable or registrable under copyright, trademark, or similar domestic and international laws.

- g. **“Patients and Customers”** means those individuals, companies, or other entities for whom DaVita has provided or does provide products or services in connection with the Business of DaVita or whom DaVita has provided written proposals concerning the Business of DaVita in the one (1) year period preceding the voluntary or involuntary termination of Teammate’s employment with DaVita for any reason and with or without cause, including but not limited to, hospitals, clinics, and other health care providers.
 - h. **“Indirectly,”** as used in paragraphs 2 and 4-7 below, means that Teammate will not assist others in performing those activities Teammate is prohibited from engaging in directly in paragraphs 2 and 4-7.
 - i. **“Intellectual Property”** means those ownership and other legal rights associated with any Invention or Creative Works.
 - j. **“Invent”** means to conceive of, develop, reduce to practice, or otherwise invent, as that term is commonly understood, and is not limited to its general usage under U.S. or foreign patent law.
 - i. **“Invention”** means inventions, developments, concepts, improvements, designs, discoveries, inventive ideas, algorithms, computer software code, protocols, formulas, mask works, compositions, trademarks, service marks, or trade secrets, whether or not reduced to practice, patentable, or registrable under patent, copyright, trademark, or similar laws, which Teammate Invents, either solely or jointly during normal working hours or when Teammate is expected to be working, or that relate to the Business of DaVita or to DaVita’s actual or demonstrably anticipated research or development, or that are substantially aided by Teammate’s use of DaVita’s equipment, supplies, facilities, or confidential information, or contains **any** of DaVita’s Trade Secrets or Confidential Information, or that are the direct or substantial result of any work performed by Teammate for DaVita.
 - k. **“Prior Inventions”** means all Inventions that were made by Teammate prior to his or her employment with DaVita, which belong to Teammate and which relate to DaVita’s current or proposed business, products, or research and development, and are not presently assigned to DaVita under this Agreement.
 - l. **“Restricted Territory”** means the geographic territory in which Teammate worked, represented DaVita, or had Business Contact with DaVita’s Patients and Customers in the five (5) year period preceding the voluntary or involuntary termination of Teammate’s employment with DaVita for any reason and with or without cause.
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- m. **“Trade Secret(s)”** means information defined as a trade secret by the Colorado Trade Secrets Act or other applicable law.
- n. **“Vendors and Suppliers”** means any individuals, companies, or government entities that supply materials or services to DaVita in furtherance of the Business of DaVita, regardless of whether or not they are also a Competing Business.

2. **Non-Disclosure and Non-Use of Confidential Information and Trade Secrets.** During the term of Teammate’s employment and following the voluntary or involuntary termination of Teammate’s employment for any reason and with or without cause, Teammate will not, except as authorized and required to perform Teammate’s duties for DaVita, directly or indirectly: use, disclose, reproduce, distribute, or otherwise disseminate DaVita’s Confidential Information or Trade Secrets, or take any action causing, or fail to take any action necessary, to prevent any such information to lose its character or cease to qualify as Confidential Information or a Trade Secret. Teammate agrees to ask DaVita, both during and after employment, if Teammate has any questions about whether particular information is Confidential Information or a Trade Secret before using or disclosing such information. For example, Teammate agrees to contact DaVita if Teammate takes a job with an entity that is not a Competing Business (e.g., a vendor, insurance provider, or government agency) where that job will require Teammate to use or disclose Confidential Information or Trade Secrets such as pricing or contracting information in a manner that could adversely affect DaVita. Teammate shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (1) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Disclosures to attorneys, made under seal, or pursuant to court order are also protected in certain circumstances under 18 U.S.C. § 1833.

3. **Return of Company Records and Property.** Teammate agrees to immediately return to DaVita all property belonging to DaVita, including but not limited to, keys, credit cards, phones, computers, documents, data, as well as originals, copies, or other physical embodiments of DaVita’s Confidential Information and Trade Secrets (regardless of whether it is in paper, electronic, or any other format), at the termination of his or her employment or at any other time when DaVita so requests, and Teammate agrees not to retain or distribute any copies of any of the foregoing.

4. **Non-Solicitation of Patients and Customers.** Teammate agrees that during Teammate’s employment and for a period of one (1) year following the voluntary or involuntary termination of Teammate’s employment for any reason and with or without cause, Teammate will not, either on behalf of Teammate or for any Competing Business, directly or Indirectly solicit, divert, or appropriate, or attempt to solicit, divert, or appropriate any Patient or Customer with whom Teammate has had Business Contact in the twelve (12) month period preceding the termination of Teammate’s employment, or about whom Teammate has any Confidential Information or Trade Secrets, for the purposes of providing services that are the same as or substantially similar to those provided in the Business of DaVita.

5. **Non-Competition.** Teammate agrees that during Teammate's employment and for a period of six (6) months following the voluntary or involuntary termination of Teammate's employment for any reason and with or without cause, Teammate will not, directly or Indirectly, own, manage, operate, join, control, be employed by or with, or participate in any manner with a Competing Business that competes with any Business Unit for which Teammate worked during the last five (5) years of his or her employment anywhere in the Restricted Territory where doing so will require Teammate to provide the same or substantially similar services to any such Competing Business as those which he or she provided to those Business Units at DaVita where he or she worked during the last five (5) years of his or her employment.

6. **Non-Solicitation of Teammates.** Teammate agrees that during his or her employment with DaVita and for one (1) year following the voluntary or involuntary termination of his or her employment for any reason and with or without cause, Teammate will not directly or Indirectly solicit, recruit, or encourage current Teammates of DaVita or Teammates who have terminated their employment with DaVita within twelve (12) months of the solicitation, recruitment, or encouragement, to provide to a Competing Business the same or substantially similar services they provided to DaVita.

7. **Non-Interference of Vendors and Suppliers.** Teammate agrees that during his or her employment with DaVita and following the termination of his or her employment, Teammate will not directly or indirectly interfere with DaVita's relationships with its vendors and suppliers in any manner that is prohibited by contract or law.

8. **Ownership of Intellectual Property.**

a. **Prior Inventions Retained and Licensed by Teammate.** Teammate has attached hereto, as Exhibit A, a list describing all Prior Inventions. If no such list is attached, Teammate represents that there are no such Prior Inventions. Teammate agrees not to incorporate, or permit to be incorporated, any Prior Invention owned by Teammate, or in which Teammate has an interest, into a Company product, process, program, or machine without DaVita's prior written consent.

b. **Assignment of Inventions.** Teammate agrees to promptly make full written disclosure to DaVita of, to hold in trust for the sole right and benefit of DaVita, and **hereby presently assigns** to DaVita, or its designees, without any additional consideration, all of Teammate's right, title, and interest in and to any and all Inventions that are Invented **during Teammate's employment or for a period of one (1) year following the voluntary or involuntary termination of Teammate's employment.** Teammate understands that the obligations under this paragraph 8(b) do not apply to any Invention that is Invented that: (1) does not involve the use of any DaVita Trade Secrets or Confidential Information, DaVita equipment, supplies, or facilities; (2) that were developed by Teammate entirely on Teammate's own time; **and** (3) do not relate to the Business of DaVita.

- c. **Works Made For Hire.** Teammate acknowledges that all Creative Works that are made by Teammate (solely or jointly with others) within the scope of and during the period of Teammate's employment with DaVita and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act.

- d. **Patent and Copyright Registrations.** Teammate agrees to assist DaVita (both during and after employment), or its designees, at DaVita's expense, but without additional compensation to Teammate, to secure DaVita's rights in any Inventions, copyrights, or other intellectual property rights relating thereto in any and all countries, hereby irrevocably designates and appoints DaVita, through its duly authorized officers and agents, as Teammate's agent and attorney in fact, to act for and on Teammate's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright or trademark registrations thereon anywhere in the world with the same legal force and effect as if executed by Teammate.

9. **Tolling.** Employee agrees that if either party institutes litigation to enforce or challenge the protective covenants in paragraphs four (4) through eight (8) of this agreement, and Employee is not enjoined from breaching one or more of the protective covenants contained herein, and a court thereafter determines that one or more of the protective covenants are enforceable, the restricted time periods in this Agreement shall be tolled beginning on the date the litigation was instituted until the litigation is finally resolved and all periods of appeal have expired.

10. **Prior Agreements and Disclosure of Agreement to Third Parties.** Teammate represents that he or she is not a party to any agreement with any former employer or any other person or entity containing any non-disclosure, non-compete, non-solicitation, non-recruitment, intellectual property assignment, or other covenants that will affect Teammate's ability to devote his or her full time and attention to the Business of DaVita, that has not already been disclosed to DaVita in writing. Teammate also agrees to provide a copy of this Agreement to any subsequent employer, person, or entity to which Teammate intends to provide services that may conflict with any of Teammate's obligations in this Agreement prior to engaging in any such activities. Teammate agrees that DaVita may also provide a copy of this Agreement or a description of its terms to any Patient or Customer, subsequent employer, or other third party at any time as it deems necessary to protect its interests, and Teammate agrees to indemnify DaVita against any claims and hold DaVita harmless from any losses, costs, fees, expenses, and damages arising out of Teammate's failure to comply with this paragraph.

11. **Additional Teammate Disclosure Exceptions.** Nothing in this Agreement (including with respect to Confidential Information, Trade Secrets, and Inventions obligations) is intended to be or will be construed to prevent, impede, or interfere with Teammate's right to respond accurately and fully to any question, inquiry, or request for information regarding Teammate's employment with DaVita when required by legal process by a Federal, State or other legal authority, or from initiating communications directly with, or responding to any inquiry from, or providing truthful testimony and information to, any Federal, State,

or other regulatory authority in the course of an investigation or proceeding authorized by law and carried out by such agency. Teammate is not required to contact DaVita regarding the subject matter of any such communications before Teammate engages in such communications. In addition, nothing in this Agreement is intended to restrict Teammate's legally protected right to discuss wages, hours or other working conditions with co-workers or in any way limit Teammate's rights under the National Labor Relations Act or any whistleblower act.

12. Severability and Enforceability. Teammate and DaVita agree that if any particular paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court to be invalid or unenforceable as written, they shall be modified as necessary to be valid or enforceable, and such modification shall not affect the remaining provisions of this Agreement, or if they cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable.

13. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware (without regard to principles of conflicts of laws) to the extent not preempted by the Employee Retirement Income Security Act of 1974, as amended, or other Federal law, which shall otherwise control.

14. Relief, Remedies, and Enforcement. The parties acknowledge that DaVita is engaged in a highly competitive business and the covenants and restrictions contained in this Agreement, including the geographic and temporal restrictions, are reasonably designed to protect DaVita's legitimate business interests, including Company goodwill and Patient and Customer relationships, Confidential Information and Trade Secrets, and the specialized skills and knowledge gained by Teammate and DaVita's other employees during their employment. Teammate acknowledges and agrees that a breach of any provision of this Agreement by the Teammate will cause serious and irreparable injury to DaVita that will be difficult to quantify and which may not be adequately compensated by monetary damages alone. Thus, in the event of a breach or threatened or intended breach of this Agreement by Teammate, DaVita shall be entitled to injunctive relief, both temporary and final, enjoining and restraining such breach or threatened or intended breach, despite any agreement between two parties to arbitrate any disputes related to any aspect of Teammate's employment. Teammate further agrees that nothing in this Agreement, or in any agreement between the parties to arbitrate any other aspect of Teammate's employment, shall be construed to prohibit DaVita from pursuing any and all other legal or equitable remedies available to it for breach of any of the provisions of this Agreement, including the disgorgement of any profits, commissions, or fees realized by Teammate, any subsequent employers, any business owned or operated by Teammate, or any of Teammate's agents, heirs, or assigns, as well as all costs and attorneys' fees incurred because of Teammate's breach of any provisions of this Agreement. Teammate also agrees that that the knowledge, skills, and abilities he or she possesses at the time of commencement of employment are sufficient to permit Teammate to earn a livelihood satisfactory to Teammate without violating any provision of this Agreement.

15. Entire Agreement and Validity of Terms. Teammate and DaVita agree that this Agreement contains the entire agreement by and between them on the subjects covered by this Agreement, that all sections of prior agreements concerning these subjects are replaced by this Agreement, that Teammate does

not rely, and has not relied, upon any representation or statement not set forth herein by DaVita or any of DaVita's agents, representatives, or attorneys, and that this Agreement may be changed only by a subsequent agreement in writing signed by both parties.

16. Survival. All non-competition, non-solicitation, non-disclosure and use, non-recruiting, and Agreement disclosure obligations in this Agreement shall survive the voluntary or involuntary termination of Teammate's employment for any reason and with or without cause, and no dispute regarding any other provisions of this Agreement or regarding Teammate's employment or the termination of Teammate's employment shall prevent the operation and enforcement of these obligations.

17. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original, but all of which construed together shall constitute one and the same Agreement. Teammate agrees that DaVita may enforce this Agreement with a copy that is only signed by Teammate.

18. Assignment and Successorship. This Agreement and the rights and obligations of DaVita hereunder may be assigned by DaVita and shall inure to the benefit of and shall be enforceable by any such assignee, as well as any of DaVita's successors in interest. This Agreement and the rights and obligations of Teammate hereunder may not be assigned by Teammate, but are binding upon Teammate's heirs, administrators, executors, and personal representatives.

19. Waiver. The waiver by DaVita of any breach of this Agreement by Teammate shall not be effective unless in writing signed by an officer of DaVita, and no such waiver with regards to Teammate or any other person under a similar agreement shall operate or be construed as a waiver of the same type of breach or any other breach on a subsequent occasion by Teammate or any other person or entity.

20. Headings. The Section headings are for convenience only and shall not affect the meaning of the provisions contained in this Agreement.

TEAMMATE ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS THE TERMS OF THIS AGREEMENT AND HAS BEEN GIVEN THE OPPORTUNITY TO REVIEW THIS AGREEMENT AND HAVE THE AGREEMENT REVIEWED BY AN ATTORNEY, IF HE OR SHE SO CHOOSES, PRIOR TO ITS EXECUTION.

IN WITNESS THEREOF, DaVita and Teammate have caused this Agreement to be executed as of the day and year first written above.

Teammate

DaVita Inc.

Signature: _____

By: _____

Print Name: _____

Name: _____

Residency Address: _____

Title: _____

Approved by DaVita Inc. as to Form:

Name: _____
Assistant General Counsel – Labor & Employment

APPENDIX A

- a. **DaVita Kidney Care “DKC”**: provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. This Business Unit includes and covers all aspects of the business that are not separately identified in sections b through i below.
- b. **DaVita Clinical Research “DCR”**: Provides early phase clinical research, late phase clinical research, biorepository, health economics outcomes research, and medical communications services.
- c. **DaVita Health Solutions “DHS”**: Provides an integrated care, multidisciplinary delivery model for high acuity chronically ill patients across a broad spectrum of diseases.
- d. **DaVita Rx**: Provides medication management services, analytics, prescription fulfillment, and pharmacy management services for clients for both standard and specialty drugs.
- e. **Falcon Physician**: Partners with practicing nephrologists and clinical excellence teams to develop and maintain web-based electronic health record solutions that integrate

with dialysis centers nationwide and help nephrologists improve efficiency while providing comprehensive CKD and ESRD patient care

f. **Hospital Services Group “HSG”**: Provides inpatient dialysis, Continuous Renal Replacement Therapy “CRRT”, and apheresis to hospitals, and assists in discharge planning and case management for acute and/or chronic renal patients leaving the hospital.

g. **Labs**: Provides clinical lab support for the diagnosis and treatment of ESRD and CKD patients.

h. **Lifeline**: Manages vascular access centers at which outpatient vascular access repairs and various other procedures on ESRD patients are performed.

i. **Nephrology Practice Solutions “NPS”**: Provides nephrology care through employed physicians, nephrology practice consulting and management services, including governance and compensation planning, market analysis and strategic plan development, and nephrologist recruitment services.

j. **Paladina**: Provides primary, preventative, and urgent care, 24/7 physician access, personalized care plans, wellness coaching, and chronic disease management with a health cost-savings to employers and patients.

k. **Village Health**: Partners with patients, physicians, and healthcare professionals as well as payors to provide integrated care management to patients with kidney disease.

Exhibit B2 to Plan

**CONFIDENTIALITY, NONCOMPETITION,
NONSOLICITATION, AND INTELLECTUAL PROPERTY AGREEMENT
(VICE PRESIDENT LEVEL)**

THIS CONFIDENTIALITY, NONCOMPETITION, NONSOLICITATION, AND INTELLECTUAL PROPERTY AGREEMENT (this “Agreement”) is made and entered into as of _____, 201_ by and between DaVita Inc., which includes its subsidiaries and affiliated companies (“DaVita”), and _____ (“Teammate”).

WHEREAS, DaVita is engaged in the highly competitive business of providing kidney care and related services to its Patients and Customers and has offered to hire or continue to employ Teammate and Teammate has agreed to work or continue to work for DaVita;

WHEREAS, DaVita will expend a great deal of time, money, and effort to develop Teammate's skills to assist Teammate in performing his or her duties for DaVita and will disclose to Teammate its proprietary, Confidential, and Trade Secret Information (defined below), all of which Teammate agrees are valuable assets of DaVita that are developed at great effort and expense to DaVita, and;

WHEREAS, Teammate understands that DaVita has a valid interest in protecting its valuable assets, including its Confidential Information and Trade Secrets, the goodwill and business relationships with its Patients and Customers, other employees, and the general public, and the specialized training of its employees, and acknowledges that the covenants and restrictions contained herein are necessary to protect these valuable assets of DaVita; and

NOW, THEREFORE, in consideration of DaVita's initial or continued employment of Teammate, DaVita's promise to disclose to Teammate Confidential Information and Trade Secrets and provide specialized training to allow Teammate to perform Teammate's duties for DaVita, and the mutual benefits conferred herein (the sufficiency of all of which are hereby acknowledged by Teammate), DaVita and Teammate agree as follows:

1. Definition of Key Terms.

- a. **"Business Contact"** means contact that is intended to establish or strengthen a business or professional relationship for DaVita, regardless of whether the contact is with a patient directly assigned to Teammate or a patient with which Teammate otherwise has contact in furtherance of the Teammate's job duties.
- b. **"Business of DaVita"** means providing a variety of health care services to patient populations throughout the United States and abroad through its various Business Units (as defined below and in Appendix A), including, but not limited to, dialysis and other services for Patients with chronic kidney failure and end stage renal disease, innovative clinical care, integrated treatment plans, personalized care teams, and health-management services for Patients and Customers.
- c. **"Business Units"** means one or more of the businesses within DaVita listed in Appendix A. Teammate understands that this list of Business Units may expand or contract during Teammate's employment and is not meant to be all-inclusive or final. Teammate understands that DaVita intends to keep the restrictions in this Agreement narrow by defining the Business Units as a means of identifying the actual work Teammate performs for the Company and potential competitive activity as it relates to Teammate's employment and post-employment activities and not as a means of broadening such activity to Business Units for which Teammate did not work.
- d. **"Competing Business"** means any individual (including Teammate), corporation, limited liability company, partnership, joint venture, association, or other entity, regardless of form, that is directly engaged in whole or in relevant part in any business or enterprise that is the same as, or substantially the same as, the Business of DaVita, or that is taking material steps to engage in such business.

- e. **“Confidential Information”** means (i) competitively sensitive information, (ii) of importance to DaVita, (iii) that is kept in confidence by DaVita, (iv) that becomes known to Teammate through his or her employment with DaVita, and (v) that is not a trade secret under the Colorado Trade Secrets Act, Defend Trade Secrets Act of 2016 or other applicable law, as trade secrets are and shall remain separately protected and enforceable pursuant to applicable law. Assuming the foregoing criteria are met, Confidential Information includes, but is not limited to, information about DaVita’s operations, services, research and development of DaVita’s operations or services, names and other listings of current or prospective Patients or Customers, proposals to any current or prospective Patients or Customers, the terms of any arrangements or agreements with any Patients or Customers, including payment and pricing information, the implementation of patient or Customer-specific projects, the composition or description of future services that will or may be offered by DaVita, marketing strategies, financial and sales information, and technical expertise and know-how developed by DaVita, including the unique manner in which DaVita conducts its business. Confidential Information also includes information disclosed to DaVita by any third party (including, but not limited to, current or prospective Customers) that DaVita is required to treat as confidential. Confidential Information shall not include information readily available in the public domain so long as such information was not made available through the wrongdoing or fault of Teammate or any other individual.

- f. **“Creative Works”** means any and all works of authorship including, for example, written documents, spreadsheets, graphics, designs, trademarks, service marks, algorithms, computer programs or code, protocols, formulas, mask works, brochures, presentations, photographs, music or compositions, manuals, reports, and compilations of various elements, whether patentable or registrable under copyright, trademark, or similar domestic and international laws.

- g. **“Patients and Customers”** means those individuals, companies, or other entities for whom DaVita has provided or does provide products or services in connection with the Business of DaVita or whom DaVita has provided written proposals concerning the Business of DaVita in the one (1) year period preceding the voluntary or involuntary termination of Teammate’s employment with DaVita for any reason and with or without cause, including but not limited to, hospitals, clinics, and other health care providers.

- h. **“Indirectly,”** as used in paragraphs 2 and 4-7 below, means that Teammate will not assist others in performing those activities Teammate is prohibited from engaging in directly in paragraphs 2 and 4-7.

- i. **“Intellectual Property”** means those ownership and other legal rights associated with any Invention or Creative Works.

- j. **“Invent”** means to conceive of, develop, reduce to practice, or otherwise invent, as that term is commonly understood, and is not limited to its general usage under U.S. or foreign patent law.
- i. **“Invention”** means inventions, developments, concepts, improvements, designs, discoveries, inventive ideas, algorithms, computer software code, protocols, formulas, mask works, compositions, trademarks, service marks, or trade secrets, whether or not reduced to practice, patentable, or registrable under patent, copyright, trademark, or similar laws, which Teammate Invents, either solely or jointly during normal working hours or when Teammate is expected to be working, or that relate to the Business of DaVita or to DaVita’s actual or demonstrably anticipated research or development, or that are substantially aided by Teammate’s use of DaVita’s equipment, supplies, facilities, or confidential information, or contains **any** of DaVita’s Trade Secrets or Confidential Information, or that are the direct or substantial result of any work performed by Teammate for DaVita.
- k. **“Prior Inventions”** means all Inventions that were made by Teammate prior to his or her employment with DaVita, which belong to Teammate and which relate to DaVita’s current or proposed business, products, or research and development, and are not presently assigned to DaVita under this Agreement.
- l. **“Restricted Territory”** means the geographic territory in which Teammate worked, represented DaVita, or had Business Contact with DaVita’s Patients and Customers in the five (5) year period preceding the voluntary or involuntary termination of Teammate’s employment with DaVita for any reason and with or without cause.
- m. **“Trade Secret(s)”** means information defined as a trade secret by the Colorado Trade Secrets Act or other applicable law.
- n. **“Vendors and Suppliers”** means any individuals, companies, or government entities that supply materials or services to DaVita in furtherance of the Business of DaVita, regardless of whether or not they are also a Competing Business.

2. **Non-Disclosure and Non-Use of Confidential Information and Trade Secrets.** During the term of Teammate’s employment and following the voluntary or involuntary termination of Teammate’s employment for any reason and with or without cause, Teammate will not, except as authorized and required to perform Teammate’s duties for DaVita, directly or indirectly: use, disclose, reproduce, distribute, or otherwise disseminate DaVita’s Confidential Information or Trade Secrets, or take any action causing, or fail to take any action necessary, to prevent any such information to lose its character or cease to qualify as Confidential Information or a Trade Secret. Teammate agrees to ask DaVita, both during and after

employment, if Teammate has any questions about whether particular information is Confidential Information or a Trade Secret before using or disclosing such information. For example, Teammate agrees to contact DaVita if Teammate takes a job with an entity that is not a Competing Business (e.g., a vendor, insurance provider, or government agency) where that job will require Teammate to use or disclose Confidential Information or Trade Secrets such as pricing or contracting information in a manner that could adversely affect DaVita. Teammate shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (1) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Disclosures to attorneys, made under seal, or pursuant to court order are also protected in certain circumstances under 18 U.S.C. § 1833.

3. Return of Company Records and Property. Teammate agrees to immediately return to DaVita all property belonging to DaVita, including but not limited to, keys, credit cards, phones, computers, documents, data, as well as originals, copies, or other physical embodiments of DaVita's Confidential Information and Trade Secrets (regardless of whether it is in paper, electronic, or any other format), at the termination of his or her employment or at any other time when DaVita so requests, and Teammate agrees not to retain or distribute any copies of any of the foregoing.

4. Non-Solicitation of Patients and Customers. Teammate agrees that during Teammate's employment and for a period of one (1) year following the voluntary or involuntary termination of Teammate's employment for any reason and with or without cause, Teammate will not, either on behalf of Teammate or for any Competing Business, directly or Indirectly solicit, divert, or appropriate, or attempt to solicit, divert, or appropriate any Patient or Customer with whom Teammate has had Business Contact in the twelve (12) month period preceding the termination of Teammate's employment, or about whom Teammate has any Confidential Information or Trade Secrets, for the purposes of providing services that are the same as or substantially similar to those provided in the Business of DaVita.

5. Non-Competition. Teammate agrees that during Teammate's employment and for a period of one (1) year following the voluntary or involuntary termination of Teammate's employment for any reason and with or without cause, Teammate will not, directly or Indirectly, own, manage, operate, join, control, be employed by or with, or participate in any manner with a Competing Business that competes with any Business Unit for which Teammate worked during the last five (5) years of his or her employment anywhere in the Restricted Territory where doing so will require Teammate to provide the same or substantially similar services to any such Competing Business as those which he or she provided to those Business Units at DaVita where he or she worked during the last five (5) years of his or her employment.

6. Non-Solicitation of Teammates. Teammate agrees that during his or her employment with DaVita and for one (1) year following the voluntary or involuntary termination of his or her employment for any reason and with or without cause, Teammate will not directly or Indirectly solicit, recruit, or encourage current Teammates of DaVita or Teammates who have terminated their employment with DaVita within twelve (12) months of the solicitation, recruitment, or encouragement, to provide to a Competing Business the same or substantially similar services they provided to DaVita.

7. **Non-Interference of Vendors and Suppliers.** Teammate agrees that during his or her employment with DaVita and following the termination of his or her employment, Teammate will not directly or indirectly interfere with DaVita's relationships with its vendors and suppliers in any manner that is prohibited by contract or law.

8. **Ownership of Intellectual Property.**

a. **Prior Inventions Retained and Licensed by Teammate.** Teammate has attached hereto, as Exhibit A, a list describing all Prior Inventions. If no such list is attached, Teammate represents that there are no such Prior Inventions. Teammate agrees not to incorporate, or permit to be incorporated, any Prior Invention owned by Teammate, or in which Teammate has an interest, into a Company product, process, program, or machine without DaVita's prior written consent.

b. **Assignment of Inventions.** Teammate agrees to promptly make full written disclosure to DaVita of, to hold in trust for the sole right and benefit of DaVita, and **hereby presently assigns** to DaVita, or its designees, without any additional consideration, all of Teammate's right, title, and interest in and to any and all Inventions that are Invented **during Teammate's employment or for a period of one (1) year following the voluntary or involuntary termination of Teammate's employment.** Teammate understands that the obligations under this paragraph 8(b) do not apply to any Invention that is Invented that: (1) does not involve the use of any DaVita Trade Secrets or Confidential Information, DaVita equipment, supplies, or facilities; (2) that were developed by Teammate entirely on Teammate's own time; **and** (3) do not relate to the Business of DaVita.

c. **Works Made For Hire.** Teammate acknowledges that all Creative Works that are made by Teammate (solely or jointly with others) within the scope of and during the period of Teammate's employment with DaVita and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act.

d. **Patent and Copyright Registrations.** Teammate agrees to assist DaVita (both during and after employment), or its designees, at DaVita's expense, but without additional compensation to Teammate, to secure DaVita's rights in any Inventions, copyrights, or other intellectual property rights relating thereto in any and all countries, hereby irrevocably designates and appoints DaVita, through its duly authorized officers and agents, as Teammate's agent and attorney in fact, to act for and on Teammate's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright or trademark registrations thereon anywhere in the world with the same legal force and effect as if executed by Teammate.

9. **Tolling.** Employee agrees that if either party institutes litigation to enforce or challenge the protective covenants in paragraphs four (4) through eight (8) of this agreement, and Employee is not enjoined from breaching one or more of the protective covenants contained herein, and a court thereafter determines that one or more of the protective covenants are enforceable, the restricted time periods in this Agreement shall be tolled beginning on the date the litigation was instituted until the litigation is finally resolved and all periods of appeal have expired.

10. **Prior Agreements and Disclosure of Agreement to Third Parties.** Teammate represents that he or she is not a party to any agreement with any former employer or any other person or entity containing any non-disclosure, non-compete, non-solicitation, non-recruitment, intellectual property assignment, or other covenants that will affect Teammate's ability to devote his or her full time and attention to the Business of DaVita, that has not already been disclosed to DaVita in writing. Teammate also agrees to provide a copy of this Agreement to any subsequent employer, person, or entity to which Teammate intends to provide services that may conflict with any of Teammate's obligations in this Agreement prior to engaging in any such activities. Teammate agrees that DaVita may also provide a copy of this Agreement or a description of its terms to any Patient or Customer, subsequent employer, or other third party at any time as it deems necessary to protect its interests, and Teammate agrees to indemnify DaVita against any claims and hold DaVita harmless from any losses, costs, fees, expenses, and damages arising out of Teammate's failure to comply with this paragraph.

11. **Additional Teammate Disclosure Exceptions.** Nothing in this Agreement (including with respect to Confidential Information, Trade Secrets, and Inventions obligations) is intended to be or will be construed to prevent, impede, or interfere with Teammate's right to respond accurately and fully to any question, inquiry, or request for information regarding Teammate's employment with DaVita when required by legal process by a Federal, State or other legal authority, or from initiating communications directly with, or responding to any inquiry from, or providing truthful testimony and information to, any Federal, State, or other regulatory authority in the course of an investigation or proceeding authorized by law and carried out by such agency. Teammate is not required to contact DaVita regarding the subject matter of any such communications before Teammate engages in such communications. In addition, nothing in this Agreement is intended to restrict Teammate's legally protected right to discuss wages, hours or other working conditions with co-workers or in any way limit Teammate's rights under the National Labor Relations Act or any whistleblower act.

12. **Severability and Enforceability.** Teammate and DaVita agree that if any particular paragraphs, subparagraphs, phrases, words, or other portions of this Agreement are determined by an appropriate court to be invalid or unenforceable as written, they shall be modified as necessary to be valid or enforceable, and such modification shall not affect the remaining provisions of this Agreement, or if they cannot be modified to be made valid or enforceable, then they shall be severed from this Agreement, and all remaining terms and provisions shall remain enforceable.

13. **Governing Law.** This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Delaware (without regard to principles of conflicts of laws)

to the extent not preempted by the Employee Retirement Income Security Act of 1974, as amended, or other Federal law, which shall otherwise control.

14. Relief, Remedies, and Enforcement. The parties acknowledge that DaVita is engaged in a highly competitive business and the covenants and restrictions contained in this Agreement, including the geographic and temporal restrictions, are reasonably designed to protect DaVita's legitimate business interests, including Company goodwill and Patient and Customer relationships, Confidential Information and Trade Secrets, and the specialized skills and knowledge gained by Teammate and DaVita's other employees during their employment. Teammate acknowledges and agrees that a breach of any provision of this Agreement by the Teammate will cause serious and irreparable injury to DaVita that will be difficult to quantify and which may not be adequately compensated by monetary damages alone. Thus, in the event of a breach or threatened or intended breach of this Agreement by Teammate, DaVita shall be entitled to injunctive relief, both temporary and final, enjoining and restraining such breach or threatened or intended breach, despite any agreement between two parties to arbitrate any disputes related to any aspect of Teammate's employment. Teammate further agrees that nothing in this Agreement, or in any agreement between the parties to arbitrate any other aspect of Teammate's employment, shall be construed to prohibit DaVita from pursuing any and all other legal or equitable remedies available to it for breach of any of the provisions of this Agreement, including the disgorgement of any profits, commissions, or fees realized by Teammate, any subsequent employers, any business owned or operated by Teammate, or any of Teammate's agents, heirs, or assigns, as well as all costs and attorneys' fees incurred because of Teammate's breach of any provisions of this Agreement. Teammate also agrees that that the knowledge, skills, and abilities he or she possesses at the time of commencement of employment are sufficient to permit Teammate to earn a livelihood satisfactory to Teammate without violating any provision of this Agreement.

15. Entire Agreement and Validity of Terms. Teammate and DaVita agree that this Agreement contains the entire agreement by and between them on the subjects covered by this Agreement, that all sections of prior agreements concerning these subjects are replaced by this Agreement, that Teammate does not rely, and has not relied, upon any representation or statement not set forth herein by DaVita or any of DaVita's agents, representatives, or attorneys, and that this Agreement may be changed only by a subsequent agreement in writing signed by both parties.

16. Survival. All non-competition, non-solicitation, non-disclosure and use, non-recruiting, and Agreement disclosure obligations in this Agreement shall survive the voluntary or involuntary termination of Teammate's employment for any reason and with or without cause, and no dispute regarding any other provisions of this Agreement or regarding Teammate's employment or the termination of Teammate's employment shall prevent the operation and enforcement of these obligations.

17. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original, but all of which construed together shall constitute one and the same Agreement. Teammate agrees that DaVita may enforce this Agreement with a copy that is only signed by Teammate.

18. **Assignment and Successorship.** This Agreement and the rights and obligations of DaVita hereunder may be assigned by DaVita and shall inure to the benefit of and shall be enforceable by any such assignee, as well as any of DaVita's successors in interest. This Agreement and the rights and obligations of Teammate hereunder may not be assigned by Teammate, but are binding upon Teammate's heirs, administrators, executors, and personal representatives.

19. **Waiver.** The waiver by DaVita of any breach of this Agreement by Teammate shall not be effective unless in writing signed by an officer of DaVita, and no such waiver with regards to Teammate or any other person under a similar agreement shall operate or be construed as a waiver of the same type of breach or any other breach on a subsequent occasion by Teammate or any other person or entity.

20. **Headings.** The Section headings are for convenience only and shall not affect the meaning of the provisions contained in this Agreement.

TEAMMATE ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS THE TERMS OF THIS AGREEMENT AND HAS BEEN GIVEN THE OPPORTUNITY TO REVIEW THIS AGREEMENT AND HAVE THE AGREEMENT REVIEWED BY AN ATTORNEY, IF HE OR SHE SO CHOOSES, PRIOR TO ITS EXECUTION.

IN WITNESS THEREOF, DaVita and Teammate have caused this Agreement to be executed as of the day and year first written above.

Teammate

DaVita Inc.

Signature: _____

By: _____

Print Name: _____

Name: _____

Residency Address: _____

Title: _____

Approved by DaVita Inc. as to Form:

Name: _____
Assistant General Counsel – Labor & Employment

APPENDIX A

- a. **DaVita Kidney Care “DKC”**: provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. This Business Unit includes and covers all aspects of the business that are not separately identified in sections b through i below.
- b. **DaVita Clinical Research “DCR”**: Provides early phase clinical research, late phase clinical research, biorepository, health economics outcomes research, and medical communications services.
- c. **DaVita Health Solutions “DHS”**: Provides an integrated care, multidisciplinary delivery model for high acuity chronically ill patients across a broad spectrum of diseases.
- d. **DaVita Rx**: Provides medication management services, analytics, prescription fulfillment, and pharmacy management services for clients for both standard and specialty drugs.
- e. **Falcon Physician**: Partners with practicing nephrologists and clinical excellence teams to develop and maintain web-based electronic health record solutions that integrate with dialysis centers nationwide and help nephrologists improve efficiency while providing comprehensive CKD and ESRD patient care
- f. **Hospital Services Group “HSG”**: Provides inpatient dialysis, Continuous Renal Replacement Therapy “CRRT”, and apheresis to hospitals, and assists in discharge planning and case management for acute and/or chronic renal patients leaving the hospital.
- g. **Labs**: Provides clinical lab support for the diagnosis and treatment of ESRD and CKD patients.
- h. **Lifeline**: Manages vascular access centers at which outpatient vascular access repairs and various other procedures on ESRD patients are performed.
- i. **Nephrology Practice Solutions “NPS”**: Provides nephrology care through employed physicians, nephrology practice consulting and management services, including governance and compensation planning, market analysis and strategic plan development, and nephrologist recruitment services.
- j. **Paladina**: Provides primary, preventative, and urgent care, 24/7 physician access, personalized care plans, wellness coaching, and chronic disease management with a health cost-savings to employers and patients.
- k. **Village Health**: Partners with patients, physicians, and healthcare professionals as well as payors to provide integrated care management to patients with kidney disease.

SUBSIDIARIES OF THE COMPANY
as of December 31, 2018

| Name | Jurisdiction of Organization |
|---|------------------------------|
| DaVita Kidney Care: | |
| Aberdeen Dialysis, LLC | Delaware |
| Adair Dialysis, LLC | Delaware |
| Afton Dialysis, LLC | Delaware |
| Ahern Dialysis, LLC | Delaware |
| Alamosa Dialysis, LLC | Delaware |
| Alenes Dialysis, LLC | Delaware |
| American Medical Insurance, Inc. | Arizona |
| Animas Dialysis, LLC | Delaware |
| Ashdow Dialysis, LLC | Delaware |
| Astro, Hobby, West Mt. Renal Care Limited Partnership | Delaware |
| Atchison Dialysis, LLC | Delaware |
| Athio Dialysis, LLC | Delaware |
| Atlantic Dialysis, LLC | Delaware |
| Austin Dialysis Centers, L.P. | Delaware |
| Babler Dialysis, LLC | Delaware |
| Bainbridge Dialysis, LLC | Delaware |
| Baker Dialysis, LLC | Delaware |
| Bannack Dialysis, LLC | Delaware |
| Bannon Dialysis, LLC | Delaware |
| Barnell Dialysis, LLC | Delaware |
| Barnstable Dialysis, LLC | New York |
| Barrons Dialysis, LLC | Delaware |
| Barton Dialysis, LLC | Delaware |
| Bastrop Dialysis, LLC | Delaware |
| Beachside Dialysis, LLC | Delaware |
| Beck Dialysis, LLC | Delaware |
| Bedell Dialysis, LLC | Delaware |
| Bellevue Dialysis, LLC | Delaware |
| Bemity Dialysis, LLC | Delaware |
| Beverly Hills Dialysis Partnership | California |
| Bidwell Dialysis, LLC | Delaware |
| Birch Dialysis, LLC | Ohio |
| Bladon Dialysis, LLC | Delaware |
| Bluegrass Dialysis, LLC | Delaware |
| Bogachiel Dialysis, LLC | Delaware |
| Bohama Dialysis, LLC | Delaware |
| Bonister Dialysis, LLC | Delaware |
| Borrego Dialysis, LLC | Delaware |
| Bothwell Dialysis, LLC | Delaware |
| Brache Dialysis, LLC | Delaware |
| Braddock Dialysis, LLC | Delaware |

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| Bretton Dialysis, LLC | Delaware |
| Bridges Dialysis, LLC | Delaware |
| Brimfield Dialysis, LLC | Delaware |
| Brook Dialysis, LLC | Delaware |
| Brooksprings Dialysis, LLC | Delaware |
| Brownsville Kidney Center, Ltd. | Texas |
| Bruno Dialysis, LLC | Delaware |
| Buckhorn Dialysis, LLC | Delaware |
| Bullards Dialysis, LLC | Delaware |
| Butano Dialysis, LLC | Delaware |
| Caddoan Dialysis, LLC | Delaware |
| Cadiz Dialysis, LLC | Delaware |
| Calante Dialysis, LLC | Delaware |
| Cama Dialysis, LLC | Delaware |
| Campton Dialysis, LLC | Delaware |
| Canoe Dialysis, LLC | Delaware |
| Canyon Dialysis, LLC | Delaware |
| Canyon Springs Dialysis, LLC | Delaware |
| Capano Dialysis, LLC | Delaware |
| Capes Dialysis, LLC | Delaware |
| Capital Dialysis Partnership | California |
| Capron Dialysis, LLC | Delaware |
| Captree Dialysis, LLC | Delaware |
| Carroll County Dialysis Facility Limited Partnership | Maryland |
| Carroll County Dialysis Facility, Inc. | Maryland |
| Caverns Dialysis, LLC | Delaware |
| Central Carolina Dialysis Centers, LLC | Delaware |
| Central Georgia Dialysis, LLC | Delaware |
| Central Kentucky Dialysis Centers, LLC | Delaware |
| Centro de Terapia Renal de Araruama Ltda. | Brazil |
| Centro de Terapia Renal de Itabori Ltda. | Brazil |
| Chadron Dialysis, LLC | Delaware |
| Chaffee Dialysis, LLC | Delaware |
| Challis Dialysis, LLC | Delaware |
| Channel Dialysis, LLC | Delaware |
| Cheraw Dialysis, LLC | Delaware |
| Chicago Heights Dialysis, LLC | Delaware |
| Chicot Dialysis, LLC | Delaware |
| Chouteau Dialysis, LLC | Delaware |
| Churchill Dialysis, LLC | Delaware |
| Cinco Rios Dialysis, LLC | Delaware |
| Clark Dialysis, LLC | Delaware |
| Cleburne Dialysis, LLC | Delaware |
| Clinica Central do Bonfim S.A. | Portugal |
| Clinica Medica DaVita Araongas Servicos de Nefrologia Ltda. | Brazil |
| Clinica Medica DaVita Londrina Servicos de Nefrologia Ltda. | Brazil |
| Clinica Medica DaVita Rolandia Servicos de Nefrologia Ltda. | Brazil |

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| Clini-Rim Clinica do Rim e Hipertensao Arterial Ltda. | Brazil |
| Clinisa - Clinica de Nefrologia de Itapecerica da Serra Ltda. | Brazil |
| Clover Dialysis, LLC | Delaware |
| Clyfee Dialysis, LLC | Delaware |
| Cobbles Dialysis, LLC | Delaware |
| Columbus-RNA-DaVita, LLC | Delaware |
| Conconully Dialysis, LLC | Delaware |
| Conecuh Dialysis, LLC | Delaware |
| Continental Dialysis Center of Springfield-Fairfax, Inc. | Virginia |
| Continental Dialysis Center, Inc. | Virginia |
| Coral Dialysis, LLC | Delaware |
| Couer Dialysis, LLC | Delaware |
| Cowell Dialysis, LLC | Delaware |
| Croskee Dialysis, LLC | Delaware |
| Crossings Dialysis, LLC | Delaware |
| Crowder Dialysis, LLC | Delaware |
| Crystals Dialysis, LLC | Delaware |
| Cuivre Dialysis, LLC | Delaware |
| Curlew Dialysis, LLC | Delaware |
| Dale Dialysis, LLC | Delaware |
| Dalhart Dialysis, LLC | Delaware |
| Dallas-Fort Worth Nephrology, L.P. | Delaware |
| Davis Dialysis, LLC | Delaware |
| DaVita - Riverside II, LLC | Delaware |
| DaVita - Riverside, LLC | Delaware |
| DaVita - West, LLC | Delaware |
| DaVita APAC Holding B.V. | Netherlands |
| DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil |
| DaVita Brasil Servicos de Nefrologia Uber Ltda. | Brazil |
| DaVita Care (Saudi Arabia) | Saudi Arabia |
| DaVita Deutschland AG | Germany |
| DaVita Deutschland Beteiligungs GmbH & Co. KG | Germany |
| DaVita Germany GmbH | Germany |
| DaVita Health Solutions, LLC | Delaware |
| DaVita HealthCare Brasil Servicos Medicos Ltda. | Brazil |
| DaVita International Limited | United Kingdom |
| DaVita of New York, Inc. | New York |
| DaVita Rien Servicos de Nefrologia Ltda. | Brazil |
| DaVita Rx, LLC | Delaware |
| DaVita S.A.S. | Colombia |
| DaVita Servicos de Nefrologia de Araraquara Ltda. | Brazil |
| DaVita Servicos de Nefrologia Distrito Federal Ltda. | Brazil |
| DaVita Servicos de Nefrologia Jardim das Imbuias Ltda. | Brazil |
| DaVita Servicos de Nefrologia Juiz Fora Ltda. | Brazil |
| DaVita Servicos de Nefrologia Meireles Ltda. | Brazil |
| DaVita Servicos de Nefrologia Mondubim Ltda. | Brazil |
| DaVita Servicos de Nefrologia Niteroi Ltda. | Brazil |

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| DaVita Servicos de Nefrologia Recife Ltda. | Brazil |
| DaVita Servicos de Nefrologia Santos Ltda. | Brazil |
| DaVita Servicos de Nefrologia Sao Bernardino do Campo Ltda. | Brazil |
| DaVita Servicos de Nefrologia Sao Caetano do Sul Ltda. | Brazil |
| DaVita Servicos de Nefrologia Sao Gerardo Ltda. | Brazil |
| DaVita Servicos Medicos Ltda. | Brazil |
| DaVita Sp. z o.o. | Poland |
| DaVita Tidewater - Virginia Beach, LLC | Delaware |
| DaVita UTR Servicos de Nefrologia Ltda. | Brazil |
| DaVita VillageHealth, Inc. | Delaware |
| Dawson Dialysis, LLC | Delaware |
| DC Healthcare International, Inc. | Delaware |
| Decklund Dialysis, LLC | Delaware |
| Deowee Dialysis, LLC | Delaware |
| DiaCare AG | Switzerland |
| Dialysis Holdings, Inc. | Delaware |
| Dialysis of Northern Illinois, LLC | Delaware |
| Dialysis Specialists of Dallas, Inc. | Texas |
| Dierks Dialysis, LLC | Delaware |
| Dighton Dialysis, LLC | Delaware |
| DNP Management Company, LLC | Delaware |
| Dolores Dialysis, LLC | Delaware |
| Doves Dialysis, LLC | Delaware |
| Downriver Centers, Inc. | Michigan |
| Dresher Dialysis, LLC | Delaware |
| Dunes Dialysis, LLC | Delaware |
| Duston Dialysis, LLC | Delaware |
| DV Care Netherlands B.V. | Netherlands |
| DV Care Netherlands C.V. | Netherlands |
| DVA Healthcare - Southwest Ohio, LLC | Tennessee |
| DVA Healthcare of Maryland, LLC | Maryland |
| DVA Healthcare of Massachusetts, Inc. | Massachusetts |
| DVA Healthcare of New London, LLC | Tennessee |
| DVA Healthcare of Norwich, LLC | Tennessee |
| DVA Healthcare of Pennsylvania, LLC | Pennsylvania |
| DVA Healthcare of Tuscaloosa, LLC | Tennessee |
| DVA Healthcare Procurement Services, Inc. | California |
| DVA Healthcare Renal Care, Inc. | Nevada |
| DVA Holdings Pte. Ltd. | Singapore |
| DVA Laboratory Services, Inc. | Florida |
| DVA of New York, Inc. | New York |
| DVA Renal Healthcare, Inc. | Tennessee |
| Dworsher Dialysis, LLC | Delaware |
| East End Dialysis Center, Inc. | Virginia |
| East Ft. Lauderdale, LLC | Delaware |
| Edisto Dialysis, LLC | Delaware |
| Egonsa Dialysis, LLC | Delaware |

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| Elberton Dialysis Facility, Inc. | Georgia |
| Eldrist Dialysis, LLC | Delaware |
| Elgin Dialysis, LLC | Delaware |
| Elk Grove Dialysis Center, LLC | Delaware |
| Ellacoya Dialysis, LLC | Delaware |
| Ellmac Dialysis, LLC | Delaware |
| Empire State DC, Inc. | New York |
| Etowah Dialysis, LLC | Delaware |
| Ettleton Dialysis, LLC | Delaware |
| Eufaula Dialysis, LLC | Delaware |
| EURODIAL - Centro de Nefrologia e Dialise de Leiria S.A. | Portugal |
| Falcon, LLC | Delaware |
| Farragut Dialysis, LLC | Delaware |
| Federal Way Assurance, Inc. | Colorado |
| Ferne Dialysis, LLC | Delaware |
| Ferron Dialysis, LLC | Delaware |
| Fields Dialysis, LLC | Delaware |
| Five Star Dialysis, LLC | Delaware |
| Flagler Dialysis, LLC | Delaware |
| Flamingo Park Kidney Center, Inc. | Florida |
| Flandrau Dialysis, LLC | Delaware |
| Flor Dialysis, LLC | Delaware |
| Fort Dialysis, LLC | Delaware |
| Foss Dialysis, LLC | Delaware |
| Freehold Artificial Kidney Center, L.L.C. | New Jersey |
| Freeman Dialysis, LLC | Delaware |
| Frierton Dialysis, LLC | Delaware |
| Frontier Dialysis, LLC | Delaware |
| Fullerton Dialysis Center, LLC | Delaware |
| Ganois Dialysis, LLC | Delaware |
| Gansett Dialysis, LLC | Delaware |
| Garner Dialysis, LLC | Delaware |
| Garrett Dialysis, LLC | Delaware |
| Garson Dialysis, LLC | Delaware |
| Gate Dialysis, LLC | Delaware |
| GDC International, LLC | Delaware |
| Gebhard Dialysis, LLC | Delaware |
| Genesis KC Development, LLC | Delaware |
| Geyser Dialysis, LLC | Delaware |
| Gilwards Dialysis, LLC | Delaware |
| GiveLife Dialysis, LLC | Delaware |
| Glacier Dialysis, LLC | Delaware |
| Glarus Dialysis, LLC | Delaware |
| Glassland Dialysis, LLC | Delaware |
| Glosser Dialysis, LLC | Delaware |
| Golden ASC, LLC | Delaware |
| Goliad Dialysis, LLC | Delaware |

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| Granue Dialysis, LLC | Delaware |
| Greater Las Vegas Dialysis, LLC | Delaware |
| Greater Los Angeles Dialysis Centers, LLC | Delaware |
| Green Desert Dialysis, LLC | Delaware |
| Groten Dialysis, LLC | Delaware |
| Guilder Dialysis, LLC | Delaware |
| Hailstone Dialysis, LLC | Delaware |
| Hampton Dialysis, LLC | Delaware |
| Harmony Dialysis, LLC | Delaware |
| Hart Dialysis, LLC | Delaware |
| Havanna Dialysis, LLC | Delaware |
| Hawn Dialysis, LLC | Delaware |
| Hays Dialysis, LLC | Delaware |
| Hazelton Dialysis, LLC | Delaware |
| Helmer Dialysis, LLC | Delaware |
| Hewett Dialysis, LLC | Delaware |
| Higbee Dialysis, LLC | Delaware |
| Higden Dialysis, LLC | Delaware |
| Hilgards Dialysis, LLC | Delaware |
| Hills Dialysis, LLC | Delaware |
| Holten Dialysis, LLC | Delaware |
| Honeyman Dialysis, LLC | Delaware |
| Houston Kidney Center/Total Renal Care Integrated Service Network Limited Partnership | Delaware |
| Hummer Dialysis, LLC | Delaware |
| Hunter Dialysis, LLC | Delaware |
| Huntington Artificial Kidney Center, Ltd. | New York |
| Huntington Park Dialysis, LLC | Delaware |
| Hyattsville Dialysis, LLC | Delaware |
| Hyde Dialysis, LLC | Delaware |
| Icelandic Dialysis, LLC | Delaware |
| IDC -International Dialysis Centers, Lda | Portugal |
| Instituto de Nefrologia da Regiao dos Lagos Ltda. | Brazil |
| Iroquois Dialysis, LLC | Delaware |
| ISD Bartlett, LLC | Delaware |
| ISD I Holding Company, Inc. | Delaware |
| ISD II Holding Company, Inc. | Delaware |
| ISD Las Vegas, LLC | Delaware |
| ISD Renal, Inc. | Delaware |
| ISD Schaumburg, LLC | Delaware |
| ISD Spring Valley, LLC | Delaware |
| ISD Summit Renal Care, LLC | Ohio |
| Jacinto Dialysis, LLC | Delaware |
| Jenness Dialysis, LLC | Delaware |
| Jericho Dialysis, LLC | Delaware |
| Kadden Dialysis, LLC | Delaware |
| Kamakee Dialysis, LLC | Delaware |
| Kamiah Dialysis, LLC | Delaware |

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| Kanika Dialysis, LLC | Delaware |
| Kasaskia Dialysis, LLC | Delaware |
| Kavett Dialysis, LLC | Delaware |
| Kerricher Dialysis, LLC | Delaware |
| Kershaw Dialysis, LLC | Delaware |
| Kidney Care Services, LLC | Delaware |
| Kidney Center South LLC | Delaware |
| Kidney HOME Center, LLC | Delaware |
| Kidney Life, LLC | New Jersey |
| Kimball Dialysis, LLC | Delaware |
| Kingston Dialysis, LLC | Delaware |
| Kinnick Dialysis, LLC | Delaware |
| Kiowa Dialysis, LLC | Delaware |
| Knickerbocker Dialysis, Inc. | New York |
| Landor Dialysis, LLC | Delaware |
| Lantell Dialysis, LLC | Delaware |
| Lassen Dialysis, LLC | Delaware |
| Latrobe Dialysis, LLC | Delaware |
| Lawrenceburg Dialysis, LLC | Delaware |
| Leawood Dialysis, LLC | Delaware |
| Lees Dialysis, LLC | Delaware |
| Legare Development LLC | Delaware |
| Liberty RC, Inc. | New York |
| Lifeline Pensacola, LLC | Delaware |
| Lifeline Vascular Center-Albany, LLC | Delaware |
| Lincoln Park Dialysis Services, Inc. | Illinois |
| Little Rock Dialysis Centers, LLC | Delaware |
| Livingston Dialysis, LLC | Delaware |
| Llano Dialysis, LLC | Delaware |
| Lockhart Dialysis, LLC | Delaware |
| Lofield Dialysis, LLC | Delaware |
| Logoley Dialysis, LLC | Delaware |
| Long Beach Dialysis Center, LLC | Delaware |
| Lory Dialysis, LLC | Delaware |
| Lourdes Dialysis, LLC | Delaware |
| Lyndale Dialysis, LLC | Delaware |
| Machesney Bay Dialysis, LLC | Delaware |
| Madigan Dialysis, LLC | Delaware |
| Magney Dialysis, LLC | Delaware |
| Magnolia Dialysis, LLC | Delaware |
| Magoffin Dialysis, LLC | Delaware |
| Makonee Dialysis, LLC | Delaware |
| Manito Dialysis, LLC | Delaware |
| Manzano Dialysis, LLC | Delaware |
| Maple Grove Dialysis, LLC | Delaware |
| Margette Dialysis, LLC | Delaware |
| Marseille Dialysis, LLC | Delaware |

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| Marysville Dialysis Center, LLC | Delaware |
| Mashero Dialysis, LLC | Delaware |
| Mason-Dixon Dialysis Facilities, Inc. | Maryland |
| Matheson Dialysis, LLC | Delaware |
| Mautino Dialysis, LLC | Delaware |
| Mazonia Dialysis, LLC | Delaware |
| Meadows Dialysis, LLC | Delaware |
| Mellen Dialysis, LLC | Delaware |
| Memorial Dialysis Center, L.P. | Delaware |
| Meridian Dialysis, LLC | Delaware |
| Mermet Dialysis, LLC | Delaware |
| Mesilla Dialysis, LLC | Delaware |
| Middlesex Dialysis Center, LLC | Delaware |
| Millonee Dialysis, LLC | Delaware |
| Milltown Dialysis, LLC | Delaware |
| Milo Dialysis, LLC | Delaware |
| Minam Dialysis, LLC | Delaware |
| Mocca Dialysis, LLC | Delaware |
| Moraine Dialysis, LLC | Delaware |
| Morrison Dialysis, LLC | Delaware |
| Mountain West Dialysis Services, LLC | Delaware |
| Mulgee Dialysis, LLC | Delaware |
| MVZ DaVita Alzey GmbH | Germany |
| MVZ DaVita Ambulantes Kardiologisches Zentrum Peine GmbH | Germany |
| MVZ DaVita Aurich GmbH | Germany |
| MVZ DaVita Bad Aibling GmbH | Germany |
| MVZ DaVita Bad Duben GmbH | Germany |
| MVZ DaVita Cardio Centrum Dusseldorf GmbH | Germany |
| MVZ DaVita Dillenburg GmbH | Germany |
| MVZ DaVita Dinkelsbuhl GmbH | Germany |
| MVZ DaVita Dormagen GmbH | Germany |
| MVZ DaVita Dresden GmbH | Germany |
| MVZ DaVita Duisburg GmbH | Germany |
| MVZ DaVita Elsterland GmbH | Germany |
| MVZ DaVita Emden GmbH | Germany |
| MVZ DaVita Geilenkirchen GmbH | Germany |
| MVZ DaVita Gera GmbH | Germany |
| MVZ DaVita Hannover Linden GmbH | Germany |
| MVZ DaVita Iserlohn GmbH | Germany |
| MVZ DaVita Monchengladbach GmbH | Germany |
| MVZ DaVita Neuss GmbH | Germany |
| MVZ DaVita Niederrhein GmbH | Germany |
| MVZ DaVita Nierenzentrum Berlin-Britz GmbH | Germany |
| MVZ DaVita Nierenzentrum Hamm-Ahlen GmbH | Germany |
| MVZ DaVita Prenzlau-Pasewalk GmbH | Germany |
| MVZ DaVita Rhein-Ahr GmbH | Germany |
| MVZ DaVita Rhein-Ruhr GmbH | Germany |

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| MVZ DaVita Salzgitter-Seesen GmbH | Germany |
| MVZ DaVita Schwalm-Eder GmbH | Germany |
| MVZ DaVita Sud-Niedersachsen GmbH | Germany |
| MVZ DaVita Viersen GmbH | Germany |
| Nansen Dialysis, LLC | Delaware |
| Natomas Dialysis, LLC | Delaware |
| Nauvue Dialysis, LLC | Delaware |
| Navarro Dialysis, LLC | Delaware |
| Nefros Unidade De Nefrologia e Hipertensao Sociedade Simples Ltda. | Brazil |
| Neoporte Dialysis, LLC | Delaware |
| Nephrology Medical Associates of Georgia, LLC | Georgia |
| Nephrology Practice Solutions, LLC | Delaware |
| Nephron Care Assistencia Medica Ltda. | Brazil |
| Neptune Artificial Kidney Center, L.L.C. | New Jersey |
| New Bay Dialysis, LLC | Delaware |
| Norbert Dialysis, LLC | Delaware |
| Norte Dialysis, LLC | Delaware |
| North Atlanta Dialysis Center, LLC | Delaware |
| North Colorado Springs Dialysis, LLC | Delaware |
| Odiome Dialysis, LLC | Delaware |
| Ogano Dialysis, LLC | Delaware |
| Ohio River Dialysis, LLC | Delaware |
| Okanogan Dialysis, LLC | Delaware |
| Olive Dialysis, LLC | Delaware |
| Onota Dialysis, LLC | Delaware |
| Orange Dialysis, LLC | California |
| Ossipee Dialysis, LLC | Delaware |
| Owens Dialysis, LLC | Delaware |
| Owyhee Dialysis, LLC | Delaware |
| Pablo Dialysis, LLC | Delaware |
| Palo Dialysis, LLC | Delaware |
| Panther Dialysis, LLC | Delaware |
| Parkside Dialysis, LLC | Delaware |
| Patient Pathways, LLC | Delaware |
| Pattison Dialysis, LLC | Delaware |
| Pawlier Dialysis, LLC | Delaware |
| Pedernales Dialysis, LLC | Delaware |
| Pendster Dialysis, LLC | Delaware |
| Petra Dialysis, LLC | Delaware |
| Pharis Dialysis, LLC | Delaware |
| Physicians Choice Dialysis Of Alabama, LLC | Delaware |
| Physicians Choice Dialysis, LLC | Delaware |
| Physicians Dialysis Acquisitions, Inc. | Delaware |
| Physicians Dialysis of Lancaster, LLC | Pennsylvania |
| Physicians Dialysis Ventures, LLC | Delaware |
| Physicians Dialysis, Inc. | Delaware |
| Physicians Management, LLC | Delaware |

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| Pible Dialysis, LLC | Delaware |
| Pine Dialysis, LLC | Delaware |
| Pittsburgh Dialysis Partners, LLC | Delaware |
| Piute Dialysis, LLC | Delaware |
| Plaine Dialysis, LLC | Delaware |
| Platte Dialysis, LLC | Delaware |
| Plover Dialysis, LLC | Delaware |
| Pluribus Dialise - Benfica, S.A. | Portugal |
| Pluribus Dialise - Cascais, S.A. | Portugal |
| Pluribus Dialise, S.A. | Portugal |
| Poinsett Dialysis, LLC | Delaware |
| Pokagon Dialysis, LLC | Delaware |
| Portola Dialysis, LLC | Delaware |
| Prineville Dialysis, LLC | Delaware |
| Prings Dialysis, LLC | Delaware |
| Pyramid Dialysis, LLC | Delaware |
| Ramsey Dialysis, LLC | Delaware |
| Randolph Dialysis, LLC | Delaware |
| Ravalli Dialysis, LLC | Delaware |
| Rayburn Dialysis, LLC | Delaware |
| Red Willow Dialysis, LLC | Delaware |
| Redcliff Dialysis, LLC | Delaware |
| Refuge Dialysis, LLC | Delaware |
| Renal Center of Beaumont, LLC | Delaware |
| Renal Center of Flower Mound, LLC | Delaware |
| Renal Center of Frisco, LLC | Delaware |
| Renal Center of Hamilton, LLC | Delaware |
| Renal Center of Lewisville, LLC | Delaware |
| Renal Center of Monroe, LLC | Delaware |
| Renal Center of Morristown, LLC | Delaware |
| Renal Center of Mountain Home, LLC | Delaware |
| Renal Center of Newton, LLC | Delaware |
| Renal Center of North Denton, L.L.L.P. | Delaware |
| Renal Center of Port Arthur, LLC | Delaware |
| Renal Center of Waterton, L.L.L.P. | Delaware |
| Renal Center of West Beaumont, LLC | Delaware |
| Renal Center of Westwood, LLC | Delaware |
| Renal Life Link, Inc. | Delaware |
| Renal Treatment Centers - California, Inc. | Delaware |
| Renal Treatment Centers - Hawaii, Inc. | Delaware |
| Renal Treatment Centers - Illinois, Inc. | Delaware |
| Renal Treatment Centers - Mid-Atlantic, Inc. | Delaware |
| Renal Treatment Centers - Northeast, Inc. | Delaware |
| Renal Treatment Centers - Southeast, LP | Delaware |
| Renal Treatment Centers - West, Inc. | Delaware |
| Renal Treatment Centers, Inc. | Delaware |
| Renal Ventures Management, LLC | Delaware |

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| RenalServ LLC | Delaware |
| Riddle Dialysis, LLC | Delaware |
| River Valley Dialysis, LLC | Delaware |
| RMS Lifeline Inc. | Delaware |
| Rocky Mountain Dialysis Services, LLC | Delaware |
| Rollins Dialysis, LLC | Delaware |
| Ronan Dialysis, LLC | Delaware |
| Roose Dialysis, LLC | Delaware |
| Rophets Dialysis, LLC | Delaware |
| Roushe Dialysis, LLC | Delaware |
| Routt Dialysis, LLC | Delaware |
| Royale Dialysis, LLC | Delaware |
| Rusk Dialysis, LLC | Delaware |
| Rutland Dialysis, LLC | Delaware |
| RV Academy, LLC | Delaware |
| Sahara Dialysis, LLC | Delaware |
| SAKDC-DaVita Dialysis Partners, L.P. | Delaware |
| San Marcos Dialysis, LLC | Delaware |
| Sands Dialysis, LLC | Delaware |
| Sapelo Dialysis, LLC | Delaware |
| Saunders Dialysis, LLC | Delaware |
| Schuler Dialysis, LLC | Delaware |
| Seabay Dialysis, LLC | Delaware |
| Secour Dialysis, LLC | Delaware |
| Seneca Dialysis, LLC | Delaware |
| Sensiba Dialysis, LLC | Delaware |
| Shadow Dialysis, LLC | Delaware |
| Shelby Dialysis, LLC | Delaware |
| Shelling Dialysis, LLC | Delaware |
| Sherman Dialysis, LLC | Delaware |
| Shetek Dialysis, LLC | Delaware |
| Shining Star Dialysis, Inc. | New Jersey |
| Shoals Dialysis, LLC | Delaware |
| Shone Dialysis, LLC | Delaware |
| Shoshone Dialysis, LLC | Delaware |
| Sierra Rose Dialysis Center, LLC | Delaware |
| Silverwood Dialysis, LLC | Delaware |
| Simeon Dialysis, LLC | Delaware |
| Skagit Dialysis, LLC | Delaware |
| Sloss Dialysis, LLC | Delaware |
| Smithgall Dialysis, LLC | Delaware |
| South Central Florida Dialysis Partners, LLC | Delaware |
| South Fork Dialysis, LLC | Delaware |
| Southcrest Dialysis, LLC | Delaware |
| Southlake Dialysis, LLC | Delaware |
| Southwest Atlanta Dialysis Centers, LLC | Delaware |
| Sparda Dialysis, LLC | Delaware |

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| Sprague Dialysis, LLC | Delaware |
| Springpond Dialysis, LLC | Delaware |
| St. Luke's Dialysis, LLC | Delaware |
| Star Dialysis, LLC | Delaware |
| Stines Dialysis, LLC | Delaware |
| Storrie Dialysis, LLC | Delaware |
| Sugarloaf Dialysis, LLC | Delaware |
| Sunapee Dialysis, LLC | Delaware |
| Sunset Dialysis, LLC | Delaware |
| Talimena Dialysis, LLC | Delaware |
| Tarleton Dialysis, LLC | Delaware |
| Terre Dialysis, LLC | Delaware |
| Tetona Dialysis, LLC | Delaware |
| Texas Renal Ventures, L.P.L.L.L.P. | Delaware |
| The DaVita Collection, Inc. | California |
| Tolland Dialysis, LLC | Delaware |
| Tolowa Dialysis, LLC | Delaware |
| Toltec Dialysis, LLC | Delaware |
| Total Acute Kidney Care, Inc. | Florida |
| Total Renal Care Of North Carolina, LLC | Delaware |
| Total Renal Care Texas Limited Partnership | Delaware |
| Total Renal Care, Inc. | California |
| Total Renal Laboratories, Inc. | Florida |
| Total Renal Research, Inc. | Delaware |
| Toulouse Dialysis, LLC | Delaware |
| Trailstone Dialysis, LLC | Delaware |
| Transmountain Dialysis, L.P. | Delaware |
| TRC - Indiana, LLC | Indiana |
| TRC - Petersburg, LLC | Delaware |
| TRC EL Paso Limited Partnership | Delaware |
| TRC of New York, Inc. | New York |
| TRC West, Inc. | Delaware |
| TRC-Georgetown Regional Dialysis, LLC | District Of Columbia |
| Tree City Dialysis, LLC | Delaware |
| Tross Dialysis, LLC | Delaware |
| Tunnel Dialysis, LLC | Delaware |
| Turlock Dialysis Center, LLC | Delaware |
| Twain Dialysis, LLC | Delaware |
| Tyler Dialysis, LLC | Delaware |
| Ukiah Dialysis, LLC | Delaware |
| Unicoi Dialysis, LLC | Delaware |
| University Dialysis Center, LLC | Delaware |
| Upper Valley Dialysis, L.P. | Delaware |
| USC-DaVita Dialysis Center, LLC | California |
| Valley Springs Dialysis, LLC | Delaware |
| Vancile Dialysis, LLC | Delaware |
| Vancleer Dialysis, LLC | Delaware |

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| Victory Dialysis, LLC | Delaware |
| VillageHealth DM, LLC | Delaware |
| Villanueva Dialysis, LLC | Delaware |
| Vogel Dialysis, LLC | Delaware |
| Volo Dialysis, LLC | Delaware |
| Waddell Dialysis, LLC | Delaware |
| Wakoni Dialysis, LLC | Delaware |
| Walker Dialysis, LLC | Delaware |
| Walton Dialysis, LLC | Delaware |
| Watkins Dialysis, LLC | Delaware |
| Watson Dialysis, LLC | Delaware |
| Weldon Dialysis, LLC | California |
| West Sacramento Dialysis, LLC | Delaware |
| Williston Dialysis, LLC | Delaware |
| Willowbrook Dialysis Center, L.P. | Delaware |
| Winds Dialysis, LLC | Delaware |
| Woodford Dialysis, LLC | Delaware |
| Wyota Dialysis, LLC | Delaware |
| Yards Dialysis, LLC | Delaware |
| Zephyrhills Dialysis Center, LLC | Delaware |
| Zillmar Dialysis, LLC | Delaware |
| DaVita Medical Group: | |
| Coastal Physicians Management, Inc. | California |
| Colorado Innovative Physician Solutions, Inc. | Colorado |
| DaVita Clinical Trials, LLC | Delaware |
| DaVita Health Plan of California, Inc. | Delaware |
| DaVita Health Plan of Nevada, Inc. | Nevada |
| DaVita Magan Management, Inc. | California |
| DaVita Medical Colorado ASC, LLC | Colorado |
| DaVita Medical Colorado, LLC | Colorado |
| DaVita Medical Endoscopy Center New Mexico, LLC | New Mexico |
| DaVita Medical Florida, Inc. | Delaware |
| DaVita Medical Group Colorado Springs, LLC | Colorado |
| Davita Medical Group Florida CI, LLC | Delaware |
| DaVita Medical Group New Mexico, LLC | Delaware |
| DaVita Medical Group South Florida, LLC | Florida |
| DaVita Medical Holding Company, New Mexico, LLC | New Mexico |
| Davita Medical Holdings Colorado, LLC | Colorado |
| DaVita Medical Holdings Florida, Inc. | Delaware |
| DaVita Medical Holdings, LLC | California |
| DaVita Medical Management, LLC | California |
| Everett MSO, Inc. | Washington |
| HCP ACO California, LLC | California |
| HCP IPA Nevada, LLC | Nevada |
| HCP Medical LV, LLC | Nevada |
| HealthCare Partners ASC-LB, LLC | California |

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| HealthCare Partners Management Services California, LLC | Delaware |
| HealthCare Partners Management Services Nevada, LLC | Nevada |
| HealthCare Partners of Nevada, LLC | Nevada |
| HealthCare Partners RE, LLC | Delaware |
| Mountain View Medical Group, LLC | Colorado |
| North Puget Sound Oncology Equipment Leasing Company, LLC | Washington |

Consent of Independent Registered Public Accounting Firm

The Board of Directors
DaVita Inc.:

We consent to the incorporation by reference in the registration statements on Forms S-8 (No. 333-213119, No. 333-190434, No. 333-169467, No. 333-158220, No. 333-144097, No. 333-86550, and No. 333-30736), and on Form S-4 (No. 333-182572) and on Forms S-3 (No. 333-203394, No. 333-196630, No. 333-183285, and No. 333-169690) of DaVita Inc. of our reports dated February 22, 2019 with respect to the consolidated balance sheets of DaVita Inc. as of December 31, 2018 and 2017, the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2018, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements), and the effectiveness of internal control over financial reporting as of December 31, 2018, which reports appear in the December 31, 2018 annual report on Form 10-K of DaVita Inc. Our report includes an explanatory paragraph that described the change in the Company's method of accounting for revenue recognition in 2018, as discussed in Notes 1 and 2 to the consolidated financial statements, due to the adoption of the Financial Accounting Standards Board's Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers*.

/s/ KPMG LLP

Seattle, Washington
February 22, 2019

SECTION 302 CERTIFICATION

I, Kent J. Thiry, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ KENT J. THIRY

Kent J. Thiry
Chief Executive Officer

Date: February 22, 2019

SECTION 302 CERTIFICATION

I, Joel Ackerman, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JOEL ACKERMAN

Joel Ackerman
Chief Financial Officer

Date: February 22, 2019

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ending December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Kent J. Thiry, Chief Executive Officer of the Company, certify, pursuant to 18.U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1 The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ KENT J. THIRY

Kent J. Thiry
Chief Executive Officer

February 22, 2019

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ending December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Joel Ackerman, Chief Financial Officer of the Company, certify, pursuant to 18.U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1 The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ JOEL ACKERMAN

Joel Ackerman
Chief Accounting Officer

February 22, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2019
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission File Number: 1-14106



(Exact name of registrant as specified in charter)

Delaware
(State of incorporation)

51-0354549
(I.R.S. Employer Identification No.)

2000 16th Street
Denver, CO 80202
Telephone number (720) 631-2100

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class: | Trading symbol(s): | Name of each exchange on which registered: |
|---------------------------------|--------------------|--|
| Common Stock, \$0.001 par value | DVA | New York Stock Exchange |

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 28, 2019, the aggregate market value of the Registrant's common stock outstanding held by non-affiliates based upon the closing price on the New York Stock Exchange was approximately \$9.3 billion.

As of January 31, 2020, the number of shares of the Registrant's common stock outstanding was approximately 125.6 million shares.

Documents incorporated by reference

Portions of the Registrant's proxy statement for its 2020 annual meeting of stockholders are incorporated by reference in Part III of this Form 10-K.

**DAVITA INC.
INDEX**

| | <u>Page No.</u> |
|------------------|---|
| PART I. | |
| Item 1. | Business 2 |
| Item 1A. | Risk Factors 23 |
| Item 1B. | Unresolved Staff Comments 46 |
| Item 2. | Properties 46 |
| Item 3. | Legal Proceedings 47 |
| Item 4. | Mine Safety Disclosures 47 |
| PART II. | |
| Item 5. | Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities 48 |
| Item 6. | Selected Financial Data 49 |
| Item 7. | Management's Discussion and Analysis of Financial Condition and Results of Operations 51 |
| Item 7A. | Quantitative and Qualitative Disclosures about Market Risk 68 |
| Item 8. | Financial Statements and Supplementary Data 69 |
| Item 9. | Changes in and Disagreements with Accountants on Accounting and Financial Disclosure 69 |
| Item 9A. | Controls and Procedures 69 |
| Item 9B. | Other Information 70 |
| PART III. | |
| Item 10. | Directors, Executive Officers and Corporate Governance 71 |
| Item 11. | Executive Compensation 71 |
| Item 12. | Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters 71 |
| Item 13. | Certain Relationships and Related Transactions, and Director Independence 72 |
| Item 14. | Principal Accounting Fees and Services 72 |
| PART IV. | |
| Item 15. | Exhibits, Financial Statement Schedules 73 |
| Item 16. | Form 10-K Summary 73 |
| | Exhibit Index 1 of 5 |
| | Signatures S-1 |

PART I

Item 1. Business

Unless otherwise indicated in this Annual Report on Form 10-K “DaVita”, “the Company” “we”, “us”, “our” and other similar terms refer to DaVita Inc. and its consolidated subsidiaries. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are made available free of charge through our website, located at <http://www.davita.com>, as soon as reasonably practicable after the reports are filed with or furnished to the Securities and Exchange Commission (SEC). The SEC also maintains a website at <http://www.sec.gov> where these reports and other information about us can be obtained. The contents of our website are not incorporated by reference into this report.

Overview of DaVita Inc.

DaVita is a leading healthcare provider focused on transforming care delivery to improve quality of life for patients globally. Incorporated as a Delaware corporation in 1994, we are one of the largest providers of kidney care services in the U.S. and have been a leader in clinical quality and innovation for over 20 years. DaVita is committed to bold, patient-centric care models, implementing the latest technologies and moving toward integrated care offerings. Over the years, we have established a value-based culture with a philosophy of caring that is focused on both our patients and teammates. This culture and philosophy fuel our continuous drive towards achieving our mission to be the provider, partner and employer of choice and fulfilling our vision to "build the greatest healthcare community the world has ever seen."

The loss of kidney function is normally irreversible. Kidney failure is typically caused by Type I and Type II diabetes, hypertension, polycystic kidney disease, long-term autoimmune attack on the kidneys and prolonged urinary tract obstruction. End stage renal disease or end stage kidney disease (ESRD or ESKD) is the stage of advanced kidney impairment that requires continued dialysis treatments or a kidney transplant to sustain life. Dialysis is the removal of toxins, fluids and salt from the blood of patients by artificial means. Patients suffering from ESRD generally require dialysis at least three times a week for the rest of their lives.

Our U.S. dialysis and related lab services (U.S. dialysis) business treats patients with chronic kidney failure and ESRD in the United States, and is our largest line of business. As of December 31, 2019, we provided dialysis and administrative services and related laboratory services throughout the U.S. via a network of 2,753 outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 206,900 patients and provided acute inpatient dialysis services in approximately 900 hospitals. Our robust platform to deliver kidney care services also includes established nephrology and payor relationships as well as home programs. In addition, as of December 31, 2019, we provided dialysis and administrative services to a total of 259 outpatient dialysis centers located in ten countries outside of the U.S., serving approximately 28,700 patients. The Company also consists of our ancillary services and strategic initiatives, which include the aforementioned international operations (collectively, our ancillary services), as well as our corporate administrative support.

Our patient-centric care model leverages our platform of kidney care services to maximize patient choice in both models and modalities of care. We believe that the flexibility we offer coupled with a focus on comprehensive kidney care supports our commitments to help improve clinical outcomes and quality of life for our patients. For the seventh consecutive year, we are an industry leader in the Centers for Medicare & Medicaid Services' (CMS) Quality Incentive Program (QIP), which promotes high quality services in outpatient dialysis facilities treating patients with ESRD. We are also an industry leader for the sixth consecutive year under CMS' Five-Star Quality Rating system, which rates eligible dialysis centers based on the quality of outcomes to help patients, their families, and caregivers make more informed decisions about where patients receive care. In addition, we are an industry leader for the total number of patients in home-based dialysis services.

Our quality clinical outcomes are driven by our experienced and knowledgeable teammates. We employ registered nurses, licensed practical or vocational nurses, patient care technicians, social workers, registered dietitians, biomedical technicians and other administrative and support teammates who strive to achieve superior clinical outcomes at our dialysis facilities. In addition to our teammates at our dialysis facilities, as of December 31, 2019, our Chief Medical Officer leads a team of 15 senior nephrologists in our physician leadership team as part of our Office of the Chief Medical Officer (OCMO). This team represents a variety of academic, clinical practice, and clinical research backgrounds. We also have a Physician Counsel that serves as an advisory body to senior management, which is composed of nine physicians with extensive experience in clinical practice, as well as eight Group Medical Directors as of December 31, 2019.

On June 19, 2019, we completed the sale of our DaVita Medical Group (DMG) business, a patient and physician-focused integrated healthcare delivery and management company, to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. As a result, the DMG business has been classified as discontinued operations and its results of

operations are reported as discontinued operations for all periods presented in the consolidated financial statements included in this report.

For financial information about DMG, see Note 22 to the consolidated financial statements included in this report.

U.S. dialysis business

Our U.S. dialysis business is a leading provider of kidney dialysis services for patients suffering from ESRD. As of December 31, 2019, we provided dialysis and administrative services in the U.S. through a network of 2,753 outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 206,900 patients. We also provide acute inpatient dialysis services in approximately 900 hospitals and related laboratory services throughout the U.S.

According to the United States Renal Data System (USRDS), there were over 523,000 ESRD dialysis patients in the U.S. in 2017. Based on the most recent 2019 annual data report from the USRDS, the underlying ESRD dialysis patient population has grown at an approximate compound rate of 8.6% from 2007 to 2017 and a compound rate of 3.3% from 2012 to 2017, which suggests that the rate of growth of the ESRD patient population is declining. A number of factors may impact ESRD growth rates, including, among others, the aging of the U.S. population, transplant rates, incidence rates for diseases that cause kidney failure such as diabetes and hypertension, mortality rates for dialysis patients and growth rates of minority populations with higher than average incidence rates of ESRD.

Since 1972, the federal government has provided healthcare coverage for ESRD patients under the Medicare ESRD program regardless of age or financial circumstances. ESRD is the first and only disease state eligible for Medicare coverage both for dialysis and dialysis-related services and for all benefits available under the Medicare program. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate. See page 5 for further details.

Although Medicare reimbursement limits the allowable charge per treatment, it provides industry participants with a relatively predictable and recurring revenue stream for dialysis services provided to patients without commercial insurance. For the year ended December 31, 2019, approximately 90% of our total dialysis patients were covered under some form of government-based program, with approximately 74% of our dialysis patients covered under Medicare and Medicare-assigned plans.

Treatment options for ESRD

Treatment options for ESRD are dialysis and kidney transplantation.

Dialysis options

- *Hemodialysis*

Hemodialysis, the most common form of ESRD treatment, is usually performed at a freestanding outpatient dialysis center, at a hospital-based outpatient center, or at the patient's home. The hemodialysis machine uses an artificial kidney, called a dialyzer, to remove toxins, fluids and salt from the patient's blood. The dialysis process occurs across a semi-permeable membrane that divides the dialyzer into two distinct chambers. While blood is circulated through one chamber, a pre-mixed fluid is circulated through the other chamber. The toxins, salt and excess fluids from the blood cross the membrane into the fluid, allowing cleansed blood to return back into the patient's body. Each hemodialysis treatment that occurs in the outpatient dialysis centers typically lasts approximately three and one-half hours and is usually performed three times per week.

Hospital inpatient hemodialysis services are required for patients with acute kidney failure primarily resulting from trauma, patients in early stages of ESRD and ESRD patients who require hospitalization for other reasons. Hospital inpatient hemodialysis is generally performed at the patient's bedside or in a dedicated treatment room in the hospital, as needed.

Some ESRD patients who are healthier and more independent may perform home hemodialysis in their home or residence through the use of a hemodialysis machine designed specifically for home therapy that is portable, smaller and easier to use. Patients receive training, support and monitoring from registered nurses, usually in our outpatient dialysis centers, in connection with their home hemodialysis treatment. Home hemodialysis is typically performed with greater frequency than dialysis treatments performed in outpatient dialysis centers and on varying schedules.

- *Peritoneal dialysis*

Peritoneal dialysis uses the patient's peritoneal or abdominal cavity to eliminate fluid and toxins and is typically performed at home. The most common methods of peritoneal dialysis are continuous ambulatory peritoneal dialysis (CAPD)

and continuous cycling peritoneal dialysis (CCPD). Because it does not involve going to an outpatient dialysis center three times a week for treatment, peritoneal dialysis is generally an alternative to hemodialysis for patients who are healthier, more independent and desire more flexibility in their lifestyle.

CAPD introduces dialysis solution into the patient's peritoneal cavity through a surgically placed catheter. Toxins in the blood continuously cross the peritoneal membrane into the dialysis solution. After several hours, the patient drains the used dialysis solution and replaces it with fresh solution. This procedure is usually repeated four times per day.

CCPD is performed in a manner similar to CAPD, but uses a mechanical device to cycle dialysis solution through the patient's peritoneal cavity while the patient is sleeping or at rest.

Kidney transplantation

Although kidney transplantation, when successful, is generally the most desirable form of therapeutic intervention, the shortage of suitable donors, side effects of immunosuppressive pharmaceuticals given to transplant recipients and dangers associated with transplant surgery for some patient populations have generally limited the use of this treatment option. An executive order signed in July 2019 (the 2019 Executive Order) directed the Department of Health and Human Services (HHS) to develop policies addressing, among other things, the goal of making more kidneys available for transplant. As directed by the 2019 Executive Order, the CMS, through its Center for Medicare and Medicaid Innovation (CMMI), subsequently released the framework for certain proposed voluntary payment models that would adjust payment incentives to encourage kidney transplants. For more information regarding the 2019 Executive Order and these payment models, please see the discussion below under the heading “-New models of care and Medicare and Medicaid program reforms.”

U.S. dialysis services we provide

Outpatient hemodialysis services

As of December 31, 2019, we operated or provided administrative services through a network of 2,753 outpatient dialysis centers in the U.S. that are designed specifically for outpatient hemodialysis. In 2019, our overall network of U.S. outpatient dialysis centers increased by 89 primarily as a result of the opening of new dialysis centers and acquisitions, net of center closures, representing a total increase of approximately 3.3% from 2018.

As a condition of our enrollment in Medicare for the provision of dialysis services, we contract with a nephrologist or a group of associated nephrologists to provide medical director services at each of our dialysis centers. In addition, other nephrologists may apply for practice privileges to treat their patients at our centers. Each center has an administrator, typically a registered nurse, who supervises the day-to-day operations of the center and its staff. The staff of each center typically consists of registered nurses, licensed practical or vocational nurses, patient care technicians, a social worker, a registered dietician, biomedical technician support and other administrative and support personnel.

Under Medicare regulations, we cannot promote, develop or maintain any kind of contractual relationship with our patients that would directly or indirectly obligate a patient to use or continue to use our dialysis services, or that would give us any preferential rights other than those related to collecting payments for our dialysis services. Our total patient turnover, which is based upon all causes, averaged approximately 24% in both 2019 and 2018. However, in 2019, the overall number of patients to whom we provided services in the U.S. increased by approximately 2.1% from 2018, primarily from the opening of new dialysis centers and acquisitions, and continued growth within the industry.

Hospital inpatient hemodialysis services

As of December 31, 2019, we provided hospital inpatient hemodialysis services, excluding physician services, to patients in approximately 900 hospitals throughout the U.S. We render these services based on a contracted per-treatment fee that is individually negotiated with each hospital. When a hospital requests our services, we typically administer the dialysis treatment at the patient's bedside or in a dedicated treatment room in the hospital, as needed.

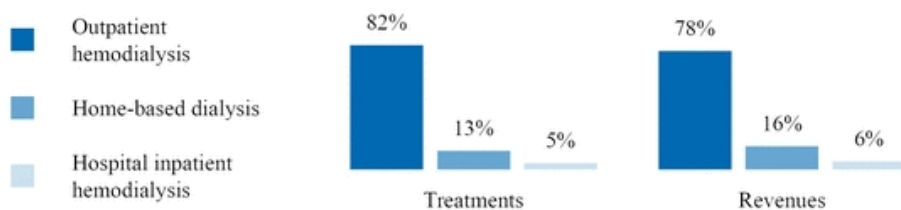
Home-based dialysis services

Home-based dialysis services includes home hemodialysis and peritoneal dialysis. Many of our outpatient dialysis centers offer certain support services for dialysis patients who prefer and are able to perform either home hemodialysis or peritoneal dialysis in their homes. Home-based hemodialysis support services consist of providing equipment and supplies, training, patient monitoring, on-call support services and follow-up assistance. Registered nurses train patients and their families or other caregivers to perform either home hemodialysis or peritoneal dialysis. The 2019 Executive Order and related HHS guidance described above also included a stated goal of increasing the relative number of new ESRD patients that receive dialysis at home as compared to those receiving dialysis in center or at a hospital.

According to the most recent 2019 annual data report from the USRDS, in 2017 approximately 12% of ESRD dialysis patients in the U.S. perform home-based dialysis.

The following graph summarizes our U.S. dialysis treatments by modality and U.S. dialysis patient services revenues by modality for the year ended December 31, 2019.

Treatments and revenues by modality:



Other

ESRD laboratory services

We operate one separately licensed and highly automated clinical laboratory which specializes in ESRD patient testing. This specialized laboratory provides routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients which are integral components of the overall dialysis services that we provide. Our laboratory provides these tests predominantly for our network of ESRD patients throughout the U.S. These tests are performed to monitor a patient’s ESRD condition, including the adequacy of dialysis, as well as other medical conditions of the patient. Our laboratory utilizes information systems which provide information to certain members of the dialysis centers’ staff and medical directors regarding critical outcome indicators.

Management services

We currently operate or provide management and administrative services pursuant to management and administrative services agreements to 44 outpatient dialysis centers located in the U.S. in which we either own a noncontrolling interest or which are wholly-owned by third parties. Management fees are established by contract and are recognized as earned typically based on a percentage of revenues or cash collections generated by the outpatient dialysis centers.

Sources of revenue—concentrations and risks

Our U.S. dialysis revenues represent approximately 92% of our consolidated revenues for the year ended December 31, 2019. Our U.S. dialysis revenues are derived primarily from our core business of providing dialysis services and related laboratory services and, to a lesser extent, the administration of pharmaceuticals and management fees generated from providing management and administrative services to certain outpatient dialysis centers, as discussed above.

The sources of our U.S. dialysis revenues are principally from government-based programs, including Medicare and Medicare-assigned plans and Medicaid and managed Medicaid plans and commercial insurance plans. Our largest source of revenue is from Medicare and Medicare-assigned plans which accounted for 59% of our overall U.S. dialysis patient services revenues for the year ended December 31, 2019. Other sources of our U.S. dialysis patient services revenues for the year ended December 31, 2019, were from commercial payors (including hospital dialysis services) accounting for 31% of revenues, Medicaid and Managed Medicaid plans accounting for 6% of our revenues and other government programs accounting for 4% of our revenues.

Medicare revenue

Government dialysis related payment rates in the U.S. are principally determined by federal Medicare and state Medicaid policy. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the dialysis treatment, including certain pharmaceuticals, such as Epogen® (EPO), vitamin D analogs and iron supplements, irrespective of the level of pharmaceuticals administered to the patient or additional services performed except for calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder. As of

January 1, 2018, calcimimetics became part of the Medicare Part B ESRD payment, subject to a transitional drug add-on payment adjustment (TDAPA). Most lab services are also included in the bundled payment. Under the ESRD Prospective Payment System (PPS), the bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set annually by CMS through its Quality Incentive Program (QIP). CMS established QIP through the Medicare Improvements for Patients and Providers Act of 2008 to promote high quality services in outpatient dialysis facilities treating patients with ESRD. QIP associates a portion of Medicare reimbursement directly with a facility's performance on quality of care measures. Reductions in Medicare reimbursement result when a facility's overall score on applicable measures does not meet established standards. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors.

Uncertainty about future payment rates remains a material risk to our business, as well as the potential implementation of or changes in coverage determinations or other rules or regulations by CMS or Medicare Administrative Contractors (MACs) that may impact reimbursement. An important provision in the Medicare ESRD statute is an annual adjustment, or market basket update, to the ESRD PPS base rate. Absent action by Congress, the ESRD PPS base rate is automatically updated annually by a formulaic inflation adjustment.

In November 2019, CMS issued a final rule to update the Medicare ESRD PPS payment rate and policies. Among other things, the final rule expands the transitional drug add-on payment to certain new renal dialysis drugs and biological products and amends the reporting measures in the ESRD QIP. CMS estimates the overall impact of the final rule will increase Medicare reimbursement to ESRD facilities by 1.7% in 2020.

As a result of the Budget Control Act of 2011 (BCA) and subsequent activity in Congress, a \$1.2 trillion sequester (across-the-board spending cuts) in discretionary programs took effect in 2013 reducing Medicare payments by 2%, which was subsequently extended through fiscal year 2027. These across-the-board spending cuts have affected and will continue to adversely affect our business, results of operations, financial condition and cash flows. Although the Bipartisan Budget Act (BBA) of 2018 passed in February 2018 enacted a two-year federal spending agreement and raised the federal spending cap on non-defense spending for fiscal years 2018 and 2019, the Medicare program is frequently mentioned as a target for spending cuts.

ESRD patients receiving dialysis services become eligible for primary Medicare coverage at various times, depending on their age or disability status, as well as whether they are covered by a commercial insurance plan. Generally, for a patient not covered by a commercial insurance plan, Medicare becomes the primary payor for ESRD patients receiving dialysis services either immediately or after a three-month waiting period. For a patient covered by a commercial insurance plan, Medicare generally becomes the primary payor after 33 months, which includes the three-month waiting period, or earlier if the patient's commercial insurance plan coverage terminates. When Medicare becomes the primary payor, the payment rates we receive for that patient shift from the commercial insurance plan rates to Medicare payment rates, which are on average significantly lower than commercial insurance rates.

Medicare pays 80% of the amount set by the Medicare system for each covered dialysis treatment. The patient is responsible for the remaining 20%. In most cases, a secondary payor, such as Medicare supplemental insurance, a state Medicaid program or a commercial health plan, covers all or part of these balances. Some patients who do not qualify for Medicaid, but otherwise cannot afford secondary insurance in the form of a Medicare Supplement Plan, can apply for premium payment assistance from charitable organizations to obtain secondary coverage. If a patient does not have secondary insurance coverage, we are generally unsuccessful in our efforts to collect from the patient the remaining 20% portion of the ESRD composite rate that Medicare does not pay. However, we are able to recover some portion of this unpaid patient balance from Medicare through an established cost reporting process by identifying these Medicare bad debts on each center's Medicare cost report.

In recent years, federal legislative and executive action has been focused on developing new models of kidney care for Medicare beneficiaries. For example, CMMI is working with various healthcare providers to develop, refine and implement Accountable Care Organizations (ACOs) and other innovative models of care for Medicare and Medicaid beneficiaries, including ACOs, the Comprehensive ESRD Care (CEC) Model (which includes the development of ESRD Seamless Care Organizations (ESCOs)) and the Duals Demonstration. In addition, federal bipartisan legislation related to full capitation demonstration for ESRD was proposed in late 2017. Legislation, which has yet to secure introduction to the 116th Congress, would build on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. More recently, the 2019 Executive Order directed CMS to create payment models to evaluate the effects of creating payment incentives for the greater use of home dialysis and kidney transplants for those already on dialysis. For additional detail on these and other developments in models of care, see the discussion below under the heading "*New models of care and Medicare and Medicaid program reforms.*"

Medicaid revenue

Medicaid programs are state-administered programs partially funded by the federal government. These programs are intended to provide health coverage for patients whose income and assets fall below state-defined levels and who are otherwise uninsured. These programs also serve as supplemental insurance programs for co-insurance payments due from Medicaid-eligible patients with primary coverage under the Medicare program. Some Medicaid programs also pay for additional services, including some oral medications that are not covered by Medicare. We are enrolled in the Medicaid programs in the states in which we conduct our business.

Commercial revenue

Before a patient becomes eligible to elect to have Medicare as their primary payor for dialysis services, a patient's commercial insurance plan, if any, is generally responsible for payment of such dialysis services for up to the first 33 months, as discussed above. Although commercial payment rates vary, average commercial payment rates established under commercial contracts are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profits and all of our nonacute dialysis profits come from commercial payors. Payment methods from commercial payors can include a single lump-sum per treatment, referred to as bundled rates, or in other cases separate payments for dialysis treatments and pharmaceuticals, if used as part of the treatment, referred to as FFS rates. Commercial payment rates are the result of negotiations between us and insurers or third-party administrators. Our out-of-network payment rates are on average higher than in-network commercial contract payment rates. Some of our commercial contracts pay us under a single bundled payment rate for all dialysis services provided to covered patients. However, some of our commercial contracts also pay us for certain other services and pharmaceuticals in addition to the bundled payment. Our commercial contracts typically contain annual price escalator provisions.

Approximately 25% of our U.S. dialysis patient services revenues and approximately 10% of our U.S. dialysis patients are associated with non-acute commercial payors for the year ended December 31, 2019. Non-acute commercial patients as a percentage of our total U.S. dialysis patients for 2019 were relatively flat compared to 2018. Less than 1% of our U.S. dialysis revenues are due directly from patients. There is no single commercial payor that accounted for more than 10% of total U.S. dialysis revenues for the year ended December 31, 2019. See Note 2 to the consolidated financial statements included in this report for disclosure on our concentration related to our commercial payors on a total consolidated revenue basis.

Both the number of our patients under commercial plans and the rates under these commercial plans are subject to change based on a number of factors. These factors include, among others, a highly competitive rate environment that shapes our ongoing negotiations with commercial payors; changes in commercial plan design; and the health of the U.S. economy. In addition, changes in state and federal legislation, regulations, rules, laws, guidance or other requirements may impact the availability and scope of commercial insurance, including, among others, developments that impact the healthcare exchanges introduced by the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (Affordable Care Act (ACA)) and commercial payor participation in that marketplace as well as developments that impact the availability of charitable premium assistance. For additional detail on the potential impact of these factors on our commercial revenue, see the risk factors in Item 1A Risk Factors under the headings "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows*"; "*If the average rates that commercial payors pay us decline significantly or if patients in commercial plans are subject to restriction in plan designs, it would have a material adverse effect on our business, results of operations, financial condition and cash flows*"; and "*If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.*"

Revenue from other pharmaceuticals

The impact of physician-prescribed pharmaceuticals on our overall revenues that are separately billable has significantly decreased since Medicare's single bundled payment system went into effect beginning in January 2011, and as a result of commercial contracts that pay us a single bundled payment rate.

Effective January 1, 2018, both oral and intravenous forms of calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder, became the financial responsibility of our U.S. dialysis business for our Medicare patients and are now reimbursed under Medicare Part B. Previously, calcimimetics were reimbursed for Medicare patients through Part D and dispensed through traditional pharmacies. Currently, the oral and intravenous forms of calcimimetics remain separately reimbursed and therefore are not part of the ESRD PPS bundled payment. During the initial pass-through period, Medicare payments for calcimimetics are based on a pass-through rate of the average sales price plus approximately 6% before sequestration (or 4% adjusted for sequestration), however, in 2020 they will be reimbursed at average sales price plus 0%, before sequestration. CMS has stated intentions to enter calcimimetics into the ESRD bundled payment as of January 1, 2021.

Physician relationships

Joint Venture Partners

We own and operate certain of our dialysis centers through entities that are structured as joint ventures. We generally hold controlling interests in these joint ventures, with certain nephrologists, hospitals, management services organizations, and/or other healthcare providers holding minority equity interests. These joint ventures are typically formed as limited liability companies. For the year ended December 31, 2019, revenues from joint ventures in which we have a controlling interest represented approximately 26% of our net U.S. dialysis revenues. We expect to continue to enter into new U.S. dialysis-related joint ventures in the ordinary course of business.

Community Physicians

An ESRD patient generally seeks treatment at an outpatient dialysis center near their home where their treating nephrologist has practice privileges. Our relationships with local nephrologists and our ability to provide quality dialysis services and to meet the needs of their patients are key factors in the success of our dialysis operations. Over 5,600 nephrologists currently refer patients to our outpatient dialysis centers.

Medical Directors

Participation in the Medicare ESRD program requires that dialysis services at an outpatient dialysis center be under the general supervision of a medical director. Per these requirements, this individual is usually a board certified nephrologist. We have engaged physicians or groups of physicians to serve as medical directors for each of our outpatient dialysis centers. At some outpatient dialysis centers, we also separately contract with one or more other physicians or groups to serve as assistant or associate medical directors over other modalities such as home dialysis. We have over 1,000 individual physicians and physician groups under contract to provide medical director services.

Medical directors for our dialysis centers enter into written contracts with us that specify their duties and fix their compensation generally for periods of ten years. The compensation of our medical directors is the result of arm's length negotiations, consistent with fair market value, and generally depends upon an analysis of various factors such as the physician's duties, responsibilities, professional qualifications and experience.

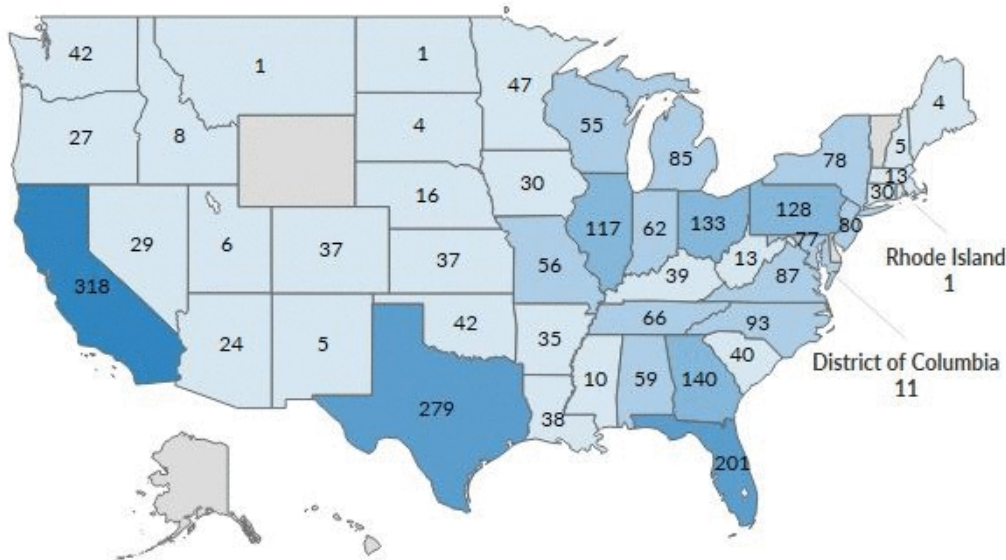
Our medical director contracts and joint venture operating agreements generally include covenants not to compete or own interests in other competing outpatient dialysis centers within a defined geographic area for various time periods, as applicable. These non-compete agreements do not restrict or limit the physicians from practicing medicine or prohibit the physicians from referring patients to any outpatient dialysis center, including competing centers.

As part of our Corporate Integrity Agreement, as described below, we agreed not to enforce investment non-compete restrictions relating to dialysis clinics or programs that were established pursuant to a partial divestiture joint venture transaction. Therefore, to the extent a joint venture partner or medical director has a contract(s) with us covering dialysis clinics or programs that were established pursuant to a partial divestiture, we will not enforce the investment non-compete provision relating to those clinics and/or programs.

Capacity and location of our U.S. dialysis centers

Typically we are able to increase our capacity by extending hours at our existing dialysis centers, expanding our existing dialysis centers, relocating our dialysis centers, developing new dialysis centers and by acquiring dialysis centers. The development of a typical outpatient dialysis center by us generally requires approximately \$2.4 million for leasehold improvements and other capital expenditures. Based on our experience, a new outpatient dialysis center typically opens within a year after the property lease is signed, normally achieves operating profitability in the second year after Medicare certification and normally reaches maturity within three to five years. Acquiring an existing outpatient dialysis center requires a substantially greater initial investment, but profitability and cash flows are generally accelerated and more predictable. To a limited extent, we enter into agreements to provide management and administrative services to outpatient dialysis centers in which we own a noncontrolling interest or which are wholly-owned by third parties in return for management fees.

As of December 31, 2019, we operated or provided administrative services to a total of 2,753 U.S. outpatient dialysis centers. A total of 2,709 of such centers are consolidated in our financial statements. Of the remaining 44 non-consolidated U.S. outpatient dialysis centers, we own a noncontrolling interest in 41 centers and provide management and administrative services to three centers that are wholly-owned by third parties. The locations of the 2,709 U.S. outpatient dialysis centers consolidated in our financial statements at December 31, 2019, were as follows:



Ancillary services and strategic initiatives businesses, including our international operations

As of December 31, 2019, our ancillary services and strategic initiatives consisted primarily of disease management services, physician services, ESRD seamless care organizations, comprehensive care, vascular access services and clinical research programs, and our international operations and relate primarily to our core business of providing kidney care services.

Ancillary Services and Strategic Business Initiatives

Integrated Care and Chronic Kidney Care. We have made and continue to make investments in building our integrated care capabilities, including the operation of certain strategic business initiatives that are intended to integrate care amongst healthcare participants across the renal care continuum from chronic kidney disease (CKD) to ESRD to kidney transplant. Through improved technology and data sharing, as well as an increasing focus on value based contracting and care, these initiatives seek to bring together physicians, nurses, dieticians, pharmacists, hospitals, dialysis clinics, transplant centers and payors with a view towards improving clinical outcomes for our patients and reducing the overall cost of comprehensive kidney care.

- *Disease management services.* VillageHealth DM, LLC doing business as DaVita Integrated Kidney Care (DaVita IKC) provides advanced integrated care management services to health plans and government programs for members/beneficiaries diagnosed with ESRD, chronic kidney failure, and/or poly-comorbid conditions. Through a combination of clinical coordination, innovative interventions, medical claims analysis and information technology, we endeavor to assist our customers and patients in obtaining superior renal healthcare and improved clinical outcomes, as well as helping to reduce overall medical costs. Integrated kidney care management revenues from commercial and Medicare Advantage insurers can be based upon either an established contract fee recognized as earned over the contract period, or related to the operation of value-based programs, including pay for performance, shared savings, and capitation contracts. DaVita IKC also contracts with payors to operate Medicare Advantage ESRD Special Needs Plans to provide ESRD patients full service healthcare. We are at risk for all medical costs of the program in excess of the capitation payments. Furthermore, in October 2015, DaVita IKC entered into

management service agreements to support three ESCO joint ventures in which we are an investor through certain wholly- or majority-owned dialysis clinics.

- *Physician services.* Nephrology Practice Solutions (NPS) is an independent business that partners with physicians committed to providing outstanding clinical and integrated care to patients. NPS provides nephrologist recruitment and staffing services in select markets which are billed on a per search basis. NPS also offers physician practice management services to nephrologists under administrative services agreements. These services include physician practice management, billing and collections, credentialing, coding, and other support services that enable physician practices to increase efficiency and manage their administrative needs. Additionally, NPS owns and operates nephrology practices in multiple states. Fees generated from these services are recognized as earned typically based upon flat fees or cash collections generated by the physician practice.
- *ESRD Seamless Care Organization joint ventures (ESCO JVs).* In October 2015, certain of our dialysis clinics entered into partnerships with various nephrology practices, health systems, and other providers to establish three ESCO JVs in Phoenix-Tucson Arizona, South Florida, and Philadelphia Pennsylvania-Camden, New Jersey. The ESCO JVs were formed under the CMS Innovation Center's Comprehensive ESRD Care (CEC) Model, a demonstration to assess the impact of care coordination for ESRD patients in a dialysis-center oriented ACO setting. Each ESCO JV has a shared risk arrangement with CMS and the programs are evaluated on a performance year basis. The delivery of improved quality outcomes for patients and program savings depend on the contributions of the dialysis center teammates, nephrologists, health system and hospital partners, pharmacy providers, other primary care and specialty care providers and facilities, and integrated care management support from DaVita IKC, which is also the manager of the ESCO JVs. In 2019, CMS published the results for the 2017 performance year, and all three ESCO JVs earned shared savings payments. Results for 2018 and 2019 performance years are anticipated to be released in 2020.
- *Comprehensive care.* Vively Health (formerly known as DaVita Health Solutions) was created to provide comprehensive care through house calls and post-acute care programs to help chronically ill patients through use of community based, physician- and nurse practitioner-led care teams to deliver medical, behavioral, social and palliative care within the patient's home or skilled nursing facility.

Other Strategic Business Initiatives

- *Clinical research programs.* DaVita Clinical Research (DCR) is a provider-based specialty clinical research organization with a full spectrum of services for clinical drug research and device development. DCR uses its extensive, applied database and real-world healthcare experience to assist in the design, recruitment and completion of retrospective and prospective pragmatic and clinical trials. Revenues are based upon an established fee per study, as determined by contract with drug companies and other sponsors and are recognized as earned according to the contract terms.
- *Vascular access services.* Lifeline provides management and administrative services to physician-owned vascular access clinics that provide vascular services for dialysis and other patients. Lifeline is also the majority-owner of three vascular access clinics. Management fees generated from providing management and administrative services are recognized as earned typically based on a percentage of revenues or cash collections generated by the clinics. Revenues associated with the vascular access clinics that are majority-owned are recognized in the period when the services are provided.

During 2018, we transitioned the customer service and fulfillment functions of our pharmacy business, DaVita Rx, to third parties and ceased our related distribution operations. DaVita Rx was a pharmacy that specialized in providing oral medications and medication management services to patients with ESRD. In addition, effective June 1, 2018, we sold 100% of the stock of Paladina Health, our direct primary care business. For additional discussion of our ancillary services and strategic initiatives businesses, see Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

International dialysis operations

As of December 31, 2019, we operated or provided administrative services to a total of 259 outpatient dialysis centers, which includes consolidated and nonconsolidated centers located in ten countries outside of the U.S., serving approximately 28,700 patients. Our international dialysis operations have continued to grow steadily and expand as a result of acquiring and developing outpatient dialysis centers in various strategic markets. Our international operations are included as part of our ancillary services and strategic initiatives.

The locations of our international outpatient dialysis centers are as follows:

| | |
|--------------------------|------------|
| Germany | 59 |
| Poland | 50 |
| Brazil | 46 |
| Malaysia ⁽¹⁾ | 39 |
| Saudi Arabia | 23 |
| Colombia | 22 |
| Portugal | 9 |
| Taiwan ⁽¹⁾ | 7 |
| China ⁽¹⁾ | 2 |
| Singapore ⁽¹⁾ | 2 |
| | <u>259</u> |

(1) Includes centers that are operated or managed by our Asia Pacific Joint Venture (APAC JV).

Corporate Administrative Support

Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation costs for departments which provide support to all of our different operating lines of business. These expenses are included in our consolidated general and administrative expenses and are partially offset by the allocation of management fees.

Government regulation

We operate in a complex regulatory environment and are subject to an extensive and evolving set of federal, state and local government laws, regulations and requirements. These laws and regulations require us to meet various standards relating to, among other things, government payment programs, dialysis facilities and equipment, management of centers, personnel qualifications, maintenance of proper records, and quality assurance programs and patient care. Additional discussion on certain of these laws, regulations and requirements is set forth below in this section.

If any of our personnel, representatives or operations are found to violate applicable laws, regulations or other requirements, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price, including, among others:

- Loss of required certifications, suspension or exclusion from, or termination of our participation in government payment programs;
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Criminal or civil liability, fines, damages or monetary penalties, which could be material;
- Enforcement actions, investigations, or audits by governmental agencies and/or state law claims for monetary damages by patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws, including, among others, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses or that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices, any of which could lead to potential fines, among other things;
- Termination of various relationships and/or contracts related to our business, such as joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and

- Harm to our reputation which could negatively impact our business relationships and stock price, affect our ability to attract and retain patients, physicians and teammates, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

We expect that our industry will continue to be subject to extensive and complex regulation, the scope and effect of which are difficult to predict. We are currently subject to various legal proceedings, such as lawsuits, investigations, audits and inquiries by various government and regulatory agencies, all as further described in Note 16 to the consolidated financial statements. Our operations and activities could be reviewed or challenged by regulatory authorities at any time in the future. For additional detail on risks related to each of the foregoing, see the discussion in Item 1A. Risk Factors under the headings, "*If we fail to adhere to all of the complex government laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price.*"; "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows*"; and "*We are, and may in the future be, a party to various lawsuits, demands, claims, qui tam suits, governmental investigations and audits (including, without limitation, investigations or other actions resulting from our obligation to self-report suspected violations of law) and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.*"

Licensure and certification

Our dialysis centers are certified by CMS, as is required for the receipt of Medicare payments. Certain of our payor contracts also condition payment on Medicare certification. In some states, our outpatient dialysis centers also are required to secure additional state licenses and permits. Governmental authorities, primarily state departments of health, periodically inspect our centers to determine if we satisfy applicable federal and state standards and requirements, including the conditions of participation in the Medicare ESRD program.

We have experienced some delays in obtaining Medicare certifications from CMS, though recent changes by CMS in the prioritizing of dialysis providers as well as legislation allowing private entities to perform initial dialysis facilities certifications has helped to decrease or limit certain delays.

In addition, in November 2019, CMS finalized a Provider Enrollment Rule creating new onerous disclosure obligations for all providers enrolled in Medicare, Medicaid and the Children's Health Insurance Plan (CHIP). The final rule imposes a stronger revocation authority and increases the bar for re-enrollment for providers who submit incomplete or inaccurate information or who have affiliations with other providers that CMS has determined pose undue risk of fraud, waste or abuse. If we fail to comply with these and other applicable requirements on our licensure and certification programs, particularly in light of increased penalties that include a 10-year ban to re-enrollment, under certain circumstances it could have a material adverse impact on our business, results of operations, financial condition, cash flows and reputation.

Federal Anti-Kickback Statute

The federal Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, in cash or kind, to induce or reward either the referral of an individual for, or the purchase, or order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid.

Federal criminal penalties for the violation of the federal Anti-Kickback Statute include imprisonment, fines and exclusion of the provider from future participation in the federal healthcare programs, including Medicare and Medicaid. Violations of the federal Anti-Kickback Statute are punishable by imprisonment for up to ten years and fines of up to \$100,000 or both. Larger fines can be imposed upon corporations under the provisions of the U.S. Sentencing Guidelines and the Alternate Fines Statute. Individuals and entities convicted of violating the federal Anti-Kickback Statute are subject to mandatory exclusion from participation in Medicare, Medicaid and other federal healthcare programs for a minimum of five years. Civil penalties for violation of this law include up to \$100,000 in monetary penalties per violation, repayments of up to three times the total payments between the parties to the arrangement and suspension from future participation in Medicare and Medicaid. Court decisions have held that the statute may be violated even if only one purpose of remuneration is to induce referrals. The ACA amended the federal Anti-Kickback Statute to clarify the intent that is required to prove a violation. Under the statute as amended, the defendant may not need to have actual knowledge of the federal Anti-Kickback Statute or have the specific intent to violate it. In addition, the ACA amended the federal Anti-Kickback Statute to provide that any claims for

items or services resulting from a violation of the federal Anti-Kickback Statute are considered false or fraudulent for purposes of the False Claims Act (FCA).

The federal Anti-Kickback Statute includes statutory exceptions and regulatory safe harbors that protect certain arrangements. Business transactions and arrangements that are structured to comply fully with an applicable safe harbor do not violate the federal Anti-Kickback Statute. Transactions and arrangements that do not satisfy all elements of a relevant safe harbor do not necessarily violate the law. When an arrangement does not satisfy a safe harbor, the arrangement must be evaluated on a case-by-case basis in light of the parties' intent and the arrangement's potential for abuse. Arrangements that do not satisfy a safe harbor may be subject to greater scrutiny by enforcement agencies.

DaVita and its subsidiaries enter into several arrangements with physicians and other potential referral sources, that potentially implicate the Anti-Kickback Statute, such as:

Medical Director Agreements. Because our medical directors may refer patients to our dialysis centers, our arrangements with these physicians are designed to substantially comply with the safe harbor for personal service arrangements. Although we endeavor to structure the Medical Director Agreements we enter into with physicians to substantially comply with the safe harbor for personal service arrangements, including the requirement that compensation be consistent with fair market value, the safe harbor requires that when services are provided on a part-time basis, the agreement must specify the schedule of intervals of services, and their precise length and the exact charge for such services. Because of the nature of our medical directors' duties, it is impossible to fully satisfy this technical element of the safe harbor. As a result, these arrangements could be subject to scrutiny since they do not expressly describe the schedule of part-time services to be provided under the arrangement.

Joint Ventures. As noted above, we own a controlling interest in numerous U.S. dialysis related joint ventures. Our internal policies, procedures, and template agreements were developed and are utilized for compliance with the Anti-Kickback Statute. However, we recognize that at times these joint ventures do not fully satisfy all of the requirements of the safe harbor for investments in small entities. Although failure to comply with a safe harbor does not render an arrangement illegal under the federal Anti-Kickback Statute, an arrangement that does not operate within a safe harbor may be subject to scrutiny by both federal and state government enforcement agencies including the Department of Health and Human Services' Office of Inspector General (OIG) and the Department of Justice (DOJ). Joint ventures that fall outside the safe harbors are evaluated on a case-by-case basis under the federal Anti-Kickback Statute.

Lease Arrangements. We lease space from entities in which physicians, hospitals or medical groups hold ownership interests, and we sublease space to referring physicians. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for space rentals in all material respects.

Consulting Agreements. From time to time, we enter into consulting agreements with physicians. Engaged physicians provide services including providing input on processes, services and protocols as well as providing education on assorted topics. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for personal services in all material respects.

Employment Agreements. Our subsidiary Nephrology Practice Solutions employs physicians to provide administrative and clinical services. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for employment in all material respects.

Common Stock. Some referring physicians may own our common stock. We believe that these interests materially satisfy the requirements of the Anti-Kickback Statute safe harbor for investments in large publicly traded companies.

Discounts. Our dialysis centers and subsidiaries sometimes acquire certain items and services at a discount that may be reimbursed by a federal healthcare program. We endeavor to structure our vendor contracts that include discount or rebate provisions to comply with the federal Anti-Kickback Statute safe harbor for discounts.

If any of our business transactions or arrangements, including those described above, were found to violate the federal Anti-Kickback Statute, we, among other things, could face criminal, civil or administrative sanctions, including possible exclusion from participation in Medicare, Medicaid and other state and federal healthcare programs. Any findings that we have violated these laws could have a material adverse impact on our business, results of operations, financial condition, cash flows, reputation and stock price.

As part of the Department of Health and Human Services (HHS) Regulatory Sprint to Coordinated Care (Regulatory Sprint), in October 2019, OIG issued proposed modifications to certain of its Anti-Kickback and Civil Monetary Penalties regulations. OIG has not issued final rules at this time so the impact on future modifications is unknown, but we will continue to monitor to assess the anticipated impact on our business, results of operations and financial condition.

Stark Law

The Stark Law prohibits a physician who has a financial relationship, or who has an immediate family member who has a financial relationship, with entities providing Designated Health Services (DHS), from referring Medicare and Medicaid patients to such entities for the furnishing of DHS, unless an exception applies. DHS is defined to mean any of the following enumerated items or services; clinical laboratory services; physical therapy services; occupational therapy services; radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services; radiation therapy services and supplies; durable medical equipment and supplies; parenteral and enteral nutrients, equipment, and supplies; prosthetics, orthotics and prosthetic devices and supplies; home health services; outpatient prescription drugs; inpatient and outpatient hospital services; and outpatient speech-language pathology services. The types of financial arrangements between a physician and a DHS entity that trigger the self-referral prohibitions of the Stark Law are broad and include direct and indirect ownership and investment interests and compensation arrangements. The Stark Law also prohibits the DHS entity receiving a prohibited referral from presenting, or causing to be presented, a claim or billing for the services arising out of the prohibited referral. The prohibition applies regardless of the reasons for the financial relationship and the referral; unlike the federal Anti-Kickback Statute, intent to induce referrals is not required. If the Stark Law is implicated, the financial relationship must fully satisfy a Stark Law exception. If an exception is not satisfied, then the parties to the arrangement could be subject to sanctions. Sanctions for violation of the Stark Law include denial of payment for claims for services provided in violation of the prohibition, refunds of amounts collected in violation of the prohibition, a civil penalty of up to \$15,000 for each service arising out of the prohibited referral, a civil penalty of up to \$100,000 against parties that enter into a scheme to circumvent the Stark Law prohibition, civil assessment of up to three times the amount claimed, and potential exclusion from the federal healthcare programs, including Medicare and Medicaid. Amounts collected for prohibited claims must be reported and refunded generally within 60 days after the date on which the overpayment was identified. Furthermore, Stark Law violations and failure to return overpayments timely can form the basis for FCA liability as discussed below.

The definition of DHS under the Stark Law excludes services paid under a composite rate, even if some of the components bundled in the composite rate are DHS. Although the ESRD bundled payment system is no longer titled a composite rate, we believe that the former composite rate payment system and the current bundled system are both composite systems excluded from the Stark Law. Since most services furnished to Medicare beneficiaries provided in our dialysis centers are reimbursed through a bundled rate, the services performed in our facilities generally are not DHS, and the Stark Law referral prohibition does not apply to those services. Certain separately billable drugs (drugs furnished to an ESRD patient that are not for the treatment of ESRD that CMS allows our centers to bill for using the so-called AY modifier) may be considered DHS. However, we have implemented certain billing controls designed to limit DHS being billed out of our dialysis clinics. Likewise, the definition of inpatient hospital services, for purposes of the Stark Law, also excludes inpatient dialysis performed in hospitals that are not certified to provide ESRD services. Consequently, our arrangements with such hospitals for the provision of dialysis services to hospital inpatients do not trigger the Stark Law referral prohibition.

In addition, although prescription drugs are DHS, there is an exception in the Stark Law for calcimimetics, EPO and other specifically enumerated dialysis drugs when furnished in or by an ESRD facility such that the arrangement for the furnishing of the drugs does not violate the Stark Law.

We have entered into several types of financial relationships with referring physicians, including compensation arrangements. If our dialysis centers were to bill for a non-exempted drug and the financial relationships with the referring physician did not satisfy an exception, we could be required to change our practices, face civil penalties, pay substantial fines, return certain payments received from Medicare and beneficiaries or otherwise experience a material adverse effect as a result of a challenge to payments made pursuant to referrals from these physicians under the Stark Law. Additionally, certain of our subsidiaries, were they to bill DHS, would implicate the Stark Law. As such we endeavor to structure arrangements with relevant physicians to fit within the existing exceptions to the Stark Law. If we were to fail to satisfy an applicable exception, we could similarly be required to change practices, face penalties and fines, return certain payments or otherwise face adverse consequences.

Medical Director Agreements. We endeavor to structure our medical director agreements to satisfy the personal services arrangement exception to the Stark Law. While we believe that the compensation provisions included in our medical director agreements are the result of arm's length negotiations and result in fair market value payments for medical director services, an enforcement agency could nevertheless challenge the level of compensation that we pay our medical directors.

Lease Agreements. We lease space from entities in which referring physicians hold interests and we sublease space to referring physicians at some of our dialysis centers. The Stark Law provides an exception for lease arrangements if specific requirements are met. We endeavor to structure our leases and subleases with referring physicians to satisfy the requirements for this exception.

Consulting Agreements. From time to time, we enter into consulting agreements with physicians. Engaged physicians provide services including providing input on processes, services and protocols as well as providing education on assorted topics. We endeavor to structure these arrangements to comply with the Stark Law exception for personal services.

Employment Agreements. We employ physicians to provide administrative and clinical services. We endeavor to structure these arrangements to comply with the relevant Stark Law exceptions.

Common Stock. Some referring physicians may own our common stock. We believe that these interests satisfy the Stark Law exception for investments in large publicly traded companies.

Joint Ventures. Some of our referring physicians also own equity interests in entities that operate our dialysis centers and subsidiaries. We believe that none of the Stark Law exceptions applicable to physician ownership interests in entities to which they make DHS referrals apply to the kinds of ownership arrangements that referring physicians hold in several of our subsidiaries that operate dialysis centers. Accordingly, these dialysis centers do not bill Medicare for DHS referrals from physician owners. If the dialysis centers bill for DHS referred by physician owners, the dialysis centers or subsidiaries would be subject to the Stark Law penalties described above.

Ancillary Services. The operations of our ancillary and subsidiary businesses are also subject to compliance with the Stark Law, and any failure to comply with these requirements, particularly in light of the strict liability nature of the Stark Law, could subject these operations to the Stark Law penalties and sanctions described above.

If CMS or other regulatory or enforcement authorities determined that we have submitted claims in violation of the Stark Law, or otherwise violated the Stark Law, we would be subject to the penalties described above. In addition, it might be necessary to restructure existing compensation agreements with our medical directors and to repurchase or to request the sale of ownership interests in subsidiaries and partnerships held by referring physicians or, alternatively, to refuse to accept referrals for DHS from these physicians, or take other actions to modify our operations. Any such penalties and restructuring or other required actions could have a material adverse effect on our business, results of operations, financial condition, cash flows, stock price and reputation.

Fraud and abuse under state law

Some states in which we operate dialysis centers have laws prohibiting physicians from holding financial interests in various types of medical facilities to which they refer patients. Some of these laws could potentially be interpreted broadly as prohibiting physicians who hold shares of our publicly traded stock or are physician owners from referring patients to our dialysis centers if the centers use our laboratory subsidiary to perform laboratory services for their patients or do not otherwise satisfy an exception to the law. States also have laws similar to or stricter than the federal Anti-Kickback Statute that may affect our ability to receive referrals from physicians with whom we have financial relationships, such as our medical directors. Some state anti-kickback laws also include civil and criminal penalties. Some of these laws include exemptions that may be applicable to our medical directors and other physician relationships or for financial interests limited to shares of publicly traded stock. Some, however, may include no explicit exemption for certain types of agreements and/or relationships entered into with physicians. If these laws are interpreted to apply to referring physicians with whom we contract for medical director and similar services, to referring physicians with whom we hold joint ownership interests or to referring physicians who hold interests in DaVita Inc. limited solely to our publicly traded stock, and for which no applicable exception exists, we may be required to terminate or restructure our relationships with or refuse referrals from these referring physicians and could be subject to criminal, civil and administrative sanctions, refund requirements and exclusions from government healthcare programs, including Medicare and Medicaid, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

Corporate Practice of Medicine and Fee-Splitting

There are states in which we operate that have laws that prohibit business entities, such as our Company and our subsidiaries, from practicing medicine, employing physicians to practice medicine or exercising control over medical decisions by physicians (known collectively as the corporate practice of medicine). These states also prohibit entities from engaging in certain financial arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation. Violations of the corporate practice of medicine vary by state and may result in physicians being subject to disciplinary action, as well as to forfeiture of revenues from payors for services rendered. For lay entities, violations may also bring both civil and, in more extreme cases, criminal liability for engaging in medical practice without a license. Some of the relevant laws, regulations, and agency interpretations in states with corporate practice of medicine restrictions have been subject to limited judicial and regulatory interpretation. Moreover, state laws are subject to change.

False Claims Act

The federal FCA is a means of policing false bills or false requests for payment in the healthcare delivery system. In part, the FCA authorizes the imposition of up to three times the government's damages and civil penalties on any person who, among other acts:

- Knowingly presents or causes to be presented to the federal government, a false or fraudulent claim for payment or approval;
- Knowingly makes, uses or causes to be made or used, a false record or statement material to a false or fraudulent claim;
- Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay the government, or knowingly conceals or knowingly and improperly, avoids or decreases an obligation to pay or transmit money or property to the federal government; or
- Conspires to commit the above acts.

In addition, amendments to the FCA impose severe penalties for the knowing and improper retention of overpayments collected from government payors. Under these provisions, within 60 days of identifying and quantifying an overpayment, a provider is required to follow certain notification and repayment processes. An overpayment impermissibly retained could subject us to liability under the FCA, exclusion from government healthcare programs, and penalties under the federal Civil Monetary Penalty statute. As a result of these provisions, our procedures for identifying and processing overpayments may be subject to greater scrutiny.

On February 1, 2019, the DOJ issued a final rule announcing penalties for a violation of the FCA range from \$11,463 to \$22,927 for each false claim, plus up to three times the amount of damages caused by each false claim, which can be as much as the amounts received directly or indirectly from the government for each such false claim. The federal government has used the FCA to prosecute a wide variety of alleged false claims and fraud allegedly perpetrated against Medicare and state healthcare programs, including coding errors, billing for services not rendered, the submission of false cost reports, billing for services at a higher payment rate than appropriate, billing under a comprehensive code as well as under one or more component codes included in the comprehensive code and billing for care that is not considered medically necessary. The ACA provides that claims tainted by a violation of the federal Anti-Kickback Statute are false for purposes of the FCA. Some courts have held that filing claims or failing to refund amounts collected in violation of the Stark Law can form the basis for liability under the FCA. In addition to the provisions of the FCA, which provide for civil enforcement, the federal government can use several criminal statutes to prosecute persons who are alleged to have submitted false or fraudulent claims for payment to the federal government.

Civil Monetary Penalties Statute

The Civil Monetary Penalties Statute, 42 U.S.C. § 1320a-7a, authorizes the imposition of civil money penalties, assessments, and exclusion against an individual or entity based on a variety of prohibited conduct, including, but not limited to:

- Presenting, or causing to be presented, claims for payment to Medicare, Medicaid, or other third-party payors that the individual or entity knows or should know are for an item or service that was not provided as claimed or is false or fraudulent;
- Offering remuneration to a Federal healthcare program beneficiary that the individual or entity knows or should know is likely to influence the beneficiary to order or receive healthcare items or services from a particular provider;
- Arranging contracts with an entity or individual excluded from participation in the Federal healthcare programs;
- Violating the federal Anti-Kickback Statute;
- Making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim for payment for items and services furnished under a Federal healthcare program;
- Making, using, or causing to be made any false statement, omission, or misrepresentation of a material fact in any application, bid, or contract to participate or enroll as a provider of services or a supplier under a Federal healthcare program; and
- Failing to report and return an overpayment owed to the federal government.

Substantial civil monetary penalties may be imposed under the federal Civil Monetary Penalty Statute and vary, depending on the underlying violation. In addition, an assessment of not more than three times the total amount claimed for each item or service may also apply, and a violator may be subject to exclusion from Federal and state healthcare programs.

Foreign Corrupt Practices Act

We are subject to regulations imposed by the Foreign Corrupt Practices Act (FCPA) in the United States and similar laws in other countries, which generally prohibit companies and those acting on their behalf from making improper payments to foreign government officials for the purpose of obtaining or retaining business. A violation of specific laws and regulations by us and/or our agents or representatives could result in, among other things, the imposition of fines and penalties on us, changes to our business practices, the termination of our contracts or debarment from bidding on contracts, or harm to our reputation, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Privacy and Security

The Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH Act), (collectively referred to as HIPAA), require us to provide certain protections to patients and their health information. The HIPAA privacy and security regulations extensively regulate the use and disclosure of PHI and require covered entities, which include healthcare providers, to implement and maintain administrative, physical and technical safeguards to protect the security of such information. Additional security requirements apply to electronic PHI. These regulations also provide patients with substantive rights with respect to their health information.

The HIPAA privacy and security regulations also require us to enter into written agreements with certain contractors, known as business associates, to whom we disclose PHI. Covered entities may be subject to penalties for, among other activities, failing to enter into a business associate agreement where required by law or as a result of a business associate violating HIPAA if the business associate is found to be an agent of the covered entity and acting within the scope of the agency. Business associates are also directly subject to liability under the HIPAA privacy and security regulations. In instances where we act as a business associate to a covered entity, there is the potential for additional liability beyond our status as a covered entity.

Covered entities must report breaches of unsecured PHI to affected individuals without unreasonable delay but not to exceed 60 days of discovery of the breach by a covered entity or its agents. Notification must also be made to the HHS, and, for breaches of unsecured PHI involving more than 500 residents of a state or jurisdiction, to the media. All non-permitted uses or disclosures of unsecured PHI are presumed to be breaches unless the covered entity or business associate establishes that there is a low probability the information has been compromised. Various state laws and regulations may also require us to notify affected individuals in the event of a data breach involving individually identifiable information without regard to whether there is a low probability of the information being compromised.

Penalties for impermissible use or disclosure of PHI were increased by the HITECH Act by imposing tiered penalties of more than \$50,000 per violation and up to \$1.5 million per year for identical violations. In addition, HIPAA provides for criminal penalties of up to \$250,000 and ten years in prison, with the severest penalties for obtaining and disclosing PHI with the intent to sell, transfer or use such information for commercial advantage, personal gain or malicious harm. Further, state attorneys general may bring civil actions seeking either injunction or damages in response to violations of the HIPAA privacy and security regulations that threaten the privacy of state residents.

In addition to the protection of PHI, healthcare companies must meet privacy and security requirements applicable to other categories of personal information. Companies may process consumer information in conjunction with website and corporate operations. They may also handle employee information, including Social Security Numbers, payroll information, and other categories of sensitive information, to further their employment practices. In processing this additional information, companies must comply with the privacy and security requirements of consumer protection laws, labor and employment laws, and its publicly-available notices.

Data protection laws are evolving globally, and may add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) became effective on May 25, 2018. The GDPR applies to entities that are established in the European Union (EU), as well as extends the scope of EU data protection laws to foreign companies processing data of individuals in the EU. The GDPR imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under GDPR, regulatory penalties may be passed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million. The costs of compliance with, and other burdens imposed by, the GDPR and other new laws, regulations and policies implementing the

GDPR may impact our European operations and/or limit the ways in which we can provide services or use personal data collected while providing services. If we fail to comply with the requirements of GDPR, we could be subject to penalties that would have a material adverse impact on our business, results of operations, financial condition and cash flows.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California legislature recently passed the California Consumer Protection Act (CCPA), which became effective January 1, 2020. The CCPA is a privacy law that requires certain companies doing business in California to enhance privacy disclosures regarding the collection, use and sharing of a consumer's personal data. The CCPA grants consumers additional privacy rights that are broader than current Federal privacy rights. The CCPA also permits the imposition of civil penalties, grants enforcement authority to the state Attorney General and provides a private right of action for consumers where certain personal information is breached due to unreasonable information security practices. Several other states, including Nevada and Maine, have passed data protection laws similar to CCPA. These laws would impose organizational requirements and grant individual rights that are comparable to those established in the CCPA, and other states may pass similar legislation in the future.

In addition to the breach reporting requirements under HIPAA, companies are subject to state breach notification laws. Each state enforces a law requiring companies to provide notice of a breach of certain categories of sensitive personal information, e.g. Social Security Number, financial account information, or username and password. A company impacted by a breach must notify affected individuals, attorney's general or other agencies within a certain time frame. If a company does not provide timely notice with the required content, it may be subject to civil penalties brought by attorney's generals or affected individuals.

Companies must also safeguard personal information in accordance with federal and state data security laws and requirements. These requirements are akin to the HIPAA requirements to safeguard PHI, described above. The Federal Trade Commission, for example, requires companies to implement reasonable data security measures relative to its operations and the volume and complexity of the information it processes. Also, various state data security laws require companies to safeguard data with technical security controls and underlying policies and processes. Due to the constant changes in the data security space, companies must continuously review and update data security practices to mitigate any potential operational or legal liabilities stemming from data security risks.

Healthcare reform

In March 2010, broad healthcare reform legislation was enacted in the U.S. through the ACA, but the ACA's regulatory framework and other related healthcare reforms continue to evolve as a result of executive, legislative, regulatory and administrative developments and judicial proceedings. As such, there remains considerable uncertainty surrounding the continued implementation of the ACA and what similar healthcare reform measures or other changes might be enacted at the federal and/or state level. While legislative attempts to completely repeal the ACA have been unsuccessful to date, there have been multiple attempts to repeal or amend the ACA through legislative action and legal challenges. As a result, any specific changes to the ACA and related regulatory framework, as well as the timing of any such changes, are not possible to predict. Nevertheless, previously enacted reforms and future changes could have a material adverse effect on our business, results of operations, financial condition and cash flows. For example, the ACA's health insurance exchanges, which provide a marketplace for eligible individuals and small employers to purchase health insurance, initially increased the accessibility and availability of commercial insurance. However, certain legislative developments, such as the repeal of the individual mandate under the Tax Cuts and Jobs Act of 2017, have adversely impacted the risk pool in certain exchange markets, and the nature and extent of commercial payor participation in the exchanges has fluctuated as a result. Other proposed legislative developments or administrative decisions, such as moving to a universal health insurance or "single payor" system whereby health insurance is provided to all Americans by the government under government programs, or lowering or eliminating the cost-sharing reduction subsidies under the ACA, could impact the percentage of our patients with higher-paying commercial health insurance, impact the scope of coverage under commercial health plans and increase our expenses, among other things.

The ACA also requires that all non-grandfathered individual and small group health plans sold in a state, including plans sold through the state-based exchanges created pursuant to the healthcare reform laws, cover essential health benefits (EHBs) in ten general categories. The scope of the benefits is intended to equal the scope of benefits under a typical employer plan.

On February 25, 2013, HHS issued the final rule governing the standards applicable to EHB benchmark plans, including new definitions and actuarial value requirements and methodology, and published a list of plan benchmark options that states can use to develop EHBs. The rule describes specific coverage requirements that (i) prohibit discrimination against individuals because of pre-existing or chronic conditions, (ii) ensure network adequacy of essential health providers, and (iii) prohibit benefit designs that limit enrollment and that prohibit access to care for enrollees. Subsequent regulations relevant to the EHB have continued the benchmark plan approach for 2016 and future years and have implemented clarifications and modifications

to the existing EHB regulations, including the prohibition on discrimination, network adequacy standards and other requirements. In recent years, CMS has issued an annual Notice of Benefit and Payment Parameters rulemaking and related guidance setting forth standards for insurance plans provided through the exchanges.

Other aspects of the ACA may affect our business as well, including provisions that impact the Medicare and Medicaid programs. For example, the ACA broadened the potential for penalties under the FCA for the knowing and improper retention of overpayments collected from government payors and reduced the timeline to file Medicare claims. Nevertheless, as an example of how the healthcare regulatory environment continues to change in the wake of ACA, in February 2018 Congress passed the BBA, which included a provision that repealed an Independent Payment Advisory Board initially established by the ACA. While certain provisions of the BBA may increase the scope of benefits available for certain chronically ill federal healthcare program beneficiaries beginning in 2020, the ultimate impact of such changes cannot be predicted.

New models of care and Medicare and Medicaid program reforms

CMMI is working with various healthcare providers to develop, refine and implement ACOs and other innovative models of care for Medicare and Medicaid beneficiaries. We are uncertain of the extent to which the long-term operation and evolution of these models of care, including ACOs, the CEC Model (which includes the development of ESCOs), the Duals Demonstration, or other models, will impact the healthcare market over time. We may choose to participate in one or several of these models either as a partner with other providers or independently. We are currently participating in the CEC Model with CMMI, including with organizations in Arizona, Florida, and adjacent markets in New Jersey and Pennsylvania. We may choose to participate in additional models either as a partner with other providers or independently. Even in areas where we are not directly participating in these or other CMMI models, some of our patients may be assigned to an ACO, another ESRD Care Model, or another program, in which case the quality and cost of care that we furnish will be included in an ACO's, another ESRD Care Model's, or other program's calculations.

In addition, as noted above, federal bipartisan legislation related to full capitation demonstration for ESRD was proposed in late 2017. Legislation, which has yet to secure introduction to the 116th Congress, would build on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as this or similar legislation will be introduced or passed into law. If such legislation is passed, there can be no assurances that we will be able to successfully execute on the required strategic initiatives that would allow us to provide a competitive and successful integrated care program on the broader scale contemplated by this legislation, and in the desired time frame. Additionally, the ultimate terms and conditions of any such potential legislation remain unclear—for example, our costs of care could exceed our associated reimbursement rates under such legislation.

More recently, the 2019 Executive Order directed CMS to create payment models to evaluate the effects of creating payment incentives for the greater use of home dialysis and kidney transplants for those already on dialysis. CMS subsequently announced in a proposed rule the ESRD Treatment Choices (ETC) mandatory payment model, which will be administered through the CMMI and is proposed to launch in 50% of dialysis clinics across the country in 2020. Under the proposed rule, which was subject to a comment period that ended in September 2019, CMS would select ESRD facilities and clinicians to participate in the model according to their location in randomly selected geographic areas and would require participation to minimize the potential for selection effect. We support the administration's emphasis on and move towards home dialysis and kidney transplant; however, we believe that if launched as proposed, the ETC model would negatively impact patient clinical care, Medicare coverage and/or payment for ESRD claims and, depending on the final requirements of the ETC model, ultimately could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In connection with the 2019 Executive Order, CMS also announced the implementation of four voluntary payment models with the stated goal of helping healthcare providers reduce the cost and improve the quality of care for patients with late-stage chronic kidney disease and ESRD. CMS has stated these payment models are aimed to prevent or delay the need for dialysis and encourage kidney transplantation. These payment models are scheduled to run from 2020 through December 2023. In October 2019, CMS released initial guidance around the voluntary payment models, and we expect additional guidance in the coming months. The details and specifics of these voluntary models have not yet been provided, and we anticipate that such details will be released in the second half of 2020. We continue to assess these models and their viability for us and the industry, and our assessment will continue to develop as additional details become available.

The 21st Century Cures Act, enacted in December 2016, includes a provision that will allow Medicare beneficiaries with ESRD to choose to obtain coverage under a Medicare Advantage (MA) plan, which could broaden access to certain enhanced benefits offered by MA plans. We continue to evaluate the potential impact of this change in benefit eligibility, as there is significant uncertainty as to how many or which newly eligible ESRD patients will seek to enroll in MA plans for their ESRD.

benefits and how quickly any such changes would occur. Until the effective date of this law, January 1, 2021, this choice is available only to Medicare beneficiaries without ESRD.

For additional discussion on the risks associated with the evolving payment and regulatory landscape for kidney care, see the discussion in Item 1A Risk Factors, including the discussion under the heading, “*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.*”

Other regulations

Our U.S. dialysis and related lab services operations are subject to various state hazardous waste and non-hazardous medical waste disposal laws. These laws do not classify as hazardous most of the waste produced from dialysis services. Occupational Safety and Health Administration regulations require employers to provide workers who are occupationally subject to blood or other potentially infectious materials with prescribed protections. These regulatory requirements apply to all healthcare facilities, including dialysis centers, and require employers to make a determination as to which employees may be exposed to blood or other potentially infectious materials and to have in effect a written exposure control plan. In addition, employers are required to provide or employ hepatitis B vaccinations, personal protective equipment and other safety devices, infection control training, post-exposure evaluation and follow-up, waste disposal techniques and procedures and work practice controls. Employers are also required to comply with various record-keeping requirements.

In addition, a few states in which we do business have certificate of need programs regulating the establishment or expansion of healthcare facilities, including dialysis centers.

Corporate compliance program

Our businesses are subject to extensive regulations. Management has designed and implemented a corporate compliance program as part of our commitment to comply fully with applicable criminal, civil and administrative laws and regulations and to maintain the high standards of conduct we expect from all of our teammates. We continuously review this program and enhance it as appropriate. The primary purposes of the program include:

- Assessing and identifying risks for existing and new businesses;
- Training and educating our teammates and affiliated professionals to promote awareness of legal and regulatory requirements, a culture of compliance, and the necessity of complying with all these laws;
- Developing and implementing compliance policies and procedures and creating controls to support compliance with these laws and our policies and procedures;
- Auditing and monitoring the activities of our operating units and business support functions to identify and mitigate risks and potential instances of noncompliance in a timely manner; and
- Ensuring that we promptly take steps to resolve any instances of noncompliance and address areas of weakness or potential noncompliance.

We have a code of conduct that each of our teammates, members of our Board of Directors, affiliated professionals and certain third parties must follow, and we have an anonymous compliance hotline for teammates and patients to report potential instances of noncompliance that is managed by a third party. Our Chief Compliance Officer administers the compliance program. The Chief Compliance Officer reports directly to our Chief Executive Officer and the Chair of the Compliance Committee of our Board of Directors (Board Compliance Committee).

On October 22, 2014, DaVita entered into a Corporate Integrity Agreement (CIA) with HHS and the OIG. The term of the CIA expired on October 22, 2019, and the independent monitor is completing both her annual review and annual report. We are in the process of preparing our final annual report, which we will submit to HHA-OIG by March 11, 2020. The CIA (i) required that we maintain certain elements of our compliance programs; (ii) imposed certain expanded compliance-related requirements during the term of the CIA; (iii) required ongoing monitoring and reporting by an independent monitor, imposed certain reporting, certification, records retention and training obligations, allocated certain oversight responsibility to the Board’s Compliance Committee, and necessitated the creation of a Management Compliance Committee and the retention of an independent compliance advisor to the Board; and (iv) contained certain business restrictions related to a subset of our joint venture arrangements.

Until OIG closes out the CIA following review of the aforementioned final annual reports, OIG retains the right to impose penalties, sanctions and other consequences on us under the CIA, including, without limitation, potential exclusion from federal healthcare programs.

Any future penalties, sanctions or other consequences under the CIA or otherwise could be more severe in circumstances in which OIG or a similar regulatory authority determines that we have repeatedly failed to comply with applicable laws, regulations or requirements that apply to our business, including substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition and cash flows, reputation and stock price.

Competition

The U.S. dialysis industry has experienced some consolidation over the last few years, but remains highly competitive. Patient retention and the continued referrals of patients from referral sources such as hospitals and nephrologists, as well as acquiring or developing new outpatient dialysis centers are some of the important parts of our growth strategy. In our U.S. dialysis business, we continue to face intense competition from large and medium-sized providers, among others, which compete directly with us for limited acquisition targets, for individual patients who may choose to dialyze with us and for physicians qualified to provide required medical director services. Competition for growth in existing and expanding geographies or areas is intense and is not limited to large competitors with substantial financial resources or established participants in the dialysis space. We also compete with individual nephrologists, former medical directors or physicians that have opened their own dialysis units or facilities. Moreover, as we continue our international dialysis expansion into various international markets, we face competition from large and medium-sized providers, among others, for acquisition targets as well as physician relationships. We also experience competitive pressures from other dialysis providers in recruiting and retaining qualified skilled clinical personnel as well as in connection with negotiating contracts with commercial healthcare payors and inpatient dialysis service agreements with hospitals. Acquisitions, developing new outpatient dialysis centers, patient retention and physician relationships are significant components of our growth strategy and our business could be adversely affected if we are not able to continue to make dialysis acquisitions on reasonable and acceptable terms, continue to develop new outpatient dialysis centers, maintain or establish new relationships with physicians or if we experience significant patient attrition relative to our competitors.

Together with our largest competitor, Fresenius Medical Group (FMC), we account for approximately 73% of outpatient dialysis centers in the U.S. Many of the centers not owned by us, FMC or other large for profit dialysis providers are owned or controlled by hospitals or non-profit organizations. Hospital-based and non-profit dialysis units typically are more difficult to acquire than physician-owned dialysis centers.

FMC also manufactures a full line of dialysis supplies and equipment in addition to owning and operating outpatient dialysis centers worldwide. This may give FMC cost advantages over us because of its ability to manufacture its own products or prevent us from accessing existing or new technology on a cost-effective basis. Additionally, FMC has been one of our largest suppliers of dialysis products and equipment over the last several years. In 2018, we entered into and subsequently extended an agreement with FMC to purchase a certain amount of dialysis equipment, parts and supplies from FMC through December 31, 2020. The amount of purchases from FMC over the remaining term of this agreement will depend upon a number of factors, including the operating requirements of our centers, the number of centers we acquire, and growth of our existing centers.

There have been a number of announcements by non-traditional dialysis providers and others, which relate to entry into the dialysis and pre-dialysis space, the development of innovative technologies, or the commencement of new business activities that could be disruptive to the industry. These developments over time may shift the competitive landscape in which we operate. For additional discussion on these developments and associated risks, see the risk factor in Item 1A Risk Factors under the heading, *“If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows.”*

Insurance

We are predominantly self-insured with respect to professional and general liability and workers' compensation risks through wholly-owned captive insurance companies. We are also predominantly self-insured with respect to employee medical and other health benefits. We also maintain insurance, excess coverage, or reinsurance for property and general liability, professional liability, directors' and officers' liability, workers' compensation, cybersecurity and other coverage in amounts and on terms deemed adequate by management, based on our actual claims experience and expectations for future claims. Future claims could, however, exceed our applicable insurance coverage. Physicians practicing at our dialysis centers are required to maintain their own malpractice insurance, and our medical directors are required to maintain coverage for their individual

private medical practices. Our liability policies cover our medical directors for the performance of their duties as medical directors at our outpatient dialysis centers.

Teammates

As of December 31, 2019, we employed approximately 65,000 teammates, including our international teammates.

Our businesses require skilled healthcare professionals with specialized training for treating patients with complex care needs. Recruitment and retention of nurses are continuing concerns for healthcare providers due to short supply. We have an active program of investing in our professional healthcare teammates to help ensure we meet our recruitment and retention targets, including expanded training opportunities, tuition reimbursements and other incentives, but there can be no assurances that we will meet our goals in this regard. For additional information, see the risk factor in Item 1A Risk Factors under the heading, *"If our labor costs continue to rise, including due to shortages, changes in certification requirements and higher than normal turnover rates in skilled clinical personnel; or currently pending or future rules, regulations, legislation or initiatives impose additional requirements or limitations on our operations or profitability; or, if we are unable to attract and retain key leadership talent, we may experience disruptions in our business operations and increases in operating expenses, among other things, which could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

Item 1A. Risk Factors

This Annual Report on Form 10-K contains statements that are forward-looking statements within the meaning of the federal securities laws. These statements involve known and unknown risks and uncertainties including those discussed below. The risks and uncertainties discussed below are not the only ones facing our business. In addition, please read the cautionary notice regarding forward-looking statements in Item 7 of Part II of this Annual Report on Form 10-K under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations."

If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price.

We operate in a complex regulatory environment with an extensive and evolving set of federal, state and local governmental laws, regulations and requirements. These laws, regulations and requirements are promulgated and overseen by a number of different legislative, administrative, regulatory, and quasi-regulatory bodies, each of which may have varying interpretations, judgments or related guidance. As such, we utilize considerable resources on an ongoing basis to monitor, assess and respond to applicable legislative, regulatory and administrative requirements, but there is no guarantee that we will be successful in our efforts to adhere to all of these requirements. Laws, regulations and requirements that apply to or impact our business include, but are not limited to:

- Medicare and Medicaid reimbursement statutes, rules and regulations (including, but not limited to, manual provisions, local coverage determinations, national coverage determinations, payment schedules and agency guidance);
- federal and state anti-kickback laws, including, without limitation, any applicable exceptions or regulatory safe harbors thereunder;
- the Physician Self-Referral Law (the Stark Law) and analogous state self-referral prohibition laws;
- the 21st Century Cures Act;
- Federal Acquisition Regulations;
- the False Claims Act (FCA) and associated regulations;
- the Civil Monetary Penalty statute (CMP) and associated regulations;
- the Foreign Corrupt Practices Act (FCPA);
- Medicare and Medicaid provider requirements, including requirements associated with providing and updating certain information about the Medicare or Medicaid entity, as applicable, and its direct and indirect affiliates;
- antitrust and competition laws and regulations; and
- federal and state laws regarding the collection, use and disclosure of patient health information (e.g., Health Insurance Portability and Accountability Act of 1996 (HIPAA)) and the storage, handling, shipment, disposal and/or dispensing of pharmaceuticals and blood products and other biological materials.

In addition, on October 9, 2019, the U.S. Department of Health and Human Services, Office of Inspector General (OIG) and the Centers for Medicare & Medicaid Services (CMS) released a pair of proposed rules that, if adopted, would change the Federal Anti-Kickback Statute (AKS), CMP and Stark Law regulations to promote certain value-based and coordinated care arrangements. The proposed rules were subject to a comment period ending in December 2019 and remain subject to change until the publication of any final rules, the date and content of which are currently unknown.

We have historically been subject to a five-year Corporate Integrity Agreement (CIA) with OIG. The term of the CIA expired on October 22, 2019, and the Company is in the process of working with the independent monitor and OIG to close out the review of the final annual reports by the independent monitor and the Company. The CIA (i) required that we maintain certain elements of our compliance programs; (ii) imposed certain expanded compliance-related requirements during the term of the CIA; (iii) required ongoing monitoring and reporting by an independent monitor, imposed certain reporting, certification, records retention and training obligations, allocated certain oversight responsibility to the Board's Compliance Committee, and necessitated the creation of a Management Compliance Committee and the retention of an independent compliance advisor to the Board; and (iv) contained certain business restrictions related to a subset of our joint venture arrangements. Until OIG closes out the CIA following review of the aforementioned final annual reports, OIG retains the right to impose penalties,

sanctions and other consequences on us under the CIA, including, without limitation, potential exclusion from federal healthcare programs. Any future penalties, sanctions or other consequences under the CIA or otherwise could be more severe in circumstances in which OIG or a similar regulatory authority determines that we have repeatedly failed to comply with applicable laws, regulations or requirements.

If any of our personnel, representatives or operations are found to violate these or other laws, regulations or requirements, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price, including, among others:

- Loss of required certifications or suspension or exclusion from or termination of our participation in government payment programs;
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Criminal or civil liability, fines, damages or monetary penalties, which could be material;
- Enforcement actions, investigations, or audits by governmental agencies and/or state law claims for monetary damages by patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws, including, among others, HIPAA and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices which could lead to potential fines, among other things;
- Termination of various relationships and/or contracts related to our business, such as joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and
- Harm to our reputation which could negatively impact our business relationships and stock price, affect our ability to attract and retain patients, physicians and teammates, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

Additionally, the healthcare sector, including the dialysis industry, is regularly subject to negative publicity, including as a result of governmental investigations, adverse media coverage and political debate surrounding industry regulation. Negative publicity, regardless of merit, regarding the dialysis industry generally, the U.S. healthcare system or DaVita in particular may adversely affect us.

See Note 16 to the consolidated financial statements included in this report for further details regarding the pending legal proceedings and regulatory matters to which we are or may be subject from time to time, any of which may include allegations of violations of applicable laws, regulations and requirements.

We are, and may in the future be, a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits (including, without limitation, investigations or other actions resulting from our obligation to self-report suspected violations of law) and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

We are, and may in the future be, subject to investigations and audits by governmental agencies and/or private civil *qui tam* complaints filed by relators and other lawsuits, demands, claims and legal proceedings, including, without limitation, investigations or other actions resulting from our obligation to self-report suspected violations of law.

Responding to subpoenas, investigations and other lawsuits, claims and legal proceedings as well as defending ourselves in such matters will continue to require management's attention and cause us to incur significant legal expense. Negative

findings or terms and conditions that we might agree to accept as part of a negotiated resolution of pending or future legal or regulatory matters could result in, among other things, substantial financial penalties or awards against us, substantial payments made by us, harm to our reputation, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and, in certain cases, criminal penalties, any of which could have a material adverse effect on us. It is possible that criminal proceedings may be initiated against us and/or individuals in our business in connection with governmental investigations. Other than as may be described in Note 16 to the consolidated financial statements included in this report, we cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which we are or may be subject from time to time, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price. See Note 16 to the consolidated financial statements included in this report for further details regarding these and other legal proceedings and regulatory matters.

Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The extensive federal and state laws, regulations and requirements that govern our business may continue to change over time, and there is no assurance that we will be able to accurately predict the nature, timing or extent of such changes or the impact of such changes on the markets in which we conduct business or on the other participants that operate in those markets.

For example, the regulatory framework of the Patient Protection and Affordable Care Act and the Health Care Reconciliation Act of 2010, as amended (ACA), and other healthcare reforms continues to evolve as a result of executive, legislative, regulatory and administrative developments and judicial proceedings. As such, there remains considerable uncertainty surrounding the continued implementation of the ACA and what similar healthcare reform measures or other changes might be enacted at the federal and/or state level. While legislative attempts to completely repeal the ACA have been unsuccessful to date, there have been multiple attempts to repeal or amend the ACA through legislative action and legal challenges. For example, in December 2017, the Tax Cuts and Jobs Act of 2017 was signed into law which, among other things, repealed the penalty under ACA's individual mandate, which had required individuals to pay a fee if they failed to obtain a qualifying health insurance plan. In December 2018, a federal district court in Texas ruled the individual mandate was unconstitutional and inseparable from the ACA. As a result, the court ruled the remaining provisions of the ACA were also invalid, though the court declined to issue a preliminary injunction with respect to the ACA. In December 2019, the Fifth Circuit Court of Appeals agreed that the individual mandate was unconstitutional, but remanded the case back to the district court to reassess how much of the ACA would be damaged without the individual mandate provision, and if the individual mandate could indeed be severed from the ACA. This litigation is still ongoing, but places great uncertainty upon the longevity and nature of the ACA moving forward.

While there may be significant changes to the healthcare environment in the future, including, without limitation, as a result of potential changes to the political environment in connection with the current election year or otherwise, the specific changes and their timing are not yet apparent. Nevertheless, previously enacted reforms and future changes, including among others, any changes in legislation, regulation or market conditions in connection with or resulting from the upcoming elections, could have a material adverse effect on our business, results of operations, financial condition and cash flows. For example, our revenue levels are sensitive to the percentage of our patients with higher-paying commercial health insurance, and as such, legislative, regulatory or other changes that decrease the accessibility and availability, including the duration, of commercial insurance may have a material adverse impact on our business. The ACA's health insurance exchanges, which provide a marketplace for eligible individuals and small employers to purchase health insurance, initially increased the accessibility and availability of commercial insurance. However, certain legislative developments, such as the repeal of the individual mandate described above, have adversely impacted the risk pool in certain exchange markets, and the nature and extent of commercial payor participation in the exchanges has fluctuated as a result. Other proposed legislative developments or administrative decisions, such as moving to a universal health insurance or "single payor" system whereby health insurance is provided to all Americans by the government under government programs, or lowering or eliminating the cost-sharing reduction subsidies under the ACA, could impact the percentage of our patients with higher-paying commercial health insurance, impact the scope of coverage under commercial health plans and increase our expenses, among other things. Although we cannot predict the short- or long-term effects of legislative or regulatory changes or the potential outcome or impact of the upcoming elections, we believe that future market changes could result in more restrictive commercial plans with lower reimbursement rates or higher deductibles and co-payments that patients may not be able to pay. To the extent that changes in statutes, regulations or related guidance or changes in other market conditions result in a reduction in the percentage of our patients with commercial insurance, limit the scope or nature of coverage through the exchanges or other health insurance programs or otherwise reduce reimbursement rates for our services from commercial and/or government payors, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional information on the impact of legislative or regulatory changes on the percentage of our patients with commercial insurance, see the risk factor under the heading "*If the*

number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows."

The ACA also added several new tax provisions that, among other things, impose various fees and excise taxes, and limit compensation deductions for health insurance providers and their affiliates. These rules could negatively impact our cash flow and tax liabilities. In addition, the ACA broadened the potential for penalties under the FCA for the knowing and improper retention of overpayments collected from government payors and reduced the timeline to file Medicare claims. Failure to timely identify, quantify and return overpayments may result in significant penalties, which could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. Failure to file a claim within the one year window could result in payments denials, adversely affecting our business, results of operations, financial condition and cash flows.

In addition to the ACA, changing legislation and other regulatory and executive developments have led to the emergence of new models of care and other initiatives in both the government and private sector. Any failure on our part to adequately implement strategic initiatives to adjust to these marketplace developments could have a material adverse impact on our business. For example, as noted above, the July 10, 2019 executive order (the 2019 Executive Order) related to kidney care directed CMS to create payment models to evaluate the effects of creating payment incentives for the greater use of home dialysis and kidney transplants for those already on dialysis. CMS subsequently announced in a proposed rule the ETC mandatory payment model, which will be administered through the CMMI and is proposed to launch in 50% of dialysis clinics across the country beginning in 2020. Under the proposed rule, which was subject to a comment period that ended in September 2019, CMS would select ESRD facilities and clinicians to participate in the model according to their location in randomly selected geographic areas and would require participation to minimize the potential for selection effect. We support the administration's emphasis on and move towards home dialysis and kidney transplant; however, we believe that if launched as proposed, the ETC model would negatively impact patient clinical care, Medicare coverage and/or payment for ESRD claims and, depending on the final requirements of the ETC model, ultimately could have a material adverse effect on our business, results of operations, financial condition and cash flows. With home dialysis as a focus of the ETC model and the industry generally, any failure to successfully implement our strategy or build on our abilities to offer home dialysis options could have a material adverse impact on our business, results of operation, financial condition and cash flows. For additional detail on the risks related to our home dialysis services, see the discussion under the heading "*If we are not able to successfully implement our strategy with respect to home-based dialysis, including maintaining and further developing our capabilities in a complex and highly regulated environment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation.*"

In connection with the 2019 Executive Order, CMS also announced the implementation of four voluntary payment models with the stated goal of helping healthcare providers reduce the cost and improve the quality of care for patients with late-stage chronic kidney disease and ESRD. CMS has stated these payment models are aimed to prevent or delay the need for dialysis and encourage kidney transplantation. These payment models were initially proposed to run from 2020 through December 2023. The details and specifics of these voluntary models have not yet been provided, and we anticipate that such details will be released in the second half of 2020. We continue to assess these models and their viability for us and the industry, and our assessment will continue to develop as additional details become available.

In addition, CMMI is currently working with various healthcare providers to develop, refine and implement Accountable Care Organizations (ACOs) and other innovative models of care for Medicare and Medicaid beneficiaries, including, without limitation, the Comprehensive ESRD Care Model (CEC Model) (which includes the development of end stage renal disease (ESRD) Seamless Care Organizations), the Duals Demonstration, and other models. We are currently participating in the CEC Model with CMMI, including with organizations in Arizona, Florida, and adjacent markets in New Jersey and Pennsylvania. We may choose to participate in additional models either as a partner with other providers or independently. Even in areas where we are not directly participating in these or other CMMI models, some of our patients may be assigned to an ACO, another ESRD Care Model, or another program, in which case the quality and cost of care that we furnish will be included in an ACO's, another ESRD Care Model's, or other program's calculations.

In addition to the aforementioned new models of care, federal bipartisan legislation related to full capitation demonstration for ESRD was proposed in late 2017. Legislation, which has yet to secure introduction to the 116th Congress, would build on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare ESRD patients. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as this or similar legislation will be introduced or passed into law. If such legislation is passed, there can be no assurances that we will be able to successfully execute on the required strategic initiatives that would allow us to provide a competitive and successful integrated care program on the broader scale contemplated by this legislation, and in the desired time frame. Additionally, the ultimate terms and conditions of any such potential legislation remain unclear—for example, our costs of care could exceed our associated reimbursement rates

under such legislation. The new and evolving landscape for integrated kidney care also has led to opportunities with relative ease of entry for certain smaller and/or non-traditional providers, and we may be competing with them for patients in an asymmetrical environment with respect to data and/or regulatory requirements given our status as an ESRD service provider. For additional detail on our evolving competitive environment, see the risk factor under the heading *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows."* In general, if we are unable to efficiently adjust to these and other new models of care, it may, among other things, erode our patient base or reimbursement rates, which could have a material adverse impact on our business, results of operation, financial condition and cash flows.

There have also been several state initiatives to limit payments to dialysis providers or impose other burdensome operational requirements, which, if passed, could have a material adverse impact on our business, results of operation, financial condition and cash flow. For example, on October 24, 2019, the Service Employees International Union - United Healthcare Workers West (SEIU) proposed a California statewide ballot initiative for the November 2020 election that seeks to impose certain regulatory requirements on dialysis clinics, including requirements related to physician staffing levels, clinical reporting, clinical treatment options and the ability to make decisions on closing or reducing services for dialysis clinics. We expect to incur costs in connection with this new proposal, should it become eligible for the November 2020 election, and other potential legislative or ballot initiatives, and these costs may be substantial. Similar initiatives were also proposed in Ohio and Arizona in the 2018 election cycle; however, neither of these initiatives met the applicable requirements for inclusion on the state ballot for the November 2018 elections. We may face similar ballot initiatives or other legislation in the future in these or other states.

There have also been rule making and legislative efforts at both the federal and state level concerning charitable premium assistance. In December 2016, CMS published an interim final rule that questioned the use of charitable premium assistance for ESRD patients and would have established new conditions for coverage standards for dialysis facilities. In January 2017, a federal district court in Texas issued a preliminary injunction on CMS' interim final rule and in June 2017, at the request of CMS, the court stayed the proceedings while CMS pursues new rulemaking options. In June 2019, CMS sent to the White House Office of Management and Budget a proposed rule entitled *"Conditions for Coverage for End-Stage Renal Disease Facilities-Third Party Payments."* We do not know if or when this proposed rule will be released. In addition, on October 13, 2019 a California bill (AB 290) was signed into law that limits the amount of reimbursement paid to certain providers for services provided to patients with commercial insurance who receive charitable premium assistance. AB 290 was expected to become effective in January 2020. The American Kidney Fund (AKF), an organization that provides charitable premium assistance, announced that it would be withdrawing from California as a result of AB 290. On November 1, 2019, AKF filed a lawsuit in federal court challenging the law on several grounds. A group of providers, including DaVita, also filed a lawsuit challenging the law in federal court on November 5, 2019. The parties to each suit also filed motions for preliminary injunctions shortly after filing the lawsuits, seeking to prevent AB 290's implementation during litigation. On December 30, 2019, the district court granted a preliminary injunction. The preliminary injunction will remain in place until a final judgment is made in the case, which is expected to occur in 2020.

In the event AB 290 becomes effective and the AKF withdraws from California, we expect an adverse impact on the ability of patients to afford Medicare premiums and Medicare supplemental (Medigap) and commercial coverage, which we expect will in turn result in an adverse impact on our business, results of operations, financial condition and cash flows. In addition, bills similar to AB 290 were introduced in Illinois (SB 650) and Oregon (SB 900), but have not been successfully passed to date. If these or similar bills are introduced and implemented in other jurisdictions, and organizations that provide charitable premium assistance in those jurisdictions are similarly impacted, it could in the aggregate have a material adverse impact on our business, results of operations, financial condition and cash flows. For additional information on the impact of decreases to the percentage of our patients with commercial insurance, see the risk factor under the heading *"If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

Any law, rule or guidance proposed or issued by CMS or other federal or state regulatory or legislative authorities or others, including, without limitation, any initiatives similar to the proposed legislation and ballot initiatives described above, or other future ballot or other initiatives restricting or prohibiting the ability of patients with access to alternative coverage from selecting a marketplace plan on or off exchange, limiting the amount of revenue that a dialysis provider can retain for caring for patients with commercial insurance, imposing burdensome operational requirements, affecting payments made to providers for services provided to patients who receive charitable premium assistance and/or otherwise restricting or prohibiting the use of charitable premium assistance, could cause us to incur substantial costs to oppose any such proposed measures, impact our dialysis center development plans, and if passed and/or implemented, could adversely impact dialysis centers across the U.S. making certain centers economically unviable, lead to the closure of certain centers, restrict the ability of dialysis patients to

obtain and maintain optimal insurance coverage, and in some cases, have a material adverse effect on our business, results of operations, financial condition and cash flows.

Privacy and information security laws are complex, and if we fail to comply with applicable laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information on our behalf, or if we fail to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks, we may be subject to government or private actions due to privacy and security breaches, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation.

We must comply with numerous federal and state laws and regulations in both the U.S. and the foreign jurisdictions in which we operate governing the collection, dissemination, access, use, security and privacy of PHI, including, without limitation, HIPAA and its implementing privacy, security, and related regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH) and collectively referred to as HIPAA. We are also required to report known breaches of PHI consistent with applicable breach reporting requirements set forth in applicable laws and regulations. From time to time, we may be subject to both federal and state inquiries or audits related to HIPAA, HITECH and related state laws associated with complaints, desk audits, and self-reported breaches. If we fail to comply with applicable privacy and security laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information, including PHI, on our behalf, properly maintain the integrity of our data, protect our proprietary rights, or defend against cybersecurity attacks, it could materially harm our reputation or have a material adverse effect on our business, results of operations, financial condition and cash flows. These risks may be intensified to the extent that the laws change or to the extent that we increase our use of third-party service providers that utilize sensitive personal information, including PHI, on our behalf.

Data protection laws are evolving globally, and may continue to add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) became effective on May 25, 2018. The GDPR applies to entities that are established in the European Union (EU), as well as extends the scope of EU data protection laws to foreign companies processing data of individuals in the EU. The GDPR imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under the GDPR, regulatory penalties may be assessed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million. The costs of compliance with, and other burdens imposed by, the GDPR and other new laws, regulations and policies implementing the GDPR may impact our European operations and/or limit the ways in which we can provide services or use personal data collected while providing services. If we fail to comply with the requirements of GDPR, we could be subject to penalties that would have a material adverse impact on our business, results of operations, financial condition and cash flows.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California legislature recently passed the California Consumer Protection Act (CCPA), which became effective January 1, 2020. The CCPA is a privacy law that requires certain companies doing business in California to enhance privacy disclosures regarding the collection, use and sharing of a consumer's personal data. The CCPA grants consumers additional privacy rights that are broader than current Federal privacy rights. The CCPA also permits the imposition of civil penalties, grants enforcement authority to the state Attorney General and provides a private right of action for consumers where certain personal information is breached due to unreasonable information security practices. Several other states, including Nevada and Maine, have passed data protection laws similar to CCPA. These laws would impose organizational requirements and grant individual rights that are comparable to those established in the CCPA, and other states may pass similar legislation in the future. In particular, the U.S. Department of Health and Human Services (HHS) Office for Civil Rights, in partnership with the Healthcare and Public Health Sector Coordinating Council (HSCC), recently issued cybersecurity guidelines for healthcare organizations that reflect consensus-based, voluntary practices to cost-effectively reduce cybersecurity risks for organizations of varying sizes. Although these HHS-backed guidelines, entitled "*Health Industry Cybersecurity Practices: Managing Threats and Protecting Patients*," are voluntary, they are likely to serve as an important reference point for the healthcare industry, and may cause us to invest additional resources in technology, personnel and programmatic cybersecurity controls as the cybersecurity risks we face continue to evolve.

Information security risks have significantly increased in recent years in part because of the proliferation of new technologies, the use of the Internet and telecommunications technologies to conduct our operations, and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including, among others, foreign state agents. Our business and operations rely on the secure processing, transmission and storage of confidential, proprietary and other information in our computer systems and networks, including sensitive personal information, including PHI, social security numbers, and credit card information of our patients, teammates, physicians, business partners and others.

We regularly review, monitor and implement multiple layers of security measures through technology, processes and our people. We utilize security technologies designed to protect and maintain the integrity of our information systems and data, and our defenses are monitored and routinely tested internally and by external parties. Despite these efforts, our facilities and systems and those of our third-party service providers may be vulnerable to privacy and security incidents; security attacks and breaches; acts of vandalism or theft; computer viruses and other malicious code; coordinated attacks by a variety of actors, including, among others, activist entities or state sponsored cyberattacks; emerging cybersecurity risks; cyber risk related to connected devices; misplaced or lost data; programming and/or human errors; or other similar events that could impact the security, reliability and availability of our systems. Internal or external parties may attempt to circumvent our security systems, and we have in the past, and expect that we will in the future, experience external attacks on our network including, without limitation, reconnaissance probes, denial of service attempts, malicious software attacks including ransomware or other attacks intended to render our internal operating systems or data unavailable, and phishing attacks or business email compromise. Cybersecurity requires ongoing investment and diligence against evolving threats. Emerging and advanced security threats, including, without limitation, coordinated attacks, require additional layers of security which may disrupt or impact efficiency of operations. As with any security program, there always exists the risk that employees will violate our policies despite our compliance efforts or that certain attacks may be beyond the ability of our security and other systems to detect. There can be no assurance that investments, diligence and/or our internal controls will be sufficient to prevent or timely discover an attack.

Any security breach involving the misappropriation, loss or other unauthorized disclosure or use of confidential information, including, among others, PHI, financial data, competitively sensitive information, or other proprietary data, whether by us or a third party, could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation. We may be required to expend significant additional resources to modify our protective measures, to investigate and remediate vulnerabilities or other exposures, or to make required notifications. The occurrence of any of these events could, among other things, result in interruptions, delays, the loss or corruption of data, cessations in the availability of systems and liability under privacy and security laws, all of which could have a material adverse effect on our business, results of operations, financial condition and cash flows, or materially harm our reputation and trigger regulatory actions and private party litigation. If we are unable to protect the physical and electronic security and privacy of our databases and transactions, we could be subject to potential liability and regulatory action, our reputation and relationships with our patients, physicians, vendors and other business partners would be harmed, and our business, results of operations, financial condition and cash flows could be materially and adversely affected. Failure to adequately protect and maintain the integrity of our information systems (including our networks) and data, or to defend against cybersecurity attacks, could subject us to monetary fines, civil suits, civil penalties or criminal sanctions and requirements to disclose the breach publicly, and could further result in a material adverse effect on our business, results of operations, financial condition and cash flows or harm our reputation. As malicious cyber activity escalates, including activity that originates outside of the U.S., the risks we face relating to transmission of data and our use of service providers outside of our network, as well as the storing or processing of data within our network, intensify. There have been increased international, federal and state and other privacy, data protection and security enforcement efforts and we expect this trend to continue. While we intend to maintain cyber liability insurance, this insurance may not cover us for all types of losses and may not be sufficient to protect us against the amount of all losses.

If the average rates that commercial payors pay us decline significantly or if patients in commercial plans are subject to restriction in plan designs, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 31% of our U.S. dialysis net patient services revenues for the year ended December 31, 2019, were generated from patients who have commercial payors (including hospital dialysis services) as their primary payor. The majority of these patients have insurance policies that pay us on terms and at rates that are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profit and all of our nonacute dialysis profits come from commercial payors. We continue to experience downward pressure on some of our commercial payment rates as a result of general conditions in the market, including as employers shift to less expensive options for medical services, recent and future consolidations among commercial payors, increased focus on dialysis services and other factors. Commercial payment rates could be materially lower in the future due to these or other factors.

We continuously are in the process of negotiating existing and potential new agreements with commercial payors who aggressively negotiate terms with us, and we can make no assurances about the ultimate results of these negotiations or the timing of any potential rate changes resulting from these negotiations. Sometimes many significant agreements are being renegotiated at the same time. In the event that our continual negotiations result in overall commercial rate reductions in excess of overall commercial rate increases, the cumulative effect could have a material adverse effect on our business, results of operations, financial condition and cash flows. We believe payor consolidations have significantly increased the negotiating leverage of commercial payors, and ongoing consolidations may continue to increase this leverage in the future. Our negotiations with payors are also influenced by competitive pressures, and we may experience decreased contracted rates with

commercial payors or experience decreases in patient volume, including if we turn away new patients in instances where we are unable to come to agreement with commercial payors on rates, as our negotiations with commercial payors continue.

Certain payors have also been attempting to design and implement plans that restrict access to ESRD coverage both in the commercial and individual market. Among other things, these restrictive plan designs seek to limit the duration and/or the breadth of ESRD benefits, limit the number of in-network providers, set arbitrary provider reimbursement rates, or otherwise restrict access to care, all of which may result in a decrease in the number of patients covered by commercial insurance. Payors may also dispute the scope and duration of ESRD benefit coverage under their plans. Any of the foregoing, including developments in plan design or new business activities of commercial payors, may lead to a significant decrease in the number of patients with commercial plans, the duration of benefits for patients under commercial plans and/or a significant decrease in the payment rates we receive, which would have a material adverse effect on our business, results of operations, financial condition and cash flows.

In addition, some commercial payors are pursuing or have incorporated policies into their provider manuals limiting or refusing to accept charitable premium assistance from non-profit organizations, such as the American Kidney Fund, which may impact the number of patients who are able to afford commercial plans. Paying for coverage is a significant financial burden for many patients, and ESRD disproportionately affects the low-income population. Charitable premium assistance supports continuity of coverage and access to care for patients, many of whom are unable to continue working full-time as a result of their severe condition. A material restriction in patients' ability to access charitable premium assistance may restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage, and may adversely impact a large number of dialysis centers across the U.S. by making certain centers economically unviable, and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

For additional details regarding the impact of a decline in our patients under commercial plans, see the risk factor under the heading "*If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.*" For additional details regarding specific risks we face regarding potential legislative or regulatory changes that, among other things, could result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates, see the discussion in the risk factor under the heading "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.*"

If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our revenue levels are sensitive to the percentage of our patients with higher-paying commercial insurance coverage. A patient's insurance coverage may change for a number of reasons, including changes in the patient's or a family member's employment status. A material portion of our commercial revenue is concentrated with a limited number of commercial payors, and any changes impacting our highest paying commercial payors will have a disproportionate impact on us. In addition, many patients with commercial and government insurance rely on financial assistance from charitable organizations, such as the American Kidney Fund. Certain payors have challenged our patients' and other providers' patients' ability to utilize assistance from charitable organizations for the payment of premiums, including, without limitation, through litigation and other legal proceedings. The use of charitable premium assistance for ESRD patients has also faced challenges and inquiries from legislators, regulators and other governmental authorities, and this may continue. In addition, CMS or another regulatory agency or legislative authority may issue a new rule or guidance that challenges or restricts charitable premium assistance. For additional details, see the discussion under the heading "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.*" If any of these challenges to kidney patients' use of premium assistance are successful or restrictions are imposed on the use of financial assistance from such charitable organizations or if organizations providing such assistance are no longer available such that kidney patients are unable to obtain, or continue to receive or receive for a limited duration, such financial assistance, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, if our assumptions about how kidney patients will respond to any change in financial assistance from charitable organizations are incorrect, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

When Medicare becomes the primary payor, the payment rate we receive for that patient decreases from the employer group health plan or commercial plan rate to the lower Medicare payment rate. If the number of our patients who have Medicare or another government-based program as their primary payor increases, it could negatively impact the percentage of our patients covered under commercial insurance plans. There are a number of factors that could drive a decline in the percentage of our patients covered under commercial insurance plans, including, among others, a continued decline in the rate of growth of the ESRD patient population, continued improved mortality or the reduced availability of commercial health plans or reduced coverage by such plans through the ACA exchanges or otherwise due to changes to the marketplace, healthcare

regulatory system or otherwise. Commercial payors could also cease paying in the primary position after providing 30 months of coverage resulting in potentially material reductions in payment as the patient moves to Medicare primary. Moreover, declining macroeconomic conditions could also negatively impact the percentage of our patients covered under commercial insurance plans. To the extent there are sustained or increased job losses in the U.S., we could experience a decrease in the number of patients covered under commercial plans and/or an increase in uninsured and underinsured patients independent of whether general economic conditions improve. We could also experience higher numbers of uninsured and underinsured patients, which would result in an increase in uncollectible accounts.

Finally, the ultimate results of our continual negotiations with commercial payors under existing and potential new agreements cannot be predicted and, among other things, could result in a decrease in the number of our patients covered by commercial plans to the extent that we cannot reach agreement with commercial payors on rates and other terms, resulting in termination or non-renewals of existing agreements and our inability to enter into new agreements. Our agreements and rates with commercial payors may be impacted by new business activities of these commercial payors as well as steps that these commercial payors have taken and may continue to take to control the cost of and/or the eligibility for access to the services that we provide, including, without limitation, relative to products on and off the healthcare exchanges. These efforts could impact the number of our patients who are eligible to enroll in commercial insurance plans, and remain on the plans, including plans offered through healthcare exchanges. For additional detail on the risks related to commercial payor activity, including restrictive plan design, see the discussion under the heading *"If the average rates that commercial payors pay us decline significantly or if patients in commercial plans are subject to restriction in plan designs, it would have a material adverse effect on our business, results of operations, financial condition and cash flows."* We could also experience a further decrease in the payments we receive for services if changes to the marketplace or the healthcare regulatory system result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates, among other things.

If there is a significant reduction in the number of patients under higher-paying commercial plans relative to government-based programs that pay at lower rates or a significant increase in the number of patients that are uninsured and underinsured, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

If we are not able to successfully implement our strategy with respect to home-based dialysis, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation.

Our home-based dialysis services, which include home hemodialysis and peritoneal dialysis (PD), represented approximately 16% of our U.S. dialysis patient services revenues for the year ended December 31, 2019, and have increasingly become an important part of our overall strategy. In addition, home-based dialysis recently has been the subject of increased political and industry focus. For example, in connection with the 2019 Executive Order, HHS set out specific goals related to home dialysis and CMMI announced a proposed mandatory model that included new incentives to encourage dialysis at home. We are a leader in home-based dialysis and have made investments in processes and infrastructure to continue to grow this modality. There are, however, risks associated with this growth, including, among other things, financial, legal and operational risks related to our ability to design and develop infrastructure and to plan for capacity in a modality that is part of an evolving marketplace. We may also be subject to associated risks related to our ability to successfully manage related operational initiatives, find, train and retain appropriate staff, contract with payors for appropriate reimbursement, and maintain processes to adhere to the complex regulatory and legal requirements, including without limitation those associated with billing Medicare. For additional detail on risks associated with operating in a highly regulated environment, see *"If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price."* In addition to the above risks, certain risks inherent to home-based dialysis will increase as we expand our home-based dialysis offerings, including risks related to managing transitions between in-center and home-based dialysis, billing and telehealth systems, among others. For additional detail on risks associated with information systems and new technology generally, see the discussion under the heading *"Failing to effectively maintain, operate or upgrade our information systems or those of third-party service providers upon which we rely, including, without limitation, our clinical, billing and collections systems could materially adversely affect our business, results of operations, financial condition and cash flows."*

An increased focus on home-based dialysis is also indicative of the generally evolving market for kidney care. This developing market may create additional opportunities for competition with relative ease of entry, and if we are unable to successfully adapt to these marketplace developments in a timely and compliant manner, we may see a reduction in our overall number of patients, among other things. For additional detail on the competitive landscape in kidney care, see the discussion under the heading *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy"*

and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows.” If we are not able to successfully implement our strategy with respect to home-based dialysis, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation.

Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 42% of our U.S. dialysis net patient services revenues for the year ended December 31, 2019, were generated from patients who have Medicare as their primary payor. For patients with Medicare coverage, all ESRD payments for dialysis treatments are currently made under a single bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the treatment of dialysis, including pharmaceuticals that were historically separately reimbursed to the dialysis providers, such as erythropoietin (EPO), vitamin D analogs and iron supplements, irrespective of the level of pharmaceuticals administered or additional services performed, except in the case of calcimimetics, which are subject to a transitional drug add-on payment adjustment for the Medicare Part B ESRD payment. Most lab services are also included in the bundled payment. Under the ESRD Prospective Payment System (PPS), the bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set annually by CMS through the ESRD Quality Incentive Program, which was established by the Medicare Improvements for Patients and Providers Act of 2008. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors. In addition, the ESRD PPS is subject to rebasing, which can have a positive financial effect, or a negative one if the government fails to rebase in a manner that adequately addresses the costs borne by dialysis facilities. Similarly, as new drugs, services or labs are added to the ESRD bundle, CMS' failure to adequately calculate the costs associated with the drugs, services or labs could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The current bundled payment system presents certain operating, clinical and financial risks, which include, without limitation:

- Risk that our rates are reduced by CMS. Uncertainty about future payment rates remains a material risk to our business. CMS publishes a final rule for the ESRD PPS each year; the final rule for 2020 was issued on October 31, 2019.
- Risk that CMS, on its own or through its contracted Medicare Administrative Contractors (MACs) or otherwise, implements Local Coverage Determinations (LCDs) or implements payment provisions, policy or regulatory mandates, including changes to the existing or future PPS, that limit our ability to either be paid for covered dialysis services or bill for treatments or other drugs and services or other rules that may impact reimbursement. Such payment rules and regulations and coverage determinations or related decisions could have an adverse impact on our operations and revenue. There is also risk commercial insurers could seek to incorporate the requirements or limitations associated with such LCDs or CMS guidance into their contracted terms with dialysis providers, which could have an adverse impact on our revenue.
- Risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance, or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance.
- Risk that increases in our operating costs will outpace the Medicare rate increases we receive. We expect operating costs to continue to increase due to inflationary factors, such as increases in labor and supply costs, including, without limitation, increases in maintenance costs and capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet changing regulatory requirements and business needs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the bundled payment rate system.
- Risk of continued federal budget sequestration cuts. As a result of the Budget Control Act of 2011 and the BBA, an annual 2% reduction to Medicare payments took effect on April 1, 2013, and has been extended through 2027. These across-the-board spending cuts have affected and will continue to adversely affect our business, results of operations, financial condition and cash flows.

- Risk that failure to adequately develop and maintain our clinical systems or failure of our clinical systems to operate effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows. For example, in connection with claims for which at least part of the government's payments to us is based on clinical performance or patient outcomes or co-morbidities, if our clinical systems fail to accurately capture the data we report to CMS or we otherwise have data integrity issues with respect to the reported information, we might be over-reimbursed by the government, which could subject us to liability. For example, CMS published a final rule that implemented a provision of the ACA, requiring providers to report and return Medicare and Medicaid overpayments within the later of (a) 60 days after the overpayment is identified and quantified, or (b) the date any corresponding cost report is due, if applicable. An overpayment impermissibly retained under this statute could, among other things, subject us to liability under the FCA, exclusion from participation in the federal healthcare programs, and penalties under the federal Civil Monetary Penalty statute and could adversely impact our reputation.

We are subject to similar risks for services billed separately from the ESRD bundled payment, including, without limitation, the risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance; or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance. For additional details regarding the risks we face for failing to adhere to our Medicare and Medicaid regulatory compliance obligations, see the risk factor above under the heading *"If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price."*

In addition, changing legislation and other regulatory and executive developments have led and may continue to lead to the emergence of new models of care and other initiatives in both the government and private sector that, among other things, impact the structure of, and payment rates under, the Medicare ESRD program. For additional details regarding the risks we face for failing to adequately implement strategic initiatives to adjust to these marketplace developments, see the risk factor above under the heading *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

Moreover, the number of our patients with primary Medicare coverage may be subject to change, particularly with the upcoming January 1, 2021 effective date under the 21st Century Cures Act, which will allow Medicare-eligible individuals with ESRD to enroll in Medicare Part C Medicare Advantage (MA) managed care plans. We continue to evaluate the potential impact of this change in benefit eligibility, as there is significant uncertainty as to how many or which newly eligible ESRD patients will seek to enroll in MA plans for their ESRD benefits and how quickly any such changes would occur. If we fail to maintain contracts with MA payors with competitive rates, if our assumptions about how kidney patients will respond to the 21st Century Cures Act are incorrect or if we fail to provide education to kidney patients in the manner specified by CMS, we could be subject to certain clinical, operational, financial and legal risks, which could be material.

Changes in state Medicaid or other non-Medicare government-based programs or payment rates could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Approximately 27% of our U.S. dialysis net patient services revenues for the year ended December 31, 2019, were generated from patients who have state Medicaid or other non-Medicare government-based programs, such as coverage through the Department of Veterans Affairs (VA), as their primary coverage. As state governments and other governmental organizations face increasing budgetary pressure, we may in turn face reductions in payment rates, delays in the receipt of payments, limitations on enrollee eligibility or other changes to the applicable programs. For example, certain state Medicaid programs and the VA have recently considered, proposed or implemented payment rate reductions.

The VA adopted Medicare's bundled PPS pricing methodology for any veterans receiving treatment from non-VA providers under a national contracting initiative. Since we are a non-VA provider, these reimbursements are tied to a percentage of Medicare reimbursement, and we have exposure to any dialysis reimbursement changes made by CMS. Approximately 3% of our U.S. dialysis net patient services revenues for the year ended December 31, 2019 were generated by the VA.

In 2019, we entered into a Nationwide Dialysis Services contract with the VA that includes five separate one-year renewal periods throughout the term of the contract. The term structure is similar to our prior five-year agreement with the VA, and is consistent with VA practice for similar provider agreements. With this contract award, the VA has agreed to keep our percentage of Medicare reimbursement consistent with that under our prior agreement with the VA during the term of the contract. As with that prior agreement, this agreement provides the VA with the right to terminate the agreements without cause on short notice. Should the VA renegotiate, or not renew or cancel these agreements for any reason, we may cease accepting patients under this program and may be forced to close centers or experience lower reimbursement rates, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

State Medicaid programs are increasingly adopting Medicare-like bundled payment systems, but sometimes these payment systems are poorly defined and are implemented without any claims processing infrastructure, or patient or facility adjusters. If these payment systems are implemented without any adjusters and claims processing infrastructure, Medicaid payments will be substantially reduced and the costs to submit such claims may increase, which will have a negative impact on our business, results of operations, financial condition and cash flows. In addition, some state Medicaid program eligibility requirements mandate that citizen enrollees in such programs provide documented proof of citizenship. If our patients cannot meet these proof of citizenship documentation requirements, they may be denied coverage under these programs, resulting in decreased patient volumes and revenue. These Medicaid payment and enrollment changes, along with similar changes to other non-Medicare government programs could reduce the rates paid by these programs for dialysis and related services, delay the receipt of payment for services provided and further limit eligibility for coverage which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Changes in clinical practices, payment rates or regulations impacting pharmaceuticals could have a material adverse effect on our business, results of operations, financial condition, and cash flows and negatively impact our ability to care for patients.

Medicare bundles certain pharmaceuticals into the ESRD PPS payment rate at industry average doses and prices. Variations above the industry average may be subject to partial reimbursement through the PPS outlier reimbursement policy.

Changes to industry averages, which can be caused by, among other things, changes in physician prescribing practices, including in response to the introduction of new drugs, treatments or technologies, changes in best and/or accepted clinical practice, changes in private or governmental payment criteria regarding pharmaceuticals, or the introduction of administration policies may negatively impact our ability to obtain sufficient reimbursement levels for the care we provide, and all of these factors could have a material adverse effect on our business, results of operations, financial condition and cash flows. Physician practice patterns, including their independent determinations as to appropriate pharmaceuticals and dosing, are subject to change, including, for example, as a result of changes in labeling of pharmaceuticals or the introduction of new pharmaceuticals. Additionally, commercial payors have increasingly examined their administration policies for pharmaceuticals and, in some cases, have modified those policies. If such policy and practice trends or other changes to private and governmental payment criteria make it more difficult to preserve our margins per treatment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. Further, increased utilization of certain pharmaceuticals whose costs are included in a bundled reimbursement rate, or decreases in reimbursement for pharmaceuticals whose costs are not included in a bundled reimbursement rate, could also have a material adverse effect on our business, results of operation, financial condition and cash flows.

Changes in regulations impacting pharmaceuticals could similarly affect our operating results. For example, as of January 1, 2018, calcimimetics became part of the Medicare Part B ESRD payment, subject to a transitional drug add-on payment adjustment (TDAPA). We implemented operational and clinical processes designed to provide the drug as required under the applicable regulations and as prescribed by physicians, and also worked to contract with payors and manufacturers to provide for access to and distribution of the drug. If the government or other payors implement new requirements for patients to receive the drug, if we are not adequately reimbursed for the cost of the drug, or the processes we have implemented to provide the drug do not perform as anticipated, then we could be subject to both financial and operational risk, among other things. During this transitional period, the wider availability of generic supplies of oral calcimimetics has driven the acquisition cost of that drug down, which will in turn continue to lower associated reimbursement rates. CMS intends to add calcimimetics into the bundle as of January 1, 2021, but at this time we cannot predict the specifics of how CMS will incorporate oral and intravenous calcimimetics into the Medicare bundle. Each of these factors could lead to significant fluctuations in our associated levels of operating income, among other things.

Similar operating and clinical rigor and processes will be needed for other potential new drugs, treatments or technologies that are approved and come onto the market. Any failure to successfully contract with manufacturers for competitive pricing, failure to successfully contract with the government or other payors for appropriate reimbursement, or failure to prepare, develop and implement processes that provide for appropriate availability and use in our clinics could have a material adverse impact on our business, results of operations, financial condition and cash flows. Additionally, as new kidney care drugs, treatments or technologies are introduced over time, we expect that the use of transitional payment adjustments to incorporate certain of these new drugs, treatments or technologies as defined by the CMS policy into the bundled Medicare Part B ESRD payment may lead to fluctuations in associated levels of operating income and risk that the reimbursement levels of such drugs, treatments or technologies may not adequately cover our cost to obtain the drug or other associated costs due to, among other things, the risk that CMS may not provide adequate funding in the Medicare Part B ESRD payment in the post-transitional period or such items are not covered by transitional add on pricing, in which case there may be less clarity on the reimbursement, either of which may in turn adversely impact our business, results of operations, financial condition and cash flows.

We may also be subject to increased inquiries or audits from a variety of governmental bodies or claims by third parties related to pharmaceuticals, which would require management's attention and could result in significant legal expense. Any negative findings could result in, among other things, substantial financial penalties or repayment obligations, the imposition of certain obligations on and changes to our practices and procedures as well as the attendant financial burden on us to comply with the obligations, or exclusion from future participation in the Medicare and Medicaid programs, and could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. For additional details, see the risk factor under the heading *"If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price."*

If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows.

Patient retention and the continued referrals of patients from referral sources such as hospitals and nephrologists, as well as acquisitions are some of the important parts of our growth strategy. In our U.S. dialysis business, we continue to face intense competition from large and medium-sized providers, among others, which compete directly with us for the limited acquisition targets as well as for individual patients and physicians qualified to serve as medical directors. U.S. regulations require medical directors for each center. As we and our competitors continue to grow and open new dialysis centers, we may not be able to retain an adequate number of nephrologists to serve as medical directors. Competition in existing and expanding geographies or areas is intense, and is not limited to large competitors with substantial financial resources or to established participants in the dialysis space. We also compete with individual nephrologists who have opened their own dialysis units or facilities. Moreover, as we continue our expansion into various international markets, we will continue to face competition from large and medium-sized providers, among others, for acquisition targets.

In addition, Fresenius USA, our largest competitor, manufactures a full line of dialysis supplies and equipment in addition to owning and operating dialysis centers. This may give it cost advantages over us because of its ability to manufacture its own products or prevent us from accessing existing or new technology on a cost-effective basis. See further discussion regarding risks associated with our suppliers and new technologies under the heading *"If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

In addition to traditional dialysis providers, there have been a number of announcements by non-traditional dialysis providers and others, which relate to entry into the dialysis and pre-dialysis space, the development of innovative technologies, or the commencement of new business activities that could be disruptive to the industry. Some of these new entrants have considerable financial resources. Although these and other potential competitors may face operational or financial challenges, the highly-competitive and evolving dialysis and pre-dialysis marketplaces have presented some opportunities for relative ease of entry for these and other potential competitors. As a result, we may compete with these smaller or non-traditional providers or others in an asymmetrical environment with respect to data and regulatory requirements that we face as an ESRD service provider, thereby negatively impacting our ability to effectively compete. These and other factors have continued to drive change in the dialysis and pre-dialysis space, and if we are unable to successfully adapt to these dynamics, it could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Furthermore, each of the aforementioned competitive pressures and related risks may be impacted by a continued decline in the rate of growth of the ESRD patient population or other reductions in demand for dialysis treatments. Based on the recent 2019 annual data report from the United States Renal Data System (USRDS), the underlying ESRD dialysis patient population has grown at an approximate compound rate of 3.6% from 2007 to 2017 and a compound rate of 3.3% from 2012 to 2017, which suggests that the rate of growth of the ESRD patient population is declining. A number of factors may impact ESRD growth rates, including, without limitation, the aging of the U.S. population, incidence rates for diseases that cause kidney failure such as diabetes and hypertension, mortality rates for dialysis patients and growth rates of minority populations with higher than average incidence rates of ESRD. In addition, the number of kidney transplants has been increasing in recent years and the historical improvement in the mortality rate of patients with ESRD appears to be plateauing, each of which may impact ESRD growth rates. This transplant rate may continue to increase in future years, particularly in light of the recent 2019 Executive Order and CMMI's proposed new goals and measures to increase access to kidney transplants. In addition, one of the stated goals of the 2019 Executive Order and CMMI's proposed rule is to reduce ESRD. For additional information, see the discussion under the heading *"Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

If we are not able to effectively implement our growth strategy, including by making acquisitions at the desired pace or at all; if we are not able to continue to maintain the expected or desired level of non-acquired growth; or if we experience significant patient attrition either as a result of new business activities in the dialysis or pre-dialysis space by our existing competitors, other market participants, new entrants, new technology or other forms of competition, or as a result of reductions in demand for dialysis treatments, including, without limitation, reduced prevalence of ESRD or an increase in the number of kidney transplants, it could materially adversely affect our business, results of operations, financial condition and cash flows.

We may engage in acquisitions, mergers, joint ventures or dispositions, which may materially affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business, and, under certain circumstances, could have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

Our business strategy includes growth through acquisitions of dialysis centers and other businesses, as well as through entry into joint ventures. We may engage in acquisitions, mergers, joint ventures or dispositions or expand into new business lines or models, which may affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business. There can be no assurance that we will be able to identify suitable acquisition targets or merger partners or buyers for dispositions or that, if identified, we will be able to agree to terms with merger partners, acquire these targets or make these dispositions on acceptable terms or on the desired timetable. There can also be no assurance that we will be successful in completing any acquisitions, mergers or dispositions that we announce, executing new business lines or models or integrating any acquired business into our overall operations. There is no guarantee that we will be able to operate acquired businesses successfully as stand-alone businesses, or that any such acquired business will operate profitably or will not otherwise have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation. In addition, acquisition, merger or joint venture activity conducted as part of our overall growth strategy is subject to antitrust and competition laws, and antitrust regulators can investigate future (or pending) and consummated transactions. These laws could impact our ability to pursue these transactions, and under certain circumstances, could result in mandated divestitures, among other things. If a proposed transaction or series of transactions is subject to challenge under antitrust or competition laws, we may incur substantial legal costs, management's attention and resources may be diverted, and if we are found to have violated these or other related laws, regulations or requirements, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation and stock price. For additional detail, see the discussion under the heading "*If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price.*" Further, we cannot be certain that key talented individuals at the business being acquired will continue to work for us after the acquisition or that they will be able to continue to successfully manage or have adequate resources to successfully operate any acquired business. In addition, certain of our acquired dialysis centers and facilities have been in service for many years, which may result in a higher level of maintenance costs. Further, our facilities, equipment and information technology may need to be improved or renovated to maintain or increase operational efficiency, compete for patients and medical directors, or meet changing regulatory requirements. Increases in maintenance costs and any continued increases in capital expenditures could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Businesses we acquire may have unknown or contingent liabilities or liabilities that are in excess of the amounts that we originally estimated, and may have other issues, including, without limitation, those related to internal controls over financial reporting or issues that could affect our ability to comply with healthcare laws and regulations and other laws applicable to our expanded business, which could harm our reputation. As a result, we cannot make any assurances that the acquisitions we consummate will be successful. Although we generally seek indemnification from the sellers of businesses we acquire for matters that are not properly disclosed to us, we are not always successful. In addition, even in cases where we are able to obtain indemnification, we may discover liabilities greater than the contractual limits, the amounts held in escrow for our benefit (if any), or the financial resources of the indemnifying party. In the event that we are responsible for liabilities substantially in excess of any amounts recovered through rights to indemnification or alternative remedies that might be available to us, or any applicable insurance, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

We have in the past decided, and may in the future decide, to dispose of certain assets or businesses, such as the disposition of our DMG business, which we completed in June 2019. The sale of DMG results in a less diversified portfolio of businesses, and we have a greater dependency on the performance of our kidney care business for our financial results, which makes us more susceptible to market fluctuations and other adverse events than if we had retained the DMG business.

In addition, under the terms of the equity purchase agreement in connection with the DMG sale agreement, as amended (the DMG sale agreement) (and subject to the limitations therein), we agreed to certain indemnification obligations. As a result,

we may become obligated to make payments to the buyer relating to our previous ownership and operation of the DMG business. Claims giving rise to these potential payments include, without limitation, claims related to breaches of our representations and warranties and covenants, including claims for breaches of our representations and warranties regarding compliance with law, litigation, absence of undisclosed liabilities, employee benefit matters, labor matters, or taxes, among others, and other claims for which we provided the buyer with a special indemnity. Any such post-closing liabilities and required payments under the DMG sale agreement, or otherwise, or in connection with any other past or future disposition of material assets or businesses could individually or in the aggregate have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation. Further, the purchase price in the DMG sale agreement is subject to customary post-closing adjustments, including, without limitation, as a result of certain net working capital adjustments. We are currently engaged with Optum concerning what, if any, net working capital adjustment or other potential adjustments to the purchase price are appropriate, via the process set forth in the DMG sale agreement. Any negative adjustments to the purchase price, including, without limitation, as a result of this ongoing engagement with Optum, could result in a material adverse change in the amount of consideration that we are able to retain.

Additionally, joint ventures, including, without limitation, our Asia Pacific joint venture, and minority investments inherently involve a lesser degree of control over business operations, thereby potentially increasing the financial, legal, operational and/or compliance risks associated with the joint venture or minority investment. In addition, we may be dependent on joint venture partners, controlling shareholders or management who may have business interests, strategies or goals that are inconsistent with ours. Business decisions or other actions or omissions of the joint venture partner, controlling shareholders or management may require us to make capital contributions or necessitate other payments, result in litigation or regulatory action against us, result in reputational harm to us or adversely affect the value of our investment or partnership, among other things. In addition, we have potential obligations to purchase the interests held by third parties in many of our joint ventures as a result of put provisions that are exercisable at the third party's discretion within specified time periods, pursuant to the applicable agreement. If these put provisions were exercised, we would be required to purchase the third party owner's equity interest, generally at the appraised market value. There can be no assurances that these joint ventures and/or minority investments, including, without limitation, our Asia Pacific joint venture, ultimately will be successful.

If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We have significant suppliers, with a substantial portion of our total vendor spend concentrated with a limited number of third party suppliers. These third party suppliers include, without limitation, suppliers of pharmaceuticals that may be the primary source of products critical to the services we provide, or to which we have committed obligations to make purchases, sometimes at particular prices. If any of these suppliers do not meet our needs for the products they supply, including, without limitation, in the event of a product recall, shortage or dispute, and we are not able to find adequate alternative sources, if we experience material price increases from these suppliers that we are unable to mitigate, or if some of the drugs that we purchase from our suppliers are not reimbursed or not adequately reimbursed by commercial or government payors, or if we are unable to secure products, including pharmaceuticals at competitive rates and within the desired time frame, it could have a material adverse impact on our business, results of operations, financial condition and cash flows. In addition, the technology related to the products critical to the services we provide is subject to new developments which may result in superior products. If we are not able to access superior products on a cost-effective basis or if suppliers are not able to fulfill our requirements for such products, we could face patient attrition and other negative consequences which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control.

We have a substantial amount of indebtedness outstanding and we may incur substantial additional indebtedness in the future, including indebtedness incurred to finance repurchases of our common stock pursuant to our share repurchase authorization discussed under "Stock Repurchases" in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations." As described in Note 13 to the consolidated financial statements included in this report, we are party to a \$5.5 billion senior secured credit agreement (the Credit Agreement), which consists of a secured term loan A facility in the aggregate principal amount of \$1.75 billion with a delayed draw feature, a secured term loan B facility in the aggregate principal amount of approximately \$2.75 billion and a secured revolving line of credit in the aggregate principal amount of \$1 billion. Our long-term indebtedness also includes \$3.25 billion aggregate principal amount of senior notes.

If we are unable to generate sufficient cash to service our indebtedness and for other intended purposes, it could, for example:

- make it difficult for us to make payments on our debt;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flows from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and investments, repurchases of stock at the levels intended or announced, or at all, and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate;
- expose us to interest rate volatility that could adversely affect our business, results of operations, financial condition and cash flows, and our ability to service our indebtedness;
- place us at a competitive disadvantage compared to our competitors that have less debt; and
- limit our ability to borrow additional funds, or to refinance existing debt on favorable terms when otherwise available or at all.

In addition, we may continue to incur indebtedness in the future, and the amount of that additional indebtedness may be substantial. Although the indentures governing our senior notes and the Credit Agreement include covenants that could limit our indebtedness, we currently have, and expect to continue to have, the ability to incur substantial additional debt. The risks described in this risk factor could intensify as new debt is added to current debt levels.

Our senior secured credit facilities bear, and other indebtedness we may incur in the future may bear, interest at a variable rate. As a result, at any given time interest rates on the senior secured credit facilities and any other variable rate debt could be higher or lower than current levels. If interest rates increase, our debt service obligations on our variable rate indebtedness will increase even though the amount borrowed remains the same, and therefore net income and associated cash flows, including cash available for servicing our indebtedness, will correspondingly decrease.

Our indebtedness levels and the required payments on such indebtedness may also be impacted by expected reforms related to LIBOR. The variable interest rates payable under our senior secured credit facilities are linked to LIBOR as the benchmark for establishing such rates. Recent national, international and other regulatory guidance and reform proposals regarding LIBOR are expected to ultimately cause LIBOR to be discontinued or become unavailable as a rate benchmark. This resultant uncertainty may cause LIBOR to perform differently than in the past. The consequences of these developments with respect to LIBOR cannot be entirely predicted, but could disrupt the financial and credit markets or adversely affect the variable interest rates associated with our current or future indebtedness. Our senior secured credit facilities include mechanics to facilitate the adoption by us and our lenders of an alternative benchmark rate for use in place of LIBOR; however, no assurance can be made that we and our lenders will agree on such an alternative rate and, even if agreed upon, such alternative rate may not perform in a manner similar to LIBOR and may result in interest rates that are higher or lower than those that would have resulted had LIBOR remained in effect.

Our ability to make payments on our indebtedness, to fund planned capital expenditures and expansion efforts, including, without limitation, any strategic acquisitions we may make in the future, to repurchase our stock at the levels intended or announced and to meet our other liquidity needs, will depend on our ability to generate cash. This depends not only on the success of our business but is also subject to economic, financial, competitive, regulatory and other factors that are beyond our control. With the closing of the sale of DMG, our cash flows have been reduced accordingly. We cannot provide assurances that our business will generate sufficient cash flows from operations in the future or that future borrowings will be available to us in amounts sufficient to enable us to service our indebtedness or to fund our working capital and other liquidity needs, including those described above. If we are unable to generate sufficient funds to service our outstanding indebtedness or to meet our working capital or other liquidity needs, including those described above, we would be required to refinance, restructure, or otherwise amend some or all of such indebtedness, sell assets, change or reduce our intended or announced uses or strategy for capital deployment, including, without limitation, for stock repurchases, reduce capital expenditures, planned expansions or other strategic initiatives, or raise additional cash through the sale of our equity or equity-related securities. We cannot make any assurances that any such refinancing, restructurings, amendments, sales of assets, or issuances of equity or equity-related securities can be accomplished or, if accomplished, will be on favorable terms or would raise sufficient funds to meet these obligations or our other liquidity needs. Any failure to pay any of our indebtedness when due could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could trigger cross default or cross

acceleration provisions in our other debt instruments, thereby permitting the holders of that other indebtedness to demand immediate repayment, and, in the case of secured indebtedness, to take possession of and sell the collateral securing such indebtedness to satisfy our obligations.

The borrowings under our current senior secured credit facilities and senior indentures are guaranteed by certain of our domestic subsidiaries, and borrowings under our senior secured credit facilities are secured by substantially all of our and certain of our domestic subsidiaries' assets. Such guarantees and the fact that we have pledged such assets may make it more difficult and expensive for us to make, or under certain circumstances could effectively prevent us from making, additional secured and unsecured borrowings.

We may be subject to liability claims for damages and other expenses that are not covered by insurance or exceed our existing insurance coverage that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

Our operations and how we manage our business may subject us, as well as our officers and directors to whom we owe certain defense and indemnity obligations, to litigation and liability for damages. Our business, profitability and growth prospects could suffer if we face negative publicity or we pay damages or defense costs in connection with a claim that is outside the scope or limits of coverage of any applicable insurance coverage, including, without limitation, claims related to adverse patient events, cybersecurity incidents, contractual disputes, antitrust and competition laws and regulations, professional and general liability and directors' and officers' duties. In addition, we have received notices of claims from commercial payors and other third parties, as well as subpoenas and CIDs from the federal government, related to our business practices, including, without limitation, our historical billing practices and the historical billing practices of acquired businesses. Although the ultimate outcome of these claims cannot be predicted, an adverse result with respect to one or more of these claims could have a material adverse effect on our business, results of operations, financial condition and cash flows. We maintain insurance coverage for those risks we deem are appropriate to insure against and make determinations about whether to self-insure as to other risks or layers of coverage. However, a successful claim, including, without limitation, a professional liability, malpractice or negligence claim or a claim related to a cybersecurity incident, which is in excess of any applicable insurance coverage, or that is subject to our self-insurance retentions, could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

In addition, if our costs of insurance and claims increase, then our earnings could decline. Market rates for insurance premiums and deductibles have been steadily increasing. Our business, results of operations, financial condition and cash flows could be materially and adversely affected by any of the following:

- the collapse or insolvency of our insurance carriers;
- further increases in premiums and deductibles;
- increases in the number of liability claims against us or the cost of settling or trying cases related to those claims; or
- an inability to obtain one or more types of insurance on acceptable terms, if at all.

Expansion of our operations to and offering our services in markets outside of the U.S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

We are continuing to expand our operations by offering our services and entering new lines of business in certain markets outside of the U.S., which increases our exposure to the inherent risks of doing business in international markets. Depending on the market, these risks include those relating to:

- changes in the local economic environment;
- political instability, armed conflicts or terrorism;
- public health crises, such as pandemics or epidemics;
- social changes;
- intellectual property legal protections and remedies;
- trade regulations;

- procedures and actions affecting approval, production, pricing, reimbursement and marketing of products and services;
- foreign currency;
- additional U.S. and foreign taxes;
- export controls;
- antitrust and competition laws and regulations;
- lack of reliable legal systems which may affect our ability to enforce contractual rights;
- changes in local laws or regulations, or interpretation or enforcement thereof;
- potentially longer ramp-up times for starting up new operations and for payment and collection cycles;
- financial and operational, and information technology systems integration;
- failure to comply with U.S. laws, such as the FCPA, or local laws that prohibit us, our partners, or our partners' or our agents or intermediaries from making improper payments to foreign officials or any third party for the purpose of obtaining or retaining business; and
- data and privacy restrictions.

Issues relating to the failure to comply with applicable non-U.S. laws, requirements or restrictions may also impact our domestic business and/or raise scrutiny on our domestic practices.

Additionally, some factors that will be critical to the success of our international business and operations will be different than those affecting our domestic business and operations. For example, conducting international operations requires us to devote significant management resources to implement our controls and systems in new markets, to comply with local laws and regulations, including to fulfill financial reporting requirements, and to overcome the numerous new challenges inherent in managing international operations, including, without limitation, challenges based on differing languages and cultures, challenges related to establishing clinical operations in differing regulatory and compliance environments, and challenges related to the timely hiring, integration and retention of a sufficient number of skilled personnel to carry out operations in an environment with which we are not familiar.

Any expansion of our international operations through acquisitions or through organic growth could increase these risks. Additionally, while we may invest material amounts of capital and incur significant costs in connection with the growth and development of our international operations, including to start up or acquire new operations, we may not be able to operate them profitably on the anticipated timeline, or at all.

These risks could have a material adverse effect on our business, results of operations, financial condition, cash flows and could materially harm our reputation.

Delays in state Medicare and Medicaid certification, changes to other enrollment/provider requirements and/or anything impacting the licensing of our dialysis centers could adversely affect our business, results of operations, financial condition, cash flows and reputation.

Before we can begin billing for patients treated in our outpatient dialysis centers who are enrolled in government-based programs, we are required to obtain state and federal certification for participation in the Medicare and Medicaid programs. As state agencies responsible for surveying dialysis centers on behalf of the state and Medicare program face increasing budgetary pressure, certain states are having difficulty keeping up with certifying dialysis centers in the normal course resulting in significant delays in certification. If state governments continue to have difficulty keeping up with certifying new centers in the normal course and we continue to experience significant delays in our ability to treat and bill for services provided to patients covered under government programs, it could cause us to incur write-offs of investments in the event we have to close centers or our centers' operating performance deteriorates, and it could have an adverse effect on our business, results of operations, financial condition and cash flows. The BBA passed in February 2018 allows organizations approved by the HHS to accredit dialysis facilities and imposes certain timing requirements regarding the initiation of initial surveys to determine if certain conditions and requirements for payment have been satisfied. While we have made use of these HHS-approved parties for accreditation on a case-by-case basis, there can be no assurance that such changes will significantly reduce or eliminate certification and licensure delays over the long term. In addition to certifications for Medicare and Medicaid, some states have

licensing requirements for ESRD facilities. Delays in licensure, denials of licensure, or withdrawal of licensure could also adversely affect our business, results of operations, financial condition and cash flows.

In addition, in November 2019, CMS finalized a Provider Enrollment Rule creating new onerous disclosure obligations for all providers enrolled in Medicare, Medicaid and the Children's Health Insurance Plan (CHIP). The final rule imposes a stronger revocation authority and increases the bar for re-enrollment for providers who submit incomplete or inaccurate information or who have affiliations with other providers that CMS has determined pose undue risk of fraud, waste or abuse. If we fail to comply with these and other applicable requirements on our licensure and certification programs, particularly in light of increased penalties that include a 10-year ban to re-enrollment, under certain circumstances it could have a material adverse on our business, results of operations, financial condition, cash flows and reputation.

If our joint ventures were found to violate the law, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows.

As of December 31, 2019, we owned a controlling interest in numerous dialysis-related joint ventures, which represented approximately 26% of our U.S. dialysis revenues for the year ended December 31, 2019. In addition, we also owned noncontrolling equity investments in several other dialysis related joint ventures. We expect to continue to increase the number of our joint ventures. Many of our joint ventures with physicians or physician groups also have certain physician owners providing medical director services to centers we own and operate. Because our relationships with physicians are governed by the federal and state anti-kickback statutes, we have sought to structure our joint venture arrangements to satisfy as many federal safe harbor requirements as we believe are commercially reasonable. Our joint venture arrangements do not satisfy all of the elements of any safe harbor under the federal Anti-Kickback Statute, however, and therefore are susceptible to government scrutiny. For example, in October 2014, we entered into a settlement agreement to resolve the then pending 2010 and 2011 U.S. Attorney physician relationship investigations regarding certain of our joint ventures and paid \$406 million in settlement amounts, civil forfeiture, and interest to the U.S. and certain states. For further details on the settlement agreement, see the risk factor under the heading *"If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price."*

There are significant risks associated with estimating the amount of dialysis revenues and related refund liabilities that we recognize, and if our estimates of revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition or have a material adverse effect on our business, results of operations, financial condition and cash flows.

There are significant risks associated with estimating the amount of U.S. dialysis net patient services revenues and related refund liabilities that we recognize in a reporting period. The billing and collection process is complex due to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, such as ensuring appropriate documentation. Determining applicable primary and secondary coverage for approximately 206,900 U.S. patients at any point in time, together with the changes in patient coverage that occur each month, requires complex, resource-intensive processes. Errors in determining the correct coordination of benefits may result in refunds to payors. Revenues associated with Medicare and Medicaid programs are also subject to estimating risk related to the amounts not paid by the primary government payor that will ultimately be collectible from other government programs paying secondary coverage, the patient's commercial health plan secondary coverage or the patient. Collections, refunds and payor retractions typically continue to occur for up to three years and longer after services are provided. We generally expect our range of U.S. dialysis net patient services revenues estimating risk to be within 1% of net revenues for the segment. If our estimates of U.S. dialysis net patient services revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition and have a material adverse impact on our business, results of operations, financial condition and cash flows.

Our ancillary services and strategic initiatives, including, without limitation, our international operations, that we operate or invest in now or in the future may generate losses and may ultimately be unsuccessful. In the event that one or more of these activities is unsuccessful, our business, results of operations, financial condition and cash flows may be negatively impacted and we may have to write off our investment and incur other exit costs.

Our ancillary services and strategic initiatives are subject to many of the same risks, regulations and laws, as described in the risk factors related to our dialysis business set forth in this Part II, Item 1A, and are also subject to additional risks, regulations and laws specific to the nature of the particular strategic initiative. We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include healthcare services not related to dialysis. Many of these initiatives require or would require investments of both management and financial resources and can generate significant losses for a substantial period of time and may not become profitable in the

expected timeframe or at all. There can be no assurance that any such strategic initiative will ultimately be successful. Any significant change in market conditions, or business performance, or in the political, legislative or regulatory environment, may impact the economic viability of any of these strategic initiatives. For example, changes in the oral pharmacy space, including reimbursement rate pressures, negatively impacted the economics of our pharmacy services business. As a result, in the second half of 2018 we transitioned the customer service and fulfillment functions of this business to third parties and wound down our distribution operation, which resulted in a decrease in revenues and costs. In 2018, we recognized restructuring charges of \$11 million and incurred asset impairment charges of \$17 million related to the restructuring of our pharmacy business.

If any of our ancillary services or strategic initiatives, including our international operations, are unsuccessful, it would have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit that line of business. We could incur significant termination costs if we were to exit certain of these lines of business. In addition, we may incur a material write-off or an impairment of our investment, including, without limitation, goodwill or other assets, in one or more of our ancillary services or strategic initiatives. In that regard, we have taken, and may in the future take, impairment and restructuring charges in addition to those described above related to our ancillary services and strategic initiatives, including, without limitation, in our international and pharmacy businesses.

If a significant number of physicians were to cease referring patients to our dialysis centers, whether due to law, rule or regulation, new competition, a perceived decrease in the quality of service levels at our centers or other reasons, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Physicians, including medical directors, choose where they refer their patients. Some physicians prefer to have their patients treated at dialysis centers where they or other members of their practice supervise the overall care provided as medical director of the center. As a result, referral sources for many of our centers include the physician or physician group providing medical director services to the center.

Our medical director contracts are for fixed periods, generally ten years, and at any given time a large number of them could be up for renewal at the same time. Medical directors have no obligation to extend their agreements with us and, under certain circumstances, our former medical directors may choose to provide medical director services for competing providers or establish their own dialysis centers in competition with ours. Neither our current nor former medical directors have an obligation to refer their patients to our centers. In addition, there are a number of new entrants into the dialysis space, and physicians, including medical directors, may refer patients to these new entrants rather than the Company.

The aging of the nephrologist population and opportunities presented by our competitors may negatively impact a medical director's decision to enter into or extend his or her agreement with us. Moreover, a perceived decrease in the quality of service levels at our centers or different affiliation models in the changing healthcare environment that limit a nephrologist's choice in where he or she can refer patients, such as an increase in the number of physicians becoming employed by hospitals, may limit a nephrologist's ability or desire to refer patients to our centers or otherwise negatively impact treatment volumes.

In addition, if the terms of any existing agreement are found to violate applicable laws, there can be no assurances that we would be successful in restructuring the relationship, which would lead to the early termination of the agreement. If we are unable to obtain qualified medical directors to provide supervision of the operations and care provided at our dialysis centers, it could affect physicians' desire to refer patients to our dialysis centers. If a significant number of physicians were to cease referring patients to our dialysis centers, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

If our labor costs continue to rise, including due to shortages, changes in certification requirements and higher than normal turnover rates in skilled clinical personnel; or currently pending or future rules, regulations, legislation or initiatives impose additional requirements or limitations on our operations or profitability; or, if we are unable to attract and retain key leadership talent, we may experience disruptions in our business operations and increases in operating expenses, among other things, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We face increasing labor costs generally, and in particular, we continue to face increased labor costs and difficulties in hiring nurses due to a nationwide shortage of skilled clinical personnel. We compete for nurses with hospitals and other healthcare providers. This nursing shortage may limit our ability to expand our operations. Furthermore, changes in certification requirements can impact our ability to maintain sufficient staff levels, including to the extent our teammates are not able to meet new requirements, among other things. In addition, if we experience a higher than normal turnover rate for our skilled clinical personnel, our operations and treatment growth may be negatively impacted, which could adversely affect our business, results of operations, financial condition and cash flows. We also face competition in attracting and retaining talent for key leadership positions. If we are unable to attract and retain qualified individuals, we may experience disruptions in our

business operations, including, without limitation, our ability to achieve strategic goals, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

In addition, proposed ballot initiatives or referendums, legislation, regulations or policy changes could cause us to incur substantial costs to challenge and prepare for and, if implemented, impose additional requirements on our operations, including, without limitation, increases in the required staffing levels or staffing ratios for clinical personnel, minimum transition times between treatments, limits on how much patients may be charged for care, limitations as to the amount that can be spent on certain medical costs, and limitations on the amount of revenue that providers can retain. Changes such as those mandated by proposed ballot initiatives or referendums, legislation, regulations or policy changes could materially reduce our revenues and increase our operating and other costs, require us to close or consolidate existing dialysis centers, postpone or not build new dialysis centers, reduce shifts or negatively impact employee relations, treatment growth and productivity, and could have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, there can be no assurances that we would be successful in staffing our clinics to any new, elevated staffing levels, in particular given the ongoing nationwide shortage of healthcare workers, especially nurses. For additional information on these risks, see the risk factor under the heading *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

Our business is labor intensive and could be materially adversely affected if we are unable to attract and retain employees or if union organizing activities or legislative or other changes result in significant increases in our operating costs or decreases in productivity.

Our business is labor intensive, and our financial and operating results have been and continue to be subject to variations in labor-related costs, productivity and the number of pending or potential claims against us related to labor and employment practices. Political or other efforts at the national or local level could result in actions or proposals that increase the likelihood of success of union organizing activities at our facilities and ongoing union organizing activities at our facilities could continue or increase for other reasons. We could experience an upward trend in wages and benefits and labor and employment claims, including, without limitation, the filing of class action suits, or adverse outcomes of such claims, or face work stoppages. In addition, we are and may continue to be subject to targeted corporate campaigns by union organizers in response to which we have been and may continue to be required to expend substantial resources, both time and financial. Any of these events or circumstances could have a material adverse effect on our employee relations, treatment growth, productivity, business, results of operations, financial condition and cash flows.

Failing to effectively maintain, operate or upgrade our information systems or those of third-party service providers upon which we rely, including, without limitation, our clinical, billing and collections systems could materially adversely affect our business, results of operations, financial condition and cash flows.

Our business depends significantly on effective information systems. Our information systems require an ongoing commitment of significant resources to maintain and enhance existing systems and develop or contract for new systems in order to keep pace with continuing changes in information processing technology, emerging cybersecurity risks and threats, evolving industry, legal and regulatory standards and requirements, and new models of care, and other changes in our business, among other things. There can be no assurances that we will ultimately realize anticipated benefits from investments in new or existing information systems. In addition, we may from time to time obtain significant portions of our systems-related support, technology or other services from independent third parties, which may make our operations vulnerable if such third parties fail to perform adequately.

Failure to successfully implement, operate and maintain effective and efficient information systems with adequate technological capabilities, deficiencies or defects in the systems and related technology, or our failure to efficiently and effectively consolidate our information systems to eliminate redundant or obsolete applications, could result in competitive disadvantages, which could have a material adverse effect on our business, financial condition and results of operations. For additional information on the risks we face in a highly competitive market, see the risk factor under the heading, *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows."* If the information we rely upon to run our business were found to be inaccurate or unreliable or if we or third parties on which we rely fail to adequately maintain our information systems and data integrity effectively, whether due to software deficiencies, human coding or implementation error or otherwise, we could experience difficulty meeting clinical outcome goals, face regulatory problems, including sanctions and penalties, incur increases in operating expenses or suffer other adverse consequences, any of which could be material. Moreover, failure to adequately protect and maintain the integrity of our information systems (including our networks) and data, or information systems and data hosted by third parties upon which we rely, could subject us to severe consequences as described in the risk factor under the heading *"Privacy and information security laws are complex, and if we fail to comply with applicable laws, regulations and*

standards, including with respect to third-party service providers that utilize sensitive personal information on our behalf, or if we fail to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks, we may be subject to government or private actions due to privacy and security breaches, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation."

Our billing system, among others, is critical to our billing operations. If there are defects in the billing system, or billing systems or services of third parties upon which we rely, we may experience difficulties in our ability to successfully bill and collect for services rendered, including, without limitation, a delay in collections, a reduction in the amounts collected, increased risk of retractions from and refunds to commercial and government payors, an increase in our provision for uncollectible accounts receivable and noncompliance with reimbursement laws and related requirements, any or all of which could materially adversely affect our results of operations.

In the clinical environment, a failure of our clinical systems, or the systems of our third-party service providers, to operate effectively could have a material adverse effect on our business, the clinical care provided to patients, results of operations, financial condition and cash flows. For example, in connection with claims for which at least part of the government's payments to us is based on clinical performance or patient outcomes or co-morbidities, if relevant clinical systems fail to accurately capture the data we report to CMS or we otherwise have data integrity issues with respect to the reported information, this could impact our payments from government payors as well as our ability to retain funds paid to us based on the inaccurate information.

Additionally, we expect the highly competitive environment in which we operate to become increasingly more competitive as the market evolves and new technologies are introduced. This dynamic environment requires continuous investment in new technologies and clinical applications. Machine learning and artificial intelligence are increasingly driving innovations in technology, and parts of our operations may employ robotics. If these technologies or applications fail to operate as anticipated or do not perform as specified, including due to potential design defects and defects in the development of algorithms or other technologies, human error or otherwise, our clinical operations, business and reputation may be harmed. If we are unable to successfully maintain, operate or implement such technologies or applications in our clinical operations and laboratory, we may be, among other things, unable to efficiently adapt to evolving laws and requirements, unable to remain competitive with others who successfully implement and advance this technology, subject to increased risk under existing laws, regulations and requirements that apply to our business, and our patients' safety may be adversely impacted, any of which could have a material adverse impact on our business, results of operations and financial condition and could materially harm our reputation. For additional detail, see the discussion in the risk factor under the heading *"If we fail to adhere to all of the complex governmental laws, regulations and requirements that apply to our business, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price."*

Disruptions in federal government operations and funding create uncertainty in our industry and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

A substantial portion of our revenues is dependent on federal healthcare program reimbursement, and any disruptions in federal government operations could have a material adverse effect on our business, results of operations, financial condition and cash flows. If the U.S. government defaults on its debt, there could be broad macroeconomic effects that could raise our cost of borrowing funds, and delay or prevent our future growth and expansion. Any future federal government shutdown, U.S. government default on its debt and/or failure of the U.S. government to enact annual appropriations could have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, disruptions in federal government operations may negatively impact regulatory approvals and guidance that are important to our operations, and create uncertainty about the pace of upcoming regulatory developments.

We could be subject to adverse changes in tax laws, regulations and interpretations or challenges to our tax positions.

We are subject to tax laws and regulations of the U.S. federal, state and local governments as well as various foreign jurisdictions. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. As the tax rates vary among jurisdictions, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable or favorable change in our overall tax provision.

From time to time, changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. There can be no assurance that changes in tax laws or regulations, both within the U.S. and the other jurisdictions in which we operate, will not materially and adversely affect our effective tax rate, tax payments, results of operations, financial condition and cash flows. Similarly, changes in tax laws and regulations that impact our patients, business partners and counterparties or the economy generally may also impact our results of operations, financial condition and cash flows.

In addition, tax laws and regulations are complex and subject to varying interpretations, and any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to substantial penalties and liabilities. We are regularly subject to audits by tax authorities. For example, we are currently under audit by the Internal Revenue Service for the years 2014–2017, among other things. Although we believe our tax estimates and related reporting are appropriate, the final determination of this and other tax audits and any related litigation could be materially different from our historical income tax provisions and accruals. Any changes in enacted tax laws (such as the recent U.S. tax legislation), rules or regulatory or judicial interpretations; any adverse development or outcome in connection with tax audits in any jurisdiction; or any change in the pronouncements relating to accounting for income taxes could materially and adversely impact our effective tax rate, tax payments, results of operations, financial condition and cash flows.

Laws regulating the corporate practice of medicine could restrict the manner in which our subsidiaries are permitted to conduct their business, and the failure to comply with such laws could subject these entities to penalties or require a restructuring of these businesses.

Some states have laws that prohibit business entities, such as certain of our subsidiaries, including but not limited to, Nephrology Practice Solutions, Vively, VillageHealth DM (DaVita IKC), and Lifeline Vascular Access, from practicing medicine, employing physicians to practice medicine, exercising control over medical decisions by physicians (also known collectively as the corporate practice of medicine) or engaging in certain arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation. Some of the states in which DaVita entities currently operate, generally prohibit the corporate practice of medicine, and other states may do so in the future as well. DaVita believes it has structured its entities appropriately; however, it is possible that a state regulatory agency or a court could determine DaVita and/or associated physician entities are in violation of the corporate practice of medicine doctrine. As a result, these arrangements could be deemed invalid, potentially resulting in a loss of revenues and an adverse effect on results of operations derived from these entities.

If we fail to successfully maintain an effective internal control over financial reporting, the integrity of our financial reporting could be compromised, which could have a material adverse effect on our ability to accurately report our financial results, the market's perception of our business and our stock price.

The integration of acquisitions and addition of new business lines into our internal control over financial reporting has required and will continue to require significant time and resources from our management and other personnel and has increased and will continue to, increase our compliance costs. Failure to maintain an effective internal control environment could have a material adverse effect on our ability to accurately report our financial results, the market's perception of our business and our stock price. In addition, we could be required to restate our financial results in the event of a significant failure of our internal control over financial reporting or in the event of inappropriate application of accounting principles.

Deterioration in economic conditions, disruptions in the financial markets or the effects of natural or other disasters, political instability, public health crises or adverse weather events such as hurricanes, earthquakes, fires or flooding could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Deterioration in economic conditions could have a material adverse effect on our business, results of operations, financial condition and cash flows. Among other things, the potential decline in federal and state revenues that may result from such conditions may create additional pressures to contain or reduce reimbursements for our services from Medicare, Medicaid and other government sponsored programs. Increases in job losses in the U.S. as a result of adverse economic conditions has and may continue to result in a smaller percentage of our patients being covered by an employer group health plan and a larger percentage being covered by lower paying Medicare and Medicaid programs. Employers may also select more restrictive commercial plans with lower reimbursement rates. To the extent that payors are negatively impacted by a decline in the economy, we may experience further pressure on commercial rates, a further slowdown in collections and a reduction in the amounts we expect to collect. In addition, uncertainty in the financial markets could adversely affect the variable interest rates payable under our credit facilities or could make it more difficult to obtain or renew such facilities or to obtain other forms of financing in the future, if at all. For additional information regarding the risks related to our indebtedness, see the discussion in the risk factor under the heading "*The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control.*"

Moreover, as of December 31, 2019, we had approximately \$6.788 billion of goodwill recorded on our consolidated balance sheet. We account for impairments of goodwill in accordance with the provisions of applicable accounting guidance, and record impairment charges when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value. We use a variety of factors to assess changes in the financial condition, future prospects and other circumstances

concerning our businesses and to estimate their fair value when applicable. These assessments and the related valuations can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Should our revenues and financial results be materially, unfavorably impacted due to, among other things, a worsening of the economic and employment conditions in the United States that negatively impacts reimbursement rates or the availability of insurance coverage for our patients, we may incur future charges to recognize impairment in the carrying amount of our goodwill and other intangible assets, which could have a material adverse effect on our business, results of operation and financial condition.

Further, some of our operations, including our clinical laboratory, dialysis centers and other facilities, may be adversely impacted by the effects of natural or other disasters, political instability, public health crises such as global pandemics or epidemics, or adverse weather events such as hurricanes, earthquakes, fires or flooding. Patients with chronic illness may be more susceptible to epidemics or other public health crises. Any such event or other occurrence that results in a failure of the fitness of our clinical laboratory, dialysis centers and related operations and/or other facilities or otherwise adversely impacts the safety of our teammates or patients at any of those locations could lead us to face adverse consequences, including, without limitation, compliance or regulatory investigations, any of which could materially impact our business, results of operation and financial condition, and could materially harm our reputation. For example, our clinical laboratory is located in Florida, a state that has in the past experienced and may in the future experience hurricanes. Natural or other disasters or adverse weather events could significantly damage or destroy our facilities, disrupt operations, increase our costs to maintain operations and require substantial expenditures and recovery time to fully resume operations. In addition, our presence in markets outside the U.S. may increase our exposure to certain risks related to such natural disasters, public health crises, political instability or other catastrophic event outside our control. For additional information regarding the risks related to our international business, see the discussion in the risk factor under the heading "*Expansion of our operations to and offering our services in markets outside of the U.S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.*"

Any or all of these factors, as well as other consequences of these events, none of which we can currently predict, could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation.

Provisions in our charter documents, compensation programs and Delaware law may deter a change of control that our stockholders would otherwise determine to be in their best interests.

Our charter documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in our management, or limit the ability of our stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting our stockholders from acting by written consent; requiring 90 days advance notice of stockholder proposals or nominations to our Board of Directors (or 120 days for nominations made using proxy access); and granting our Board of Directors the authority to issue preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

Most of our outstanding employee stock-based compensation awards include a provision accelerating the vesting of the awards in the event of a change of control. These and any other change of control provisions may affect the price an acquirer would be willing to pay for our Company.

We are also subject to Section 203 of the Delaware General Corporation Law that, subject to exceptions, would prohibit us from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder.

These provisions may discourage, delay or prevent an acquisition of our Company at a price that our stockholders may find attractive. These provisions could also make it more difficult for our stockholders to elect directors and take other corporate actions and could limit the price that investors might be willing to pay for shares of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our corporate headquarters are located in Denver, Colorado, consisting of one owned 240,000 square foot building and one leased 345,900 square foot location. Our headquarters are occupied by teammates engaged in management, finance, marketing, strategy, legal, compliance and other administrative functions. We lease six business offices located in California,

Pennsylvania, Tennessee and Washington for our U.S. dialysis business. Our laboratory is based in Florida where we operate our lab services out of one leased building. We also lease other administrative offices in the U.S. and worldwide.

For our U.S. dialysis business we own the land and buildings for seven outpatient dialysis centers. We also own 22 properties for development, including operating outpatient dialysis centers and properties we hold for sale. In addition, we lease a total of four owned properties to third-party tenants. Our remaining outpatient dialysis centers are located on premises that we lease.

The majority of our leases for our U.S. dialysis business cover periods from five years to 15 years and typically contain renewal options of five years to ten years at the fair rental value at the time of renewal. Our leases are generally subject to periodic consumer price index increases, or contain fixed escalation clauses. Our outpatient dialysis centers range in size from approximately 900 to 33,000 square feet, with an average size of approximately 7,700 square feet. Our international leases generally range from one to ten years.

Some of our outpatient dialysis centers are operating at or near capacity. However, we believe that we have adequate capacity within most of our existing dialysis centers to accommodate additional patient volume through increased hours and/or days of operation, or, if additional space is available within an existing facility, by adding dialysis stations. We can usually relocate existing centers to larger facilities or open new centers if existing centers reach capacity. With respect to relocating centers or building new centers, we believe that we can generally lease space at economically reasonable rates in the areas planned for each of these centers, although there can be no assurances in this regard. Expansion of existing centers or relocation of our dialysis centers is subject to review for compliance with conditions relating to participation in the Medicare ESRD program. In states that require a certificate of need or center license, additional approvals would generally be necessary for expansion or relocation.

Item 3. Legal Proceedings.

The information required by this Part I, Item 3 is incorporated herein by reference to the information set forth under the caption "Contingencies" in Note 6 to the consolidated financial statements included in this report.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the New York Stock Exchange under the symbol DVA. The closing price of our common stock on January 31, 2020 was \$79.87 per share. According to Computershare, our registrar and transfer agent, as of January 31, 2020, there were 8,070 holders of record of our common stock. This figure does not include the indeterminate number of beneficial holders whose shares are held of record by brokerage firms and clearing agencies.

We have not declared or paid cash dividends to holders of our common stock since 1994. We have no current plans to pay cash dividends and we are restricted from paying dividends under the terms of our senior secured credit facilities and the indentures governing our senior notes. See "Liquidity and capital resources" under "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the notes to the consolidated financial statements.

Stock Repurchases

The following table summarizes our repurchases of our common stock during the fourth quarter of 2019:

| Period | Total number of shares purchased | Average price paid per share | Total number of shares purchased as part of publicly announced plans or programs | Approximate dollar value of shares that may yet be purchased under the plans or programs |
|--|----------------------------------|------------------------------|--|--|
| (dollars and shares in thousands, except for per share data) | | | | |
| October 1-31, 2019 | 4,028 | \$ 57.13 | 4,028 | \$ 261,792 |
| November 1-30, 2019 | 1,407 | 69.41 | 1,407 | \$ 1,918,055 |
| December 1-31, 2019 | 2,934 | 73.13 | 2,934 | \$ 1,703,495 |
| Total | 8,369 | \$ 64.80 | 8,369 | |

The following table summarizes our repurchases of our common stock during 2019:

| Period | Total number of shares purchased | Average price paid per share | Total number of shares purchased as part of publicly announced plans or programs | Approximate dollar value of shares that may yet be purchased under the plans or programs |
|--|----------------------------------|------------------------------|--|--|
| (dollars and shares in thousands, except for per share data) | | | | |
| January 1 - March 31, 2019 | — | \$ — | — | \$ 1,355,605 |
| April 1 - June 30, 2019 | 2,060 | 54.46 | 2,060 | \$ 1,243,416 |
| July 1 - September 30, 2019 | 30,592 | 57.14 | 30,592 | \$ 491,917 |
| October 1 - December 31, 2019 | 8,369 | 64.80 | 8,369 | \$ 1,703,495 |
| Total | 41,020 | \$ 58.57 | 41,020 | |

On July 11, 2018, our Board of Directors approved an additional share repurchase authorization in the amount of approximately \$1.39 billion. This share repurchase authorization was in addition to the approximately \$110 million remaining at that time under our Board of Directors' prior share repurchase authorization approved in October 2017.

Effective July 17, 2019, the Board terminated all remaining prior share repurchase authorizations available to the Company at that time and approved a new share repurchase authorization of \$2.0 billion.

Effective as of the close of business on November 4, 2019, the Board terminated all remaining prior share repurchase authorizations available to us under the aforementioned July 17, 2019 authorization and approved a new share repurchase authorization of \$2.0 billion. We are authorized to make purchases from time to time in the open market or in privately negotiated transactions, including without limitation, through accelerated share repurchase transactions, derivative transactions, tender offers, Rule 10b5-1 plans or any combination of the foregoing, depending upon market conditions and other considerations.

As of February 20, 2020, we have a total of \$1.68 billion available under the current repurchase authorization for additional share repurchases. Although this share repurchase authorization does not have an expiration date, we remain subject to share repurchase limitations, including under the terms of our senior secured credit facilities and the indentures governing our senior notes.

Item 6. Selected Financial Data.

The following financial and operating data should be read in conjunction with “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements filed as part of this report. The following table presents selected consolidated financial and operating data for the periods indicated:

| | Year ended December 31, | | | | |
|--|-------------------------|---------------|---------------|---------------|---------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| (dollars and shares in thousands, except per share data) | | | | | |
| Income statement data: | | | | | |
| Total revenues ⁽¹⁾ | \$ 11,388,479 | \$ 11,404,851 | \$ 10,876,634 | \$ 10,707,467 | \$ 9,982,245 |
| Operating expenses and charges ⁽²⁾ | 9,745,162 | 9,879,027 | 9,063,879 | 8,677,757 | 8,845,479 |
| Operating income | 1,643,317 | 1,525,824 | 1,812,755 | 2,029,710 | 1,136,766 |
| Debt expense | (443,824) | (487,435) | (430,634) | (414,116) | (408,380) |
| Debt prepayment, refinancing and redemption charges | (33,402) | — | — | — | (48,072) |
| Other income, net | 29,348 | 10,089 | 17,665 | 7,511 | 8,073 |
| Income from continuing operations before income taxes | 1,195,439 | 1,048,478 | 1,399,786 | 1,623,105 | 688,387 |
| Income tax expense ⁽³⁾ | 279,628 | 258,400 | 323,859 | 431,761 | 207,510 |
| Net income from continuing operations | 915,811 | 790,078 | 1,075,927 | 1,191,344 | 480,877 |
| Net (loss) income from discontinued operations, net of tax ⁽⁴⁾ | 105,483 | (457,038) | (245,372) | (158,262) | (53,467) |
| Net income | 1,021,294 | 333,040 | 830,555 | 1,033,082 | 427,410 |
| Less: Net income attributable to noncontrolling interests | (210,313) | (173,646) | (166,937) | (153,208) | (157,678) |
| Net income attributable to DaVita Inc. | \$ 810,981 | \$ 159,394 | \$ 663,618 | \$ 879,874 | \$ 269,732 |
| Basic income from continuing operations per share attributable to DaVita Inc. ⁽⁵⁾ | \$ 4.61 | \$ 3.66 | \$ 4.78 | \$ 5.12 | \$ 1.53 |
| Diluted income from continuing operations per share attributable to DaVita Inc. ⁽⁵⁾ | \$ 4.60 | \$ 3.62 | \$ 4.71 | \$ 5.04 | \$ 1.49 |
| Weighted average shares outstanding: ⁽⁵⁾ | | | | | |
| Basic | 153,181 | 170,786 | 188,626 | 201,641 | 211,868 |
| Diluted | 153,812 | 172,365 | 191,349 | 204,905 | 216,252 |
| Balance sheet data (as of period end): | | | | | |
| Working capital | \$ 1,318,072 | \$ 3,532,998 | \$ 5,703,181 | \$ 1,283,784 | \$ 2,104,143 |
| Total assets | \$ 17,311,394 | \$ 19,110,252 | \$ 18,974,536 | \$ 18,755,776 | \$ 18,524,224 |
| Long-term debt | \$ 7,977,526 | \$ 8,172,847 | \$ 9,158,018 | \$ 8,944,676 | \$ 9,000,482 |
| Total DaVita Inc. shareholders' equity ⁽⁵⁾ | \$ 2,133,409 | \$ 3,703,442 | \$ 4,690,029 | \$ 4,648,047 | \$ 4,870,781 |

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.
- (2) The following table summarizes impairment charges, gain on changes in ownership interest, legal matters accrual and settlement charges, restructuring charges and gain on settlement included in operating expenses and charges:

| | Year ended December 31, | | | | |
|--|-------------------------|-------------|--------------|--------------|------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| (in thousands) | | | | | |
| Certain operating expenses and charges: | | | | | |
| Impairment charges | \$ 124,892 | \$ 27,969 | \$ 336,223 | \$ 43,408 | \$ 4,066 |
| Gain on changes in ownership interests, net | | \$ (51,888) | \$ (6,273) | \$ (374,374) | |
| Legal matters accrual and settlement charges | | | | \$ 15,770 | \$ 517,530 |
| Restructuring charges | | \$ 11,366 | \$ 2,700 | | |
| Gain on settlement | | | \$ (529,504) | | |

- (3) Tax expense for 2017 included a net tax benefit of \$251,510 related to U.S. tax legislation passed in December 2017.
- (4) On June 19, 2019, we completed the sale of our DMG business to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. Accordingly, DMG's results of operations are reported as net income (loss) from discontinued operations, net of tax for all periods presented and its assets and liabilities were classified as held for sale for the periods reported prior to close of the transaction.

- (5) Share repurchases consisted of 41,020 shares of common stock for \$2,402,475 in 2019, 16,844 shares of common stock for \$1,153,511 in 2018, 12,967 shares of common stock for \$810,949 in 2017, 16,649 shares of common stock for \$1,072,377 in 2016, and 7,780 shares of common stock for \$575,380 in 2015. Shares issued in connection with stock awards were 161 in 2019, 371 in 2018, 514 in 2017, 1,011 in 2016, and 1,479 in 2015.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-looking statements

This Annual Report on Form 10-K, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains statements that are forward-looking statements within the meaning of the federal securities laws. All statements in this report, other than statements of historical fact, are forward-looking statements. Without limiting the foregoing, statements including the words "expect," "intend," "will," "plan," "anticipate," "believe," "forecast," "guidance," "outlook," "goals," and similar expressions are intended to identify forward-looking statements. These forward-looking statements include but are not limited to statements regarding our future operations, financial condition and prospects, such as expectations for operating cash flow, estimated charges and accruals, the development of new dialysis centers and dialysis center acquisitions or other new service offerings, government and commercial payment rates, and our stock repurchase program. Our actual results and other events could differ materially from any forward-looking statements due to numerous factors that involve substantial known and unknown risks and uncertainties. These risks and uncertainties include, among other things:

- the concentration of profits generated by higher-paying commercial payor plans for which there is continued downward pressure on realized payment rates, and a reduction in the number of patients under such plans, including as a result of restrictions or prohibitions on the use and/or availability of charitable premium assistance, which may result in the loss of revenues or patients, or our making incorrect assumptions about how our patients will respond to any change in financial assistance from charitable organizations;*
- the extent to which the ongoing implementation of healthcare reform, or changes in or new legislation, regulations or guidance, enforcement thereof or related litigation result in a reduction in coverage or reimbursement rates for our services, a reduction in the number of patients enrolled in higher-paying commercial plans, or other material impacts to our business; or our making incorrect assumptions about how our patients will respond to any such developments;*
- a reduction in government payment rates under the Medicare End Stage Renal Disease program or other government-based programs and the impact of the Medicare Advantage benchmark structure;*
- risks arising from potential and proposed federal and/or state legislation, regulation, ballot, executive action or other initiatives, including such initiatives related to healthcare and/or labor matters;*
- the impact of the political environment and related developments on the current healthcare marketplace and on our business, including with respect to the future of the Affordable Care Act, the exchanges and many other core aspects of the current healthcare marketplace;*
- our ability to successfully implement our strategy with respect to home-based dialysis, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment;*
- changes in pharmaceutical practice patterns, reimbursement and payment policies and processes, or pharmaceutical pricing, including with respect to calcimimetics;*
- legal and compliance risks, such as our continued compliance with complex government regulations;*
- continued increased competition from dialysis providers and others, and other potential marketplace changes;*
- our ability to maintain contracts with physician medical directors, changing affiliation models for physicians, and the emergence of new models of care introduced by the government or private sector that may erode our patient base and reimbursement rates, such as accountable care organizations, independent practice associations and integrated delivery systems;*
- our ability to complete acquisitions, mergers or dispositions that we might announce or be considering, on terms favorable to us or at all, or to integrate and successfully operate any business we may acquire or have acquired, or to successfully expand our operations and services in markets outside the United States, or to businesses outside of dialysis;*
- uncertainties related to potential payments and/or adjustments under certain provisions of the equity purchase agreement for the sale of our DaVita Medical Group (DMG) business, such as post-closing adjustments and indemnification obligations;*

- *noncompliance by us or our business associates with any privacy or security laws or any security breach by us or a third party involving the misappropriation, loss or other unauthorized use or disclosure of confidential information;*
- *the variability of our cash flows; the risk that we may not be able to generate sufficient cash in the future to service our indebtedness or to fund our other liquidity needs; and the risk that we may not be able to refinance our indebtedness as it becomes due, on terms favorable to us or at all;*
- *factors that may impact our ability to repurchase stock under our stock repurchase program and the timing of any such stock repurchases, as well as our use of a considerable amount of available funds to repurchase stock;*
- *risks arising from the use of accounting estimates, judgments and interpretations in our financial statements;*
- *impairment of our goodwill, investments or other assets;*
- *uncertainties related to our use of the proceeds from the DMG sale transaction and other available funds, including external financing and cash flow from operations, which may be or have been used in ways that we cannot assure will improve our results of operations or enhance the value of our common stock; and*
- *uncertainties associated with the other risk factors set forth in Part I, Item1A. of this Annual Report on Form 10-K, and the other risks and uncertainties discussed in any subsequent reports that we file or furnish with the SEC from time to time.*

The forward-looking statements should be considered in light of these risks and uncertainties. All forward-looking statements in this report are based solely on information available to us on the date of this report. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of changed circumstances, new information, future events or otherwise, except as required by law.

The following should be read in conjunction with our consolidated financial statements.

Company overview

Our principal business is to provide dialysis and related lab services to patients in the United States, which we refer to as our U.S. dialysis business. We also operate various ancillary services and strategic initiatives including our international operations, which we collectively refer to as our ancillary services, as well as our corporate administrative support. Our U.S. dialysis business is a leading provider of kidney dialysis services in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD).

On June 19, 2019, we completed the sale of our DaVita Medical Group (DMG) business to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented and DMG is not included below in this Management's Discussion and Analysis.

Our overall financial performance in 2019 benefited from increased treatment volume from acquired and non-acquired growth in both our U.S. dialysis and international businesses and a corresponding increase in revenue, as well as improved operating margins due to a decrease in the cost of calcimimetics from the introduction of lower cost oral generics, a decrease in other pharmaceutical unit costs, and a decrease in advocacy costs as compared to the prior year. This was partially offset by increases in labor and benefits costs, other center related costs, a decrease in revenues from the closure of our pharmaceutical business in 2018. The year-over-year comparison was also adversely impacted by \$36 million of additional Medicare bad debt revenue recognized in 2018 due to a policy election on adoption of the new revenue recognition accounting standard.

Drivers of our financial performance in 2019 included the following:

- improved key clinical outcomes in our U.S. dialysis business, including our recognition as an industry leader for the seventh consecutive year in CMS' Quality Incentive Program and for the last six years under the CMS Five-Star Quality Rating system;
- U.S. dialysis revenue growth of 2.2% and international revenue growth of 13.6%;
- a year-over-year increase in our normalized non-acquired U.S. dialysis treatment growth of 2.2%, which contributed to an increase of approximately 2.5% in our overall U.S. dialysis treatment count for 2019;
- a net increase of 89 U.S. and 18 international dialysis centers;
- operating cash flows of \$2.0 billion from continuing operations;
- a \$174 million or 19.3% reduction in routine maintenance and development capital expenditures from continuing operations, consistent with our capital efficient growth strategies;
- repurchase of 41,020,232 shares of our common stock for aggregate consideration of \$2.4 billion and reduction of our share count by approximately 24.4% year-over-year; and
- entry into a new \$5.5 billion senior secured credit agreement and redemption of our 5.75% senior notes.

In 2020, we expect the fundamentals of our U.S. dialysis business to generally be similar to the dynamics that we faced in 2019. On treatment volume, we continue to face pressure due to slowing industry growth as well as competitive activity. On reimbursement rate, we expect modest growth in aggregate, primarily due to the expected net market basket update for Medicare treatments. On cost, we continue to expect inflationary pressure on wage rates and other costs, offset by continued savings on drug costs. We expect to continue making investments to grow our home-based dialysis services in 2020. We anticipate two notable differences in 2020 versus 2019 - we expect to generate significantly less income on calcimimetics due to expected decreases in Medicare reimbursement throughout 2020, and we plan to incur costs in 2020, which could be significant, to counter a proposed union-backed ballot initiative in California.

The discussion below includes analysis of our financial condition and results of operations for the years ended December 31, 2019 compared to December 31, 2018. Our Annual Report on Form 10-K for the year ended December 31, 2018, includes a discussion and analysis of our financial condition and results of operations for the year ended December 31, 2017, in Part II Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations".

References to the "Notes" in the discussion below refer to the notes to the Company's consolidated financial statements included in this Annual Report on Form 10-K at Item 15, "Exhibits, Financial Statement Schedules" as referred from Part II Item 8, "Financial Statements and Supplementary Data."

Consolidated results of operations

The following table summarizes our revenues, operating income and adjusted operating income by line of business. See the discussion of our results for each line of business following this table.

| | Year ended December 31, | | Annual change | |
|--|-------------------------|------------------|----------------|---------------|
| | 2019 | 2018 | Amount | Percent |
| (dollars in millions) | | | | |
| Revenues: | | | | |
| U.S. dialysis | \$ 10,563 | \$ 10,336 | \$ 227 | 2.2 % |
| Other - ancillary services | 972 | 1,196 | (224) | (18.7)% |
| Elimination of intersegment revenues | (146) | (127) | (19) | (15.0)% |
| Total consolidated revenues | <u>\$ 11,388</u> | <u>\$ 11,405</u> | <u>\$ (17)</u> | <u>(0.1)%</u> |
| Operating income (loss): | | | | |
| U.S. dialysis | \$ 1,925 | \$ 1,710 | \$ 215 | 12.6 % |
| Other - Ancillary services | (189) | (94) | (95) | (101.1)% |
| Corporate administrative support | (92) | (90) | (2) | (2.2)% |
| Operating income | <u>\$ 1,643</u> | <u>\$ 1,526</u> | <u>\$ 117</u> | <u>7.7 %</u> |
| Adjusted operating income (loss):⁽¹⁾ | | | | |
| U.S. dialysis | \$ 1,925 | \$ 1,682 | \$ 243 | 14.4 % |
| Other - Ancillary services | (64) | (78) | 14 | 17.9 % |
| Corporate administrative support | (92) | (90) | (2) | (2.2)% |
| Adjusted operating income ⁽¹⁾ | <u>\$ 1,768</u> | <u>\$ 1,513</u> | <u>\$ 255</u> | <u>16.9 %</u> |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

(1) For a reconciliation of adjusted operating income (loss) by reportable segment, see "Reconciliations of non-GAAP measures" section below.

U.S. dialysis business

Our U.S. dialysis business is a leading provider of kidney dialysis services, operating 2,753 outpatient dialysis centers, serving a total of approximately 206,900 patients. We also provide acute inpatient dialysis services in approximately 900 hospitals. We estimate that we have approximately a 38% share of the U.S. dialysis market based upon the number of patients we serve.

Approximately 92% of our 2019 consolidated revenues were derived directly from our U.S. dialysis business. The principal drivers of our U.S. dialysis revenues include :

- the number of treatments, which is primarily a function of the number of chronic patients requiring approximately three treatments per week, as well as, to a lesser extent, the number of treatments for peritoneal dialysis, home dialysis and hospital inpatient dialysis; and
- average dialysis net patient service revenue per treatment, including the mix of commercial and government patients.

Within our U.S. dialysis business, our home-based dialysis and hospital inpatient dialysis services are operationally integrated with our outpatient dialysis centers and related laboratory services. Our outpatient, home-based, and hospital inpatient dialysis services comprise approximately 78%, 16% and 6% of our U.S. dialysis revenues, respectively.

In the U.S., government dialysis-related payment rates are principally determined by federal Medicare and state Medicaid policy. For 2019, approximately 69% of our total U.S. dialysis patient services revenues were generated from government-based programs for services to approximately 90% of our total patients. These government-based programs are principally Medicare and Medicare-assigned, Medicaid and managed Medicaid plans, and other government plans, representing approximately 59%, 6% and 4% of our U.S. dialysis patient services revenues, respectively.

Dialysis payment rates from commercial payors vary and a major portion of our commercial rates are set at contracted amounts with payors and are subject to intense negotiation pressure. On average, dialysis-related payment rates from contracted commercial payors are significantly higher than Medicare, Medicaid and other government program payment rates, and therefore the percentage of commercial patients in relation to total patients represents a major driver of our total average dialysis net patient service revenue per treatment. Commercial payors (including hospital dialysis services) represent approximately 31% of U.S. dialysis patient services revenues. Over the last two years, we have seen a slight decline in the growth of our commercial patients, which has been outpaced by the growth of our government-based patients.

For further discussion of government reimbursement, the Medicare ESRD bundled payment system and commercial reimbursement, see the discussion in Item 1. Business under the heading "U.S. dialysis business – Sources of revenue-concentrations and risks." For a discussion of operational, clinical and financial risks and uncertainties that we face in connection with the Medicare ESRD bundled payment system, see the risk factor in Item 1A. Risk Factors under the heading "Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows." For a discussion of operational, clinical and financial risks and uncertainties that we face in connection with commercial payors, see the risk factors in Item 1A. Risk Factors under the headings "*If the average rates that commercial payors pay us decline significantly or if patients in commercial plans are subject to restriction in plan designs, it would have a material adverse effect on our business, results of operations, financial condition and cash flows*"; and "*If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows*."

The impact of physician-prescribed pharmaceuticals on our overall revenues that are separately billable has significantly decreased since Medicare's single bundled payment system went into effect beginning in January 2011, and as a result of commercial contracts that pay us a single bundled payment rate.

Effective January 1, 2018, both oral and intravenous forms of calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder, became the financial responsibility of our U.S. dialysis business for our Medicare patients and are now reimbursed under Medicare Part B. Previously, calcimimetics were reimbursed for Medicare patients through Part D once dispensed from traditional pharmacies. Currently, the oral and intravenous forms of calcimimetics remain separately reimbursed and therefore are not part of the ESRD Prospective Payment System (PPS) bundled payment. During the initial pass-through period, Medicare payment for calcimimetics was based on a pass-through rate of the average sales price plus approximately 6% before sequestration (or 4% adjusted for sequestration), however, in 2020 calcimimetics are reimbursed at average sales price plus 0% before sequestration. CMS has stated intentions to enter calcimimetics into the ESRD bundled payment as of January 1, 2021. We do not know the rate at which CMS will include calcimimetics into the bundle. If there is a reduction from the current amount of reimbursement or if CMS fails to increase the bundle in a sufficient manner to appropriately and adequately reimburse for the drug, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, during the period in which we are separately reimbursed for calcimimetics, we expect our average revenue per treatment related to these pharmaceuticals to decline in future periods as CMS adjusts the reimbursement amount to more closely match the cost of these pharmaceuticals in accordance with their rules. We therefore expect to realize significantly reduced levels of operating income from calcimimetics in the future as compared to 2019.

Approximately 6% and 7% of our total U.S. dialysis net patient services revenues for the years 2019 and 2018, respectively, are associated with the administration of separately-billable physician-prescribed pharmaceuticals, of which approximately 4% and 5% relate to the administration of calcimimetics, respectively.

We anticipate that we will continue to experience increases in our operating costs in 2020 that may outpace any net Medicare rate increases that we may receive, which could significantly impact our operating results. In particular, we expect to continue experiencing increases in operating costs that are subject to inflation, such as labor and supply costs, including increases in maintenance costs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the ESRD bundled payment rate system. We also expect to continue to incur capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet evolving regulatory requirements and otherwise.

U.S. dialysis patient care costs are those costs directly associated with operating and supporting our dialysis centers, home-based programs and hospital inpatient programs, and consist principally of labor, benefits, pharmaceuticals, medical supplies and other operating costs of the dialysis centers.

The principal drivers of our U.S. dialysis patient care costs include:

- clinical hours per treatment, labor rates and benefit costs;
- vendor pricing and utilization levels of pharmaceuticals;
- business infrastructure costs, which include the operating costs of our dialysis centers; and
- certain professional fees.

Other cost categories that can present significant variability include employee benefit costs, insurance costs and medical supply costs. In addition, proposed ballot initiatives or referendums, legislation, regulations or policy changes could cause us to incur substantial costs for related advocacy or to prepare for, or implement changes required. Any such changes could result in, among other things, increases in our labor costs or limitations on the amount of revenue that we can retain. For additional detail on risks associated with potential and proposed ballot initiatives, referendums, legislation, regulations or policy changes, see the risk factor in Item 1A. Risk Factors under the heading, "Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."

Our average clinical hours per treatment decreased in 2019 compared to 2018. We are always striving for improved productivity levels, however, changes in things such as federal and state policies or regulatory billing requirements can lead to increased labor costs. Improvements in the U.S. economy have stimulated additional competition for skilled clinical personnel resulting in slightly higher clinical teammate turnover over the last few years, which we believe has negatively affected productivity levels. In both 2019 and 2018, we experienced an increase in our clinical labor rates of approximately 2.0% and 3.0%, respectively, consistent with general industry trends. We also continue to experience increases in the infrastructure and operating costs of our dialysis centers, primarily due to the number of new dialysis centers opened, and general increases in rent, utilities and repairs and maintenance. In 2019, we continued to implement certain cost control initiatives to help manage our overall operating costs, including labor productivity.

Our U.S. dialysis general and administrative expenses represented 8.1% of our U.S. dialysis revenues in both 2019 and 2018. Increases in general and administrative expenses over the last several years were primarily related to strengthening our dialysis business and related compliance and operational processes, responding to certain legal and compliance matters, professional fees associated with enhancing our information technology systems and more recent costs to counter union policy efforts. We expect these levels of general and administrative expenses will continue in 2020 and could possibly increase as we seek out new business opportunities and continue to invest in improving our information technology infrastructure and maintain our regulatory compliance program, among other things. In addition, our general administrative expenses could increase in 2020 as compared to the prior year due to additional anticipated advocacy costs to challenge ballot initiatives, which could be significant.

U.S. dialysis results of operations

Revenues:

| | Year ended December 31, | | Annual change | |
|---|--|------------|---------------|---------|
| | 2019 | 2018 | Amount | Percent |
| | (dollars in millions, except per treatment data) | | | |
| Total revenues | \$ 10,563 | \$ 10,336 | \$ 227 | 2.2 % |
| Dialysis treatments | 30,172,699 | 29,435,304 | 737,395 | 2.5 % |
| Average treatments per day | 96,398 | 94,073 | 2,325 | 2.5 % |
| Treatment days | 313.0 | 312.9 | 0.1 | — % |
| Average net patient service revenue per treatment | \$ 349.02 | \$ 350.47 | \$ (1.45) | (0.4)% |
| Normalized non acquired treatment growth | 2.2% | 3.2% | | (1.0)% |

U.S. dialysis revenues increased primarily due to volume growth from additional treatments of 2.5% due to an increase in acquired and non-acquired treatments. Our U.S. dialysis revenues were negatively impacted by a decrease in our average net patient service revenue per treatment due to a rate decline related to calcimimetics which was partially offset by an increase in Medicare rates in 2019. In addition, 2018 was favorably impacted by \$36 million of additional Medicare bad debt revenue due to a policy election made in 2018 under the new revenue recognition accounting standards.

Operating expenses and charges:

| | Year ended December 31, | | Annual change | |
|--|-------------------------|-----------|---------------|---------|
| | 2019 | 2018 | Amount | Percent |
| (dollars in millions, except per treatment data) | | | | |
| Patient care costs | \$ 7,219 | \$ 7,280 | \$ (61) | (0.8)% |
| General and administrative | 857 | 836 | 21 | 2.5 % |
| Depreciation and amortization | 583 | 559 | 24 | 4.3 % |
| Equity investment income | (22) | (20) | (2) | (10.0)% |
| Gain on changes in ownership interests | — | (28) | 28 | |
| Total operating expenses and charges | \$ 8,638 | \$ 8,626 | \$ 12 | 0.1 % |
| Patient care costs per treatment | \$ 239.27 | \$ 247.32 | \$ (8.05) | (3.3)% |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

Patient care costs. U.S. dialysis patient care costs are those costs directly associated with operating and supporting our dialysis centers and consist principally of labor, benefits, pharmaceuticals, medical supplies and other operating costs of the dialysis centers.

U.S. dialysis patient care costs per treatment decreased primarily due to a decrease in calcimimetics unit costs as oral generic products have entered the market lowering the cost of products we acquire, as well as decreases in other pharmaceutical unit costs. These decreases were partially offset by increases in benefits costs and other direct operating expenses associated with our dialysis centers.

General and administrative expenses. U.S. dialysis general and administrative expenses in 2019 increased primarily due to increases in labor and benefit costs, and long-term incentive compensation expense driven by compensation plans based on operating income performance. These increases were partially offset by a decrease in advocacy costs to oppose certain legislative and ballot initiatives as well as a decline in asset impairments related to expected center closures.

Depreciation and amortization. Depreciation and amortization expense is directly impacted by the number of dialysis centers we develop and acquire. U.S. dialysis depreciation and amortization expenses increased primarily due to growth in the number of dialysis centers we operate, as well as additional informational technology initiatives.

Equity investment income. U.S. dialysis equity investment income increased primarily due to an increase in the profitability at certain joint ventures, as well as an increase in the number of our nonconsolidated dialysis joint ventures.

Gain on changes in ownership interests, net. During 2018, we acquired a controlling interest in a previously nonconsolidated dialysis partnership. As a result of this transaction, we consolidated this partnership and recognized a non-cash gain of \$28 million on our previously held ownership interest in the partnership.

Operating income and adjusted operating income

| | Year ended December 31, | | Annual change | |
|--|-------------------------|----------|---------------|---------|
| | 2019 | 2018 | Amount | Percent |
| (dollars in millions) | | | | |
| Operating income | \$ 1,925 | \$ 1,710 | \$ 215 | 12.6% |
| Adjusted operating income ⁽¹⁾ | \$ 1,925 | \$ 1,682 | \$ 243 | 14.4% |

(1) For a reconciliation of adjusted operating income by reportable segment, see "Reconciliations of non-GAAP measures" section below.

U.S. dialysis operating income and adjusted operating income in 2019 increased as compared to the prior year due to an increase in our margin on calcimimetics, treatment growth and Medicare rates, as described above, as well as decreases in advocacy costs and other pharmaceutical unit costs. These increases were partially offset by increases in other direct operating expenses associated with our dialysis centers, labor and benefits costs and long-term compensation expense.

Other - Ancillary services

Our other operations include ancillary services which are primarily aligned with our core business of providing dialysis services to our network of patients. As of December 31, 2019, these consisted primarily of integrated care and disease management (DaVita IKC), ESRD seamless care organizations (ESCOs), clinical research programs (DaVita Clinical Research), vascular access services, physician services, and comprehensive kidney care (Vively Health formerly known as DaVita Health Solutions), as well as our international operations. These ancillary services, including our international operations, generated approximately \$972 million of revenues in 2019, representing approximately 8% of our consolidated revenues. As further described in the risk factor in Item 1A. Risk Factors under the heading, "Our ancillary services and strategic initiatives, including, without limitation, our international operations, that we operate or invest in now or in the future may generate losses and may ultimately be unsuccessful. In the event that one or more of these activities is unsuccessful, our business, results of operations, financial condition and cash flows may be negatively impacted and we may have to write off our investment and incur other exit costs," if any of our ancillary services or strategic initiatives, such as our international operations, are unsuccessful, it could have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit that line of business, which could result in significant termination costs. In addition, we have in the past and may in the future incur a material write-off or an impairment of our investment, including goodwill, in one or more of these ancillary services. In that regard, we may in the future incur impairment and restructuring charges in addition to those incurred by our pharmacy business in 2018, described below.

We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include healthcare services not related to dialysis.

As of December 31, 2019, our international dialysis operations provided dialysis and administrative services through a network of 259 outpatient dialysis centers located in ten countries outside of the U.S. For 2019, total revenues generated from our international operations were approximately 4% of our consolidated revenues.

Ancillary services results of operations

| | Year ended December 31, | | Annual change | |
|---|-------------------------|----------|---------------|----------|
| | 2019 | 2018 | Amount | Percent |
| (dollars in millions) | | | | |
| Revenues: | | | | |
| U.S. ancillary | \$ 464 | \$ 749 | \$ (285) | (38.1)% |
| International | 508 | 447 | 61 | 13.6 % |
| Total ancillary services revenues | \$ 972 | \$ 1,196 | \$ (224) | (18.7)% |
| Operating income (loss): | | | | |
| U.S. ancillary | \$ (66) | \$ (70) | \$ 4 | 5.7 % |
| International | (123) | (23) | (100) | (434.8)% |
| Total ancillary services loss | \$ (189) | \$ (94) | \$ (95) | (101.1)% |
| Adjusted operating income (loss)⁽¹⁾: | | | | |
| U.S. ancillary | \$ (66) | \$ (75) | \$ 9 | 12.0 % |
| International | 2 | (3) | 5 | 166.7 % |
| Total adjusted operating income (loss) ⁽¹⁾ : | \$ (64) | \$ (78) | \$ 14 | 17.9 % |

Certain columns, rows or percentages may not sum or recalculate due to the use of rounded numbers.

(1) For a reconciliation of adjusted operating income by reportable segment, see "Reconciliations of non-GAAP measures" section below.

Revenues:

U.S. ancillary services revenues decreased due to the closure of our pharmacy distribution operations in 2018 and the sale of our primary care business in the second quarter of 2018, as well as decreases in revenues at Vively Health, our ESCO joint ventures and DaVita Clinical Research. These decreases were partially offset by an increase in revenues at DaVita IKC,

primarily due to an increase in special needs plans revenues. In addition, international revenues increased due to acquired and non-acquired treatment growth as we continue to expand internationally.

Charges impacting operating income:

Goodwill impairment charges. During the first and third quarter of 2019, we recognized goodwill impairment charges of \$41 million and \$79 million, respectively, in our German kidney care business. The first quarter charge resulted primarily from a change in relevant discount rates, as well as a decline in current and expected future patient census and an increase in first quarter and expected future costs, principally due to wage increases expected to result from recently announced legislation. The third quarter incremental charge recognized in the Germany kidney care business resulted from changes and developments in our outlook for this business since our last assessment. These primarily concern developments in the business in response to evolving market conditions and changes in our expected timing and ability to mitigate them.

During 2019 and 2018, we also recognized goodwill impairment charges of \$5 million and \$3 million, respectively, at our German other health operations. See further discussion of these impairment charges and our reporting units that remain at risk of goodwill impairment in Note 10 to the consolidated financial statements.

Restructuring charges and other impairments. During 2018, we announced a plan to restructure our pharmacy business due to changes in the oral pharmacy space, including reimbursement rate pressures that negatively affected the economics of our pharmacy services business. This included transitioning the customer service and fulfillment functions of this business to third parties and closing our distribution operation, which resulted in a decline in revenues and costs in 2018. As a result of this closure, in 2018 we recognized restructuring charges of \$11 million and asset impairment charges of \$17 million related to the restructuring of our pharmacy business.

Gain on changes in ownership interests, net. Effective June 1, 2018, we sold 100% of the stock of Paladina Health, our direct primary care business and recognized a gain of approximately \$34 million on this transaction. In addition, we recognized a loss of approximately \$1 million related to the unwinding of an international business in the second quarter of 2018.

Operating loss and adjusted operating loss:

U.S. ancillary services operating loss was impacted by the charges discussed above, in addition to an equity investment loss on the sale of our India business in our APAC JV of \$9 million and an equity investment loss of \$8 million related to impairments at our APAC JV. Both U.S. ancillary services operating loss and adjusted operating loss were impacted by a decrease related to our pharmacy distribution ceasing operations in 2018, as described above, and increases in operating results for DaVita IKC and DaVita Clinical Research, partially offset by decreases in operating results at Vively Health and at our ESCO joint ventures. International operating losses increased due to the goodwill impairment in our Germany businesses. International adjusted operating results improved over 2018 due to growth in our international business and benefited from cost efficiencies implemented.

Corporate administrative support

Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation expense, as well as professional fees for departments which provide support to all of our various operating lines of business. These expenses are partially offset by internal management fees charged to our other lines of business for that support. Corporate administrative support expenses are included in general and administrative expenses on our consolidated income statement.

Corporate administrative support expenses increased \$2 million or 2.2% in 2019 primarily due to a reduction in internal management fees charged to our pharmacy business which ceased operations in 2018. This increase was offset by a decrease in long-term incentive compensation expense in 2019 resulting from the adoption of a retirement policy for certain officers of the Company in 2018.

Corporate level charges

| | Year ended December 31, | | Annual change | |
|---|-------------------------|----------|---------------|---------|
| | 2019 | 2018 | Amount | Percent |
| | (dollars in millions) | | | |
| Debt expense | \$ (444) | \$ (487) | \$ 43 | 8.8 % |
| Debt prepayment, refinancing and redemption charges | \$ (33) | \$ — | \$ (33) | |
| Other income | \$ 29 | \$ 10 | \$ 19 | 190.9 % |
| Effective income tax rate | 23.4% | 24.6% | | (1.2)% |
| Effective income tax rate from continuing operations attributable to DaVita Inc.(1) | 28.3% | 29.2% | | (0.9)% |
| Net income attributable to noncontrolling interests | \$ 210 | \$ 174 | \$ 36 | 20.7 % |

(1) For a reconciliation of effective income tax rate from continuing operations attributable to DaVita Inc., see "Reconciliations of non-GAAP measures" section below.

Debt expense

Debt expense decreased primarily due to a decrease in our outstanding debt balance, partially offset by an increase in the overall weighted average effective interest rate on our debt in 2019. Our overall weighted average effective interest rate in 2019 was 5.01% compared to 4.96% in 2018. See Note 13 to the consolidated financial statements for further information on components of our debt.

Debt prepayment, refinancing and redemption charges

We incurred debt prepayment, refinancing and redemption charges of \$33 million in 2019 as a result of the repayment of all principal balances outstanding on our prior senior secured credit facilities and the redemption of our 5.75% senior notes. This consisted of \$21 million recognized in the third quarter of 2019 related to debt discount and deferred financing cost write-offs associated with the portion of our prior senior secured debt that was paid in full and redemption charges on our 5.75% senior notes, as well as \$12 million recognized in the second quarter of 2019 related to the accelerated amortization of debt discount and deferred financing costs associated with the portion of our prior senior secured debt that was mandatorily prepaid in or shortly after the second quarter of 2019 using proceeds from the sale of DMG and prior extensions of that debt.

Other income

Other income consists primarily of interest income on cash and cash equivalents and short- and long-term investments, realized and unrealized gains and losses recognized on investments, and foreign currency transaction gains and losses. Other income increased in 2019 primarily due to the increase in our holdings of cash and cash equivalents and short-term investments in 2019.

Provision for income taxes

The effective income tax rate and effective income tax rate from continuing operations attributable to DaVita Inc. decreased in 2019 primarily due to a decrease in our estimated blended state tax rate and the lower nondeductible advocacy costs in 2019 as compared to the costs incurred in 2018 to oppose certain legislative and ballot initiatives.

Net income attributable to noncontrolling interests

The increase in income attributable to noncontrolling interests in 2019 as compared to 2018 was due to improved earnings at certain U.S. dialysis partnerships and an increase in the number of such partnerships.

Reconciliations of non-GAAP measures

The following tables provide reconciliations of adjusted operating income to operating income as presented on a U.S. generally accepted accounting principles (GAAP) basis for our U.S. dialysis reportable segment as well as for our U.S. ancillary services, our international business, and for our total ancillary services which combines them and is disclosed as our other segments category. These non-GAAP or "adjusted" measures are presented because management believes these measures are useful adjuncts to, but not alternatives for, our GAAP results.

Specifically, management uses adjusted operating income to compare and evaluate our performance period over period and relative to competitors, to analyze the underlying trends in our business, to establish operational budgets and forecasts and for incentive compensation purposes. We believe this non-GAAP measure is also useful to investors and analysts in evaluating our performance over time and relative to competitors, as well as in analyzing the underlying trends in our business. We also believe this presentation enhances a user's understanding of our normal operating income by excluding certain items which we do not believe are indicative of our ordinary results of operations.

In addition, our effective income tax rate on income from continuing operations attributable to DaVita Inc. excludes noncontrolling owners' income, which primarily relates to non-tax paying entities. We believe this adjusted effective income tax rate is useful to management, investors and analysts in evaluating our performance and establishing expectations for income taxes incurred on our ordinary results attributable to DaVita Inc.

It is important to bear in mind that these non-GAAP "adjusted" measures are not measures of financial performance under GAAP and should not be considered in isolation from, nor as substitutes for, their most comparable GAAP measures.

| | Year ended December 31, 2019 | | | | | |
|---------------------------|------------------------------|--------------------|---------------|----------------|-----------------------------|-----------------|
| | U.S. dialysis | Ancillary services | | | Corporate administration | Consolidated |
| | | U.S. | International | Total | | |
| | (dollars in millions) | | | | | |
| Operating income | \$ 1,925 | \$ (66) | \$ (123) | \$ (189) | \$ (92) | \$ 1,643 |
| Goodwill impairment | | | 125 | 125 | | 125 |
| Adjusted operating income | <u>\$ 1,925</u> | <u>\$ (66)</u> | <u>\$ 2</u> | <u>\$ (64)</u> | <u>\$ (92)</u> | <u>\$ 1,768</u> |

Certain columns or rows may not sum or recalculate due to the use of rounded numbers.

| | Year ended December 31, 2018 | | | | | |
|--|------------------------------|--------------------|---------------|----------------|-----------------------------|-----------------|
| | U.S. dialysis | Ancillary services | | | Corporate administration | Consolidated |
| | | U.S. | International | Total | | |
| | (dollars in millions) | | | | | |
| Operating income | \$ 1,710 | \$ (70) | \$ (23) | \$ (94) | \$ (90) | \$ 1,526 |
| Restructuring charges | | 11 | | 11 | | 11 |
| (Gain) loss on changes in ownership interests, net | (28) | (34) | 1 | (33) | | (61) |
| Goodwill impairment | | | 3 | 3 | | 3 |
| Impairment of assets | | 17 | | 17 | | 17 |
| Equity investment loss due to business sale in APAC JV | | | 9 | 9 | | 9 |
| Equity investment loss due to impairments in APAC JV | | | 8 | 8 | | 8 |
| Adjusted operating income | <u>\$ 1,682</u> | <u>\$ (75)</u> | <u>\$ (3)</u> | <u>\$ (78)</u> | <u>\$ (90)</u> | <u>\$ 1,513</u> |

Certain columns or rows may not sum or recalculate due to the use of rounded numbers.

| | Year ended December 31, | |
|--|-------------------------|---------------|
| | 2019 | 2018 |
| | (dollars in millions) | |
| Income from continuing operations before income taxes | \$ 1,195 | \$ 1,048 |
| Less: Noncontrolling owners' income primarily attributable to non-tax paying entities | (210) | (167) |
| Income from continuing operations before income taxes attributable to DaVita Inc. | <u>\$ 986</u> | <u>\$ 881</u> |
| Income tax expense for continuing operations | \$ 280 | \$ 258 |
| Less: Income tax attributable to noncontrolling interests | (1) | (1) |
| Income tax expense from continuing operations attributable to DaVita Inc. | <u>\$ 279</u> | <u>\$ 257</u> |
| Effective income tax rate on income from continuing operations attributable to DaVita Inc. | <u>28.3%</u> | <u>29.2%</u> |

Certain columns or rows may not sum or recalculate due to the use of rounded numbers.

Accounts receivable

Our consolidated accounts receivable balances at December 31, 2019 and December 31, 2018, were \$1.796 billion and \$1.859 billion, respectively, representing approximately 58 days and 62 days of revenue (DSO), respectively, net of the allowance for uncollectible accounts. The decrease in consolidated DSO was primarily due to a decrease of two days of DSO in our U.S. dialysis business primarily due to improved collections related to certain payors as well as improved DSO at our international operations. Our DSO calculation is based on the current quarter's average revenues per day. There were no significant changes during 2019 from 2018 in the amount of unreserved accounts receivable over one year old or the amounts pending approval from third-party payors.

As of December 31, 2019 and 2018, our net patient services accounts receivable balances that are more than six months old represents approximately 18% of our dialysis accounts receivable balances. Substantially all revenue realized is from government and commercial payors, as discussed above. There were no significant unreserved balances over one year old. Less than 1% of our revenues are classified as patient pay.

Amounts pending approval from third-party payors associated with Medicare bad debt claims as of December 31, 2019 and 2018, other than the standard monthly billing, consisted of approximately \$138 million and \$136 million, respectively, and are classified as other receivables. A significant portion of our Medicare bad debt claims are typically paid to us before the Medicare fiscal intermediary audits the claims but are subject to adjustment based upon the actual results of these audits. Such audits typically occur one to four years after the claims are filed.

Liquidity and capital resources

The following table summarizes our major sources and uses of cash, cash equivalents and restricted cash:

| | Year ended December 31, | | Annual change | |
|---|-------------------------|-------------------|-------------------|-----------------|
| | 2019 | 2018 | Amount | Percent |
| (dollars in millions) | | | | |
| Net cash provided by operating activities: | | | | |
| Net income | \$ 1,021 | \$ 333 | \$ 688 | 206.6 % |
| Non-cash items | 964 | 1,340 | (376) | (28.1)% |
| Working capital | 111 | 96 | 15 | 15.6 % |
| Other | (24) | 2 | (26) | (1,300.0)% |
| | <u>\$ 2,072</u> | <u>\$ 1,772</u> | <u>\$ 300</u> | <u>16.9 %</u> |
| Net cash provided by (used in) investing activities: | | | | |
| Capital expenditures: | | | | |
| Routine maintenance/IT/other | \$ (375) | \$ (459) | \$ 84 | 18.3 % |
| Development and relocations | (391) | (528) | 137 | 25.9 % |
| Acquisition expenditures | (101) | (183) | 82 | 44.8 % |
| Proceeds from sale of self-developed properties | 58 | 45 | 13 | 28.9 % |
| DMG sale net proceeds received at closing, net of DMG cash divested | 3,825 | — | 3,825 | |
| Other | (20) | 119 | (139) | (116.8)% |
| | <u>\$ 2,995</u> | <u>\$ (1,006)</u> | <u>\$ 4,001</u> | <u>397.7 %</u> |
| Net cash used in financing activities: | | | | |
| Debt (payments) issuances, net | \$ (2,080) | \$ 695 | \$ (2,775) | (399.3)% |
| Distributions to noncontrolling interest | (233) | (196) | (37) | (18.9)% |
| Contributions from noncontrolling interest | 57 | 52 | 5 | 9.6 % |
| Stock award exercises and other share issuances | 11 | 14 | (3) | (21.4)% |
| Share repurchases | (2,384) | (1,162) | (1,222) | (105.2)% |
| Other | (68) | (28) | (40) | (142.9)% |
| | <u>\$ (4,696)</u> | <u>\$ (625)</u> | <u>\$ (4,071)</u> | <u>(651.4)%</u> |
| Total number of shares repurchased | 41,020,232 | 16,844,067 | 24,176,165 | 143.5 % |

Certain columns or rows may not sum or recalculate due to the use of rounded numbers.

Consolidated cash flows

Consolidated cash flows from operating activities for 2019 were \$2,072 million, of which \$1,973 million was from continuing operations, compared with consolidated operating cash flows for the same period in 2018 of \$1,772 million, of which \$1,481 million was from continuing operations. The increase in cash flow from continuing operations was primarily driven by an increase in operating income in 2019 as compared to 2018, driven by decreases in pharmaceutical and advocacy costs, as well as a decrease in DSO of approximately four days and cash tax payments.

Cash flows from investing activities in 2019 increased \$4,001 million compared to 2018 primarily due to the net cash proceeds received from the DMG sale, which closed in June 2019, as well as a decrease in capital and acquisition expenditures. We developed 38 fewer centers and acquired 23 fewer centers in 2019 compared to 2018. See below for additional information regarding the growth in our dialysis centers.

Cash flows used in financing activities increased \$4,071 million in 2019 compared to 2018. Significant financing activities included net payments of \$2,080 million on debt during 2019. Net debt payments primarily consisted of principal prepayments totaling \$5,142 million on our term debt under our prior senior secured credit facility funded primarily by the net proceeds from the DMG sale and the redemption of all of our outstanding 5.75% senior notes due in 2022 for an aggregate cash payment consisting of principal and redemption premium of \$1,262 million, partially offset by funding of our term debt of \$4,500 million under our new senior secured credit facility. In addition, we incurred deferred financing costs related to our new

term debt and a cap premium fee for our forward interest rate cap agreements. By comparison, 2018 included net advances of \$695 million, which included a \$995 million draw on our prior Term Loan A-2 and net payments of \$125 million on our prior revolving line of credit, net of scheduled principal payments on our term debt under our prior senior secured credit facility. See further discussion in Note 13 to the consolidated financial statements related to debt activities. Cash flows used for share repurchases increased in 2019 as compared to 2018 primarily due to our modified Dutch auction tender offer (Tender Offer). See below for further information on our share repurchases.

Dialysis center capacity and growth

The table below shows the growth in our dialysis operations by number of dialysis centers owned or operated:

| | U.S. | | International | |
|--|-------|-------|---------------|------|
| | 2019 | 2018 | 2019 | 2018 |
| Number of centers operated at beginning of year | 2,664 | 2,510 | 241 | 237 |
| Acquired centers | 7 | 18 | 16 | 28 |
| Developed centers | 115 | 152 | 2 | 3 |
| Net change in non-owned managed or administered centers ⁽¹⁾ | (1) | (5) | — | — |
| Sold and closed centers ⁽²⁾ | (10) | (2) | (1) | (2) |
| Closed centers ⁽³⁾ | (22) | (9) | — | — |
| Net change in Asia Pacific joint venture centers | — | — | 1 | (25) |
| Number of centers operated at end of year | 2,753 | 2,664 | 259 | 241 |

(1) Includes dialysis centers in which we own a noncontrolling interest or which are wholly-owned by third parties.

(2) Dialysis centers that were sold and/or closed for which patients were not retained.

(3) Dialysis centers that were closed for which the majority of patients were retained and transferred to existing outpatient dialysis centers.

Stock repurchases

The following table summarizes our repurchases of our common stock during the years ended December 31, 2019 and 2018:

| | 2019 | | | 2018 | | |
|-----------------------------|--------------------|---------------------------|----------------|--------------------|---------------------------|----------------|
| | Shares repurchased | Amount paid (in millions) | Paid per share | Shares repurchased | Amount paid (in millions) | Paid per share |
| Tender Offer ⁽¹⁾ | 21,801,975 | \$ 1,234 | \$ 56.61 | — | \$ — | \$ — |
| Open market | 19,218,257 | 1,168 | 60.79 | 16,844,067 | 1,154 | 68.48 |
| | 41,020,232 | \$ 2,402 | \$ 58.57 | 16,844,067 | \$ 1,154 | \$ 68.48 |

(1) The amount paid for shares repurchased associated with our Tender Offer during the year ended December 31, 2019 includes the clearing price of \$56.50 per share plus related fees and expenses of \$2 million.

Subsequent to December 31, 2019, we have repurchased 290,904 shares of our common stock for \$22 million at an average cost of \$74.92 per share from January 1, 2020 through February 20, 2020. We retired all shares of common stock held in treasury effective December 31, 2019 and December 31, 2018.

See further discussion in Note 19 to the consolidated financial statements.

Available liquidity

As of December 31, 2019, our cash balance was \$1.102 billion and we had approximately \$12 million in short-term investments. As of December 31, 2019, we also had an undrawn \$1.0 billion revolving line of credit under our senior secured credit facilities, of which approximately \$13 million was committed for outstanding letters of credit. We also have approximately \$60 million of additional outstanding letters of credit under a separate bilateral secured letter of credit facility.

See Note 13 to the consolidated financial statements for components of our long-term debt and their interest rates.

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our new senior secured credit facilities and our access to the capital markets, will be sufficient to fund our scheduled debt service

under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. Our primary recurrent sources of liquidity are cash from operations and cash from borrowings, which are subject to general, economic, financial, competitive, regulatory and other factors that are beyond our control, as described in Item 1A Risk Factors under the heading "The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes depends on many factors beyond our control."

Off-balance sheet arrangements and aggregate contractual obligations

In addition to the debt obligations and operating lease liabilities reflected on our balance sheet, we have commitments associated with letters of credit, as well as potential obligations associated with our equity investments in nonconsolidated businesses and to dialysis ventures that are wholly-owned by third parties. We have potential obligations to purchase the noncontrolling interests held by third parties in many of our majority-owned partnerships and other nonconsolidated entities. These obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods as outlined in each specific put provision. If these put provisions were exercised, we would be required to purchase the third-party owners' equity interests, generally at the appraised fair market value of the equity interests or in certain cases at a predetermined multiple of earnings or cash flows attributable to the equity interests put to us, intended to approximate fair value. The methodology we use to estimate the fair values of noncontrolling interests subject to put provisions assumes the higher of either a liquidation value of net assets or an average multiple of earnings, based on historical earnings, patient mix and other performance indicators that can affect future results, as well as other factors. The estimated fair values of noncontrolling interests subject to put provisions are a critical accounting estimate that involves significant judgments and assumptions and may not be indicative of the actual values at which the noncontrolling interests may ultimately be settled, which could vary significantly from our current estimates. The estimated fair values of noncontrolling interests subject to put provisions can fluctuate and the implicit multiple of earnings at which these noncontrolling interests obligations may be settled will vary significantly depending upon market conditions including potential purchasers' access to the capital markets, which can impact the level of competition for dialysis and non-dialysis related businesses, the economic performance of these businesses and the restricted marketability of the third-party owners' equity interests. The amount of noncontrolling interests subject to put provisions that employ a contractually predetermined multiple of earnings rather than fair value are immaterial. For additional information see Note 17 to the consolidated financial statements.

We also have certain other potential commitments to provide operating capital to several dialysis businesses that are wholly-owned by third parties or in which we own a noncontrolling equity interest as well as to physician-owned vascular access clinics or medical practices that we operate under management and administrative services agreements.

The following is a summary of these contractual obligations and commitments as of December 31, 2019:

| | 2020 | 2021-2022 | 2023-2024 | Thereafter | Total |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| (dollars in millions) | | | | | |
| Scheduled payments under contractual obligations: | | | | | |
| Long-term debt ⁽¹⁾ : | | | | | |
| Principal payments | \$ 105 | \$ 279 | \$ 3,348 | \$ 4,180 | \$ 7,912 |
| Interest payments on credit facilities and senior notes ⁽¹⁾ | 336 | 657 | 622 | 209 | 1,824 |
| Financing leases ⁽²⁾ | 25 | 43 | 49 | 152 | 269 |
| Operating leases, including imputed interest ⁽²⁾ | 462 | 945 | 768 | 1,511 | 3,685 |
| | <u>\$ 928</u> | <u>\$ 1,924</u> | <u>\$ 4,787</u> | <u>\$ 6,052</u> | <u>\$ 13,690</u> |
| Potential cash requirements under other commitments: | | | | | |
| Letters of credit | \$ 73 | \$ — | \$ — | \$ — | \$ 73 |
| Noncontrolling interests subject to put provisions | 829 | 188 | 106 | 57 | 1,180 |
| Non-owned and minority owned put provisions | 108 | — | 7 | — | 115 |
| Operating capital advances | 1 | 2 | 2 | 5 | 10 |
| Purchase commitments | 399 | 624 | — | — | 1,023 |
| | <u>\$ 1,410</u> | <u>\$ 814</u> | <u>\$ 115</u> | <u>\$ 62</u> | <u>\$ 2,401</u> |

(1) See Note 13 to the consolidated financial statements for components of our long-term debt and related interest rates.

(2) See Note 14 to the consolidated financial statements for components of our leases and related interest rates.

In 2017, the Company entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of the agreement, the Company will purchase EPO from Amgen in amounts necessary to meet no less than 90% of its requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract. The actual amount of EPO that the Company will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that the Company serves.

The Company has an agreement with Fresenius Medical Care (FMC) to purchase a certain amount of dialysis equipment, parts and supplies from FMC, which extends through December 31, 2020. The Company also has agreements with Baxter Healthcare Corporation (Baxter) that commit the Company to purchase certain amounts of dialysis supplies at fixed prices through 2022. If the Company fails to meet the minimum purchase commitments under these contracts during any year, it is required to pay the difference to the supplier.

Settlements of approximately \$83 million of existing income tax liabilities for unrecognized tax benefits, including interest, penalties and other long-term tax liabilities, are excluded from the above table as reasonably reliable estimates of their timing cannot be made.

Contingencies

The information in Note 16 to the consolidated financial statements included in this report is incorporated by reference in response to this item.

Critical accounting policies, estimates and judgments

Our consolidated financial statements and accompanying notes are prepared in accordance with United States generally accepted accounting principles. These accounting principles require us to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and noncontrolling interests subject to put provisions (redeemable equity interests). All significant estimates, judgments and assumptions are developed based on the best information available to us at the time made and are regularly reviewed and updated when necessary. Actual results will generally differ from these estimates, and such differences may be material. Changes in estimates are reflected in our financial statements in the period of change based upon on-going actual experience trends or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Interim changes in estimates are applied prospectively within annual periods. Certain accounting estimates, including those concerning revenue recognition and accounts receivable, impairments of goodwill, accounting for income taxes, and fair value estimates are considered to be critical to evaluating and understanding our financial results because they involve inherently uncertain matters and their application requires the most difficult and complex judgments and estimates. For additional information, see Part II Item 15, "Exhibits, Financial Statement Schedules" – Note 1 – "Organization and summary of significant accounting policies" as referred from Part II Item 8, "Financial Statements and Supplementary Data."

U.S. dialysis revenue recognition and accounts receivable. There are significant estimating risks associated with the amount of U.S. dialysis revenue that we recognize in a given reporting period. Payment rates are often subject to significant uncertainties related to wide variations in the coverage terms of the commercial healthcare plans under which we receive payments. In addition, ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage, and other payor issues complicate the billing and collection process. Net revenue recognition and allowances for uncollectible billings require the use of estimates of the amounts that will ultimately be realized considering, among other items, retroactive adjustments that may be associated with regulatory reviews, audits, billing reviews and other matters.

Revenues associated with Medicare and Medicaid programs are recognized based on (a) the payment rates that are established by statute or regulation for the portion of the payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, the estimated amounts that will ultimately be collectible from other government programs providing secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient. Our dialysis related reimbursements from Medicare are subject to certain variations under Medicare's single bundled payment rate system whereby our reimbursements can be adjusted for certain patient characteristics and other variable factors. Our revenue recognition depends upon our ability to effectively capture, document and bill for Medicare's base payment rate and these other factors. In addition, as a result of the potential range of variations that can occur in our dialysis-related reimbursements from Medicare under the single bundled payment rate system, our revenue recognition is subject to a greater degree of estimating risk.

Commercial healthcare plans, including contracted managed-care payors, are billed at our usual and customary rates; however, revenue is recognized based on estimated net realizable revenue for the services provided. Net realizable revenue is estimated based on contractual terms for the patients covered under commercial healthcare plans with which we have formal agreements, non-contracted commercial healthcare plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in our billing and collection processes that can result in denied claims for payments, the estimated timing of collections, changes in our expectations of the amounts that we expect to collect and regulatory compliance matters. Determining applicable primary and secondary coverage for our approximately 206,900 U.S. dialysis patients at any point in time, together with the changes in patient coverages that occur each month, requires complex, resource-intensive processes. Collections, refunds and payor retractions typically continue to occur for up to three years or longer after services are provided.

We generally expect the range of our U.S. dialysis revenue estimating risk to be within 1% of revenue, which can represent as much as approximately 5% of our U.S. dialysis business's adjusted operating income. Changes in estimates are reflected in the then-current financial statements based on on-going actual experience trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Changes in revenue estimates for prior periods are separately disclosed and reported if material to the current reporting period and longer term trend analyses, and have not been significant.

Revenues for laboratory services, which are integrally related to our dialysis services, are recognized in the period services are provided at the estimated net realizable amounts to be received.

Impairments of goodwill. We account for impairments of goodwill in accordance with the provisions of applicable accounting guidance. Goodwill is not amortized, but is assessed for impairment when changes in circumstances warrant and at least annually. An impairment charge is recorded when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value.

Changes in circumstance that may trigger a goodwill impairment assessment for one of our business units can include, among others, changes in the legal environment, addressable market, business strategy, development or business plans, reimbursement structure, operating performance, future prospects, relationships with partners, and/or market value indications for the subject business. We use a variety of factors to assess changes in the financial condition, future prospects and other circumstances concerning the subject businesses and to estimate their fair value when applicable. Any change in the factors, assessments or assumptions involved could affect a determination of whether and when to assess goodwill for impairment as well as the outcome of such an assessment. These assessments and the related valuations can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Accounting for income taxes. Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. We are subject to income taxes in the United States and numerous state and foreign jurisdictions, and changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. The actual impact of any such laws or regulations could be materially different from our current estimates.

Significant judgments and estimates are required in determining our consolidated income tax expense. Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, results of recent operations, and assumptions about the amount of future federal, state, and foreign pre-tax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require significant judgments and are consistent with the plans and estimates we use to manage the underlying businesses. To the extent that recovery is not likely, a valuation allowance is established. The allowance is regularly reviewed and updated for changes in circumstances that would cause a change in judgment about the realizability of the related deferred tax assets.

Fair value estimates. The FASB defines fair value generally as the amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale. It also defines fair value more specifically for most purposes as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

We rely on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities and noncontrolling interests subject to put provisions (redeemable equity interests). These purposes can include purchase accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, and other long-lived assets; recurrent revaluation of investments in debt and equity securities,

interest rate cap agreements or other derivative instruments, contingent earn-out obligations, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, among others. The criticality of a particular fair value estimate to our consolidated financial statements depends upon the nature and size of the item being measured, the extent of uncertainties involved and the nature and magnitude or potential effect of assumptions and judgments required. Critical fair value estimates can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Loss contingencies. As discussed in Notes 1 and 16 to the consolidated financial statements, we operate in a highly regulated industry and are party to various lawsuits, claims, qui tam suits, governmental investigations and audits (including investigations resulting from our obligation to self-report suspected violations of law), contract disputes and other legal proceedings. Assessments of such matters can involve a series of complex judgments about future events and can rely heavily on estimates and assumptions. We record accruals for loss contingencies on such matters to the extent that we determine an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. See Note 16 to the consolidated financial statements included in this report for further discussion. As described in Note 22 to the consolidated financial statements, the final sale price for our DMG business remains subject to certain post-closing adjustments under its equity purchase agreement which could have a material effect on the total sale proceeds we retain or the total amount of our loss on sale of this business.

Significant new accounting standards

See Note 1 to the consolidated financial statements included in this report for information regarding certain recent financial accounting standards that have been issued by the FASB.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Interest rate sensitivity

The tables below provide information about our financial instruments that are sensitive to changes in interest rates. The table below presents principal repayments and current weighted average interest rates on our debt obligations as of December 31, 2019. The variable rates presented reflect the weighted average LIBOR rates in effect for all debt tranches plus interest rate margins in effect as of December 31, 2019. The Term Loan A interest rate margin in effect at December 31, 2019, was 1.50%, and along with our revolving line of credit, is subject to adjustment depending upon changes in certain of our financial ratios, including a leverage ratio. At December 31, 2019, the Term Loan B interest rate margin in effect was LIBOR plus an interest rate margin of 2.25%.

| | Expected maturity date | | | | | | Total | Average interest rate | Fair value |
|-----------------|------------------------|--------|--------|--------|----------|------------|----------|-----------------------|------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | Thereafter | | | |
| | (dollars in millions) | | | | | | | | |
| Long term debt: | | | | | | | | | |
| Fixed rate | \$ 32 | \$ 27 | \$ 29 | \$ 42 | \$ 1,777 | \$ 1,717 | \$ 3,624 | 5.11% | \$ 3,702 |
| Variable rate | \$ 98 | \$ 126 | \$ 140 | \$ 183 | \$ 1,395 | \$ 2,615 | \$ 4,557 | 3.94% | \$ 4,585 |

| | Notional amount | Contract maturity date | | | | | Receive variable | Fair value |
|---------------------|-----------------------|------------------------|------|------|------|----------|------------------|------------|
| | | 2020 | 2021 | 2022 | 2023 | 2024 | | |
| | (dollars in millions) | | | | | | | |
| 2015 cap agreements | \$ 3,500 | \$ 3,500 | \$ — | \$ — | \$ — | \$ — | LIBOR above 3.5% | \$ — |
| 2019 cap agreements | \$ 3,500 | \$ — | \$ — | \$ — | \$ — | \$ 3,500 | LIBOR above 2.0% | \$ 24 |

For a further discussion of our debt, see Note 13 to our consolidated financial statements at Part II Item 15, "Exhibits, Financial Statement Schedules" – Note 13 – "Long-term debt" as referred from Part II Item 8, "Financial Statements and Supplementary Data."

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our current credit facilities and our access to the capital markets, will be sufficient to fund our scheduled debt service under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. Our primary recurrent sources of liquidity are cash from operations and cash from borrowings.

One means of assessing exposure to debt-related interest rate changes is a duration-based analysis that measures the potential loss in net income resulting from a hypothetical increase in interest rates of 100 basis points across all variable rate maturities (referred to as a parallel shift in the yield curve). Under this model, with all else constant, it is estimated that such an increase would have reduced net income by approximately \$32.4 million, \$37.8 million, and \$27.6 million, net of tax, for the years ended December 31, 2019, 2018, and 2017, respectively.

Exchange rate sensitivity

While our business is predominantly conducted in the U.S., we have developing operations in nine other countries as well. For financial reporting purposes, the U.S. dollar is our reporting currency. However, the functional currencies of our operating businesses in other countries are typically those of the countries in which they operate. Therefore, changes in the rate of exchange between the U.S. dollar and the local currencies in which our international operations are conducted affect our results of operations and financial position as reported in our consolidated financial statements.

We have consolidated the balance sheets of our non-U.S. dollar denominated operations into U.S. dollars at the exchange rates prevailing at the balance sheet dates and have translated their revenues and expense at average exchange rates during each period. Additionally, our individual subsidiaries are exposed to transactional risks mainly resulting from intercompany transactions between and among subsidiaries with different functional currencies. This exposes the subsidiaries to fluctuations in the rate of exchange between the invoicing or obligation currencies and the currency in which their local operations are conducted.

We evaluate our exposure to foreign exchange risk through the judgment of our international and corporate management teams. Through 2019, our international operations remained fairly small relative to the size of our consolidated financial statements, constituting approximately 8% of our consolidated assets as of December 31, 2019, and approximately 4% of our consolidated revenues for the year ended December 31, 2019. In addition, our foreign currency translation (losses) gains were approximately (1)%, (3)%, and 6% of our consolidated operating income for the years ended December 31, 2019, 2018 and 2017.

Given the small size of our international operations, management does not consider our exposure to foreign exchange risk to be significant to the consolidated enterprise. As such, through December 31, 2019, we have not engaged in transactions to hedge the exposure of our international transactions or net investments to foreign currency risk.

Item 8. Financial Statements and Supplementary Data.

See the Index to Financial Statements and Index to Financial Statement Schedules included at “Item 15. Exhibits, Financial Statement Schedules.”

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Management has established and maintains disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that it files or submits pursuant to the Securities Exchange Act of 1934 (Exchange Act) as amended is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management including our Chief Executive Officer and Chief Financial Officer as appropriate to allow for timely decisions regarding required disclosures.

At the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures in accordance with the Exchange Act requirements. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective for timely identification and review of material information required to be included in our Exchange Act reports, including this report. Management recognizes that these controls and procedures can provide only reasonable assurance of desired outcomes, and that estimates and judgments are still inherent in the process of maintaining effective controls and procedures.

Beginning January 1, 2019, we adopted FASB Accounting Standards Codification Topic 842, *Leases*. As a result of adopting this new standard, we implemented new business processes and related control activities in order to maintain appropriate controls over financial reporting. There was no other change in our internal control over financial reporting that was identified during the evaluation that occurred during the fourth fiscal quarter of 2019 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

We intend to disclose any amendments or waivers to the Code of Ethics applicable to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions, on our website located at <http://www.davita.com>. In 2002, we adopted a Corporate Governance Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, and to all of our financial accounting and legal professionals who are directly or indirectly involved in the preparation, reporting and fair presentation of our financial statements and Exchange Act reports. The Code of Ethics is posted on our website, located at <http://www.davita.com>. We also maintain a Corporate Code of Conduct that applies to all of our employees, officers and directors, which is posted on our website.

Under our Corporate Governance Guidelines all Board Committees including the Audit Committee, Nominating and Governance Committee and the Compensation Committee, which are comprised solely of independent directors as defined within the listing standards of the New York Stock Exchange, have written charters that outline the committee's purpose, goals, membership requirements and responsibilities. These charters are regularly reviewed and updated as necessary by our Board of Directors. All Board Committee charters as well as the Corporate Governance Guidelines are posted on our website located at <http://www.davita.com>.

The other information required to be disclosed by this item will appear in, and is incorporated by reference from, the sections entitled "Proposal 1 Election of Directors", "Corporate Governance", and "Security Ownership of Certain Beneficial Owners and Management" to be included in our definitive proxy statement relating to our 2020 annual stockholder meeting.

Item 11. Executive Compensation.

The information required by this item will appear in, and is incorporated by reference from, the sections entitled "Executive Compensation", "Pay Ratio Disclosure", "Compensation of Directors" and "Compensation Committee Interlocks and Insider Participation" included in our definitive proxy statement relating to our 2020 annual stockholder meeting. The information required by Item 407(e)(5) of Regulation S-K will appear in and is incorporated by reference from the section entitled "Compensation Committee Report" to be included in our definitive proxy statement relating to our 2020 annual stockholder meeting; however, this information shall not be deemed to be filed.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table provides information about our common stock that may be issued upon the exercise of stock-settled stock appreciation rights, restricted stock units and other rights under all of our existing equity compensation plans as of December 31, 2019, which consist of our 2011 Incentive Award Plan and our Employee Stock Purchase Plan. The material terms of these plans are described in Note 18 to the consolidated financial statements.

| Plan category | Number of shares to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾⁽²⁾ | Weighted average exercise price of outstanding options, warrants and rights ⁽³⁾ | Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) | Total of shares reflected in columns (a) and (c) |
|--|---|--|---|--|
| | (a) | (b) | (c) | (d) |
| Equity compensation plans approved by shareholders | 10,606,446 | \$ 64.10 | 21,958,174 | 32,564,620 |
| Equity compensation plans not requiring shareholder approval | — | — | — | — |
| Total | 10,606,446 | \$ 64.10 | 21,958,174 | 32,564,620 |

(1) Does not include the Premium Priced Award described in Note 18, as that Board-approved award remained contingent on stockholder approval of an amendment to our 2011 Incentive Award Plan which did not occur until January 2020.

(2) Includes 1,073,051 shares of common stock reserved for issuance in connection with performance share units at the maximum number of shares issuable thereunder.

(3) This weighted-average excludes full value awards such as restricted stock units and performance share units.

Other information required to be disclosed by Item 12 will appear in, and is incorporated by reference from, the section entitled “Security Ownership of Certain Beneficial Owners and Management” to be included in our definitive proxy statement relating to our 2020 annual stockholder meeting.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “Certain Relationships and Related Transactions” and the section entitled “Corporate Governance” to be included in our definitive proxy statement relating to our 2020 annual stockholder meeting.

Item 14. Principal Accounting Fees and Services.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “Proposal 2 Ratification of the Appointment of our Independent Registered Public Accounting Firm” to be included in our definitive proxy statement relating to our 2020 annual stockholder meeting.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this Report:

(1) Index to Financial Statements:

| | <u>Page</u> |
|---|-------------|
| Management's Report on Internal Control Over Financial Reporting | F-1 |
| Report of Independent Registered Public Accounting Firm | F-2 |
| Report of Independent Registered Public Accounting Firm | F-5 |
| Consolidated Statements of Income for the years ended December 31, 2019, 2018, and 2017 | F-6 |
| Consolidated Statements of Comprehensive Income for the years ended December 31, 2019, 2018, and 2017 | F-7 |
| Consolidated Balance Sheets as of December 31, 2019, and 2018 | F-8 |
| Consolidated Statements of Cash Flow for the years ended December 31, 2019, 2018, and 2017 | F-9 |
| Consolidated Statements of Equity for the years ended December 31, 2019, 2018, and 2017 | F-10 |
| Notes to Consolidated Financial Statements | F-12 |

(2) Index to Financial Statement Schedules:

| | |
|---|-----|
| Schedule II—Valuation and Qualifying Accounts | S-3 |
|---|-----|

(3) Exhibits

The information required by this Item is set forth in the Exhibit Index that precedes the signature pages of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary.

None.

DAVITA INC.
MANAGEMENT’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and which includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

During the last fiscal year, the Company conducted an evaluation, under the oversight of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s internal control over financial reporting. This evaluation was completed based on the criteria established in the report titled “Internal Control—Integrated Framework (2013)” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based upon our evaluation under the COSO framework, we have concluded that the Company’s internal control over financial reporting was effective as of December 31, 2019.

The Company’s independent registered public accounting firm, KPMG LLP, has issued an attestation report on the Company’s internal control over financial reporting, which report is included in this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors

DaVita Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of DaVita Inc. and subsidiaries (the Company) as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2019, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 21, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Notes 1 and 14 to the consolidated financial statements, the Company changed its method of accounting for leases as of January 1, 2019 due to the adoption of the Financial Accounting Standards Board's Accounting Standards Codification Topic 842 *Leases*.

As discussed in Notes 1 and 2 to the consolidated financial statements, the Company changed its method of accounting for revenue recognition as of January 1, 2018 due to the adoption of the Financial Accounting Standards Board's Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers*.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

U.S. dialysis revenue recognition

As discussed in Notes 1 and 2 to the consolidated financial statements, the Company recognized \$10,531 million in U.S. dialysis patient service revenue for the year ended December 31, 2019. There are significant uncertainties associated with

estimating revenue, which generally take several years to resolve. As these estimates are refined over time, both positive and negative adjustments are recognized in the current period.

We identified the evaluation of the recognition of the transaction price the Company expects to collect as a result of satisfying its performance obligations related to U.S. dialysis revenue as a critical audit matter because it involves significant estimation requiring complex auditor judgment. The key assumptions and inputs used to estimate the transaction price relate to ongoing insurance coverage changes, differing interpretations of contract coverage, determination of applicable primary and secondary coverage, coordination of benefits, and varying patient characteristics impacting Medicare reimbursements. Changes to the key assumptions and inputs used in the methodology may have a significant effect on the Company's determination of the estimate.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's U.S. dialysis revenue recognition process, including controls related to the methodology used to estimate the transaction price, and the key assumptions and inputs. We developed an independent estimate of the transaction price based on actual and expected cash collections. We evaluated the Company's key assumptions and inputs to estimate the transaction price the Company expects to collect as a result of satisfying its performance obligations by comparing key assumptions to historical collection experience, trends of refunds and payor payment adjustments, delays in the Company's billing and collection process and regulatory compliance matters. Additionally, we compared revenue related to the transaction price estimates recognized in prior periods to actual cash collections related to performance obligations satisfied in prior periods to analyze the Company's ability to estimate the transaction price the Company expects to collect as a result of satisfying its performance obligations.

Evaluation of the goodwill impairment analyses for the Germany kidney care reporting unit

As discussed in Note 10 to the consolidated financial statements, the Company performed annual and other impairment assessments for their reporting units throughout 2019. As a result of these assessments, the Company recognized goodwill impairment charges totaling \$119 million related to its Germany kidney care reporting unit during 2019. The goodwill balance for the Germany kidney care reporting unit as of December 31, 2019 was \$295 million.

We identified the evaluation of the goodwill impairment analyses for the Germany kidney care reporting unit as a critical audit matter. The evaluations included assessing the key assumptions used in estimating the fair value of the reporting unit, such as forecasted revenue growth, projected profit margins, discount rates, and revenue and clinical earnings before interest, taxes, depreciation, and amortization (EBITDA) multiples. Evaluation of these key assumptions involved a high degree of subjectivity and auditor judgment as changes to these assumptions could have a significant impact on the goodwill impairment charges recognized.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's goodwill impairment assessment process, including controls over the development of key assumptions as described above. We assessed the Company's ability to forecast by comparing prior year actual results of the reporting unit to previously forecasted amounts for the reporting unit. We evaluated the Company's forecasted revenue growth rates and projected profit margins for the reporting unit by comparing the projections to the Company's underlying business strategies and operating plans for the reporting unit and other industry and market data. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the revenue growth rates and projected profit margins for the reporting unit by comparing projected rates with comparable companies;
- comparing the discount rates for the reporting unit to a discount rate range that was independently developed using publicly available market data for comparable companies;
- evaluating the revenue and clinical EBITDA multiples utilized in the Company's valuation of the reporting unit by comparing the multiples selected to a range of multiples from comparable transactions; and
- assessing the valuation methodology used by the Company to estimate the fair value of the reporting unit.

Evaluation of legal proceedings and regulatory matters

As discussed in Notes 1 and 16 to the consolidated financial statements, the Company operates in a highly regulated industry and is a party to various lawsuits, claims, *qui tam* suits, governmental investigations and audits (including investigations resulting from its obligation to self-report suspected violations of law) and other legal proceedings. The Company records accruals for certain legal proceedings and regulatory matters to the extent that the Company determines an unfavorable outcome is probable and the amount of the loss can be reasonably estimated.

We identified the evaluation of the recorded amounts or related disclosures for these legal proceedings and regulatory matters as a critical audit matter. A high degree of auditor judgment was required due to the nature of the estimates and assumptions that are part of the Company's process. Such estimates and assumptions primarily relate to the probability and corresponding estimate of the monetary loss in the event of an unfavorable outcome for the Company.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's legal proceedings and regulatory matters process, including controls over the development of significant judgments used to estimate, record, and disclose the Company's exposure related to legal proceedings and regulatory matters. We tested existing legal proceedings and regulatory matters by 1) reading certain written correspondence received from outside parties, 2) reading certain written responses provided to outside parties, and 3) obtaining invoice and cash payment documentation for a sample of transactions. We read letters received directly from the Company's external and internal legal counsel that described certain legal proceedings and regulatory matters. We also evaluated the Company's ability to estimate its monetary losses relating to legal proceedings and regulatory matters by comparing historically recorded liabilities for certain prior legal proceedings and regulatory matters to actual monetary losses incurred upon resolution of such prior legal proceedings and regulatory matters. We involved forensic professionals with specialized skills and knowledge who assisted in evaluating the Company's compliance hotline records. Additionally, we assessed the population of legal proceedings and regulatory matters, as well as the sufficiency of the recorded amounts or related disclosures 1) by making inquiries of certain key executives and directors and 2) based on information received through procedures described above and through publicly available information about the Company, its competitors, and the industry.

/s/ KPMG LLP

We have served as the Company's auditor since 2000.

Seattle, Washington
February 21, 2020

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
DaVita Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited DaVita Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2019, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts (collectively, the consolidated financial statements), and our report dated February 21, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Seattle, Washington
February 21, 2020

DAVITA INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

| | Year ended December 31, | | |
|---|-------------------------|---------------|---------------|
| | 2019 | 2018 | 2017 |
| Dialysis patient service revenues | \$ 10,918,421 | \$ 10,709,981 | \$ 10,093,670 |
| Provision for uncollectible accounts | (21,715) | (49,587) | (485,364) |
| Net dialysis patient service revenues | 10,896,706 | 10,660,394 | 9,608,306 |
| Other revenues | 491,773 | 744,457 | 1,268,328 |
| Total revenues | 11,388,479 | 11,404,851 | 10,876,634 |
| Operating expenses and charges: | | | |
| Patient care costs | 7,914,485 | 8,195,513 | 7,640,005 |
| General and administrative | 1,103,312 | 1,135,454 | 1,064,026 |
| Depreciation and amortization | 615,152 | 591,035 | 559,911 |
| Provision for uncollectible accounts | — | (7,300) | (7,033) |
| Equity investment (income) loss | (12,679) | 4,484 | 8,640 |
| Investment and other asset impairments | — | 17,338 | 295,234 |
| Goodwill impairment charges | 124,892 | 3,106 | 36,196 |
| Gain on changes in ownership interest, net | — | (60,603) | (6,273) |
| Gain on settlement, net | — | — | (526,827) |
| Total operating expenses and charges | 9,745,162 | 9,879,027 | 9,063,879 |
| Operating income | 1,643,317 | 1,525,824 | 1,812,755 |
| Debt expense | (443,824) | (487,435) | (430,634) |
| Debt prepayment, refinancing and redemption charges | (33,402) | — | — |
| Other income, net | 29,348 | 10,089 | 17,665 |
| Income from continuing operations before income taxes | 1,195,439 | 1,048,478 | 1,399,786 |
| Income tax expense | 279,628 | 258,400 | 323,859 |
| Net income from continuing operations | 915,811 | 790,078 | 1,075,927 |
| Net income (loss) from discontinuing operations, net of tax | 105,483 | (457,038) | (245,372) |
| Net income | 1,021,294 | 333,040 | 830,555 |
| Less: Net income attributable to noncontrolling interests | (210,313) | (173,646) | (166,937) |
| Net income attributable to DaVita Inc. | \$ 810,981 | \$ 159,394 | \$ 663,618 |
| Earnings per share attributable to DaVita Inc.: | | | |
| Basic net income from continuing operations per share | \$ 4.61 | \$ 3.66 | \$ 4.78 |
| Basic net income per share | \$ 5.29 | \$ 0.93 | \$ 3.52 |
| Diluted net income from continuing operations per share | \$ 4.60 | \$ 3.62 | \$ 4.71 |
| Diluted net income per share | \$ 5.27 | \$ 0.92 | \$ 3.47 |
| Weighted average shares for earnings per share: | | | |
| Basic | 153,180,908 | 170,785,999 | 188,625,559 |
| Diluted | 153,812,064 | 172,364,581 | 191,348,533 |
| Amounts attributable to DaVita Inc.: | | | |
| Net income from continuing operations | \$ 706,832 | \$ 624,321 | \$ 901,277 |
| Net income (loss) from discontinued operations | 104,149 | (464,927) | (237,659) |
| Net income attributable to DaVita Inc. | \$ 810,981 | \$ 159,394 | \$ 663,618 |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(dollars in thousands)

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| Net income | \$ 1,021,294 | \$ 333,040 | \$ 830,555 |
| Other comprehensive (loss) income: | | | |
| Unrealized gains (losses) on interest rate cap agreements, net: | | | |
| Unrealized gains (losses) | 1,151 | (133) | (5,437) |
| Reclassification into net income | 6,377 | 6,286 | 5,058 |
| Unrealized losses on investments, net: | | | |
| Unrealized losses | — | — | 3,705 |
| Reclassification into net income | — | — | (220) |
| Unrealized (losses) gains on foreign currency translation: | | | |
| Foreign currency translation adjustments | (20,102) | (45,944) | 99,770 |
| Other comprehensive (loss) income | (12,574) | (39,791) | 102,876 |
| Total comprehensive income | 1,008,720 | 293,249 | 933,431 |
| Less: Comprehensive income attributable to noncontrolling interests | (210,313) | (173,646) | (166,935) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 798,407</u> | <u>\$ 119,603</u> | <u>\$ 766,496</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

| | December 31, 2019 | December 31, 2018 |
|--|----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 1,102,372 | \$ 323,038 |
| Restricted cash and equivalents | 106,346 | 92,382 |
| Short-term investments | 11,572 | 2,935 |
| Accounts receivable, net | 1,795,598 | 1,858,608 |
| Inventories | 97,949 | 107,381 |
| Other receivables | 489,695 | 469,796 |
| Prepaid and other current assets | 66,866 | 111,840 |
| Income tax receivable | 19,772 | 68,614 |
| Current assets held for sale, net | — | 5,389,565 |
| Total current assets | <u>3,690,170</u> | <u>8,424,159</u> |
| Property and equipment, net | 3,473,384 | 3,393,669 |
| Operating lease right-of-use assets | 2,830,047 | — |
| Intangible assets, net | 135,684 | 118,846 |
| Equity method and other investments | 241,983 | 224,611 |
| Long-term investments | 36,519 | 35,424 |
| Other long-term assets | 115,972 | 71,583 |
| Goodwill | 6,787,635 | 6,841,960 |
| | <u>\$ 17,311,394</u> | <u>\$ 19,110,252</u> |
| LIABILITIES AND EQUITY | | |
| Accounts payable | \$ 403,840 | \$ 463,270 |
| Other liabilities | 756,174 | 595,850 |
| Accrued compensation and benefits | 695,052 | 658,913 |
| Current portion of operating lease liabilities | 343,912 | — |
| Current portion of long-term debt | 130,708 | 1,929,369 |
| Income tax payable | 42,412 | — |
| Current liabilities held for sale | — | 1,243,759 |
| Total current liabilities | <u>2,372,098</u> | <u>4,891,161</u> |
| Long-term operating lease liabilities | 2,723,800 | — |
| Long-term debt | 7,977,526 | 8,172,847 |
| Other long-term liabilities | 160,809 | 450,669 |
| Deferred income taxes | 577,543 | 562,536 |
| Total liabilities | <u>13,811,776</u> | <u>14,077,213</u> |
| Commitments and contingencies | | |
| Noncontrolling interests subject to put provisions | 1,180,376 | 1,124,641 |
| Equity: | | |
| Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued) | | |
| Common stock (\$0.001 par value, 450,000,000 shares authorized; 125,842,853 and 166,387,307 shares issued and outstanding at December 31, 2019 and 2018, respectively) | 126 | 166 |
| Additional paid-in capital | 749,043 | 995,006 |
| Retained earnings | 1,431,738 | 2,743,194 |
| Accumulated other comprehensive loss | (47,498) | (34,924) |
| Total DaVita Inc. shareholders' equity | <u>2,133,409</u> | <u>3,703,442</u> |
| Noncontrolling interests not subject to put provisions | 185,833 | 204,956 |
| Total equity | <u>2,319,242</u> | <u>3,908,398</u> |
| | <u>\$ 17,311,394</u> | <u>\$ 19,110,252</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(dollars in thousands)

| | Year ended December 31, | | |
|--|-------------------------|--------------------|--------------------|
| | 2019 | 2018 | 2017 |
| Cash flows from operating activities: | | | |
| Net income | \$ 1,021,294 | \$ 333,040 | \$ 830,555 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 615,152 | 591,035 | 777,485 |
| Impairment charges | 124,892 | 61,981 | 981,589 |
| Valuation adjustment on disposal group | — | 316,840 | — |
| Debt prepayment, refinancing and redemption charges | 33,402 | — | — |
| Stock-based compensation expense | 67,850 | 73,061 | 35,092 |
| Deferred income taxes | 41,723 | 273,660 | (395,217) |
| Equity investment income, net | 8,582 | 26,449 | 28,925 |
| Loss (gain) on sales of business interests, net | 23,022 | (85,699) | (23,402) |
| Other non-cash charges, net | 49,579 | 82,374 | 66,920 |
| Changes in operating assets and liabilities, net of effect of acquisitions and divestitures: | | | |
| Accounts receivable | (79,957) | (81,176) | (156,305) |
| Inventories | 10,158 | 73,505 | (18,625) |
| Other receivables and other current assets | 2,790 | 236,995 | (111,432) |
| Other long-term assets | 6,965 | 3,497 | (11,945) |
| Accounts payable | (84,539) | (35,959) | 26,876 |
| Accrued compensation and benefits | (14,697) | 84,165 | (78,239) |
| Other current liabilities | 181,940 | (157,462) | 1,908 |
| Income taxes | 95,645 | (23,635) | (52,176) |
| Other long-term liabilities | (31,446) | (1,031) | 11,157 |
| Net cash provided by operating activities | <u>2,072,355</u> | <u>1,771,640</u> | <u>1,913,166</u> |
| Cash flows from investing activities: | | | |
| Additions of property and equipment | (766,546) | (987,138) | (905,250) |
| Acquisitions | (100,861) | (183,156) | (803,879) |
| Proceeds from asset and business sales | 3,877,392 | 150,205 | 92,336 |
| Purchase of other debt and equity investments | (5,458) | (8,448) | (13,117) |
| Purchase of investments held-to-maturity | (101,462) | (5,963) | (228,990) |
| Proceeds from sale of other debt and equity investments | 3,676 | 9,526 | 6,408 |
| Proceeds from investments held-to-maturity | 95,376 | 34,862 | 492,470 |
| Purchase of equity investments | (9,366) | (19,177) | (4,816) |
| Distributions received on equity investments | 2,589 | 3,646 | 106 |
| Net cash provided by (used in) investing activities | <u>2,995,340</u> | <u>(1,005,643)</u> | <u>(1,364,732)</u> |
| Cash flows from financing activities: | | | |
| Borrowings | 38,525,850 | 59,934,750 | 50,991,960 |
| Payments on long-term debt and other financing costs | (40,606,041) | (59,239,973) | (50,837,112) |
| Purchase of treasury stock | (2,383,816) | (1,161,511) | (802,949) |
| Distributions to noncontrolling interests | (233,123) | (196,441) | (211,467) |
| Stock award exercises and other share issuances, net | 11,382 | 13,577 | 21,252 |
| Contributions from noncontrolling interests | 57,317 | 52,311 | 74,552 |
| Proceeds from sales of additional noncontrolling interest | — | 15 | 2,864 |
| Purchases of noncontrolling interests | (68,019) | (28,082) | (5,357) |
| Net cash used in financing activities | <u>(4,696,450)</u> | <u>(625,354)</u> | <u>(766,257)</u> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (1,760) | (3,350) | 254 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 369,485 | 137,293 | (217,569) |
| Less: Net (decrease) increase in cash, cash equivalents and restricted cash from discontinued operations | (423,813) | 240,793 | (53,026) |
| Net increase (decrease) in cash, cash equivalents and restricted cash from continuing operations | 793,298 | (103,500) | (164,543) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 415,420 | 518,920 | 683,463 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | <u>\$ 1,208,718</u> | <u>\$ 415,420</u> | <u>\$ 518,920</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY
(dollars and shares in thousands)

| | Non-controlling interests subject to put provisions | DaVita Inc. Shareholders' Equity | | | | | | | | Non-controlling interests not subject to put provisions | |
|---|---|----------------------------------|--------|--------------|----------------------------|-------------------|----------------|-------------|---|---|-------|
| | | Common stock | | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | | Total |
| | | Shares | Amount | Shares | | | Amount | | | | |
| Balance at December 31, 2016 | \$ 973,258 | 194,554 | \$ 195 | \$ 1,027,182 | \$ 3,710,313 | — | \$ — | \$ (89,643) | \$ 4,648,047 | \$ 201,694 | |
| Comprehensive income: | | | | | | | | | | | |
| Net income | 103,641 | | | | 663,618 | | | | 663,618 | 63,296 | |
| Other comprehensive income | | | | | | | | 102,878 | 102,878 | (2) | |
| Stock purchase shares issued | | 360 | | 22,131 | | | | | 22,131 | | |
| Stock unit shares issued | | 117 | | (101) | | | | | (101) | | |
| Stock-settled SAR shares issued | | 398 | | — | | | | | — | | |
| Stock-settled stock-based compensation expense | | | | 34,981 | | | | | 34,981 | | |
| Changes in noncontrolling interest from: | | | | | | | | | | | |
| Distributions | (128,853) | | | | | | | | | (82,614) | |
| Contributions | 52,911 | | | | | | | | | 21,641 | |
| Acquisitions and divestitures | 43,799 | | | (823) | | | | | (823) | (5,770) | |
| Partial purchases | (397) | | | (2,752) | | | | | (2,752) | (2,208) | |
| Fair value remeasurements | (32,999) | | | 32,999 | | | | | 32,999 | | |
| Purchase of treasury stock | | | | | | (12,967) | (810,949) | | (810,949) | | |
| Retirement of treasury stock | | (12,967) | (13) | (70,718) | (740,218) | 12,967 | 810,949 | | | | |
| Balance at December 31, 2017 | \$ 1,011,360 | 182,462 | \$ 182 | \$ 1,042,899 | \$ 3,633,713 | — | \$ — | \$ 13,235 | \$ 4,690,029 | \$ 196,037 | |
| Cumulative effect of change in accounting principle | | | | | | | | | | | |
| | | | | | 8,368 | | | (8,368) | — | | |
| Comprehensive income: | | | | | | | | | | | |
| Net income | 105,531 | | | | 159,394 | | | | 159,394 | 68,115 | |
| Other comprehensive income | | | | | | | | (39,791) | (39,791) | | |
| Stock purchase shares issued | | 398 | | 17,398 | | | | | 17,398 | | |
| Stock unit shares issued | | 158 | | (448) | | | | | (448) | | |
| Stock-settled SAR shares issued | | 213 | 1 | (4,887) | | | | | (4,886) | | |
| Stock-settled stock-based compensation expense | | | | 73,081 | | | | | 73,081 | | |
| Changes in noncontrolling interest from: | | | | | | | | | | | |
| Distributions | (119,173) | | | | | | | | | (77,268) | |
| Contributions | 32,918 | | | | | | | | | 19,393 | |
| Acquisitions and divestitures | 79,078 | | | 3,546 | | | | | 3,546 | 318 | |
| Partial purchases | (8,546) | | | (17,897) | | | | | (17,897) | (1,639) | |
| Fair value remeasurements | 23,473 | | | (23,473) | | | | | (23,473) | | |
| Purchase of treasury stock | | | | | | (16,844) | (1,153,511) | | (1,153,511) | | |
| Retirement of treasury stock | | (16,844) | (17) | (95,213) | (1,058,281) | 16,844 | 1,153,511 | | — | | |
| Balance at December 31, 2018 | \$ 1,124,641 | 166,387 | \$ 166 | \$ 995,006 | \$ 2,743,194 | — | \$ — | \$ (34,924) | \$ 3,703,442 | \$ 204,956 | |

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY - continued
(dollars and shares in thousands)

| | DaVita Inc. Shareholders' Equity | | | | | | | | Non-controlling interests not subject to put provisions | |
|---|---|--------------|--------|----------------------------|-------------------|----------------|-------------|---|---|------------|
| | Non-controlling interests subject to put provisions | Common stock | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | | Total |
| | | Shares | Amount | | | Shares | Amount | | | |
| Cumulative effect of change in accounting principle | (38) | | | | 39,876 | | | | 39,876 | (6) |
| Comprehensive income: | | | | | | | | | | |
| Net income | 143,413 | | | | 810,981 | | | | 810,981 | 66,900 |
| Other comprehensive income | | | | | | | | (12,574) | (12,574) | |
| Stock purchase shares issued | | 315 | 1 | 16,569 | | | | | 16,570 | |
| Stock unit shares issued | | 160 | | (3,246) | | | | | (3,246) | |
| Stock-settled SAR shares issued | | 1 | | (44) | | | | | (44) | |
| Stock-settled stock-based compensation expense | | | | 67,549 | | | | | 67,549 | |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (155,011) | | | | | | | | | (78,112) |
| Contributions | 35,572 | | | | | | | | | 21,745 |
| Acquisitions and divestitures | (6,332) | | | | | | | | | (10,170) |
| Partial purchases | (11,394) | | | (37,145) | | | | | (37,145) | (19,480) |
| Fair value remeasurements | 49,525 | | | (49,525) | | | | | (49,525) | |
| Purchase of treasury stock | | | | | | (41,020) | (2,402,475) | | (2,402,475) | |
| Retirement of treasury stock | | (41,020) | (41) | (240,121) | (2,162,313) | 41,020 | 2,402,475 | | — | |
| Balance at December 31, 2019 | \$ 1,180,376 | 125,843 | \$ 126 | \$ 749,043 | \$ 1,431,738 | — | \$ — | \$ (47,498) | \$ 2,133,409 | \$ 185,833 |

See notes to consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except per share data)

1. Organization and summary of significant accounting policies

Organization

The Company's operations are comprised of its dialysis and related lab services to patients in the United States (its U.S. dialysis business), its ancillary services and strategic initiatives including its international operations (collectively, its ancillary services), and its corporate administrative support.

The Company's largest line of business is its U.S. dialysis business, which operates kidney dialysis centers in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD). As of December 31, 2019, the Company operated or provided administrative services through a network of 2,753 U.S. outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 206,900 patients. In addition, as of December 31, 2019, the Company operated or provided administrative services to a total of 259 outpatient dialysis centers serving approximately 28,700 patients located in ten countries outside of the U.S.

On June 19, 2019, the Company completed the sale of its DaVita Medical Group (DMG) business to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented in these consolidated financial statements. For financial information about the DMG business, see Note 22.

The Company's U.S. dialysis business qualifies as a separately reportable segment and the Company's ancillary services, including its international operations, have been combined and disclosed in the other segments category.

Basis of presentation

These consolidated financial statements are prepared in accordance with United States generally accepted accounting principles (U.S. GAAP). The financial statements include DaVita Inc. and its subsidiaries, partnerships and other entities in which it maintains a majority voting or other controlling financial interest (collectively, the Company). All significant intercompany transactions and balances have been eliminated. Equity investments in investees over which the Company only has significant influence are recorded on the equity method, while investments in other equity securities are recorded at fair value or on the adjusted cost method, as applicable. For the Company's international subsidiaries, local currencies are considered their functional currencies. Translation adjustments result from translating the financial statements of the Company's international subsidiaries from their functional currencies into the Company's reporting currency (the U.S. dollar, or USD). Prior year balances and amounts have been reclassified to conform to the current year presentation.

The Company has evaluated subsequent events through the date these consolidated financial statements were issued and has included all necessary adjustments and disclosures.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and noncontrolling interests subject to put provisions. Although actual results in subsequent periods will differ from these estimates, such estimates are developed based on the best information available to management and management's best judgments at the time. All significant assumptions and estimates underlying the amounts reported in the financial statements and accompanying notes are regularly reviewed and updated when necessary. Changes in estimates are reflected in the financial statements based upon on-going actual experience trends or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Interim changes in estimates related to annual operating costs are applied prospectively within annual periods.

The most significant assumptions and estimates underlying these consolidated financial statements and accompanying notes involve revenue recognition and accounts receivable, contingencies, impairments of goodwill and investments, accounting for income taxes and certain fair value estimates. Specific estimating risks and contingencies are further addressed within these notes to the consolidated financial statements.

Revenues

On January 1, 2018, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

contracts that were not substantially completed as of January 1, 2018. Results for reporting periods beginning on and after January 1, 2018 are presented under Topic 606, while prior period amounts continue to be presented in accordance with the Company's historical accounting under *Revenue Recognition* (Topic 605).

The adoption of this new standard primarily changed the Company's presentation of revenues, provision for uncollectible accounts and allowance for doubtful accounts. Topic 606 requires revenue to be recognized based on the Company's estimate of the transaction price the Company expects to collect as a result of satisfying its performance obligations. Accordingly, for performance obligations satisfied after the adoption of Topic 606, the Company no longer separately presents a provision for uncollectible accounts on the consolidated income statement and no longer presents the related allowance for doubtful accounts on the consolidated balance sheet. However, as a result of the Company's election to apply Topic 606 only to contracts not substantially completed as of January 1, 2018, the Company continues to maintain an allowance for doubtful accounts related to performance obligations satisfied prior to the adoption of Topic 606. Net collections or write-offs of accounts receivable generated prior to January 1, 2018, beyond amounts previously reserved thereon, are presented in the provision for uncollectible accounts on the consolidated income statement in accordance with Topic 605.

Dialysis patient service revenues

Revenues are recognized based on the Company's estimate of the transaction price the Company expects to collect as a result of satisfying its performance obligations. Dialysis patient service revenues are recognized in the period services are provided based on these estimates. Revenues consist primarily of payments from government and commercial health plans for dialysis services provided to patients. A usual and customary fee schedule is maintained for the Company's dialysis treatments and related lab services; however, actual collectible revenue is normally recognized at a discount from the fee schedule.

Revenues associated with Medicare and Medicaid programs are estimated based on: (a) the payment rates that are established by statute or regulation for the portion of payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, estimates of the amounts ultimately collectible from other government programs providing secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient.

Under Medicare's bundled payment rate system, services covered by Medicare are subject to estimating risk, whereby reimbursements from Medicare can vary significantly depending upon certain patient characteristics and other variable factors. Even with the bundled payment rate system, Medicare payments for bad debt claims as established by cost reports require evidence of collection efforts. As a result, billing and collection of Medicare bad debt claims can be delayed significantly and final payment is subject to audit. The Company's revenue recognition is estimated based on its judgment regarding its ability to collect, which depends upon its ability to effectively capture, document and bill for Medicare's base payment rate as well as these other variable factors.

Medicaid payments, when Medicaid coverage is secondary, can also be difficult to estimate. For many states, Medicaid payment terms and methods differ from Medicare, and may prevent accurate estimation of individual payment amounts prior to billing.

Revenues associated with commercial health plans are estimated based on contractual terms for the patients under healthcare plans with which the Company has formal agreements, non-contracted health plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in the Company's billing and collection processes that can result in denied claims for payments, delays in collections due to payor payment inefficiencies, and regulatory compliance matters.

Commercial revenue recognition also involves significant estimating risks. With many larger commercial insurers, the Company has several different contracts and payment arrangements, and these contracts often include only a subset of the Company's centers. In certain circumstances, it may not be possible to determine which contract, if any, should be applied prior to billing. In addition, for services provided by non-contracted centers, final collection may require specific negotiation of a payment amount, typically at a significant discount from the Company's usual and customary rates.

Other revenues

Other revenues consist of fees for management and administrative support services provided to outpatient dialysis centers that the Company does not own or in which the Company owns a noncontrolling interest, revenues associated with the Company's non-dialysis ancillary services and strategic initiatives, and administrative and management support services to certain non-dialysis joint ventures in which the Company owns a noncontrolling interest. Revenues associated with dialysis management services, disease management services, clinical research programs, physician services, ESRD seamless care

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

organizations, and comprehensive care are estimated in the period services are provided. Revenues associated with pharmacy services were estimated as prescriptions were filled and shipped to patients. Revenues associated with direct primary care were estimated over the membership period.

Other income

Other income includes interest income on cash and cash equivalents and short- and long-term investments, realized and unrealized gains and losses recognized on investments, and foreign currency transaction gains and losses.

Cash and cash equivalents

Cash equivalents are short-term highly liquid investments with maturities of three months or less at date of purchase.

Restricted cash and equivalents

Restricted cash and cash equivalents are primarily held in trust to satisfy insurer and state regulatory requirements related to the wholly-owned captive insurance companies that bear professional and general liability and workers' compensation risks for the Company.

Investments in debt and equity securities

The Company classifies certain debt securities as held-to-maturity and records them at amortized cost based on the Company's intentions and strategies concerning those investments. Equity securities that have readily determinable fair values or redemption values are classified as short-term or long-term investments and recorded at estimated fair value with changes in fair value recognized in current earnings.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or net realizable value and consist principally of pharmaceuticals and dialysis-related supplies. Rebates related to inventory purchases are recorded when earned and are based on certain qualification requirements which are dependent on a variety of factors including future pricing levels from the manufacturer and related data submission.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and amortization and is further reduced by any impairments. Maintenance and repairs are charged to expense as incurred. Depreciation and amortization expenses are computed using the straight-line method over the useful lives of the assets estimated as follows: buildings, 25 years to 40 years; leasehold improvements, the shorter of ten years or the expected lease term; and equipment and information systems, principally three years to 15 years. Disposition gains and losses are included in current operating expenses. Property and equipment assets are reviewed for possible impairment whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Leases

The Company leases substantially all of its U.S. dialysis facilities. The Company categorizes leases with contractual terms longer than twelve months as either operating or finance leases. Finance leases are generally those leases that allow the Company to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases.

Assets acquired under finance leases are recorded on the balance sheet within property and equipment, net and liabilities for finance lease obligations are recorded within long-term debt. Finance lease assets are amortized to depreciation expense on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Rights to use assets under operating leases are recorded on the balance sheet as operating lease right-of-use assets and liabilities for operating lease obligations are recorded as operating lease liabilities. Reductions in the carrying amount of operating lease right-of-use assets are recorded to rent expense over the lease term.

The majority of the Company's facilities are leased under non-cancellable operating leases ranging in terms from five years to 15 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal. The

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Company has elected the practical expedient to not separate lease components from non-lease components for its financing and operating leases.

Amortizable intangibles

Amortizable intangible assets and liabilities include noncompetition agreements and hospital acute services contracts, each of which have finite useful lives. Amortization expense is computed using the straight-line method over the useful lives of the assets estimated as follows: non-competition agreements over three years to ten years, and hospital acute service contracts over the contract period. Amortizable intangible assets are reviewed for possible impairment whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Indefinite-lived intangibles

Indefinite-lived intangible assets include international licenses and accreditations that allow the Company to be reimbursed for providing dialysis services to patients, each of which has an indefinite useful life. Indefinite-lived intangibles are not amortized, but are assessed for impairment at least annually and whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Equity method and other investments

Equity investments that do not have readily determinable fair values are carried on the equity method if the Company maintains significant influence over the investee or on the adjusted cost method if it does not. The adjusted cost method represents the Company's cost for an investment, net of any other-than-temporary impairment, or a subsequent observation of the investment's fair value. The Company classifies its equity and adjusted cost method investments as "Equity method and other investments" on its balance sheet. See Note 9 for further details, including recent changes to the Company's accounting for these investments.

Equity method and other investments are assessed for other-than-temporary impairment when significant events or changes in circumstances indicate that an other-than-temporary impairment may have occurred. An other-than-temporary impairment charge is recorded when the fair value of an investment has fallen below its carrying amount and the shortfall is expected to be indefinitely or permanently unrecoverable.

Goodwill

Goodwill represents the difference between the fair value of businesses acquired and the fair value of the identifiable tangible and intangible net assets acquired. Goodwill is not amortized, but is assessed by individual reporting unit for impairment as circumstances warrant and at least annually. An impairment charge is recognized when and to the extent a reporting unit's carrying amount is determined to exceed its fair value. The Company operates multiple reporting units. See Note 10 for further details.

Self-insurance

The Company predominantly self-insures its professional and general liability and workers' compensation risks through its wholly-owned captive insurance companies, with excess or reinsurance coverage for additional risk. The Company is also predominantly self-insured with respect to employee medical and other health benefits. The Company records insurance liabilities for the professional and general liability, workers' compensation, and employee health benefit risks that it retains and estimates its liability for those risks using third party actuarial calculations that are based upon historical claims experience and expectations for future claims.

Income taxes

Federal and state income taxes are computed at currently enacted tax rates less tax credits using the asset and liability method. Deferred taxes are adjusted both for items that do not currently have tax consequences and for the cumulative effect of any changes in tax rates from those previously used to determine deferred tax assets or liabilities. Tax provisions include amounts that are currently payable, changes in deferred tax assets and liabilities that arise because of temporary differences between the timing of when items of income and expense are recognized for financial reporting and income tax purposes, changes in the recognition of tax positions and any changes in the valuation allowance caused by a change in judgment about the realizability of the related deferred tax assets. A valuation allowance is established when necessary to reduce deferred tax assets to amounts expected to be realized.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The Company uses a recognition threshold of more-likely-than-not and a measurement attribute on all tax positions taken or expected to be taken in a tax return in order to be recognized in the financial statements. Once the recognition threshold is met, the tax position is then measured to determine the actual amount of benefit to recognize in the financial statements.

Stock-based compensation

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards, unless the stock awards are based on non-market based performance metrics, in which case expense is adjusted for the ultimate number of shares expected to be issued as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on their estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

Interest rate cap agreements

The Company often carries a combination of current or forward interest rate caps on portions of its variable rate debt as a means of hedging its exposure to changes in LIBOR interest rates as part of its overall interest rate risk management strategy. These interest rate caps are not held for trading or speculative purposes and are designated as qualifying cash flow hedges. See Note 13 for further details.

Noncontrolling interests

Noncontrolling interests represent third-party equity ownership interests in entities which are consolidated by the Company for financial statement reporting purposes. As of December 31, 2019, third parties held noncontrolling equity interests in 672 consolidated legal entities.

Fair value estimates

The Company relies on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities, and noncontrolling interests subject to put provisions (redeemable equity interests classified as temporary equity). These purposes can include the accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, or other long-lived assets; recurrent revaluation of investments in debt and equity securities, contingent earn-out obligations, interest rate cap agreements or other derivative instruments, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, as applicable. The Company has also classified its assets, liabilities and temporary equity into the appropriate fair value hierarchy levels as defined by the FASB. See Note 24 for further details.

New accounting standards

New standards recently adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The amendments in Topic 842 revise lessee accounting for leases. Under the new guidance, lessees are required to recognize a lease liability and a right-of-use asset for substantially all leases with lease terms in excess of twelve months. The new lease guidance also simplifies the accounting for sale leaseback transactions primarily because lessees must recognize lease assets and lease liabilities. The Company adopted Topic 842 as of January 1, 2019 using a modified retrospective transition approach with a cumulative effect adjustment for leases existing at the adoption date. The Company elected to apply the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs. Adoption of Topic 842 as of January 1, 2019 resulted in the recognition of operating right-of-use assets of \$2,783,784, operating lease liabilities of \$3,001,354 and a cumulative effect adjustment to retained earnings of \$39,876, primarily related to deferred gains on prior sale leaseback transactions. Adoption of this new lease guidance did not materially impact the Company's consolidated net earnings and had no impact on cash flows. See Note 14 for further details.

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. The amendments in this ASU better align an entity's risk management activities and financial reporting for hedging relationships through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The amendments in this ASU were effective for the Company on January 1, 2019. Adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

New standards not yet adopted

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The amendments in this ASU change the approach for recognizing credit losses on financial assets from the incurred loss methodology in current U.S. GAAP to a methodology that reflects current expected credit losses, which requires consideration of a broader range of reasonable and supportable information to inform those credit loss estimates. The current incurred loss model delays recognition of credit losses until it is probable that a loss has been incurred, while this ASU's new current expected credit loss model requires estimation of credit losses expected over the life of the financial asset or group of similar financial assets. The amendments in this ASU are effective for the Company on January 1, 2020 and are to be applied on a modified retrospective approach. The Company has evaluated the impact of this standard on its consolidated financial statements, including accounting policies, processes, and systems, and does not expect the impact to be material.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The applicable amendments in this ASU remove requirements for disclosures concerning transfers between fair value measurement Levels 1, 2 and 3 and disclosures concerning valuation processes for Level 3 fair value measurements. The applicable amendments also add a requirement to separately disclose the changes in unrealized gains and losses included in other comprehensive income for the reporting period for Level 3 items measured at fair value on a recurring basis, and require disclosure of the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The amendments in this ASU are effective for the Company beginning on January 1, 2020 and its new requirements are to be applied on a prospective basis. Adoption of this ASU is not expected to have a material impact on the Company's consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12 *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ASU 2019-12 attempts to simplify aspects of accounting for franchise taxes and enacted changes in tax laws or rates, and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. ASU 2019-12 is effective for public business entities for fiscal years beginning after December 15, 2020, including interim periods within that fiscal year. Early adoption is permitted for all entities. The Company is currently assessing the effect this guidance may have on its consolidated financial statements.

2. Revenue recognition and accounts receivable

The following table summarizes the Company's segment revenues by primary payor source:

| | Year ended December 31, 2019 | | |
|---------------------------------------|------------------------------|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,129,697 | \$ | \$ 6,129,697 |
| Medicaid and Managed Medicaid | 669,089 | | 669,089 |
| Other government | 446,010 | 352,765 | 798,775 |
| Commercial | 3,286,089 | 144,256 | 3,430,345 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 264,538 | 264,538 |
| Medicaid and Managed Medicaid | | 606 | 606 |
| Commercial | | 130,823 | 130,823 |
| Other ⁽¹⁾ | 32,021 | 78,940 | 110,961 |
| Eliminations of intersegment revenues | (132,325) | (14,030) | (146,355) |
| Total | \$ 10,430,581 | \$ 957,898 | \$ 11,388,479 |

(1) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

| | Year ended December 31, 2018 | | |
|---------------------------------------|------------------------------|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,063,891 | \$ | \$ 6,063,891 |
| Medicaid and Managed Medicaid | 628,766 | | 628,766 |
| Other government | 446,999 | 335,594 | 782,593 |
| Commercial | 3,176,413 | 101,681 | 3,278,094 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 492,812 | 492,812 |
| Medicaid and Managed Medicaid | | 44,246 | 44,246 |
| Commercial | | 90,890 | 90,890 |
| Other ⁽¹⁾ | 19,880 | 130,865 | 150,745 |
| Eliminations of intersegment revenues | (92,950) | (34,236) | (127,186) |
| Total | \$ 10,242,999 | \$ 1,161,852 | \$ 11,404,851 |

(1) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

| | Year ended December 31, 2017 ⁽¹⁾ | | |
|---------------------------------------|---|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 5,253,012 | \$ | \$ 5,253,012 |
| Medicaid and Managed Medicaid | 606,827 | | 606,827 |
| Other government | 362,567 | 259,651 | 622,218 |
| Commercial | 3,117,920 | 63,505 | 3,181,425 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 902,289 | 902,289 |
| Medicaid and Managed Medicaid | | 71,426 | 71,426 |
| Commercial | | 116,503 | 116,503 |
| Other ⁽²⁾ | 19,739 | 182,974 | 202,713 |
| Eliminations of intersegment revenues | (55,176) | (24,603) | (79,779) |
| Total | \$ 9,304,889 | \$ 1,571,745 | \$ 10,876,634 |

(1) As noted above, prior period amounts have not been adjusted under the cumulative effect method. In this table, the Company's U.S. dialysis revenues for the year ended December 31, 2017 has been presented net of the provision for uncollectible accounts of \$485,364 to conform to the current period presentation.

(2) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

The Company's allowance for doubtful accounts related to performance obligations satisfied prior to the adoption of Topic 606 was \$8,328 and \$52,924 as of December 31, 2019 and 2018, respectively.

As described in Note 1, there are significant risks associated with estimating revenue, many of which take several years to resolve. These estimates are subject to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, as well as patient issues including determining applicable primary and secondary coverage, changes in patient coverage and coordination of benefits. As these estimates are refined over time, both positive and negative adjustments to revenue are recognized in the current period. As a result of these changes in estimates, additional revenue of \$37,274 was recognized during the year ended December 31, 2019 associated with performance obligations satisfied prior to January 1, 2019 and additional revenue of \$88,495 was recognized during the year ended December 31, 2018 associated with performance obligations satisfied in years prior to the adoption of Topic 606, which

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

included a benefit of \$36,000 from electing to apply Topic 606 only to contracts not substantially completed as of January 1, 2018.

There is no single commercial payor that accounted for more than 10% of total consolidated accounts receivable or consolidated revenues at or for the years ended December 31, 2019 or 2018.

Net dialysis services accounts receivable and other receivables from Medicare, including Medicare-assigned plans, and Medicaid, including managed Medicaid plans, were approximately \$1,038,248 and \$1,080,561 as of December 31, 2019 and 2018, respectively. Approximately 18% of the Company's net patient services accounts receivable balances as of both December 31, 2019 and 2018, were more than six months old. There were no significant balances over one year old at December 31, 2019. The Company's accounts receivable are principally due from Medicare and Medicaid programs and commercial insurance plans.

3. Earnings per share

Basic earnings per share is calculated by dividing net income attributable to the Company, adjusted for any change in noncontrolling interest redemption rights in excess of fair value, by the weighted average number of common shares outstanding, reduced for 2018 and 2017 by the weighted average shares held in escrow that under certain circumstances may have been returned to the Company. Weighted average common shares outstanding include restricted stock unit awards that are no longer subject to forfeiture because the recipients have satisfied either their explicit vesting terms or retirement eligibility requirements.

Diluted earnings per share includes the dilutive effect of outstanding stock-settled stock appreciation rights and unvested stock units (under the treasury stock method) and, for 2018 and 2017, the weighted average contingently returnable shares held in escrow that were outstanding during the period.

The reconciliations of the numerators and denominators used to calculate basic and diluted earnings per share were as follows:

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| Numerators: | | | |
| Net income from continuing operations attributable to DaVita Inc. | \$ 706,832 | \$ 624,321 | \$ 901,277 |
| Net income (loss) from discontinued operations attributable to DaVita Inc. | 104,149 | (464,927) | (237,659) |
| Net income attributable to DaVita Inc. for earnings per share calculation | <u>\$ 810,981</u> | <u>\$ 159,394</u> | <u>\$ 663,618</u> |
| Basic: | | | |
| Weighted average shares outstanding during the period | 153,181 | 171,886 | 190,820 |
| Weighted average contingently returnable shares previously held in escrow for the DaVita HealthCare Partners merger | — | (1,100) | (2,194) |
| Weighted average shares for basic earnings per share calculation | <u>153,181</u> | <u>170,786</u> | <u>188,626</u> |
| Basic net income (loss) attributable to DaVita Inc. from: | | | |
| Continuing operations per share | \$ 4.61 | \$ 3.66 | \$ 4.78 |
| Discontinued operations per share | 0.68 | (2.73) | (1.26) |
| Basic net income per share attributable to DaVita Inc. | <u>\$ 5.29</u> | <u>\$ 0.93</u> | <u>\$ 3.52</u> |
| Diluted: | | | |
| Weighted average shares outstanding during the period | 153,181 | 171,886 | 190,820 |
| Assumed incremental shares from stock plans | 631 | 479 | 529 |
| Weighted average shares for diluted earnings per share calculation | <u>153,812</u> | <u>172,365</u> | <u>\$ 191,349</u> |
| Diluted net income (loss) attributable to DaVita Inc. from: | | | |
| Continuing operations per share | \$ 4.60 | \$ 3.62 | \$ 4.71 |
| Discontinued operations per share | 0.67 | (2.70) | (1.24) |
| Diluted net income per share attributable to DaVita Inc. | <u>\$ 5.27</u> | <u>\$ 0.92</u> | <u>\$ 3.47</u> |
| Anti-dilutive stock-settled awards excluded from calculation ⁽¹⁾ | <u>5,936</u> | <u>5,295</u> | <u>4,350</u> |

(1) Shares associated with stock-settled stock appreciation rights excluded from the diluted denominator calculation because they were anti-dilutive under the treasury stock method.

4. Restricted cash and equivalents

The Company had restricted cash and cash equivalents of \$106,346 and \$92,382 at December 31, 2019 and 2018, respectively. Approximately \$91,847 of the balance at December 31, 2019 represents restricted cash equivalents held in trust to satisfy insurer and state regulatory requirements related to the wholly-owned captive insurance companies that bear professional and general liability and workers' compensation risks for the Company. The remaining restricted cash and cash equivalents held at December 31, 2019 primarily represent cash pledged to third parties in connection with one of the Company's ancillary and strategic initiatives businesses.

5. Short-term and long-term investments

The Company adopted ASU No. 2016-01, *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, and related ASU 2018-03 concerning certain technical corrections and improvements, effective January 1, 2018. Under ASU 2016-01 all changes in the fair values of equity securities with readily determinable fair values are to be recognized in current earnings. Adoption of these ASUs, in conjunction with ASU 2018-02, resulted in a cumulative effect of change in accounting principle effective January 1, 2018 which decreased accumulated other comprehensive income and increased retained earnings by \$5,662 in after-tax unrealized gains accumulated.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

in other comprehensive income through December 31, 2017 from equity securities previously classified as available-for-sale investments.

From January 1, 2018, equity securities that have readily determinable fair values or redemption values are recorded at estimated fair value with changes in their value recognized in current earnings within "Other income, net". The Company classifies its debt securities as held-to-maturity and records them at amortized cost based on its intentions and strategy concerning those investments.

The Company classifies these debt and equity investments as "Short-term investments" or "Long-term investments" on its consolidated balance sheet, as applicable, based on the characteristics of the financial instrument or the Company's intentions or expectations for the investment.

The Company's investments in these short-term and long-term debt and equity investments consist of the following:

| | December 31, 2019 | | | December 31, 2018 | | |
|---|-------------------|-------------------|-----------|-------------------|-------------------|-----------|
| | Debt securities | Equity securities | Total | Debt securities | Equity securities | Total |
| Certificates of deposit and other time deposits | \$ 8,140 | \$ — | \$ 8,140 | \$ 2,235 | \$ — | \$ 2,235 |
| Investments in mutual funds and common stock | — | 39,951 | 39,951 | — | 36,124 | 36,124 |
| | \$ 8,140 | \$ 39,951 | \$ 48,091 | \$ 2,235 | \$ 36,124 | \$ 38,359 |
| Short-term investments | \$ 8,140 | \$ 3,432 | \$ 11,572 | \$ 2,235 | \$ 700 | \$ 2,935 |
| Long-term investments | — | 36,519 | 36,519 | — | 35,424 | 35,424 |
| | \$ 8,140 | \$ 39,951 | \$ 48,091 | \$ 2,235 | \$ 36,124 | \$ 38,359 |

Debt securities: The Company's short-term debt investments are principally bank certificates of deposit with contractual maturities longer than three months but shorter than one year. These debt securities are accounted for as held-to-maturity and recorded at amortized cost, which approximated their fair values at December 31, 2019 and 2018.

Equity securities: The Company's equity investments in mutual funds and common stock are held within a trust to fund existing obligations associated with several of the Company's non-qualified deferred compensation plans. During 2019, the Company recognized pre-tax net gains of \$4,383 in other income associated with changes in the fair value of these equity securities, comprised of pre-tax realized gains of \$1,459 and a net increase in unrealized gains of \$2,924. During 2018, the Company recognized pre-tax net losses of \$1,208 in other income associated with changes in the fair value of these equity securities, comprised of pre-tax realized gains of \$4,490 and a net decrease in unrealized gains of \$5,698.

6. Other receivables

Other receivables were comprised of the following:

| | December 31, | |
|--|--------------|------------|
| | 2019 | 2018 |
| Supplier rebates and non-trade receivables | \$ 351,650 | \$ 334,156 |
| Medicare bad debt claims | 138,045 | 135,640 |
| | \$ 489,695 | \$ 469,796 |

7. Property and equipment

Property and equipment were comprised of the following:

| | December 31, | |
|--|---------------------|---------------------|
| | 2019 | 2018 |
| Land | \$ 36,480 | \$ 37,384 |
| Buildings | 392,256 | 467,181 |
| Leasehold improvements | 3,545,224 | 3,164,943 |
| Equipment and information systems, including internally developed software | 2,880,645 | 2,586,564 |
| New center and capital asset projects in progress | 588,345 | 661,695 |
| | 7,442,950 | 6,917,767 |
| Less accumulated depreciation | (3,969,566) | (3,524,098) |
| | <u>\$ 3,473,384</u> | <u>\$ 3,393,669</u> |

Depreciation expense on property and equipment was \$600,905, \$574,799, and \$544,129 for 2019, 2018 and 2017, respectively.

Interest on debt incurred during the development of new centers and other capital asset projects is capitalized as a component of the asset cost based on the respective in-process capital asset balances. Interest capitalized was \$27,322, \$25,978 and \$19,176 for 2019, 2018 and 2017, respectively.

During 2018, the Company recognized asset impairment charges of \$17,338 related to the restructuring of its pharmacy business.

8. Intangibles

Intangible assets other than goodwill were comprised of the following:

| | December 31, | |
|-------------------------------|-------------------|-------------------|
| | 2019 | 2018 |
| Noncompetition agreements | \$ 103,510 | \$ 107,726 |
| Indefinite-lived licenses | 90,209 | 59,885 |
| Other | 23,887 | 31,801 |
| | 217,606 | 199,412 |
| Less accumulated amortization | (81,922) | (80,566) |
| | <u>\$ 135,684</u> | <u>\$ 118,846</u> |

Amortization expense from amortizable intangible assets other than lease agreements was \$14,247, \$16,236, and \$15,782 for 2019, 2018 and 2017, respectively. Lease agreement intangible assets and liabilities, previously recognized apart from lease right-of-use assets and liabilities prior to adoption of Topic 842, were amortized to rent expense in the amounts of \$(296) and \$(203) for December 31, 2018 and 2017, respectively.

For the years ended December 31, 2019, 2018 and 2017, the Company recognized no impairment charges on any intangible assets other than goodwill.

Amortizable intangible liabilities as of December 31, 2018 were comprised of lease agreements of \$5,930, which were net of accumulated amortization of \$4,362. With the adoption of Topic 842 on January 1, 2019, the Company no longer classifies these as intangible assets or intangible liabilities on its balance sheet. See Notes 1 and 14 for further discussion of our adoption of Topic 842.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Scheduled amortization charges from amortizable intangible assets and liabilities as of December 31, 2019 were as follows:

| | Noncompetition agreements | Other |
|--------------|------------------------------|------------------|
| 2020 | \$ 11,470 | \$ 1,779 |
| 2021 | 9,703 | 1,335 |
| 2022 | 6,141 | 1,330 |
| 2023 | 3,118 | 1,294 |
| 2024 | 1,429 | 1,046 |
| Thereafter | 525 | 6,305 |
| Total | \$ 32,386 | \$ 13,089 |

9. Equity method and other investments

Equity investments in nonconsolidated businesses over which the Company maintains significant influence, but which do not have readily determinable fair values, are carried on the equity method.

As described in Note 5 to these consolidated financial statements, effective January 1, 2018, the Company adopted ASU 2016-01 and related ASU 2018-03 concerning recognition and measurement of financial assets and financial liabilities. In adopting ASU 2016-01, the Company elected to adopt an adjusted cost method measurement alternative for investments in equity securities without readily determinable fair values that do not qualify for the equity method. Under this alternative, unless elected otherwise for a particular investment, the Company initially records such equity investments at cost but remeasures them to fair value through earnings when there is an observable transaction involving the same or a similar investment with the same issuer or upon an impairment.

The Company maintains equity method and minor adjusted cost method investments in the private securities of certain other healthcare and healthcare-related businesses. The Company classifies these investments as "Equity method and other investments" on its consolidated balance sheet.

The Company's equity method and other investments were comprised of the following:

| | December 31, | |
|----------------------------------|-------------------|-------------------|
| | 2019 | 2018 |
| APAC joint venture | \$ 116,924 | \$ 129,173 |
| Other equity method partnerships | 114,611 | 83,052 |
| Adjusted cost method investments | 10,448 | 12,386 |
| | \$ 241,983 | \$ 224,611 |

During 2019, 2018 and 2017, the Company recognized equity investment income (loss) of \$12,679, \$(4,484) and \$(8,640), respectively, from its equity method investments in nonconsolidated businesses.

The Company's largest equity method investment is its ownership interest in DaVita Care Pte. Ltd. (the APAC joint venture, or APAC JV). During the fourth quarter of 2019, one of the third party noncontrolling investors in the APAC JV made its final subscribed capital contribution to the joint venture and the other third party noncontrolling investor elected to exit the joint venture. As a result, the Company now holds a 75% voting and economic interest in the APAC JV and its other noncontrolling investor holds a 25% voting and economic interest in the joint venture. The governance structure and voting rights established for the APAC JV, which remain unchanged since its formation on August 1, 2016, provide that certain key decisions affecting the joint venture's operations are not subject to the unilateral discretion of the Company but rather are shared with the joint venture's other noncontrolling investor. As a result, the Company does not consolidate the APAC JV.

Prior to the transactions described above and as of December 31, 2018, the Company held a 60% voting interest and a 73.3% economic interest in the APAC JV, while the other two noncontrolling investors collectively held a 40% voting interest and a 26.7% economic interest in the APAC JV.

During the year ended December 31, 2017, the Company recognized a non-cash other-than-temporary impairment charge of \$280,066 on its investment in the APAC JV. This charge resulted from changes in then-current expectations for the

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

joint venture based on continuing market research and assessments by both the Company and the APAC JV concerning the size of the addressable market available to the joint venture at attractive risk-adjusted returns.

The Company's other equity method investments include 20 legal entities over which the Company has significant influence but in which it does not maintain a controlling financial interest. Almost all of these are U.S. partnerships in the form of limited liability companies. The Company's ownership interests in these partnerships vary, but typically range from 30% to 50%.

There were no significant impairments or other valuation adjustments on the Company's adjusted cost method investments during 2019 or 2018.

10. Goodwill

Changes in the carrying value of goodwill by reportable segments were as follows:

| | U.S. dialysis | Other - Ancillary services | Consolidated |
|--|---------------|-------------------------------|--------------|
| Balance at December 31, 2017 | \$ 6,144,761 | \$ 465,518 | \$ 6,610,279 |
| Acquisitions | 130,574 | 147,774 | 278,348 |
| Divestitures | (331) | (15,166) | (15,497) |
| Impairment charges | — | (3,106) | (3,106) |
| Foreign currency and other adjustments | — | (28,064) | (28,064) |
| Balance at December 31, 2018 | \$ 6,275,004 | \$ 566,956 | \$ 6,841,960 |
| Acquisitions | 18,089 | 72,137 | 90,226 |
| Impairment charges | — | (124,892) | (124,892) |
| Foreign currency and other adjustments | (5,993) | (13,666) | (19,659) |
| Balance at December 31, 2019 | \$ 6,287,100 | \$ 500,535 | \$ 6,787,635 |
| Goodwill | \$ 6,287,100 | \$ 653,870 | \$ 6,940,970 |
| Accumulated impairment charges | — | (153,335) | (153,335) |
| | \$ 6,287,100 | \$ 500,535 | \$ 6,787,635 |

The Company elected to early adopt ASU No. 2017-04, *Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment* effective January 1, 2017. The amendments in this ASU simplify the test for goodwill impairment by eliminating the second step in the assessment. All goodwill impairment tests performed since adoption of this ASU were performed under this new guidance. When performing quantitative goodwill impairment assessments, the Company estimates fair value using either appraisals developed with an independent third party valuation firm which consider both discounted cash flow estimates for the subject business and observed market multiples for similar businesses, or offer prices received for the subject business that would be acceptable to the Company.

Each of the Company's operating segments described in Note 25 to these consolidated financial statements represents an individual reporting unit for goodwill impairment assessment purposes and each sovereign jurisdiction within the Company's international operating segments is considered a separate reporting unit.

Within the U.S. dialysis operating segment, the Company considers each of its dialysis centers to constitute an individual business for which discrete financial information is available. However, since these dialysis centers have similar operating and economic characteristics, and the allocation of resources and significant investment decisions concerning these businesses are highly centralized and the benefits broadly distributed, the Company has aggregated these centers and deemed them to constitute a single reporting unit.

The Company has applied a similar aggregation to the vascular access service centers in its vascular access services reporting unit, to the physician practices in its physician services reporting units, and to the dialysis centers and other health operations within each international reporting unit. For the Company's other operating segments, discrete business components below the operating segment level constitute individual reporting units.

During the three months ended March 31, 2019 and September 30, 2019, the Company recognized goodwill impairment charges of \$41,037 and \$78,439, respectively, in its Germany kidney care business. The first quarter of 2019 charge resulted primarily from a change in relevant discount rates, as well as a decline in current and expected future patient census and an

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

increase in first quarter of 2019 and expected future costs, principally due to wage increases expected to result from recently announced legislation. The incremental charge recognized during the third quarter of 2019 resulted from changes and developments in the Company's outlook for this business since its last assessment. These primarily concerned developments in the business in response to evolving market conditions and changes in the Company's expected timing and ability to mitigate them, which was based on results of in-depth operating and strategic reviews completed by the Company's new Germany management team during the third quarter of 2019. During the year ended December 31, 2019, the Company also recognized a goodwill impairment charge of \$5,416 in its German other health operations.

The impairment charges recognized in 2019 at the Company's Germany kidney care business and its German other health operations include increases of \$25,621 and \$1,013, respectively, to the goodwill impairment charges, and reductions to deferred tax expense, related to deferred tax assets that the impairments themselves generated. The result was \$124,892 in total goodwill impairment charges to operating income and reductions of \$26,634 in tax expense, for a net \$98,258 impact on net income.

Based on the most recent assessments, the Company determined that further changes in expected patient census, increases in operating costs, reductions in reimbursement rates, changes in actual or expected growth rates, or other significant adverse changes in expected future cash flows or valuation assumptions could result in goodwill impairment charges in the future for the following reporting units, which remain at risk of goodwill impairment as of December 31, 2019:

| Reporting unit | Goodwill balance | Carrying amount coverage ⁽¹⁾ | Sensitivities | |
|---------------------|------------------|---|---------------------------------|------------------------------|
| | | | Operating income ⁽²⁾ | Discount rate ⁽³⁾ |
| Germany kidney care | \$ 295,151 | —% | (1.3)% | (11.0)% |
| Brazil kidney care | \$ 88,551 | 4.4% | (2.8)% | (7.0)% |

(1) Excess of estimated fair value of the reporting unit over its carrying amount as of the latest assessment date.

(2) Potential impact on estimated fair value of a sustained, long-term reduction of 3% in operating income as of the latest assessment date.

(3) Potential impact on estimated fair value of an increase in discount rates of 100 basis points as of the latest assessment date.

During the year ended December 31, 2018, the Company recognized a goodwill impairment charge of \$3,106 at its German other health operations.

During the year ended December 31, 2017, the Company recognized goodwill impairment charge of \$34,696 at its vascular access reporting unit. This charge resulted primarily from changes in future governmental reimbursement rates for this business and the Company's then-evolving plans and expected ability to mitigate them. As of December 31, 2017, there was no goodwill remaining at the Company's vascular access reporting unit. The Company also recognized a goodwill impairment charge of \$1,500 at one of its international reporting units during the year ended December 31, 2017.

Except as described above, none of the Company's other reporting units were considered at risk of significant goodwill impairment as of December 31, 2019. Since the dates of the Company's last annual goodwill impairment assessments, there have been certain developments, events, changes in operating performance and other changes in key circumstances that have affected the Company's businesses. However, these did not cause management to believe it is more likely than not that the fair values of any of the Company's reporting units would be less than their respective carrying amounts as of December 31, 2019.

11. Other liabilities

Other liabilities were comprised of the following:

| | December 31, | |
|---------------------------------------|-------------------|-------------------|
| | 2019 | 2018 |
| Payor refunds and retractions | \$ 377,044 | \$ 302,244 |
| Insurance and self-insurance accruals | 58,941 | 58,569 |
| Accrued interest | 54,899 | 82,827 |
| Accrued non-income tax liabilities | 36,285 | 28,663 |
| Other | 229,005 | 123,547 |
| | <u>\$ 756,174</u> | <u>\$ 595,850</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

12. Income taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Income before income taxes from continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------|-------------------------|---------------------|---------------------|
| | 2019 | 2018 | 2017 |
| Domestic | \$ 1,307,299 | \$ 1,083,578 | \$ 1,725,822 |
| International | (111,860) | (35,100) | (326,036) |
| | <u>\$ 1,195,439</u> | <u>\$ 1,048,478</u> | <u>\$ 1,399,786</u> |

Income tax expense for continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------------------|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| Current: | | | |
| Federal | \$ 208,339 | \$ 140,064 | \$ 330,191 |
| State | 58,026 | 32,990 | 47,228 |
| International | 15,545 | 7,557 | 3,422 |
| Total current income tax | <u>281,910</u> | <u>180,611</u> | <u>380,841</u> |
| Deferred: | | | |
| Federal | 44,263 | 52,034 | (98,760) |
| State | (25,836) | 21,096 | 37,347 |
| International | (20,709) | 4,659 | 4,431 |
| Total deferred income tax | <u>(2,282)</u> | <u>77,789</u> | <u>(56,982)</u> |
| | <u>\$ 279,628</u> | <u>\$ 258,400</u> | <u>\$ 323,859</u> |

Income taxes are allocated between continuing and discontinued operations as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|-------------------|--------------------|
| | 2019 | 2018 | 2017 |
| Continuing operations | \$ 279,628 | \$ 258,400 | \$ 323,859 |
| Discontinued operations | 40,689 | 99,768 | (364,856) |
| | <u>\$ 320,317</u> | <u>\$ 358,168</u> | <u>\$ (40,997)</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The reconciliation between the Company's effective tax rate from continuing operations and the U.S. federal income tax rate is as follows:

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2019 | 2018 | 2017 |
| Federal income tax rate | 21.0 % | 21.0 % | 35.0 % |
| State income taxes, net of federal benefit | 2.3 | 4.1 | 3.7 |
| Change in International valuation allowance | 1.3 | 0.9 | 0.4 |
| Gain on APAC JV ownership changes | — | — | (0.2) |
| Political advocacy costs | 0.2 | 2.3 | — |
| APAC investment impairment | — | — | 6.4 |
| Impact of 2017 Tax Act | — | (0.1) | (20.5) |
| Unrecognized tax benefits | 2.4 | 0.2 | 0.1 |
| Other | 1.1 | 0.8 | 1.5 |
| Impact of noncontrolling interests primarily attributable to non-tax paying entities | (4.9) | (4.6) | (3.3) |
| Effective tax rate | <u>23.4 %</u> | <u>24.6 %</u> | <u>23.1 %</u> |

On December 22, 2017, the President signed into law tax legislation known as the Tax Cuts and Jobs Act (2017 Tax Act). Consistent with Securities and Exchange Commission (SEC) Staff Accounting Bulletin No. 118, the Company completed its analysis of certain aspects of the 2017 Tax Act in 2017 and recorded provisional amounts for those items for which the accounting was not complete as of December 31, 2017. The Company completed its analysis of these provisional items in 2018 and recorded immaterial adjustments to the original estimates.

Deferred tax assets and liabilities arising from temporary differences for continuing operations were as follows:

| | December 31, | |
|----------------------------------|---------------------|---------------------|
| | 2019 | 2018 |
| Receivables | \$ 19,095 | \$ 19,327 |
| Accrued liabilities | 64,458 | 106,506 |
| Operating lease liabilities | 580,110 | — |
| Net operating loss carryforwards | 139,690 | 117,511 |
| Other | 55,108 | 36,712 |
| Deferred tax assets | 858,461 | 280,056 |
| Valuation allowance | (91,925) | (70,474) |
| Net deferred tax assets | 766,536 | 209,582 |
| Intangible assets | (563,914) | (555,822) |
| Property and equipment | (162,628) | (118,008) |
| Operating lease assets | (527,056) | — |
| Investments in partnerships | (64,960) | (67,354) |
| Other | (25,521) | (30,934) |
| Deferred tax liabilities | (1,344,079) | (772,118) |
| Net deferred tax liabilities | <u>\$ (577,543)</u> | <u>\$ (562,536)</u> |

At December 31, 2019, the Company had federal net operating loss carryforwards of approximately \$111,322 that expire through 2036, although a substantial amount expire by 2028. The Company also had state net operating loss carryforwards of \$434,030, some of which have an indefinite life, although a substantial amount expire by 2039 and international net operating loss carryforwards of \$224,197, some of which will begin to expire in 2021 though the majority have an indefinite life. We have a state capital loss carryover of \$188,823 that expires in 2024. The utilization of a portion of these losses may be limited in future years based on the profitability of certain entities. A valuation allowance is recorded to account for the unrealizable balances in the table above. The net increase of \$21,451 in the valuation allowance is primarily due to newly created net operating loss carryforwards in state and foreign jurisdictions that the Company does not anticipate being able to utilize.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The Company's foreign earnings continue to be indefinitely reinvested as of December 31, 2019. As a result of the passage of the 2017 Tax Act, the Company does not expect such earnings to be taxable if remitted.

Unrecognized tax benefits

A reconciliation of the beginning and ending liability for unrecognized tax benefits that do not meet the more-likely-than-not threshold is as follows:

| | Year ended December 31, | |
|---|-------------------------|-----------|
| | 2019 | 2018 |
| Beginning balance | \$ 40,382 | \$ 32,776 |
| Additions for tax positions related to current year | 3,378 | 6,111 |
| Additions for tax positions related to prior years | 24,722 | 4,134 |
| Reductions related to lapse of applicable statute | (268) | (338) |
| Reductions related to settlements with taxing authorities | — | (2,301) |
| Ending balance | \$ 68,214 | \$ 40,382 |

As of December 31, 2019, the Company's total liability for unrecognized tax benefits relating to tax positions that do not meet the more-likely-than-not threshold is \$68,214, of which \$63,968 would impact the Company's effective tax rate if recognized. This balance represents an increase of \$27,832 from the December 31, 2018 balance of \$40,382, primarily due to additions for tax positions related to prior years.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. At December 31, 2019 and 2018, the Company had approximately \$14,428 and \$9,019, respectively, accrued for interest and penalties related to unrecognized tax benefits, net of federal tax benefit.

The Company and its subsidiaries file U.S. federal and state income tax returns and various foreign income tax returns. The Company is no longer subject to U.S. federal and state examinations by tax authorities for years before 2014 and 2009, respectively. In addition to being under audit in various state and local tax jurisdictions, the Company's federal tax returns are under audit by the Internal Revenue Service for the years 2014-2017.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

13. Long-term debt

Long-term debt was comprised of the following:

| | December 31, | | Maturity date | As of December 31, 2019 | |
|--|---------------------|---------------------|---------------|-------------------------|-------------------------------------|
| | 2019 | 2018 | | Interest rate | Estimated fair value ⁽⁵⁾ |
| Senior Secured Credit Facilities⁽¹⁾: | | | | | |
| New Term Loan A | \$ 1,739,063 | \$ — | 8/12/2024 | LIBOR + 1.50% | \$ 1,739,063 |
| New Term Loan B ⁽²⁾ | 2,743,125 | — | 8/12/2026 | LIBOR + 2.25% | \$ 2,770,556 |
| Prior Term Loan A ⁽³⁾ | — | 675,000 | 12/24/2019 | (4) | \$ — |
| Prior Term Loan A-2 ⁽³⁾ | — | 995,000 | 12/24/2019 | (4) | \$ — |
| Prior Term Loan B | — | 3,342,500 | 6/24/2021 | (4) | \$ — |
| Prior revolving line of credit ⁽³⁾ | — | 175,000 | 12/24/2019 | (4) | \$ — |
| Senior Notes: | | | | | |
| 5 1/8% Senior Notes | 1,750,000 | 1,750,000 | 7/15/2024 | 5.125% | \$ 1,789,375 |
| 5% Senior Notes | 1,500,000 | 1,500,000 | 5/1/2025 | 5.00% | \$ 1,538,700 |
| 5 3/4% Senior Notes | — | 1,250,000 | 8/15/2022 | | |
| Acquisition obligations and other notes payable ⁽⁶⁾ | 180,352 | 183,979 | 2019-2027 | 5.35% | \$ 180,352 |
| Financing lease obligations ⁽⁷⁾ | 268,534 | 282,737 | 2019-2036 | 5.39% | \$ 268,534 |
| Total debt principal outstanding | 8,181,074 | 10,154,216 | | | |
| Discount and deferred financing costs⁽⁸⁾ | (72,840) | (52,000) | | | |
| | 8,108,234 | 10,102,216 | | | |
| Less current portion | (130,708) | (1,929,369) | | | |
| | \$ 7,977,526 | \$ 8,172,847 | | | |

- (1) As of December 31, 2019, the Company has an undrawn new revolving line of credit under its new senior secured credit facilities of \$1,000,000. The new revolving line of credit interest rate in effect at December 31, 2019 was 1.50% plus London Interbank Offered Rate (LIBOR) and it matures on August 12, 2024.
- (2) On February 13, 2020, the Company entered into an amendment to its credit agreement governing its senior secured credit facilities to refinance the new Term Loan B with a \$2,743,125 secured Term Loan B-1 that bears interest at a rate equal to LIBOR plus an applicable margin of 1.75% and matures on August 12, 2026.
- (3) On May 6, 2019, the Company entered into an agreement to extend the maturity dates of its then existing Term Loan A, Term Loan A-2 and revolving line of credit under its prior senior secured credit facilities by six months, to December 24, 2019.
- (4) At June 30, 2019, the interest rate on the Company's then existing term loan debt was LIBOR plus interest rate margins in effect of 2.00% for the prior Term Loan A and prior revolving line of credit, 1.00% for the prior Term Loan A-2 and 2.75% for the prior Term Loan B.
- (5) Fair value estimates are based upon quoted bid and ask prices for these instruments, typically a level 2 input. The balances of acquisition obligations and other notes payable and financing lease obligations are presented in the consolidated financial statements as of December 31, 2019 at their approximate fair values due to the short-term nature of their settlements.
- (6) The interest rate presented for acquisition obligations and other notes payable is their weighted average interest rate based on the current interest rate in effect and assuming no changes to the LIBOR based interest rates.
- (7) The interest rate presented for financing lease obligations is their weighted average discount rate.
- (8) As of December 31, 2019, the carrying amount of the Company's current senior secured credit facilities includes a discount of \$6,457 and deferred financing costs of \$45,444, and the carrying amount of the Company's senior notes includes deferred financing costs of \$20,939. As of December 31, 2018, the carrying amount of the Company's then existing senior secured credit facilities included a discount of \$6,104 and deferred financing costs of \$12,580, and the carrying amount of the Company's senior notes included deferred financing costs of \$33,316.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Scheduled maturities of long-term debt at December 31, 2019 were as follows:

| | | |
|------------|----|-----------|
| 2020 | \$ | 130,708 |
| 2021 | \$ | 153,110 |
| 2022 | \$ | 168,951 |
| 2023 | \$ | 224,437 |
| 2024 | \$ | 3,172,298 |
| Thereafter | \$ | 4,331,570 |

The Company completed the sale of its DMG business to Optum on June 19, 2019, and, in accordance with the terms of its prior senior secured credit agreement, used all of the net proceeds from the sale of DMG to prepay term debt outstanding under that credit agreement. During the year ended December 31, 2019, the Company made mandatory principal prepayments of \$647,424 on the prior Term Loan A, \$995,000 on the prior Term Loan A-2 and \$2,823,447 on the prior Term Loan B.

On August 12, 2019, the Company entered into a new \$5,500,000 senior secured credit agreement (the New Credit Agreement) consisting of a secured term loan A facility in the aggregate principal amount of \$1,750,000 with a delayed draw feature, a secured term loan B facility in the aggregate principal amount of \$2,750,000 and a secured revolving line of credit in the aggregate principal amount of \$1,000,000 (the foregoing referred to as the new Term Loan A, new Term Loan B and new revolving line of credit, respectively). In addition, the Company can increase the existing revolving commitments and enter into one or more incremental term loan facilities in an amount not to exceed the sum of \$1,500,000 (less the amount of other permitted indebtedness incurred or issued in reliance on such amount), plus an amount of indebtedness such that the senior secured leverage ratio is not in excess of 3.50:1.00 after giving effect to such borrowings.

The new Term Loan A and new revolving line of credit initially bear interest at LIBOR plus an interest rate margin of 1.50%, which is subject to adjustment depending upon the Company's leverage ratio under the New Credit Agreement and can range from 1.00% to 2.00%. The new Term Loan A requires amortizing quarterly principal payments beginning on December 31, 2019, in annual amounts of \$10,937 in 2019, \$54,689 in 2020, \$87,500 in 2021, \$98,437 in 2022 and \$142,187 in 2023, with the balance of \$1,356,250 due in 2024. The new Term Loan B bears interest at LIBOR plus an interest rate margin of 2.25%. The new Term Loan B requires amortizing quarterly principal payments beginning on December 31, 2019, in annual amounts of \$6,875 in 2019 and \$27,500 for each year from 2020 through 2025, with the balance of \$2,578,125 due in 2026.

The Company's term loans and revolving line of credit under its New Credit Agreement are guaranteed by certain of the Company's direct and indirect wholly-owned domestic subsidiaries, which hold most of the Company's domestic assets, and are secured by substantially all of the assets of DaVita Inc. and these guarantors. Contemporaneous with the Company entering into the New Credit Agreement and pursuant to the indentures governing the Company's senior notes, certain subsidiaries of the Company were released from their guarantees of the Company's senior notes such that, after that release, the remaining subsidiary guarantors of the senior notes were the same subsidiaries guaranteeing the New Credit Agreement. The New Credit Agreement contains certain customary affirmative and negative covenants such as various restrictions or limitations on permitted amounts of investments, acquisitions, share repurchases, payment of dividends, and redemptions and incurrence of other indebtedness. Many of these restrictions and limitations will not apply as long as the Company's leverage ratio calculated in accordance with the New Credit Agreement is below 4.00:1.00. In addition, the New Credit Agreement places limitations on the amount of gross revenue from individual immaterial subsidiaries and also requires compliance with a maximum leverage ratio covenant of 5.00:1.00 through 2022 and 4.50:1.00 thereafter.

The senior notes are unsecured obligations, rank equally in right of payment with the Company's existing and future unsecured senior indebtedness, are guaranteed by certain of the Company's direct and indirect wholly-owned domestic subsidiaries, and require semi-annual interest payments. The Company may redeem some or all of the senior notes at any time on or after certain specific dates and at certain specific redemption prices as outlined in each senior note agreement. Interest rates on the senior notes are fixed by their terms, and the Company is restricted from paying dividends under the indentures governing its senior notes.

In 2019, the Company used a portion of the proceeds from the new Term Loan A and new Term Loan B to pay off the remaining principal balances outstanding and accrued interest and fees on its prior Term Loan B and prior revolving line of credit in the amount of \$1,153,274; to redeem all of its outstanding 5.75% senior notes due in 2022 for an aggregate cash payment consisting of principal, redemption premium and accrued but unpaid interest to the redemption date of \$1,267,565; and to repurchase 21,802 shares of common stock under its modified Dutch auction tender offer (Tender Offer) for a total cost of \$1,234,154, including fees and expenses, as described in Note 19 of these consolidated financial statements. The remaining

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

debt borrowings added cash to the balance sheet for potential acquisitions, share repurchases and other general corporate purposes.

In addition to the prepayments described above, during the year ended December 31, 2019, the Company made regularly scheduled principal payments under its then existing senior secured credit facilities of \$27,576 on its prior Term Loan A and \$17,500 on its prior Term Loan B, as well as \$10,937 on its new Term Loan A and \$6,875 on its new Term Loan B.

As a result of the transactions described above, the Company recognized debt prepayment, refinancing and redemption charges of \$33,402 in the year ended December 31, 2019, as a result of the repayment of all principal balances outstanding on the Company's prior senior secured credit facilities and the redemption of its 5.75% senior notes, of which \$21,242 represented debt discount and deferred financing cost write-offs associated with the portion of the Company's prior senior secured debt that was paid in full in the third quarter of 2019 as well as redemption charges on its 5.75% senior notes redeemed in the third quarter of 2019, and \$12,160 represented accelerated amortization of debt discount and deferred financing costs associated with the portion of the Company's prior senior secured debt that was mandatorily prepaid in or shortly after the second quarter of 2019 and prior extensions of that debt.

On February 13, 2020, (the "Amendment Date"), the Company entered into an amendment to its credit agreement (the "Repricing Amendment") governing the senior secured credit facilities to refinance the new Term Loan B with a \$2,743,125 secured Term Loan B-1 that bears interest at a rate equal to LIBOR plus an applicable margin of 1.75% and matures on August 12, 2026. The Repricing Amendment did not change the interest rate on the new Term Loan A or the new revolving line of credit. No additional debt was incurred, nor any proceeds received, by the Company in connection with the Repricing Amendment.

As of December 31, 2019, the Company maintains several interest rate cap agreements that have the economic effect of capping the Company's maximum exposure to LIBOR variable interest rate changes on specific portions of the Company's floating rate debt, including all of the new Term Loan B and a portion of the new Term Loan A. The remaining \$982,188 outstanding principal balance of the new Term Loan A is subject to LIBOR-based interest rate volatility. The cap agreements are designated as cash flow hedges and, as a result, changes in their fair values are reported in other comprehensive income. The amortization of the original cap premium is recognized as a component of debt expense on the interest method over the terms of the cap agreements. These cap agreements do not contain credit-risk contingent features.

In August 2019, the Company entered into several forward interest rate cap agreements with a notional amount of \$3,500,000 that have the economic effect of capping the Company's maximum exposure to LIBOR variable interest rate changes on specific portions of the Company's floating rate debt (2019 cap agreements). These 2019 cap agreements are designated as cash flow hedges and, as a result, changes in their fair values are reported in other comprehensive income. These 2019 cap agreements do not contain credit-risk contingent features and become effective on June 30, 2020.

The following table summarizes the Company's interest rate cap agreements outstanding as of December 31, 2019 and December 31, 2018, which are classified in "Other long-term assets" on its consolidated balance sheet:

| | Notional amount | LIBOR maximum rate | Effective date | Expiration date | Year ended | | December 31, | |
|---------------------|-----------------|--------------------|----------------|-----------------|-------------------|--------------------------|--------------|--------|
| | | | | | December 31, 2019 | | 2019 | 2018 |
| | | | | | Debt expense | Recorded OCI (loss) gain | Fair value | |
| 2015 cap agreements | \$ 3,500,000 | 3.50% | 6/29/2018 | 6/30/2020 | \$ 8,654 | \$ (851) | \$ — | \$ 851 |
| 2019 cap agreements | \$ 3,500,000 | 2.00% | 6/30/2020 | 6/30/2024 | | \$ 2,417 | \$ 24,452 | |

The following table summarizes the effects of the Company's interest rate cap and swap agreements for the years ended December 31, 2019, 2018 and 2017:

| Derivatives designated as cash flow hedges | Amount of unrealized gains (losses) in OCI on interest rate cap and swap agreements | | | Location of losses | Reclassification from accumulated other comprehensive income into net income | | |
|--|---|----------|------------|--------------------|--|----------|----------|
| | Year ended December 31, | | | | Year ended December 31, | | |
| | 2019 | 2018 | 2017 | | 2019 | 2018 | 2017 |
| Interest rate cap agreements | \$ 1,566 | \$ (181) | \$ (8,897) | Debt expense | \$ 8,591 | \$ 8,466 | \$ 8,278 |
| Tax (expense) benefit | (415) | 48 | 3,460 | Tax expense | (2,214) | (2,180) | (3,220) |
| Total | \$ 1,151 | \$ (133) | \$ (5,437) | | \$ 6,377 | \$ 6,286 | \$ 5,058 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

See Note 20 for further details on amounts recorded and reclassified from accumulated other comprehensive (loss) income.

The Company's weighted average effective interest rate on the senior secured credit facilities at the end of 2019 was 3.93%, based upon the current margins in effect for the new Term Loan A and the new Term Loan B as of December 31, 2019.

The Company's overall weighted average effective interest rate during the year ended December 31, 2019 was 5.01% and as of December 31, 2019 was 4.46%.

As of December 31, 2019, the Company's interest rates were fixed on approximately 44.29% of its total debt.

As of December 31, 2019, the Company had an undrawn revolving line of credit under its new senior secured credit facilities of \$1,000,000, of which approximately \$13,055 was committed for outstanding letters of credit. The Company also had approximately \$59,705 of outstanding letters of credit under a separate bilateral secured letter of credit facility.

Debt expense

Debt expense consisted of interest expense of \$419,639, \$461,897 and \$406,341 and the amortization and accretion of debt discounts and premiums, amortization of deferred financing costs and the amortization of interest rate cap agreements of \$24,185, \$25,538 and \$24,293 for 2019, 2018 and 2017, respectively. These interest expense amounts are net of capitalized interest.

14. Leases

The Company leases substantially all of its U.S. dialysis facilities. The majority of the Company's facilities are leased under non-cancellable operating leases ranging in terms from five years to 15 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal. These renewal options are included in the Company's determination of the right-of-use assets and related lease liabilities when renewal is considered reasonably certain at the commencement date. Certain of the Company's leases are subject to periodic consumer price index increases or contain fixed escalation clauses. The Company also leases certain facilities and equipment under finance leases. The Company has elected the practical expedient to not separate lease components from non-lease components for its financing and operating leases.

Financing and operating right-of-use assets are recognized based on the net present value of lease payments over the lease term at the commencement date. Since most of the Company's leases do not provide an implicit rate of return, the Company uses its incremental borrowing rate based on information available at the commencement date or remeasurement date in determining the present value of lease payments.

As of December 31, 2019 and December 31, 2018, assets recorded under finance leases were \$247,246 and \$367,164, respectively, and accumulated amortization associated with finance leases was \$27,193 and \$131,971, respectively, included in property and equipment, net, on the Company's consolidated balance sheet.

In certain markets, the Company acquires and develops dialysis centers. Upon completion, the Company sells the center to a third party and leases the space back with the intent of operating the center on a long term basis. Both the sale and leaseback terms are generally market terms. The lease terms are consistent with the Company's other operating leases with the majority of the leases under non-cancellable operating leases ranging in terms from five years to 15 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal.

The Company adopted Topic 842, *Leases* beginning on January 1, 2019 through a modified retrospective approach for leases existing at the adoption date with a cumulative effect adjustment. Consequently, financial information was not updated for dates and periods before January 1, 2019.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The components of lease expense were as follows:

| Lease cost | Year ended December 31, 2019 | |
|---------------------------------------|------------------------------|----------------|
| Operating lease cost ⁽¹⁾ : | | |
| Fixed lease expense | \$ | 526,352 |
| Variable lease expense | | 119,740 |
| Financing lease cost: | | |
| Amortization of leased assets | | 23,724 |
| Interest on lease liabilities | | 14,932 |
| Net lease cost | \$ | <u>684,748</u> |

(1) Includes short-term lease expense and sublease income, which are immaterial.

Other information related to leases was as follows:

| Lease term and discount rate | December 31, 2019 | |
|--|-------------------|------|
| Weighted average remaining lease term (years): | | |
| Operating leases | | 9.0 |
| Finance leases | | 10.2 |
| Weighted average discount rate: | | |
| Operating leases | | 4.1% |
| Finance leases | | 5.4% |

| Other information | Year ended December 31, 2019 | |
|---|------------------------------|----------------|
| Gains on sale leasebacks, net | \$ | 20,833 |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows for operating leases | \$ | 637,655 |
| Operating cash flows for finance leases | \$ | 22,257 |
| Financing cash flows for finance leases | \$ | 25,692 |
| Net operating lease assets obtained in exchange for new or modified operating lease liabilities | \$ | <u>432,074</u> |

Future minimum lease payments under non-cancellable leases as of December 31, 2019 are as follows:

| | Operating leases | Finance leases |
|-------------------------------------|---------------------|-------------------|
| 2020 | \$ 462,131 | \$ 37,624 |
| 2021 | 489,799 | 33,267 |
| 2022 | 454,753 | 33,677 |
| 2023 | 409,655 | 33,825 |
| 2024 | 358,009 | 33,841 |
| Thereafter | 1,510,665 | 178,434 |
| Total future minimum lease payments | <u>3,685,012</u> | <u>350,668</u> |
| Less portion representing interest | (617,300) | (82,134) |
| Present value of lease liabilities | <u>\$ 3,067,712</u> | <u>\$ 268,534</u> |

Rent expense under all operating leases for 2019, 2018, and 2017 was \$646,092, \$596,117 and \$530,748, respectively. Rent expense is recorded on a straight-line basis over the term of the lease, including leases that contain fixed escalation clauses or include abatement provisions. Leasehold improvement incentives are deferred and amortized to rent expense over the term of the lease. Finance lease obligations are included in long-term debt. See Note 13 for further details on long-term debt.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

15. Employee benefit plans

The Company has a 401(k) retirement savings plan for substantially all of its U.S. employees which has been established pursuant to the applicable provisions of the Internal Revenue Code (IRC). The plan allows for employees to contribute a percentage of their base annual salaries on a tax-deferred basis not to exceed IRC limitations. Beginning in 2018, the Company implemented a 401(k) matching program under which the Company matches 50% of the employee's contribution up to 6% of the employee's salary, subject to certain limitations. The matching contributions are subject to certain eligibility and vesting conditions. For the years ended December 31, 2019 and 2018, the Company accrued matching contributions totaling approximately \$64,988 and \$67,807, respectively. Prior to 2018, the Company did not provide matching contributions in connection with the 401(k) savings plan.

The Company also maintains a voluntary compensation deferral plan, the Deferred Compensation Plan, as well as other legacy deferral plans. The Deferred Compensation Plan is non-qualified and permits certain employees whose annualized base salary equals or exceeds a minimum annual threshold amount as set by the Company to elect to defer all or a portion of their annual bonus payment and up to 50% of their base salary into a deferral account maintained by the Company. Total contributions to this plan in 2019, 2018 and 2017 were \$1,751, \$3,090 and \$4,497, respectively. Deferred amounts are generally paid out in cash at the participant's election either in the first or second year following retirement or in a specified future period at least three to four years after the deferral election was effective. During 2019, 2018 and 2017 the Company distributed \$2,730, \$4,652 and \$2,789, respectively, to participants from its deferred compensation plans. Participants are credited with their proportional amount of annual earnings from the plans. The assets of these plans are held in rabbi trusts subject to the claims of the Company's general creditors in the event of its bankruptcy. As of December 31, 2019 and 2018, the total fair value of assets held in these plans' trusts was \$39,527 and \$36,124, respectively. The assets of these plans are recorded at fair value with changes in fair value recorded in other comprehensive income prior to 2018 and recognized in "Other income, net" since January 1, 2018. Any fair value changes to the corresponding liability balance are recorded as compensation expense. See Note 5 for further details.

16. Contingencies

The majority of the Company's revenues are from government programs and may be subject to adjustment as a result of: (i) examination by government agencies or contractors, for which the resolution of any matters raised may take extended periods of time to finalize; (ii) differing interpretations of government regulations by different Medicare contractors or regulatory authorities; (iii) differing opinions regarding a patient's medical diagnosis or the medical necessity of services provided; and (iv) retroactive applications or interpretations of governmental requirements. In addition, the Company's revenues from commercial payors may be subject to adjustment as a result of potential claims for refunds, as a result of government actions or as a result of other claims by commercial payors.

The Company operates in a highly regulated industry and is a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits (including, without limitation, investigations or other actions resulting from its obligation to self-report suspected violations of law) and other legal proceedings. The Company records accruals for certain legal proceedings and regulatory matters to the extent that the Company determines an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. As of December 31, 2019 and December 31, 2018, the Company's total recorded accruals with respect to legal proceedings and regulatory matters, net of anticipated third party recoveries, were immaterial. While these accruals reflect the Company's best estimate of the probable loss for those matters as of the dates of those accruals, the recorded amounts may differ materially from the actual amount of the losses for those matters, and any anticipated third party recoveries for any such losses may not ultimately be recoverable. Additionally, in some cases, no estimate of the possible loss or range of loss in excess of amounts accrued, if any, can be made because of the inherently unpredictable nature of legal proceedings and regulatory matters, which also may be impacted by various factors, including, without limitation, that they may involve indeterminate claims for monetary damages or may involve fines, penalties or non-monetary remedies; present novel legal theories or legal uncertainties; involve disputed facts; represent a shift in regulatory policy; are in the early stages of the proceedings; or may result in a change of business practices. Further, there may be various levels of judicial review available to the Company in connection with any such proceeding.

The following is a description of certain lawsuits, claims, governmental investigations and audits and other legal proceedings to which the Company is subject.

Governmental Inquiries and Certain Related Proceedings

2016 U.S. Attorney Texas Investigation: In February 2016, DaVita Rx, LLC (DaVita Rx), a wholly-owned subsidiary of the Company, received a Civil Investigative Demand (CID) from the U.S. Attorney's Office, Northern District of Texas. The

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

government is conducting a federal False Claims Act (FCA) investigation concerning allegations that DaVita Rx presented or caused to be presented false claims for payment to the government for prescription medications, as well as an investigation into the Company's relationships with pharmaceutical manufacturers. The CID covers the period from January 1, 2006 through the present. In connection with the Company's ongoing efforts working with the government, the Company learned that a *qui tam* complaint had been filed covering some of the issues in the CID and practices that had been identified by the Company in a self-disclosure filed with the Office of Inspector General (OIG) for the U.S. Department of Health and Human Services (HHS) in February 2016. In December 2017, the Company finalized and executed a settlement agreement with the government and relators in the *qui tam* matter that included total monetary consideration of \$63,700, as previously disclosed, of which \$41,500 was an incremental cash payment and \$22,200 was for amounts previously refunded, and all of which was previously accrued. The government's investigation into certain of the Company's relationships with pharmaceutical manufacturers is ongoing, and in July 2018 the OIG served the Company with a subpoena seeking additional documents and information relating to those relationships. The Company is continuing to cooperate with the government in this investigation.

2017 U.S. Attorney Massachusetts Investigation: In January 2017, the Company was served with an administrative subpoena for records by the U.S. Attorney's Office, District of Massachusetts, relating to an investigation into possible federal health care offenses. The subpoena covered the period from January 1, 2007 to the present, and sought documents relevant to charitable patient assistance organizations, particularly the American Kidney Fund, including documents related to efforts to provide patients with information concerning the availability of charitable assistance. The Department of Justice notified the court on July 23, 2019 of its decision to elect not to intervene in the matter of *U.S. ex rel. David Gonzalez v. DaVita Healthcare Partners, et al*. The complaint then was unsealed in the U.S. District Court, District of Massachusetts by order entered on August 1, 2019. The Department of Justice has confirmed that the complaint, which alleges violations of the FCA and various state false claims acts, was the basis of its investigation initiated in January 2017. The Company has not been served with the complaint.

2017 U.S. Attorney Colorado Investigation: In November 2017, the U.S. Attorney's Office, District of Colorado informed the Company of an investigation it was conducting into possible federal healthcare offenses involving DaVita Kidney Care, as well as several of the Company's wholly-owned subsidiaries. In addition to DaVita Kidney Care, the matter currently includes an investigation into DaVita Rx, DaVita Laboratory Services, Inc. (DaVita Labs), and RMS Lifeline Inc. (Lifeline). In each of August 2018 and May 2019, the Company received a CID pursuant to the FCA from the U.S. Attorney's Office relating to this investigation. The Company is continuing to cooperate with the government in this investigation.

2018 U.S. Attorney Florida Investigation: In March 2018, DaVita Labs received two CIDs from the U.S. Attorney's Office, Middle District of Florida that were identical in nature but directed to the two different labs. According to the face of the CIDs, the U.S. Attorney's Office is conducting an investigation as to whether the Company's subsidiary submitted claims for blood, urine, and fecal testing, where there were insufficient test validation or stability studies to ensure accurate results, in violation of the FCA. In October 2018, DaVita Labs received a subpoena from the OIG in connection with this matter requesting certain patient records linked to clinical laboratory tests. On September 30, 2019, the U.S. Attorney's Office notified the U.S. District Court, Middle District of Florida, of its decision not to elect to intervene at this time in the matter of *U.S. ex rel. Lorne Holland, et al. v. DaVita Healthcare Partners, Inc. et al*. The court then unsealed the complaint, which alleges violations of the FCA, by order dated the same day. In January 2020, the private party relators served the Company and DaVita Labs with an amended complaint. The Company and DaVita Labs dispute these allegations and intend to defend this action accordingly.

* * *

Although the Company cannot predict whether or when proceedings might be initiated or when these matters may be resolved (other than as may be described above), it is not unusual for inquiries such as these to continue for a considerable period of time through the various phases of document and witness requests and on-going discussions with regulators and to develop over the course of time. In addition to the inquiries and proceedings specifically identified above, the Company frequently is subject to other inquiries by state or federal government agencies and/or private civil *qui tam* complaints filed by relators. Negative findings or terms and conditions that the Company might agree to accept as part of a negotiated resolution of pending or future government inquiries or relator proceedings could result in, among other things, substantial financial penalties or awards against the Company, substantial payments made by the Company, harm to the Company's reputation, required changes to the Company's business practices, exclusion from future participation in the Medicare, Medicaid and other federal health care programs and, if criminal proceedings were initiated against the Company, members of its board of directors or management, possible criminal penalties, any of which could have a material adverse effect on the Company.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Shareholder and Derivative Claims

Peace Officers' Annuity and Benefit Fund of Georgia Securities Class Action Civil Suit On February 1, 2017, the Peace Officers' Annuity and Benefit Fund of Georgia filed a putative federal securities class action complaint in the U.S. District Court for the District of Colorado against the Company and certain executives. The complaint covers the time period of August 2015 to October 2016 and alleges, generally, that the Company and its executives violated federal securities laws concerning the Company's financial results and revenue derived from patients who received charitable premium assistance from an industry-funded non-profit organization. The complaint further alleges that the process by which patients obtained commercial insurance and received charitable premium assistance was improper and "created a false impression of DaVita's business and operational status and future growth prospects." In November 2017, the court appointed the lead plaintiff and an amended complaint was filed on January 12, 2018. On March 27, 2018, the Company and various individual defendants filed a motion to dismiss. On March 28, 2019, the U.S. District Court for the District of Colorado denied the motion to dismiss. The Company answered the complaint on May 28, 2019. The Company disputes these allegations and intends to defend this action accordingly.

In re DaVita Inc. Stockholder Derivative Litigation: On August 15, 2017, the U.S. District Court for the District of Delaware consolidated three previously disclosed shareholder derivative lawsuits: the Blackburn Shareholder action filed on February 10, 2017, the Gabilondo Shareholder action filed on May 30, 2017, and the City of Warren Police and Fire Retirement System Shareholder action filed on June 9, 2017. The complaint covers the time period from 2015 to present and alleges, generally, breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, corporate waste, and misrepresentations and/or failures to disclose certain information in violation of the federal securities laws in connection with an alleged practice to direct patients with government-subsidized health insurance into private health insurance plans to maximize the Company's profits. An amended complaint was filed in September 2017, and on December 18, 2017, the Company filed a motion to dismiss and a motion to stay proceedings in the alternative. On April 25, 2019, the court denied the Company's motion to dismiss. The Company answered the complaint on May 28, 2019. On January 31, 2020, the plaintiffs filed a motion for class certification that the Company intends to oppose. The Company disputes these allegations and intends to defend this action accordingly.

Other Proceedings

In addition to the foregoing, from time to time the Company is subject to other lawsuits, demands, claims, governmental investigations and audits and legal proceedings that arise due to the nature of its business, including, without limitation, contractual disputes, such as with payors, suppliers and others, employee-related matters and professional and general liability claims. From time to time, the Company also initiates litigation or other legal proceedings as a plaintiff arising out of contracts or other matters.

* * *

Other than as may be described above, the Company cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which the Company is or may be subject from time to time, including those described in this Note 16 to these consolidated financial statements, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on the Company's revenues, earnings and cash flows. Further, any legal proceedings or regulatory matters involving the Company, whether meritorious or not, are time consuming, and often require management's attention and result in significant legal expense, and may result in the diversion of significant operational resources, or otherwise harm the Company's business, results of operations, financial condition, cash flows or reputation.

17. Noncontrolling interests subject to put provisions and other commitments

Noncontrolling interests subject to put provisions

The Company has potential obligations to purchase the equity interests held by third parties in many of its majority-owned dialysis partnerships and other nonconsolidated entities. These noncontrolling interests subject to put provisions constitute redeemable equity interests and are therefore classified as temporary equity and carried at estimated fair value on the Company's balance sheet.

Specifically, these obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods outlined in each specific put provision. If these put provisions were exercised, the Company would be required to purchase the third-party owners' equity interests, generally at the appraised fair market value of the equity interests or in certain cases at a predetermined multiple of earnings or cash flows attributable to the equity interests put to the Company,

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

intended to approximate fair value. The methodology the Company uses to estimate the fair values of noncontrolling interests subject to put provisions assumes the higher of either a liquidation value of net assets or an average multiple of earnings, based on historical earnings, patient mix and other performance indicators that can affect future results, as well as other factors. The estimated fair values of noncontrolling interests subject to put provisions are a critical accounting estimate that involves significant judgments and assumptions and may not be indicative of the actual values at which the noncontrolling interests may ultimately be settled, which could vary significantly from the Company's current estimates. The estimated fair values of noncontrolling interests subject to put provisions can fluctuate and the implicit multiple of earnings at which these noncontrolling interests obligations may be settled will vary significantly depending upon market conditions including potential purchasers' access to the capital markets, which can impact the level of competition for dialysis and non-dialysis related businesses, the economic performance of these businesses and the restricted marketability of the third-party owners' equity interests. The amount of noncontrolling interests subject to put provisions that employ a contractually predetermined multiple of earnings rather than fair value is immaterial.

The Company has certain other potential commitments to provide operating capital to a number of dialysis businesses that are wholly-owned by third parties or in which the Company owns a noncontrolling equity interest as well as to physician-owned vascular access clinics or medical practices that the Company operates under management and administrative service agreements of approximately \$9,669.

Certain consolidated dialysis partnerships are originally contractually scheduled to dissolve after terms ranging from ten years to 50 years. While noncontrolling interests in these limited life entities qualify as mandatorily redeemable financial instruments, they are subject to a classification and measurement scope exception from the accounting guidance generally applicable to other mandatorily redeemable financial instruments. Future distributions upon dissolution of these entities would be valued below the related noncontrolling interest carrying balances in the consolidated balance sheet.

Other commitments

In 2017, the Company entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of the agreement, the Company will purchase EPO from Amgen in amounts necessary to meet no less than 90% of its requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract. The actual amount of EPO that the Company will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that the Company serves.

The Company has an agreement with Fresenius Medical Care (FMC) to purchase a certain amount of dialysis equipment, parts and supplies from FMC, which extends through December 31, 2020. The Company also has agreements with Baxter Healthcare Corporation (Baxter) that commit the Company to purchase certain amounts of dialysis supplies at fixed prices through 2022.

As of December 31, 2019, the remaining minimum purchase commitments under these arrangements was approximately \$399,042, \$312,119 and \$312,101, for the years 2020, 2021 and 2022, respectively. If the Company fails to meet the minimum purchase commitments under these contracts during any year, it is required to pay the difference to the supplier.

Other than the letters of credit disclosed in Note 13 to these consolidated financial statements, and the arrangements as described above, the Company has no off balance sheet financing arrangements as of December 31, 2019.

18. Long-term incentive compensation

Long-term incentive compensation

Long-term incentive program (LTIP) compensation includes both stock-based awards (principally stock-settled stock appreciation rights, restricted stock units and performance stock units) and long-term performance-based cash awards. Long-term incentive compensation expense, which is primarily general and administrative in nature, is attributed to the Company's U.S. dialysis business, its corporate administrative support, and its ancillary services.

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards, unless the stock awards are based on non-market-based performance metrics, in which case expense is adjusted for the ultimate number of shares expected to be issued as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on their estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Stock-based compensation to be settled in shares is recorded to the Company's shareholders' contributed capital, while stock-based compensation to be settled in cash is recorded to a liability. Shares issued upon exercise of stock awards are issued from authorized but unissued shares.

Long-term incentive compensation plans

The Company's 2011 Incentive Award Plan (the 2011 Plan) is the Company's omnibus equity compensation plan and provides for grants of stock-based awards to employees, directors and other individuals providing services to the Company, except that incentive stock options may only be awarded to employees. The 2011 Plan authorizes the Company to award stock options, stock appreciation rights, restricted stock units, restricted stock, and other stock-based or performance-based awards. The 2011 Plan mandates a maximum award term of five years and stipulates that stock appreciation rights and stock options be granted with prices not less than fair market value on the date of grant. The 2011 Plan also requires that full value share awards such as restricted stock units reduce shares available under the 2011 Plan at a ratio of 3.5:1. The Company's nonqualified stock appreciation rights and stock units awarded under the 2011 Plan generally vest over 36 months to 48 months from the date of grant. At December 31, 2019, there were 15,547 shares available for future grants under the 2011 Plan. This number of shares available does not reflect reduction for the Premium Priced Award described below, as that Board-approved award remained contingent on stockholder approval of an amendment to the 2011 Plan which did not occur until January 2020.

A combined summary of the status of the Company's stock-settled awards under the 2011 Plan, including base shares for stock-settled stock appreciation rights (SSARs) and stock-settled stock unit awards is as follows:

| | Year ended December 31, 2019 | | | | |
|---|------------------------------|---------------------------------|---|-----------------|---|
| | Stock appreciation rights | | | Stock units | |
| | Awards | Weighted average exercise price | Weighted average remaining contractual life | Awards | Weighted average remaining contractual life |
| Outstanding at beginning of year | 6,163 | \$ 69.90 | | 1,860 | |
| Granted ⁽¹⁾⁽²⁾ | 2,389 | \$ 52.45 | | 1,961 | |
| Exercised | (20) | \$ 64.17 | | (225) | |
| Expired | (1,058) | \$ 70.97 | | — | |
| Canceled | (521) | \$ 65.23 | | (436) | |
| Outstanding at end of period ⁽¹⁾ | <u>6,953</u> | <u>\$ 64.10</u> | <u>3.0</u> | <u>3,160</u> | <u>2.3</u> |
| Exercisable at end of period | <u>1,254</u> | <u>\$ 77.68</u> | <u>1.1</u> | <u>—</u> | <u>—</u> |
| Weighted-average fair value of grants | | | | | |
| 2019 | <u>\$ 14.04</u> | | | <u>\$ 50.58</u> | |
| 2018 | <u>\$ 16.24</u> | | | <u>\$ 66.23</u> | |
| 2017 | <u>\$ 14.51</u> | | | <u>\$ 65.73</u> | |

(1) Awards granted and outstanding do not reflect the Premium Priced Award described below, as that Board-approved award remained contingent on stockholder approval of an amendment to the 2011 Plan which did not occur until January 2020.

(2) Includes approximately 8 shares resulting from the payout of the first tranche of fiscal year 2016 PSU grants due to exceeding target payout.

| Range of SSARs base prices | Awards Outstanding | Weighted average exercise price | Awards exercisable | Weighted average exercise price |
|----------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| \$50.01–\$60.00 | 2,400 | \$ 52.63 | — | \$ — |
| \$60.01–\$70.00 | 3,069 | \$ 66.16 | 186 | \$ 65.92 |
| \$70.01–\$80.00 | 925 | \$ 75.28 | 509 | \$ 75.50 |
| \$80.01–\$90.00 | 559 | \$ 83.59 | 559 | \$ 83.59 |
| Total | <u>6,953</u> | <u>\$ 64.10</u> | <u>1,254</u> | <u>\$ 77.68</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

For the years ended December 31, 2019, 2018, and 2017, the aggregate intrinsic value of stock-based awards exercised was \$11,475, \$31,045 and \$34,895, respectively. At December 31, 2019, the aggregate intrinsic value of stock-based awards outstanding was \$319,486 and the aggregate intrinsic value of stock awards exercisable was \$1,783.

Estimated fair value of stock-based compensation awards

The Company has estimated the grant-date fair value of stock-settled stock appreciation rights awards using the Black-Scholes-Merton valuation model and stock-settled stock unit awards at intrinsic value on the date of grant, except for portions of the Company's performance stock unit awards for which a Monte Carlo simulation was used to estimate the grant-date fair value. The following assumptions were used in estimating these values and determining the related stock-based compensation expense attributable to the current period:

Expected term of the awards: The expected term of awards granted represents the period of time that they are expected to remain outstanding from the date of grant. The Company determines the expected term of its stock awards based on its historical experience with similar awards, considering the Company's historical exercise and post-vesting termination patterns, and the terms expected by peer companies in near industries.

Expected volatility: Expected volatility represents the volatility anticipated over the expected term of the award. The Company determines the expected volatility for its awards based on the volatility of the price of its common stock over the most recent retrospective period commensurate with the expected term of the award, considering the volatility expectations implied by the market price of its exchange-traded options and the volatilities expected by peer companies in near industries.

Expected dividend yield: The Company has not paid dividends on its common stock and does not currently expect to pay dividends during the term of stock awards granted.

Risk-free interest rate: The Company bases the expected risk-free interest rate on the implied yield currently available on stripped interest coupons of U.S. Treasury issues with a remaining term equivalent to the expected term of the award.

A summary of the weighted average valuation inputs described above used for estimating the grant-date fair value of SSAR awards granted in the periods indicated is as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|-------|-------|
| | 2019 | 2018 | 2017 |
| Expected term | 4.0 | 4.2 | 4.2 |
| Expected volatility | 29.5% | 23.8% | 23.9% |
| Expected dividend yield | —% | —% | —% |
| Risk-free interest rate | 2.2% | 2.9% | 1.7% |

The Company estimates expected forfeitures based upon historical experience with separate groups of employees that have exhibited similar forfeiture behavior in the past. Stock-based compensation expense is recorded only for awards that are expected to vest.

On November 4, 2019, the independent members of the Company's Board of Directors (Board) approved an award of 2,500 premium-priced stock-settled stock appreciation rights (Premium-Priced Award) to the Company's Chief Executive Officer (CEO), which award was subject to stockholder approval of a related amendment to the 2011 Plan. Stockholders approved such amendment to the 2011 Plan on January 23, 2020, authorizing the grant to our CEO. Since stockholder approval occurred in 2020, this award was treated as granted in 2020 for accounting purposes.

The base price of the Premium-Priced Award was \$67.80 per share, which was a 20% premium to the clearing price of the Company's recent modified Dutch auction tender offer (Tender Offer). The award vests 50% on each of November 4, 2022 and November 4, 2023 and expires on November 4, 2024. The award includes a requirement that the CEO hold any shares acquired upon exercise of this award, net of shares used to cover related taxes, until November 4, 2024 (that is, for the full term of the award), subject to lapse of the holding period upon a change in control of the Company or due to the CEO's death or termination due to disability.

Employee stock purchase plan

The Employee Stock Purchase Plan entitles qualifying employees to purchase up to \$25 of the Company's common stock during each calendar year. The amounts used to purchase stock are accumulated through payroll withholdings or through

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

optional lump sum payments made in advance of the first day of the purchase right period. This compensatory plan allows employees to purchase stock for the lesser of 100% of its fair market value on the first day of the purchase right period or 85% of its fair market value on the last day of the purchase right period. Purchase right periods begin on January 1 and July 1, and end on December 31. Contributions used to purchase the Company's common stock under this plan for the 2019, 2018 and 2017 participation periods were \$16,569, \$17,398 and \$22,131, respectively. Shares purchased pursuant to the plan's 2019, 2018 and 2017 participation periods were 315, 398 and 360, respectively. At December 31, 2019, there were 6,411 shares remaining available for future grants under this plan.

The fair value of participants' purchase rights was estimated as of the beginning dates of the purchase right periods using the Black-Scholes-Merton valuation model with the following weighted average assumptions for purchase right periods in 2019, 2018 and 2017, respectively: expected volatility of 28.8%, 24.2% and 22.7%; risk-free interest rates of 2.6%, 1.9% and 1.3%, and no dividends. Using these assumptions, the weighted average estimated per share fair value of each purchase right was \$13.80, \$17.45 and \$15.19 for 2019, 2018 and 2017, respectively.

Long-term incentive compensation expense and proceeds

For the years ended December 31, 2019, 2018 and 2017, the Company recognized \$118,513, \$85,759 and \$61,978, respectively, in total LTIP expense, of which \$63,705, \$73,582 and \$34,431, respectively, was stock-based compensation expense for stock appreciation rights, stock units and discounted employee stock plan purchases, which are primarily included in general and administrative expenses. The estimated tax benefits recorded for stock-based compensation in 2019, 2018 and 2017 were \$9,186, \$13,591 and \$7,717, respectively. As of December 31, 2019, there was \$147,267 of total estimated unrecognized compensation expense for LTIP awards outstanding, including \$136,818 related to stock-based compensation arrangements under the Company's equity compensation and stock purchase plans. The Company expects to recognize the performance-based cash component of this LTIP expense over a weighted average remaining period of 0.6 years and the stock-based component of this LTIP expense over a weighted average remaining period of 1.5 years.

During the year ended December 31, 2018, the Company adopted a retirement policy (Rule of 65 policy). The Rule of 65 policy generally provides that Section 16 officers that are a minimum age of 55 with five years of continuous service with the Company receive certain benefits with respect to their outstanding equity awards upon a qualifying retirement if the sum of their age plus years of service is greater than or equal to 65. These benefits generally include accelerated vesting of restricted stock unit awards, continued vesting of stock-settled stock appreciation rights and performance stock unit awards and an exercise window from the original vest date through the original expiration date regardless of continued employment, with pro rata vesting for a Rule of 65 retirement within one year of the award grant date. The adoption of the Rule of 65 policy resulted in a \$14,704 modification charge and a net acceleration of expense of \$9,727 during the year ended December 31, 2018 that is included in the expense amounts reported above.

For the years ended December 31, 2019, 2018 and 2017, the Company received \$2,251, \$7,988 and \$13,473, respectively, in actual tax benefits upon the exercise of stock awards. Since the Company issues stock-settled stock appreciation rights rather than stock options, there were no cash proceeds from stock option exercises.

19. Shareholders' equity

Stock repurchases

The following table summarizes our repurchases of our common stock during the years ended December 31, 2019, 2018 and 2017:

| | 2019 | | | 2018 | | | 2017 | | |
|-----------------------------|--------------------|--------------|----------------|--------------------|--------------|----------------|--------------------|-------------|----------------|
| | Shares repurchased | Amount paid | Paid per share | Shares repurchased | Amount paid | Paid per share | Shares repurchased | Amount paid | Paid per share |
| Tender Offer ⁽¹⁾ | 21,802 | \$ 1,234,154 | \$ 56.61 | — | \$ — | \$ — | — | \$ — | \$ — |
| Open market | 19,218 | 1,168,321 | 60.79 | 16,844 | 1,153,511 | 68.48 | 12,967 | 810,949 | 62.54 |
| | 41,020 | \$ 2,402,475 | \$ 58.57 | 16,844 | \$ 1,153,511 | \$ 68.48 | 12,967 | \$ 810,949 | \$ 62.54 |

(1) The amount paid for shares repurchased associated with the Company's Tender Offer during the year ended December 31, 2019 includes the clearing price of \$56.50 per share plus related fees and expenses of \$2,343.

Subsequent to December 31, 2019, the Company has repurchased 291 shares of our common stock for \$21,794 at an average cost of \$74.92 per share subsequent to December 31, 2019 through February 20, 2020.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

On July 11, 2018, the Company's Board approved an additional share repurchase authorization in the amount of approximately \$1,389,999. This share repurchase authorization was in addition to the approximately \$110,001 remaining at that time under the Board's prior share repurchase authorization approved in October 2017.

Effective July 17, 2019, the Board terminated all remaining prior share repurchase authorizations available to the Company at that time and approved a new share repurchase authorization of \$2,000,000.

Effective as of the close of business on November 4, 2019, the Board terminated all remaining prior share repurchase authorizations available to the Company under the aforementioned July 17, 2019 authorization and approved a new share repurchase authorization of \$2,000,000. The Company is authorized to make purchases from time to time in the open market or in privately negotiated transactions, including without limitation, through accelerated share repurchase transactions, derivative transactions, tender offers, Rule 10b5-1 plans or any combination of the foregoing, depending upon market conditions and other considerations.

As of February 20, 2020, the Company has a total of \$1,681,701 available under the current repurchase authorization for additional share repurchases. Although this share repurchase authorization does not have an expiration date, the Company remains subject to share repurchase limitations, including under the terms of the current senior secured credit facilities and the indentures governing the Company's senior notes.

The Company retired all shares held in its treasury effective as of December 31, 2019 and December 31, 2018.

Charter documents & Delaware law

The Company's charter documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in management, or limit the ability of stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting stockholders from acting by written consent, requiring 90 days advance notice of stockholder proposals or nominations to the Board and granting the Board the authority to issue up to 5,000 shares of preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

The Company is also subject to Section 203 of the Delaware General Corporation Law which, subject to exceptions, would prohibit the Company from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder. These restrictions may discourage, delay or prevent a change in the control of the Company.

Changes in DaVita Inc.'s ownership interests in consolidated subsidiaries

The effects of changes in DaVita Inc.'s ownership interests in consolidated subsidiaries on the Company's consolidated equity are as follows:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| Net income attributable to DaVita Inc. | \$ 810,981 | \$ 159,394 | \$ 663,618 |
| Changes in paid-in capital for: | | | |
| Sales of noncontrolling interest | — | 79 | (114) |
| Purchase of noncontrolling interests | (37,145) | (17,897) | (2,752) |
| Net transfer in noncontrolling interests | (37,145) | (17,818) | (2,866) |
| Net income attributable to DaVita Inc. net of transfers in noncontrolling interests | <u>\$ 773,836</u> | <u>\$ 141,576</u> | <u>\$ 660,752</u> |

The Company acquired additional ownership interests in several existing majority-owned partnerships for \$68,019, \$28,082, and \$5,357 in 2019, 2018, and 2017, respectively.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

20. Accumulated other comprehensive (loss) income

Charges and credits to other comprehensive (loss) income have been as follows:

| | Interest rate cap agreements | Investment securities | Foreign currency translation adjustments | Accumulated other comprehensive (loss) income |
|--|---------------------------------|--------------------------|--|---|
| Balance at December 31, 2016 | \$ (12,029) | \$ 2,175 | \$ (79,789) | \$ (89,643) |
| Unrealized (losses) gains | (8,897) | 5,075 | 99,770 | 95,948 |
| Related income tax | 3,460 | (1,368) | — | 2,092 |
| | (5,437) | 3,707 | 99,770 | 98,040 |
| Reclassification of income (loss) into net income | 8,278 | (360) | — | 7,918 |
| Related income tax | (3,220) | 140 | — | (3,080) |
| | 5,058 | (220) | — | 4,838 |
| Balance at December 31, 2017 | \$ (12,408) | \$ 5,662 | \$ 19,981 | \$ 13,235 |
| Cumulative effect of change in accounting principle ⁽¹⁾ | (2,706) | (5,662) | — | (8,368) |
| Unrealized losses | (181) | — | (45,944) | (46,125) |
| Related income tax | 48 | — | — | 48 |
| | (133) | — | (45,944) | (46,077) |
| Reclassification of income into net income | 8,466 | — | — | 8,466 |
| Related income tax | (2,180) | — | — | (2,180) |
| | 6,286 | — | — | 6,286 |
| Balance at December 31, 2018 | \$ (8,961) | \$ — | \$ (25,963) | \$ (34,924) |
| Unrealized gains (losses) | 1,566 | — | (20,102) | (18,536) |
| Related income tax | (415) | — | — | (415) |
| | 1,151 | — | (20,102) | (18,951) |
| Reclassification of income into net income | 8,591 | — | — | 8,591 |
| Related income tax | (2,214) | — | — | (2,214) |
| | 6,377 | — | — | 6,377 |
| Balance at December 31, 2019 | \$ (1,433) | \$ — | \$ (46,065) | \$ (47,498) |

(1) Reflects the cumulative effect of a change in accounting principle for ASUs 2016-01 and 2018-03 on classification and measurement of financial instruments and ASU 2018-02 on remeasurement and reclassification of deferred tax effects in accumulated other comprehensive income associated with the 2017 Tax Act. See Note 5 for further details.

The reclassification of net cap realized losses into income are recorded as debt expense in the corresponding consolidated statements of income. See Note 13 for further details.

Prior to January 1, 2018, unrealized gains and losses on available-for-sale equity securities were recorded to accumulated other comprehensive income and reclassified to other income when realized. From January 1, 2018, unrealized gains and losses on investment securities are recorded directly to other income rather than to accumulated other comprehensive income.

21. Acquisitions and divestitures

Routine acquisitions

During 2019, the Company acquired seven dialysis centers in the U.S. and 16 dialysis centers outside the U.S. for a total of \$98,836 in net cash paid, earn-outs of \$23,536, and deferred purchase price and liabilities assumed of \$4,326. During 2018, the Company acquired 18 dialysis centers in the U.S. and 28 dialysis centers outside the U.S. for a total of \$176,161 in net cash, earn-outs of \$1,246, and deferred purchase price and liabilities assumed of \$34,394. In one of these transactions the Company acquired a controlling interest in a previously nonconsolidated U.S. dialysis partnership for which the Company recognized a non-cash gain of \$28,152 on our prior interest upon consolidation. During 2017, the Company acquired 30 dialysis centers in the U.S. and 68 dialysis centers outside the U.S. for a total of \$308,550 in net cash, earn-outs of \$2,692 and deferred purchase

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

price of \$23,748. The assets and liabilities for all acquisitions were recorded at their estimated fair values at the dates of the acquisitions and are included in the Company's financial statements and operating results from the effective dates of the acquisitions. For several of the 2019 acquisitions, certain income tax amounts are pending final evaluation and quantification of any pre-acquisition tax contingencies. In addition, valuation of intangibles and certain other working capital items relating to several of these acquisitions are pending final quantification.

The following table summarizes the assets acquired and liabilities assumed in these transactions and recognized at their acquisition dates at estimated fair values, as well as the estimated fair value of noncontrolling interests assumed in these transactions:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| Current assets | \$ 6,713 | \$ 23,686 | \$ 14,366 |
| Property and equipment | 4,842 | 11,421 | 18,192 |
| Amortizable intangible and other long-term assets | 1,980 | 3,079 | 11,663 |
| Indefinite-lived licenses | 31,858 | 23,656 | 32,296 |
| Goodwill | 90,226 | 278,348 | 318,832 |
| Deferred income taxes | — | — | (210) |
| Noncontrolling interests assumed | (1,762) | (80,291) | (44,303) |
| Liabilities assumed | (7,159) | (19,946) | (15,846) |
| | <u>\$ 126,698</u> | <u>\$ 239,953</u> | <u>\$ 334,990</u> |

Amortizable intangible assets acquired during 2019, 2018 and 2017, primarily related to non-compete agreements, had weighted-average estimated useful lives of six years, six years and seven years, respectively. The total amount of goodwill deductible for tax purposes associated with these acquisitions for 2019, 2018, and 2017 was approximately \$88,517, \$165,013 and \$237,363, respectively.

Acquisition of Renal Ventures

On May 1, 2017, the Company completed its acquisition of 100% of the equity of Colorado-based Renal Ventures Management, LLC (Renal Ventures) for approximately \$359,913 in net cash. Renal Ventures operated 36 dialysis centers, one uncertified dialysis center and one home program, which provided services to approximately 2,600 patients in six states. As a part of this transaction, the Company was required to divest three Renal Ventures outpatient dialysis centers, and three outpatient dialysis centers and one uncertified dialysis center of the Company, for approximately \$21,219 in net cash. The Company also incurred approximately \$11,950 in transaction and integration costs during the year ended December 31, 2017 associated with this acquisition that are included in general and administrative expenses.

The purchase price allocation for the Renal Ventures acquisition was finalized in 2018 with no material change to the initial allocation. The following table summarizes the assets acquired and liabilities assumed in this transaction and recognized at the acquisition date at estimated fair values:

| | |
|---|-------------------|
| Current assets, net of cash acquired | \$ 22,739 |
| Property and equipment | 36,295 |
| Amortizable intangible and other long-term assets | 11,547 |
| Goodwill | 298,200 |
| Current liabilities | (8,389) |
| Long-term liabilities | (479) |
| | <u>\$ 359,913</u> |

Amortizable intangible assets acquired, primarily related to non-compete agreements, had weighted-average estimated useful lives of five years. The total estimated amount of goodwill deductible for tax purposes associated with this acquisition was approximately \$298,200.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Pro forma financial information (unaudited)

The following summary, prepared on a pro forma basis, combines the results of operations as if all acquisitions within continuing operations in 2019 and 2018 had been consummated as of the beginning of 2018, including the impact of certain adjustments such as amortization of intangibles, interest expense on acquisition financing and income tax effects.

| | Year ended December 31, | |
|---|-------------------------|---------------|
| | 2019 | 2018 |
| | (unaudited) | |
| Pro forma total revenues | \$ 11,416,498 | \$ 11,566,736 |
| Pro forma net income from continuing operations attributable to DaVita Inc. | \$ 709,631 | \$ 640,112 |
| Pro forma basic net income per share from continuing operations attributable to DaVita Inc. | \$ 4.63 | \$ 3.75 |
| Pro forma diluted net income per share from continuing operations attributable to DaVita Inc. | \$ 4.61 | \$ 3.71 |

Contingent earn-out obligations

The Company has several contingent earn-out obligations associated with acquisitions that could result in the Company paying the former owners of acquired companies a total of up to approximately \$33,889 if certain performance targets or quality margins are met over the next one year to five years.

Contingent earn-out obligations are remeasured to fair value at each reporting date until the contingencies are resolved with changes in the liability due to the remeasurement recognized in earnings. See Note 24 for further details. As of December 31, 2019, the Company estimated the fair value of these contingent earn-out obligations to be \$24,586, of which a total of \$6,712 is included in other current liabilities, and the remaining \$17,874 is included in other long-term liabilities in the Company's consolidated balance sheet.

The following is a reconciliation of changes in liabilities for contingent earn-out obligations for the year ended December 31, 2019:

| | |
|--|------------------|
| Balance at December 31, 2017 | \$ 6,388 |
| Contingent earn-out obligations associated with acquisitions | 1,246 |
| Remeasurement of fair value | (4,729) |
| Payments of contingent earn-out obligations | (297) |
| Balance at December 31, 2018 | \$ 2,608 |
| Contingent earn-out obligations associated with acquisitions | 23,536 |
| Remeasurement of fair value | (784) |
| Payments of contingent earn-out obligations | (774) |
| | <u>\$ 24,586</u> |

22. Discontinued operations previously held for sale

DaVita Medical Group (DMG)

On June 19, 2019, the Company completed the sale of its DMG business to Optum, a subsidiary of UnitedHealth Group Inc., for an aggregate purchase price of \$4,340,000, prior to certain closing and post-closing adjustments specified in the related equity purchase agreement dated as of December 5, 2017, as amended as of September 20, 2018 and as of December 11, 2018 (as amended, the equity purchase agreement).

The Company recorded a preliminary estimated pre-tax net loss of approximately \$23,022 on the sale of its DMG business in 2019. This preliminary net loss is based on initial estimates of the Company's expected aggregate proceeds from the sale, net of transaction costs and obligations, as well as the estimated values of DMG net assets sold as of the closing date. These estimated net proceeds include \$4,465,476 in cash received from Optum at closing, or \$3,824,509 net of cash and restricted cash included in the DMG net assets sold.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The ultimate net proceeds from the DMG sale, as well as the value of its previously held for sale net assets sold, remain subject to estimate revisions and post-closing adjustments pursuant to the equity purchase agreement, which could be material. Under the equity purchase agreement, the Company also has certain indemnification obligations that could require payments to the buyer relating to the Company's previous ownership and operation of the DMG business. Potential payments under these provisions, if any, remain subject to significant uncertainties and could have a material adverse effect on the net proceeds ultimately retained by the Company or the total amount of its loss on the sale of this business.

The following table presents the financial results of discontinued operations related to DMG:

| | Year ended December 31, | | |
|--|-------------------------|------------------|---------------------|
| | 2019 | 2018 | 2017 |
| Net revenues | \$ 2,713,059 | \$ 4,963,792 | \$ 4,676,213 |
| Expenses | 2,543,865 | 4,962,686 | 4,634,782 |
| Goodwill and other asset impairment charges | — | 41,537 | 651,659 |
| Valuation adjustment on disposal group | — | 316,840 | — |
| Income (loss) from discontinued operations before taxes | 169,194 | (357,271) | (610,228) |
| Loss on sale of discontinued operations before taxes | (23,022) | — | — |
| Income tax expense (benefit) | 40,689 | 99,768 | (364,856) |
| Net income (loss) from discontinued operations, net of tax | <u>\$ 105,483</u> | <u>(457,038)</u> | <u>\$ (245,372)</u> |

The following table presents cash flows of discontinued operations related to DMG:

| | Year ended December 31, | | |
|--|-------------------------|-------------|--------------|
| | 2019 | 2018 | 2017 |
| Net cash provided by operating activities from discontinued operations | \$ 99,634 | \$ 290,684 | \$ 357,274 |
| Net cash used in investing activities from discontinued operations | \$ (43,442) | \$ (57,382) | \$ (232,329) |

DMG acquisitions

During the period from January 1, 2019 to June 18, 2019 immediately prior to the sale, the DMG business acquired two medical businesses for a total of \$2,025 in net cash and deferred purchase price of \$212. During 2018, the DMG business acquired other medical businesses for a total of \$6,995 in net cash, deferred purchase price of \$1,142. During 2017, the DMG business acquired other medical businesses for a total of \$135,416 in net cash, deferred purchase price of \$1,038 and liabilities assumed of \$10,145.

23. Variable interest entities

The Company manages or maintains an ownership interest in certain legal entities subject to the consolidation guidance applicable to variable interest entities (VIEs). Almost all of these legal entities are either U.S. dialysis partnerships encumbered by guaranteed debt, U.S. dialysis limited partnerships, or other legal entities subject to nominee ownership arrangements.

Under U.S. GAAP, VIEs typically include entities for which (i) the entity's equity is not sufficient to finance its activities without additional subordinated financial support; (ii) the equity holders as a group lack the power to direct the activities that most significantly influence the entity's economic performance, the obligation to absorb the entity's expected losses, or the right to receive the entity's expected returns; or (iii) the voting rights of some investors are not proportional to their obligations to absorb the entity's losses.

The substantial majority of VIEs the Company is associated with are U.S. dialysis partnerships which the Company manages and in which it maintains a controlling majority ownership interest. These U.S. dialysis partnerships are considered VIEs because they are either (i) encumbered by debt guaranteed proportionately by the partners that is considered necessary to finance the partnership's activities, or (ii) in the form of limited partnerships for which the limited partners are not considered to have substantive kick-out or participating rights. The Company consolidates virtually all such U.S. dialysis partnerships.

The Company also relies on the operating activities of certain legal entities in which it does not maintain a controlling ownership interest but over which it has indirect influence and of which it is considered the primary beneficiary. These entities are typically subject to nominee ownership and transfer restriction agreements that effectively transfer the majority of the economic risks and rewards of their ownership to the Company. The Company's management, restriction and other agreements

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

concerning such nominee-owned entities typically include both financial terms and protective and participating rights to the entities' operating, strategic and non-clinical governance decisions which transfer substantial powers over and economic responsibility for these entities to the Company. The Company consolidates all of the nominee-owned entities with which it is most closely associated.

At December 31, 2019, these consolidated financial statements include total assets of VIEs of \$319,691 and total liabilities and noncontrolling interests of VIEs to third parties of \$231,586.

The Company also sponsors certain non-qualified deferred compensation plans whose trusts qualify as VIEs and the Company consolidates these plans as their primary beneficiary. The assets of these plans are recorded in short-term or long-term investments with related liabilities recorded in accrued compensation and benefits and other long-term liabilities. See Note 15 for disclosures concerning the assets of these consolidated non-qualified deferred compensation plans.

24. Fair values of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are determined based on the principal or most advantageous market for the item being measured, assume that buyers and sellers are independent, willing and able to transact, and knowledgeable, with access to all information customarily available in such a transaction, and are based on assumptions that market participants would use in pricing the item, not assumptions specific to the reporting entity.

The Company measures the fair value of certain assets, liabilities, and noncontrolling interests subject to put provisions (redeemable equity interests classified as temporary equity) based upon certain valuation techniques that include observable or unobservable inputs and assumptions that market participants would use in pricing these assets, liabilities, temporary equity and commitments. The Company has also classified certain assets, liabilities and temporary equity that are measured at fair value into the appropriate fair value hierarchy levels as defined by the FASB.

The following table summarizes the Company's assets, liabilities and temporary equity measured at fair value on a recurring basis as of December 31, 2019 and 2018:

| December 31, 2019 | Total | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|--|--------------|---|--|--|
| Assets | | | | |
| Investments in equity securities | \$ 39,951 | \$ 39,951 | \$ — | \$ — |
| Interest rate cap agreements | \$ 24,452 | \$ — | \$ 24,452 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 24,586 | \$ — | \$ — | \$ 24,586 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,180,376 | \$ — | \$ — | \$ 1,180,376 |
| December 31, 2018 | | | | |
| Assets | | | | |
| Investments in equity securities | \$ 36,124 | \$ 36,124 | \$ — | \$ — |
| Interest rate cap agreements | \$ 851 | \$ — | \$ 851 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 2,608 | \$ — | \$ — | \$ 2,608 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,124,641 | \$ — | \$ — | \$ 1,124,641 |

Investments in equity securities represent investments in various open-ended registered investment companies (mutual funds) and common stock and are recorded at fair value estimated based on reported market prices or redemption prices, as applicable. See Note 5 for further discussion.

Interest rate cap agreements are recorded at fair value estimated from valuation models utilizing the income approach and commonly accepted valuation techniques that use inputs from closing prices for similar assets and liabilities in active

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

markets as well as other relevant observable market inputs at quoted intervals such as current interest rates, forward yield curves, implied volatility and credit default swap pricing. The Company does not believe the ultimate amount that could be realized upon settlement of these interest rate cap agreements would be materially different from the fair value estimates currently reported. See Note 13 for further discussion.

The estimated fair value measurements of contingent earn-out obligations are primarily based on unobservable inputs, including projected earnings before interest, taxes, depreciation, and amortization (EBITDA) and revenue. The estimated fair value of these contingent earn-out obligations is remeasured as of each reporting date and could fluctuate based upon any significant changes in key assumptions, such as changes in the Company credit risk adjusted rate that is used to discount obligations to present value. See Note 21 for further discussion.

See Note 17 for a discussion of the Company's methodology for estimating the fair values of noncontrolling interests subject to put obligations.

The Company's fair value estimates for its senior secured credit facilities and senior notes are based upon quoted bid and ask prices for these instruments, typically a level 2 input. See Note 13 for further discussion of the Company's debt.

Other financial instruments consist primarily of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable, other accrued liabilities, lease liabilities and debt. The balances of non-debt financial instruments are presented in the consolidated financial statements at December 31, 2019 and 2018 at their approximate fair values due to the short-term nature of their settlements.

25. Segment reporting

The Company's operations are comprised of its U.S. dialysis and related lab services business, its various ancillary services and strategic initiatives, including its international operations, and its corporate administrative support. See Note 1 "*Organization*" for a summary description of the Company's businesses.

On June 19, 2019, the Company completed the sale of its DMG business to Optum. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented.

The Company's operating segments have been defined based on the separate financial information that is regularly produced and reviewed by the Company's chief operating decision maker in making decisions about allocating resources to and assessing the financial performance of the Company's various operating lines of business. The chief operating decision maker for the Company is its Chief Executive Officer.

The Company's separate operating segments include its U.S. dialysis and related lab services business, each of its ancillary services and strategic initiatives, its kidney care operations in each foreign sovereign jurisdiction, its other health operations in each foreign sovereign jurisdiction, and its equity method investment in the Asia Pacific joint venture. The U.S. dialysis and related lab services business qualifies as a separately reportable segment, and all other ancillary services and strategic initiatives operating segments, including the international operating segments, have been combined and disclosed in the other segments category.

The Company's operating segment financial information included in this report is prepared on the internal management reporting basis that the chief operating decision maker uses to allocate resources and assess the financial performance of the Company's operating segments. For internal management reporting, segment operations include direct segment operating expenses but generally exclude corporate administrative support costs, which consist primarily of indirect labor, benefits and long-term incentive compensation expenses of certain departments which provide support to all of the Company's various operating lines of business, except to the extent that such costs are charged to and borne by certain ancillary services and strategic initiatives via internal management fees. These corporate administrative support costs are reduced by internal management fees received from the Company's ancillary lines of business.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The following is a summary of segment revenues, segment operating margin (loss), and a reconciliation of segment operating margin to consolidated income from continuing operations before income taxes:

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2019 | 2018 | 2017 |
| Segment revenues:⁽¹⁾ | | | |
| U.S. dialysis | | | |
| Patient service revenues: | | | |
| External sources | \$ 10,421,401 | \$ 10,274,046 | \$ 9,767,123 |
| Intersegment revenues | 131,199 | 92,950 | 55,176 |
| Total U.S. dialysis revenues | 10,552,600 | 10,366,996 | 9,822,299 |
| Provision for uncollectible accounts | (21,715) | (50,927) | (481,973) |
| Net U.S. dialysis patient service revenues | 10,530,885 | 10,316,069 | 9,340,326 |
| Other revenues ⁽²⁾ | | | |
| External sources | 30,895 | 19,880 | 19,739 |
| Intersegment revenues | 1,126 | — | — |
| Total net U.S. dialysis revenues | \$ 10,562,906 | \$ 10,335,949 | \$ 9,360,065 |
| Other - Ancillary services | | | |
| Net patient service revenues | \$ 497,021 | \$ 437,275 | \$ 323,156 |
| Other external sources | 460,877 | 724,577 | 1,248,589 |
| Intersegment revenues | 14,030 | 34,236 | 24,603 |
| Total ancillary services | \$ 971,928 | \$ 1,196,088 | \$ 1,596,348 |
| Total net segment revenues | 11,534,834 | 11,532,037 | 10,956,413 |
| Elimination of intersegment revenues | (146,355) | (127,186) | (79,779) |
| Consolidated revenues | \$ 11,388,479 | \$ 11,404,851 | \$ 10,876,634 |
| Segment operating margin (loss): | | | |
| U.S. dialysis | \$ 1,924,826 | \$ 1,709,721 | \$ 2,297,198 |
| Other - Ancillary services | (189,174) | (93,789) | (439,477) |
| Total segment margin | 1,735,652 | 1,615,932 | 1,857,721 |
| Reconciliation of segment operating margin to consolidated income from continuing operations before income taxes: | | | |
| Corporate administrative support | (92,335) | (90,108) | (44,966) |
| Consolidated operating income | 1,643,317 | 1,525,824 | 1,812,755 |
| Debt expense | (443,824) | (487,435) | (430,634) |
| Debt prepayment, refinancing and redemption charges | (33,402) | — | — |
| Other income | 29,348 | 10,089 | 17,665 |
| Income from continuing operations before income taxes | \$ 1,195,439 | \$ 1,048,478 | \$ 1,399,786 |

(1) On January 1, 2018, the Company adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. See Notes 1 and 2 for further discussion of the Company's adoption of Topic 606.

(2) Includes management fee revenues from providing management and administrative services to dialysis ventures in which the Company owns a noncontrolling interest or which are wholly-owned by third parties.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Depreciation and amortization expense by reportable segment was as follows:

| | Year ended December 31, | | |
|----------------------------|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| U.S. dialysis | \$ 583,454 | \$ 558,810 | \$ 520,965 |
| Other - Ancillary services | 31,698 | 32,225 | 38,946 |
| | <u>\$ 615,152</u> | <u>\$ 591,035</u> | <u>\$ 559,911</u> |

Summary of assets by reportable segment was as follows:

| | Year ended December 31, | |
|---|-------------------------|----------------------|
| | 2019 | 2018 |
| Segment assets | | |
| U.S. dialysis (including equity investments of \$124,188 and \$95,290, respectively) | \$ 15,778,880 | \$ 12,333,641 |
| Other - Ancillary services ⁽¹⁾ (including equity investments of \$117,795 and \$129,321, respectively) | 1,532,514 | 1,387,046 |
| DMG - Discontinued operations (including equity investments of \$0 and \$4,833 respectively) | — | 5,389,565 |
| Consolidated assets | <u>\$ 17,311,394</u> | <u>\$ 19,110,252</u> |

(1) Includes approximately \$154,572 and \$136,052 in 2019 and 2018, respectively, of net property and equipment related to the Company's international operations.

Expenditures for property and equipment by reportable segment were as follows:

| | Year ended December 31, | | |
|-------------------------------|-------------------------|-------------------|-------------------|
| | 2019 | 2018 | 2017 |
| U.S. dialysis | \$ 681,339 | \$ 856,108 | \$ 769,732 |
| Other - Ancillary services | 46,741 | 45,806 | 40,377 |
| DMG - Discontinued operations | 38,466 | 85,224 | 95,141 |
| | <u>\$ 766,546</u> | <u>\$ 987,138</u> | <u>\$ 905,250</u> |

26. Supplemental cash flow information

The table below provides supplemental cash flow information:

| | Year ended December 31, | | |
|---|-------------------------|------------|------------|
| | 2019 | 2018 | 2017 |
| Cash paid: | | | |
| Income taxes, net | \$ 157,983 | \$ 92,526 | \$ 387,159 |
| Interest | \$ 473,176 | \$ 488,974 | \$ 424,547 |
| Non-cash investing and financing activities: | | | |
| Fixed assets under financing lease obligations | \$ 18,953 | \$ 8,828 | \$ 48,378 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

27. Selected quarterly financial data (unaudited)

| | December 31, | September 30, | June 30, | March 31, |
|--|---------------------|---------------------|-------------------|-------------------|
| 2019 | | | | |
| Total revenues | \$ 2,898,584 | \$ 2,904,078 | \$ 2,842,705 | \$ 2,743,112 |
| Operating income | \$ 462,588 | \$ 378,336 | \$ 461,886 | \$ 340,507 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 242,242 | \$ 150,113 | \$ 194,223 | \$ 120,254 |
| Net (loss) income from discontinued operations | 2,629 | (6,843) | 79,328 | 29,035 |
| Net income | <u>\$ 244,871</u> | <u>\$ 143,270</u> | <u>\$ 273,551</u> | <u>\$ 149,289</u> |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 1.87 | \$ 1.00 | \$ 1.17 | \$ 0.72 |
| Basic net income (loss) from discontinued operations | 0.02 | (0.05) | 0.47 | 0.18 |
| Basic net income | <u>\$ 1.89</u> | <u>\$ 0.95</u> | <u>\$ 1.64</u> | <u>\$ 0.90</u> |
| Diluted net income from continuing operations | \$ 1.86 | \$ 0.99 | \$ 1.16 | \$ 0.72 |
| Diluted net income (loss) from discontinued operations | 0.02 | (0.04) | 0.48 | 0.18 |
| Diluted net income | <u>\$ 1.88</u> | <u>\$ 0.95</u> | <u>\$ 1.64</u> | <u>\$ 0.90</u> |
| 2018 | | | | |
| Total revenues | \$ 2,821,124 | \$ 2,847,330 | \$ 2,886,953 | \$ 2,849,444 |
| Operating income | \$ 387,908 | \$ 289,038 | \$ 438,192 | \$ 410,686 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 160,332 | \$ 73,371 | \$ 199,603 | \$ 191,015 |
| Net (loss) income from discontinued operations | (310,104) | (210,167) | 67,673 | (12,329) |
| Net (loss) income | <u>\$ (149,772)</u> | <u>\$ (136,796)</u> | <u>\$ 267,276</u> | <u>\$ 178,686</u> |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 0.97 | \$ 0.44 | \$ 1.16 | \$ 1.07 |
| Basic net (loss) income from discontinued operations | (1.87) | (1.26) | 0.40 | (0.07) |
| Basic net (loss) income | <u>\$ (0.90)</u> | <u>\$ (0.82)</u> | <u>\$ 1.56</u> | <u>\$ 1.00</u> |
| Diluted net income from continuing operations | \$ 0.96 | \$ 0.44 | \$ 1.15 | \$ 1.05 |
| Diluted net (loss) income from discontinued operations | (1.86) | (1.26) | 0.38 | (0.07) |
| Diluted net (loss) income | <u>\$ (0.90)</u> | <u>\$ (0.82)</u> | <u>\$ 1.53</u> | <u>\$ 0.98</u> |

(1) The following table summarizes impairment charges, (gain) loss on changes in ownership interest, restructuring charges, and stock-based compensation modification charges and net acceleration of expense included in operating expenses and charges in 2019 and 2018 by quarter:

| | Quarter ended | | | | Quarter ended | | | |
|---|----------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|------------------|-------------------|
| | December 31, 2019 | September 30, 2019 | June 30, 2019 | March 31, 2019 | December 31, 2018 | September 30, 2018 | June 30, 2018 | March 31, 2018 |
| Certain operating expenses and charges: | | | | | | | | |
| Impairment charges | | \$ 83,855 | | \$ 41,037 | \$ 1,530 | \$ 12,088 | \$ 14,351 | |
| (Gain) loss on changes in ownership interest, net | | | | | \$ (19,437) | \$ 1,506 | \$ (33,957) | |
| Restructuring charges | | | | | \$ 11,366 | | | |
| Stock-based compensation modification charges and net acceleration of expense | | | | | \$ 23,470 | | | |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

28. Consolidating financial statements

The following information is presented in accordance with Rule 3-10 of Regulation S-X. The operating and investing activities of the separate legal entities included in the Company's consolidated financial statements are fully interdependent and integrated. Revenues and operating expenses of the separate legal entities include intercompany charges for management and other administrative services. The Company's senior notes are guaranteed by a substantial majority of its domestic subsidiaries as measured by revenue, income and assets. The subsidiary guarantors have guaranteed the senior notes on a joint and several basis. However, a subsidiary guarantor will be released from its obligations under its guarantee of the senior notes and the indentures governing the senior notes if, in general, there is a sale or other disposition of all or substantially all of the assets of such subsidiary guarantor, including by merger or consolidation, or a sale or other disposition of all of the equity interests in such subsidiary guarantor held by the Company and its restricted subsidiaries, as defined in the indentures; such subsidiary guarantor is designated by the Company as an unrestricted subsidiary, as defined in the indentures, or otherwise ceases to be a restricted subsidiary of the Company, in each case in accordance with the indentures; or such subsidiary guarantor no longer guarantees any other indebtedness, as defined in the indentures, of the Company or any of its restricted subsidiaries, except for guarantees that are contemporaneously released. The senior notes are not guaranteed by certain of the Company's domestic subsidiaries, any of the Company's foreign subsidiaries, or any entities that do not constitute subsidiaries within the meaning of the indentures, such as corporations in which the Company holds capital stock with less than a majority of the voting power, joint ventures and partnerships in which the Company holds less than a majority of the equity or voting interests, non-owned entities and third parties. Contemporaneously with the Company entering into the New Credit Agreement and pursuant to the indentures governing the Company's senior notes, certain subsidiaries of the Company were released from their guarantees of the Company's senior notes such that, after that release, the remaining subsidiary guarantors of the senior notes were the same subsidiaries guaranteeing the New Credit Agreement. The following consolidating statements have been prepared for all periods presented based on the current subsidiary guarantors and non-guarantors stipulated in the Company's New Credit Agreement.

Consolidating Statements of Income

| For year ended December 31, 2019 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|---|-------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Dialysis patient service revenues | \$ — | \$ 6,961,825 | \$ 4,226,402 | \$ (269,806) | \$ 10,918,421 |
| Less: Provision for uncollectible accounts | — | (15,296) | (6,419) | — | (21,715) |
| Net dialysis patient service revenues | — | 6,946,529 | 4,219,983 | (269,806) | 10,896,706 |
| Other revenues | 804,684 | 601,394 | 171,856 | (1,086,161) | 491,773 |
| Total revenues | 804,684 | 7,547,923 | 4,391,839 | (1,355,967) | 11,388,479 |
| Operating expenses and charges | 642,717 | 6,631,471 | 3,826,941 | (1,355,967) | 9,745,162 |
| Operating income | 161,967 | 916,452 | 564,898 | — | 1,643,317 |
| Debt expense | (482,074) | (183,272) | (53,043) | 241,163 | (477,226) |
| Other income, net | 309,623 | 7,314 | 46,306 | (333,895) | 29,348 |
| Income tax (benefit) expense | (2,616) | 263,563 | 18,681 | — | 279,628 |
| Equity earnings in subsidiaries | 818,849 | 429,628 | — | (1,248,477) | — |
| Net income from continuing operations | 810,981 | 906,559 | 539,480 | (1,341,209) | 915,811 |
| Net income from discontinued operations, net of tax | — | — | 12,751 | 92,732 | 105,483 |
| Net income | 810,981 | 906,559 | 552,231 | (1,248,477) | 1,021,294 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (210,313) | (210,313) |
| Net income attributable to DaVita Inc. | \$ 810,981 | \$ 906,559 | \$ 552,231 | \$ (1,458,790) | \$ 810,981 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Statements of Income - (continued)

| For year ended December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|---|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Dialysis patient service revenues | \$ — | \$ 6,834,865 | \$ 4,096,666 | \$ (221,550) | \$ 10,709,981 |
| Less: Provision for uncollectible accounts | — | (34,977) | (14,610) | — | (49,587) |
| Net dialysis patient service revenues | — | 6,799,888 | 4,082,056 | (221,550) | 10,660,394 |
| Other revenues | 799,230 | 488,086 | 558,079 | (1,100,938) | 744,457 |
| Total revenues | 799,230 | 7,287,974 | 4,640,135 | (1,322,488) | 11,404,851 |
| Operating expenses and charges | 646,640 | 6,551,328 | 4,003,547 | (1,322,488) | 9,879,027 |
| Operating income | 152,590 | 736,646 | 636,588 | — | 1,525,824 |
| Debt expense | (491,749) | (201,496) | (43,414) | 249,224 | (487,435) |
| Other income, net | 418,839 | 3,430 | 29,132 | (441,312) | 10,089 |
| Income tax expense | 23,482 | 155,372 | 79,546 | — | 258,400 |
| Equity earnings in subsidiaries | 103,196 | 388,737 | — | (491,933) | — |
| Net income from continuing operations | 159,394 | 771,945 | 542,760 | (684,021) | 790,078 |
| Net loss from discontinued operations, net of tax | — | — | (649,126) | 192,088 | (457,038) |
| Net income (loss) | 159,394 | 771,945 | (106,366) | (491,933) | 333,040 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (173,646) | (173,646) |
| Net income (loss) attributable to DaVita Inc. | \$ 159,394 | \$ 771,945 | \$ (106,366) | \$ (665,579) | \$ 159,394 |

| For year ended December 31, 2017 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|---|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Dialysis patient service revenues | \$ — | \$ 6,417,574 | \$ 3,848,172 | \$ (172,076) | \$ 10,093,670 |
| Less: Provision for uncollectible accounts | — | (322,085) | (170,447) | 7,168 | (485,364) |
| Net dialysis patient service revenues | — | 6,095,489 | 3,677,725 | (164,908) | 9,608,306 |
| Other revenues | 793,751 | 408,460 | 1,080,832 | (1,014,715) | 1,268,328 |
| Total net revenues | 793,751 | 6,503,949 | 4,758,557 | (1,179,623) | 10,876,634 |
| Operating expenses and charges | 527,942 | 5,331,545 | 4,384,015 | (1,179,623) | 9,063,879 |
| Operating income | 265,809 | 1,172,404 | 374,542 | — | 1,812,755 |
| Debt expense | (426,149) | (200,953) | (43,490) | 239,958 | (430,634) |
| Other income, net | 411,731 | 5,979 | 23,657 | (423,702) | 17,665 |
| Income tax expense | 65,965 | 210,068 | 47,826 | — | 323,859 |
| Equity earnings in subsidiaries | 478,192 | 460,261 | — | (938,453) | — |
| Net income from continuing operations | 663,618 | 1,227,623 | 306,883 | (1,122,197) | 1,075,927 |
| Net loss from discontinued operations, net of tax | — | — | (429,116) | 183,744 | (245,372) |
| Net income (loss) | 663,618 | 1,227,623 | (122,233) | (938,453) | 830,555 |
| Less: Net income attributable to noncontrolling interests | — | — | — | (166,937) | (166,937) |
| Net income (loss) attributable to DaVita Inc. | \$ 663,618 | \$ 1,227,623 | \$ (122,233) | \$ (1,105,390) | \$ 663,618 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Statements of Comprehensive Income

| For the year ended December 31, 2019 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|--------------------|-----------------------------------|--|--------------------------------------|-------------------------------|
| Net income | \$ 810,981 | \$ 906,559 | \$ 552,231 | \$ (1,248,477) | \$ 1,021,294 |
| Other comprehensive income (loss) | 7,528 | — | (20,102) | — | (12,574) |
| Total comprehensive income | 818,509 | 906,559 | 532,129 | (1,248,477) | 1,008,720 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (210,313) | (210,313) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 818,509</u> | <u>\$ 906,559</u> | <u>\$ 532,129</u> | <u>\$ (1,458,790)</u> | <u>\$ 798,407</u> |
| For the year ended December 31, 2018 | | | | | |
| Net income (loss) | \$ 159,394 | \$ 771,945 | \$ (106,366) | \$ (491,933) | \$ 333,040 |
| Other comprehensive income (loss) | 6,153 | — | (45,944) | — | (39,791) |
| Total comprehensive income (loss) | 165,547 | 771,945 | (152,310) | (491,933) | 293,249 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (173,646) | (173,646) |
| Comprehensive income (loss) attributable to DaVita Inc. | <u>\$ 165,547</u> | <u>\$ 771,945</u> | <u>\$ (152,310)</u> | <u>\$ (665,579)</u> | <u>\$ 119,603</u> |
| For the year ended December 31, 2017 | | | | | |
| Net income (loss) | \$ 663,618 | \$ 1,227,623 | \$ (122,233) | \$ (938,453) | \$ 830,555 |
| Other comprehensive income (loss) | 3,106 | — | 99,770 | — | 102,876 |
| Total comprehensive income (loss) | 666,724 | 1,227,623 | (22,463) | (938,453) | 933,431 |
| Less: Comprehensive income attributable to noncontrolling interest | — | — | — | (166,935) | (166,935) |
| Comprehensive income (loss) attributable to DaVita Inc. | <u>\$ 666,724</u> | <u>\$ 1,227,623</u> | <u>\$ (22,463)</u> | <u>\$ (1,105,388)</u> | <u>\$ 766,496</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Balance Sheets

| As of December 31, 2019 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|---------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Cash and cash equivalents | \$ 758,241 | \$ 532 | \$ 343,599 | \$ — | \$ 1,102,372 |
| Restricted cash and equivalents | 14,499 | — | 91,847 | — | 106,346 |
| Accounts receivable, net | — | 1,189,301 | 606,297 | — | 1,795,598 |
| Other current assets | 76,787 | 548,553 | 102,410 | (41,896) | 685,854 |
| Total current assets | 849,527 | 1,738,386 | 1,144,153 | (41,896) | 3,690,170 |
| Property and equipment, net | 543,932 | 1,589,417 | 1,344,543 | (4,508) | 3,473,384 |
| Operating lease right-of-use assets | 109,415 | 1,656,145 | 1,084,552 | (20,065) | 2,830,047 |
| Intangible assets, net | 362 | 31,569 | 103,753 | — | 135,684 |
| Investments in and advances to affiliates, net | 10,813,991 | 7,611,402 | 3,051,208 | (21,476,601) | — |
| Other long-term assets and investments | 102,779 | 133,698 | 176,315 | (18,318) | 394,474 |
| Goodwill | — | 4,812,972 | 1,974,663 | — | 6,787,635 |
| Total assets | \$ 12,420,006 | \$ 17,573,589 | \$ 8,879,187 | \$ (21,561,388) | \$ 17,311,394 |
| Current liabilities | \$ 379,286 | \$ 1,327,378 | \$ 666,470 | \$ (1,036) | \$ 2,372,098 |
| Intercompany payables | 1,381,863 | 3,051,208 | 2,615,151 | (7,048,222) | — |
| Long-term operating lease liabilities | 136,123 | 1,567,776 | 1,039,145 | (19,244) | 2,723,800 |
| Long-term debt and other long-term liabilities | 7,741,725 | 674,558 | 364,102 | (64,507) | 8,715,878 |
| Noncontrolling interests subject to put provisions | 647,600 | — | — | 532,776 | 1,180,376 |
| Total DaVita Inc. shareholders' equity | 2,133,409 | 10,952,669 | 3,475,710 | (14,428,379) | 2,133,409 |
| Noncontrolling interests not subject to put provisions | — | — | 718,609 | (532,776) | 185,833 |
| Total equity | 2,133,409 | 10,952,669 | 4,194,319 | (14,961,155) | 2,319,242 |
| Total liabilities and equity | \$ 12,420,006 | \$ 17,573,589 | \$ 8,879,187 | \$ (21,561,388) | \$ 17,311,394 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Balance Sheets - (continued)

| As of December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non- Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|---------------|---------------------------|-----------------------------------|------------------------------|-----------------------|
| Cash and cash equivalents | \$ 60,653 | \$ 1,232 | \$ 261,153 | \$ — | \$ 323,038 |
| Restricted cash and equivalents | 1,005 | 12,048 | 79,329 | — | 92,382 |
| Accounts receivable, net | — | 1,204,122 | 654,486 | — | 1,858,608 |
| Other current assets | 37,185 | 565,974 | 157,407 | — | 760,566 |
| Current assets held for sale | — | — | 5,389,565 | — | 5,389,565 |
| Total current assets | 98,843 | 1,783,376 | 6,541,940 | — | 8,424,159 |
| Property and equipment, net | 491,462 | 1,584,321 | 1,317,886 | — | 3,393,669 |
| Intangible assets, net | 153 | 42,896 | 75,797 | — | 118,846 |
| Investments in and advances to affiliates, net | 13,522,198 | 6,196,801 | 2,498,545 | (22,217,544) | — |
| Other long-term assets and investments | 53,385 | 90,037 | 188,196 | — | 331,618 |
| Goodwill | — | 4,806,939 | 2,035,021 | — | 6,841,960 |
| Total assets | \$ 14,166,041 | \$ 14,504,370 | \$ 12,657,385 | \$ (22,217,544) | \$ 19,110,252 |
| Current liabilities | \$ 1,945,943 | \$ 1,217,526 | \$ 483,933 | \$ — | \$ 3,647,402 |
| Current liabilities held for sale | — | — | 1,243,759 | — | 1,243,759 |
| Total current liabilities | 1,945,943 | 1,217,526 | 1,727,692 | — | 4,891,161 |
| Intercompany payables | — | 2,498,545 | 6,161,292 | (8,659,837) | — |
| Long-term debt and other long-term liabilities | 7,918,581 | 687,443 | 580,028 | — | 9,186,052 |
| Noncontrolling interests subject to put provisions | 598,075 | — | — | 526,566 | 1,124,641 |
| Total DaVita Inc. shareholders' equity | 3,703,442 | 10,100,856 | 3,456,851 | (13,557,707) | 3,703,442 |
| Noncontrolling interests not subject to put provisions | — | — | 731,522 | (526,566) | 204,956 |
| Total equity | 3,703,442 | 10,100,856 | 4,188,373 | (14,084,273) | 3,908,398 |
| Total liabilities and equity | \$ 14,166,041 | \$ 14,504,370 | \$ 12,657,385 | \$ (22,217,544) | \$ 19,110,252 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Statements of Cash Flow

| For the year ended December 31, 2019 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 810,981 | \$ 906,559 | \$ 552,231 | \$ (1,248,477) | \$ 1,021,294 |
| Changes in operating assets and liabilities and non-cash items included in net income | (602,288) | (73,356) | 478,228 | 1,248,477 | 1,051,061 |
| Net cash provided by operating activities | 208,693 | 833,203 | 1,030,459 | — | 2,072,355 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (145,378) | (310,032) | (311,136) | — | (766,546) |
| Acquisitions | — | (11,851) | (89,010) | — | (100,861) |
| Proceeds from asset sales, net of cash divested | 3,824,516 | 1,777 | 51,099 | — | 3,877,392 |
| Investments and other items | (4,606) | (6,676) | (3,363) | — | (14,645) |
| Net cash provided by (used in) investing activities | 3,674,532 | (326,782) | (352,410) | — | 2,995,340 |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | (2,052,197) | (10,481) | (17,513) | — | (2,080,191) |
| Intercompany borrowing | 1,267,138 | (455,405) | (811,733) | — | — |
| Other items | (2,387,084) | (53,283) | (175,892) | — | (2,616,259) |
| Net cash used in financing activities | (3,172,143) | (519,169) | (1,005,138) | — | (4,696,450) |
| Effect of exchange rate changes on cash | — | — | (1,760) | — | (1,760) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 711,082 | (12,748) | (328,849) | — | 369,485 |
| Less: Net increase in cash, cash equivalents and restricted cash from discontinued operations | — | — | (423,813) | — | (423,813) |
| Net increase (decrease) in cash, cash equivalents and restricted cash from continuing operations | 711,082 | (12,748) | 94,964 | — | 793,298 |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 61,658 | 13,280 | 340,482 | — | 415,420 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 772,740 | \$ 532 | \$ 435,446 | \$ — | \$ 1,208,718 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Statements of Cash Flow - (continued)

| For the year ended December 31, 2018 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|---|-------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 159,394 | \$ 771,945 | \$ (106,366) | \$ (491,933) | \$ 333,040 |
| Changes in operating assets and liabilities and non-cash items included in net income | (86,070) | (150,976) | 1,183,713 | 491,933 | 1,438,600 |
| Net cash provided by operating activities | 73,324 | 620,969 | 1,077,347 | — | 1,771,640 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (175,787) | (425,008) | (386,343) | — | (987,138) |
| Acquisitions | — | (42,987) | (140,169) | — | (183,156) |
| Proceeds from asset and business sales, net of cash divested | — | 55,184 | 95,021 | — | 150,205 |
| Investments and other items | 30,962 | (8,286) | (8,230) | — | 14,446 |
| Net cash used in investing activities | (144,825) | (421,097) | (439,721) | — | (1,005,643) |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | 725,889 | (8,874) | (22,238) | — | 694,777 |
| Intercompany borrowing | 404,897 | (168,224) | (236,673) | — | — |
| Other items | (1,147,934) | (29,457) | (142,740) | — | (1,320,131) |
| Net cash used in financing activities | (17,148) | (206,555) | (401,651) | — | (625,354) |
| Effect of exchange rate changes on cash | — | — | (3,350) | — | (3,350) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (88,649) | (6,683) | 232,625 | — | 137,293 |
| Less: Net decrease in cash, cash equivalents and restricted cash from discontinued operations | — | — | 240,793 | — | 240,793 |
| Net decrease in cash, cash equivalents and restricted cash from continuing operations | (88,649) | (6,683) | (8,168) | — | (103,500) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 150,307 | 19,963 | 348,650 | — | 518,920 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 61,658 | \$ 13,280 | \$ 340,482 | \$ — | \$ 415,420 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Consolidating Statements of Cash Flow - (continued)

| For the year ended December 31, 2017 | DaVita Inc. | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Consolidating Adjustments | Consolidated Total |
|--|-------------|---------------------------|-------------------------------|------------------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| Net income | \$ 663,618 | \$ 1,227,623 | \$ (122,233) | \$ (938,453) | \$ 830,555 |
| Changes in operating assets and liabilities and non-cash items included in net income | (533,300) | (739,023) | 1,416,481 | 938,453 | 1,082,611 |
| Net cash provided by operating activities | 130,318 | 488,600 | 1,294,248 | — | 1,913,166 |
| Cash flows from investing activities: | | | | | |
| Additions of property and equipment, net | (155,972) | (348,292) | (400,986) | — | (905,250) |
| Acquisitions | — | (528,588) | (275,291) | — | (803,879) |
| Proceeds from asset sales | — | 25,989 | 66,347 | — | 92,336 |
| Investments and other items | 211,619 | (3,526) | 43,968 | — | 252,061 |
| Net cash provided by (used in) investing activities | 55,647 | (854,417) | (565,962) | — | (1,364,732) |
| Cash flows from financing activities: | | | | | |
| Long-term debt and related financing costs, net | 173,529 | (8,186) | (10,495) | — | 154,848 |
| Intercompany borrowing | 22,589 | 382,452 | (405,041) | — | — |
| Other items | (781,697) | (2,205) | (137,203) | — | (921,105) |
| Net cash (used in) provided by financing activities | (585,579) | 372,061 | (552,739) | — | (766,257) |
| Effect of exchange rate changes on cash | — | — | 254 | — | 254 |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (399,614) | 6,244 | 175,801 | — | (217,569) |
| Less: Net decrease in cash, cash equivalents and restricted cash from discontinued operations | — | — | (53,026) | — | (53,026) |
| Net (decrease) increase in cash, cash equivalents and restricted cash from continuing operations | (399,614) | 6,244 | 228,827 | — | (164,543) |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 549,921 | 13,719 | 119,823 | — | 683,463 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | \$ 150,307 | \$ 19,963 | \$ 348,650 | \$ — | \$ 518,920 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

29. Supplemental data under senior note indentures (unaudited)

The Company previously disclosed certain unaudited supplemental data concerning entities that do not constitute “Subsidiaries” as defined in the indentures governing the Company’s senior notes with its consolidated financial statements, as required by those indentures. As a result of the sale of the DMG business to Optum on June 19, 2019, the Company no longer has subsidiaries large enough to require this additional unaudited supplemental disclosure under the terms of its senior note indentures.

EXHIBIT INDEX

- [2.1](#) Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(25)
- [2.2](#) Amendment, dated as of July 6, 2012, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(22)
- [2.3](#) Amendment No. 2, dated as of August 30, 2013, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(4)
- [2.4](#) Amendment No. 3, dated as of June 22, 2018, to the Agreement and Plan of Merger, dated as of May 20, 2012, by and among DaVita Inc., Seismic Acquisition LLC, HealthCare Partners Holdings, LLC, and the Member Representative.(26)
- [2.5](#) Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita Inc., Collaborative Care Holdings, LLC, and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated.(2)
- [2.6](#) Amendment No. 1 dated as of September 20, 2018, to that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., a Delaware corporation, Collaborative Care Holdings, LLC, a Delaware limited liability company and a wholly owned subsidiary of Optum, Inc., and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated, a Delaware corporation.(27)
- [2.7](#) Second Amendment to Equity Purchase Agreement by and between DaVita, Inc., a Delaware corporation, and Collaborative Care Holdings, LLC, a Delaware limited liability company, dated as of December 11, 2018, amending that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., Collaborative Care Holdings, LLC, and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated (as previously amended).(13)
- [3.1](#) Restated Certificate of Incorporation of DaVita Inc., as filed with the Secretary of State of Delaware on November 1, 2016.(1)
- [3.2](#) Amended and Restated Bylaws for DaVita Inc. dated as of September 7, 2016.(1)
- [4.1](#) Indenture, dated June 13, 2014, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(23)
- [4.2](#) Form of 5.125% Senior Notes due 2024 and related Guarantee (included in Exhibit 4.1).(23)
- [4.3](#) Indenture for the 5.000% Senior Notes due 2025, dated April 17, 2015, by and among DaVita Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee.(19)
- [4.4](#) Form of 5.000% Senior Notes due 2025 and related Guarantee (included in Exhibit 4.3).(19)
- [4.5](#) Description of Securities.✓
- [10.1](#) Sourcing and Supply Agreement between DaVita Inc. and Amgen USA Inc. effective as of January 6, 2017.(6)**

- [10.2](#) Credit Agreement, dated August 12, 2019, by and among DaVita Inc., certain subsidiary guarantors party thereto, the lenders party thereto, Credit Agricole Corporate and Investment Bank, JPMorgan Chase Bank, N.A. and MUFG Bank Ltd., as co-syndication agents, Bank of America, N.A., Barclays Bank PLC, Credit Suisse Loan Funding LLC, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc. and Suntrust Bank, as co-documentation agents, and Wells Fargo Bank, National Association, as administrative agent, collateral agent and swingline lender.(29)
- [10.3](#) First Amendment, dated as of February 13, 2020, to that certain Credit Agreement, dated as of August 12, 2019, by and among DaVita Inc., certain subsidiary guarantors party thereto, the lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent, collateral agent and swingline lender.✓
- [10.4](#) Corporate Integrity Agreement, dated as of October 22, 2014, by and among the Office of Inspector General of The Department of Health and Human Services and DaVita Inc.(24)
- [10.5](#) Form of Non-Competition and Non-Solicitation Agreement, dated as of May 20, 2012, between DaVita Inc. and Dr. Robert Margolis, Dr. William Chin, Dr. Thomas Paulsen, Mr. Zan Calhoun, and Ms. Lori Glisson. (25)
- [10.6](#) Employment Agreement, effective July 25, 2008, between DaVita Inc. and Kent J. Thiry.(14)*
- [10.7](#) Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and Kent J. Thiry.(4)*
- [10.8](#) Amendment Number Two to Employment Agreement, effective August 20, 2018, by and between DaVita Inc. and Kent J. Thiry.(28)*
- [10.9](#) Executive Chairman Agreement between Kent J. Thiry and DaVita, Inc., dated as of April 29, 2019.(15)*
- [10.10](#) Restricted Stock Units Agreement, effective as of May 15, 2019, by and between DaVita Inc. and Kent Thiry.(30)*
- [10.11](#) Performance Stock Units Agreement, effective as of May 15, 2019, by and between DaVita Inc. and Kent Thiry.(30)*
- [10.12](#) Employment Agreement, dated as of April 29, 2019, by and between Javier J. Rodriguez and DaVita Inc.(15)*
- [10.13](#) Stock Appreciation Rights Agreement, effective November 4, 2019, by and between Javier J. Rodriguez and DaVita Inc.(32)*
- [10.14](#) Employment Agreement, effective February 21, 2017, by and between DaVita Inc. and Joel Ackerman.(9)*
- [10.15](#) Employment Agreement, effective April 27, 2016, by and between DaVita HealthCare Partners Inc. and Kathleen A. Waters.(6)*
- [10.16](#) Employment Agreement, effective September 22, 2005, by and between DaVita Inc. and James Hilger.(8)*
- [10.17](#) Amendment to Mr. Hilger's Employment Agreement, effective December 12, 2008.(17)*
- [10.18](#) Second Amendment to Mr. Hilger's Employment Agreement, effective December 27, 2012.(20)*
- [10.19](#) Third Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and James Hilger.(4)*
- [10.20](#) Transition Agreement, dated as of July 31, 2018, by and between DaVita Inc. and James Hilger.(26)*

- [10.21](#) Employment Agreement, effective April 29, 2015, by and between DaVita HealthCare Partners Inc. and Michael Staffieri.*✓
- [10.22](#) Consulting Agreement, effective June 15, 2017, by and between DaVita Inc. and Roger J. Valine.(3)*
- [10.23](#) Form of Indemnity Agreement.(12)*
- [10.24](#) Form of Indemnity Agreement.(7)*
- [10.25](#) DaVita Deferred Compensation Plan.(9)*
- [10.26](#) DaVita Voluntary Deferral Plan.(5)*
- [10.27](#) Deferred Bonus Plan (Prosperity Plan).(16)*
- [10.28](#) Amendment No. 1 to Deferred Bonus Plan (Prosperity Plan).(17)*
- [10.29](#) Amended and Restated Employee Stock Purchase Plan.(31)*
- [10.30](#) DaVita Inc. Severance Plan for Directors and Above.(4)*
- [10.31](#) DaVita Inc. Non-Employee Director Compensation Policy. (18)*
- [10.32](#) Amended and Restated DaVita Inc. 2011 Incentive Award Plan.(11)*
- [10.33](#) Amendment No. 1 to the Amended and Restated DaVita Inc. 2011 Incentive Award Plan.(32)*
- [10.34](#) DaVita Inc. Rule of 65 Policy, adopted on August 19, 2018.(28)*
- [10.35](#) Form of Stock Appreciation Rights Agreement-Board members (DaVita Inc. 2011 Incentive Award Plan).(26)*
- [10.36](#) Form of 2014 Long Term Incentive Program Stock Appreciation Rights Agreement under the DaVita Inc. 2011 Incentive Award Plan and Long-Term Incentive Program.(10)*
- [10.37](#) Form of 2014 Long Term Incentive Program Restricted Stock Units Agreement under the DaVita Inc. 2011 Incentive Award Plan and Long-Term Incentive Program.(10)*
- [10.38](#) Form of Stock Appreciation Rights Agreement-Board members (DaVita Inc. 2011 Incentive Award Plan).(21)*
- [10.39](#) Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(20)*
- [10.40](#) Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(21)*
- [10.41](#) Form of Long-Term Incentive Program Award Agreement (For 162(m) designated teammates) (DaVita Inc. 2011 Incentive Award Plan).(20)*
- [10.42](#) Form of Long-Term Incentive Program Award Agreement (DaVita Inc. 2011 Incentive Award Plan).(20)*
- [10.43](#) Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)*
- [10.44](#) Form of Performance Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)*

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|-----------------------|--|
| 10.45 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)* |
| 10.46 | Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)* |
| 10.47 | Form of Performance Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)* |
| 10.48 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(30)* |
| 21.1 | List of our subsidiaries.✓ |
| 23.1 | Consent of KPMG LLP, independent registered public accounting firm.✓ |
| 24.1 | Powers of Attorney with respect to DaVita. (Included on Page S-1). |
| 31.1 | Certification of the Chief Executive Officer, dated February 21, 2020, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.✓ |
| 31.2 | Certification of the Chief Financial Officer, dated February 21, 2020, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.✓ |
| 32.1 | Certification of the Chief Executive Officer, dated February 21, 2020, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.✓ |
| 32.2 | Certification of the Chief Financial Officer, dated February 21, 2020, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.✓ |
| 101.INS | XBRL Instance Document - the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.✓ |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document.✓ |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document.✓ |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document.✓ |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document.✓ |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document.✓ |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).✓ |

✓ Included in this filing.

* Management contract or executive compensation plan or arrangement.

** Portions of this exhibit are subject to a request for confidential treatment and have been redacted and filed separately with the SEC.

- (1) Filed on November 2, 2016 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016.
- (2) Filed on December 6, 2017 as an exhibit to the Company's Current Report on Form 8-K.
- (3) Filed on November 7, 2017 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017.
- (4) Filed on February 22, 2019 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

- (5) Filed on November 8, 2005 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
- (6) Filed on May 2, 2017 as an exhibit to the Company's Quarterly Report on 10-Q for the quarter ended March 31, 2017.
- (7) Filed on March 3, 2005 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2004.
- (8) Filed on August 7, 2006 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ending June 30, 2006.
- (9) Filed on February 24, 2017 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2016.
- (10) Filed on November 6, 2014 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014.
- (11) Filed on April 28, 2014 as Appendix A to the Company's Definitive Proxy Statement on Schedule 14A.
- (12) Filed on December 20, 2006 as an exhibit to the Company's Current Report on Form 8-K.
- (13) Filed on December 17, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (14) Filed on July 31, 2008 as an exhibit to the Company's Current Report on Form 8-K.
- (15) Filed on April 29, 2019 as an exhibit to the Company's Current Report on Form 8-K.
- (16) Filed on February 29, 2008 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2007.
- (17) Filed on February 27, 2009 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2008.
- (18) Filed on May 7, 2019 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019.
- (19) Filed on April 17, 2015 as an exhibit to the Company's Current Report on Form 8-K.
- (20) Filed on March 1, 2013 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2012.
- (21) Filed on August 4, 2011 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.
- (22) Filed on July 9, 2012 as an exhibit to the Company's Current Report on Form 8-K.
- (23) Filed on June 16, 2014 as an exhibit to the Company's Current Report on Form 8-K.
- (24) Filed on October 23, 2014 as an exhibit to the Company's Current Report on Form 8-K.
- (25) Filed on May 21, 2012 as an exhibit to the Company's Current Report on Form 8-K.
- (26) Filed on August 1, 2018 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018.
- (27) Filed on September 24, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (28) Filed on August 23, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (29) Filed on August 14, 2019 as an exhibit to the Company's Current Report on Form 8-K.
- (30) Filed on July 22, 2019 as an exhibit to the Company's Tender Offer Statement on Schedule TO-I.
- (31) Filed on May 10, 2016 as an appendix to the Company's Proxy Statement on DEF 14A.
- (32) Filed on December 6, 2019 as an appendix to the Company's Proxy Statement on DEF 14A.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, we have duly caused this Annual Report on Form 10-K to be signed on our behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, on February 21, 2020.

DAVITA INC.

By: _____ /S/ JAVIER J. RODRIGUEZ

Javier J. Rodriguez
Chief Executive Officer

KNOW ALL MEN BY THESE PRESENT, that each person whose signature appears below constitutes and appoints Javier J. Rodriguez, Joel Ackerman, and Kathleen Waters, and each of them his or her true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| Signature | Title | Date |
|--|--|-------------------|
| /S/ JAVIER J. RODRIGUEZ Javier J. Rodriguez | Chief Executive Officer (Principal Executive Officer) | February 21, 2020 |
| /S/ JOEL ACKERMAN Joel Ackerman | Chief Financial Officer and Treasurer (Principal Financial Officer) | February 21, 2020 |
| /S/ JAMES K. HILGER James K. Hilger | Chief Accounting Officer (Principal Accounting Officer) | February 21, 2020 |
| /S/ KENT J. THIRY Kent J. Thiry | Executive Chairman and Director | February 21, 2020 |
| /S/ PAMELA M. ARWAY Pamela M. Arway | Director | February 21, 2020 |
| /S/ CHARLES G. BERG Charles G. Berg | Director | February 21, 2020 |
| /S/ BARBARA J. DESOER Barbara J. Desoer | Director | February 21, 2020 |
| /S/ PASCAL DESROCHES Pascal Desroches | Director | February 21, 2020 |
| /S/ PAUL J. DIAZ Paul J. Diaz | Director | February 21, 2020 |
| /S/ PETER T. GRAUER Peter T. Grauer | Director | February 21, 2020 |
| /S/ JOHN M. NEHRA John M. Nehra | Director | February 21, 2020 |
| /S/ WILLIAM L. ROPER William L. Roper | Director | February 21, 2020 |
| /S/ PHYLLIS R. YALE Phyllis R. Yale | Director | February 21, 2020 |

DAVITA INC.
SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

| Description | Balance at beginning of year | Acquisitions | Amounts charged to income | Amounts written off | Balance at end of year |
|---------------------------------------|------------------------------------|--------------|---------------------------------|------------------------|---------------------------|
| (in thousands) | | | | | |
| Allowance for uncollectible accounts: | | | | | |
| Year ended December 31, 2019 | \$ 52,924 | \$ — | \$ 21,715 | \$ 66,311 | \$ 8,328 |
| Year ended December 31, 2018 | \$ 218,399 | \$ — | \$ 42,287 | \$ 207,762 | \$ 52,924 |
| Year ended December 31, 2017 | \$ 238,897 | \$ — | \$ 478,365 | \$ 498,863 | \$ 218,399 |

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

DaVita Inc. (the "Company," "we" or "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934: our common stock. The following summary of the material terms of our capital stock is based upon, and qualified by reference to, our Restated Certificate of Incorporation (the "Certificate of Incorporation") and our Amended and Restated Bylaws (the "Bylaws"), each of which is included as an exhibit to our Annual Report on Form 10-K, as well as applicable provisions of the Delaware General Corporation Law ("DGCL").

Capitalization

Our authorized capital stock consists of 450,000,000 shares of common stock, par value \$0.001 per share, and 5,000,000 shares of preferred stock, par value \$0.001 per share.

Common stock

Subject to the preferences applicable to shares of preferred stock outstanding at any time, holders of our common stock are entitled to share equally in dividends, whether payable in cash, in property or in securities of the Company, when and if declared by our board of directors (the "Board"). Holders of our common stock are also entitled, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, to receive a pro rata distribution of any remaining assets after payment or provision of liabilities and preferred stock preferences, if any.

Holders of our common stock are entitled to one vote for per share on all matters to be voted on by the stockholders of the Company. Except as may otherwise be required by law or regulation, all elections and questions presented to our stockholders at a meeting at which a quorum is present, other than the election of directors, shall be decided by the affirmative vote of the holders of a majority in voting power of the shares of capital stock of the Company which are present in person or by proxy and entitled to vote thereon. A director shall be elected by the vote of the majority of the votes cast with respect to the director at any meeting for the election of directors at which a quorum is present by the holders of shares present in person or represented by proxy and entitled to vote thereon, except with respect to contested director elections, which requires a plurality of the shares represented in person or by proxy at such meeting and entitled to vote thereon.

Holders of our common stock do not have cumulative voting rights in the election of directors and have no preemptive, subscription, redemption, sinking fund or conversion rights. The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Our common stock is listed on the New York Stock Exchange under the symbol "DVA."

Preferred stock

Our Certificate of Incorporation authorizes our Board, subject to any limitations prescribed by law, without further action by our stockholders, to establish one or more series of preferred stock and to determine, with respect to any series of preferred stock, the rights, preferences, privileges and restrictions granted or imposed upon such series. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences. Any issuance of our preferred stock could adversely affect the voting power of holders of our common stock and the likelihood that such holders would receive dividend payments and payments upon liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change of control or other corporate action.

Anti-Takeover Effects of Certain Provisions

Certain provisions of the DGCL, our Certificate of Incorporation and our Bylaws summarized in the paragraph above and in the following paragraphs may have an anti-takeover effect and could make the following transactions more difficult: acquisition of the Company by means of a tender offer; acquisition of the Company by means of a proxy contest or otherwise; or removal of the Company's incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in the best interests of the Company, including transactions that might result in a premium over the market price for shares of our common stock.

No Stockholder Action by Written Consent

Our Certificate of Incorporation provides that stockholder actions may not be taken without a meeting and may not be taken by written consent in lieu of a meeting.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Under our Bylaws, to be properly brought before an annual meeting of stockholders, any stockholder proposal or nomination for election to the Board must be delivered to the Company's Secretary not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 70 days after such anniversary date, notice by a stockholder must be delivered not earlier than the close of business on the 120th day prior to the annual meeting of stockholders and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by the Company. Such notice must contain information specified in our Bylaws, including the director nominee or proposal of other business, information about the stockholder making the nomination or proposal and the beneficial owner, if any, on behalf of whom the nomination or proposal is made. In addition, stockholder nominations for election to the Board may be included in the Company's proxy materials pursuant to certain proxy access provisions in our Bylaws, subject to compliance with the procedures set forth in our Bylaws.

Delaware anti-takeover law

We are subject to Section 203 of the DGCL. Section 203 generally prohibits a public Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the date on which the stockholder became an interested stockholder, unless:

- prior to the date of the business combination, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) (a) shares owned by persons who are directors and also officers and (b) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to the date of the business combination, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

The term “business combination” is defined generally to include: (i) mergers or consolidations between the corporation and an interested stockholder; (ii) any sale, transfer, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation; (iii) any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; (iv) any transaction involving the corporation or any direct or indirect majority-owned subsidiary of the corporation that has the effect, directly or indirectly, of increasing the proportionate share of the stock of any class or series of the corporation or any such subsidiary beneficially owned by the interested stockholder; and (v) any receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

The term “interested stockholder” is defined generally as any person who is the owner of 15% or more of the corporation’s outstanding voting stock or any person who is an affiliate or associate of the corporation and was the owner of 15% or more of the corporation’s outstanding voting stock at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such person is an interested stockholder, and the affiliates and associates of such person.

FIRST AMENDMENT dated as of February 13, 2020 (this "Amendment"), to the Credit Agreement (as defined below) among DaVita Inc., as Borrower (the "Borrower"), the other Loan Parties party hereto, the Lenders party hereto and Wells Fargo Bank, National Association, as Administrative Agent.

RECITALS

A. The Borrower, the Lenders party thereto from time to time, the other parties thereto and Wells Fargo Bank, National Association, as Administrative Agent (the "Administrative Agent"), Collateral Agent and Swingline Lender, are party to that certain Credit Agreement dated as of August 12, 2019 (as may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement").

B. Section 11.1 of the Credit Agreement permits amendment of the Credit Agreement with the consent of the Administrative Agent, the Borrower and the Lenders providing the relevant Replacement Term Loan tranche to permit the refinancing of all outstanding Term Loans of any Class with a Replacement Term Loan tranche thereunder.

C. On the First Amendment Effective Date (as defined below), the Borrower intends to (i) incur additional Tranche B Term Loans pursuant to Section 11.1 of the Credit Agreement in an aggregate principal amount of up to \$2,743,125,000.00 (the "Tranche B-1 Term Facility" and the Term Loans thereunder, the "Tranche B-1 Term Loans") and (ii) use the proceeds of the Tranche B-1 Term Loans to repay all Tranche B Term Loans (including all Tranche B Term Loans held by Existing Term Lenders (as defined below) that elect the "Post-Closing Settlement Option" on their signature page hereto (each such Lender, a "Post-Closing Option Lender") that are not exchanged for Tranche B-1 Term Loans outstanding immediately prior to the First Amendment Effective Date (such Tranche B Term Loans to be repaid, the "Original Tranche B Term Loans") and accrued interest thereon and to pay fees and expenses incurred in connection with the foregoing.

D. Subject to the terms and conditions set forth herein, each Person party hereto who has delivered a signature page as a Lender agreeing to provide Tranche B-1 Term Loans (each such Person who is a Term Lender holding Original Tranche B Term Loans immediately prior to the effectiveness of this Amendment and has elected the "Cashless Settlement Option" on their signature page hereto, a "Continuing Tranche B-1 Term Lender"; each such Person who is not a Continuing Tranche B-1 Term Lender or Post-Closing Option Lender, an "Additional Tranche B-1 Term Lender"; and each Continuing Tranche B-1 Term Lender, Additional Tranche B-1 Term Lender and Post-Closing Option Lender a "Tranche B-1 Term Lender") has agreed to provide a commitment (the "Tranche B-1 Term Commitment") in the amount set forth on its signature page hereto (or to convert all (or such lesser principal amount of its Original Tranche B Term Loans as the First Amendment Arrangers may allocate to such Continuing Tranche B-1 Term Lender) of its Original Tranche B Term Loans into Tranche B-1 Term Loans (such converted Tranche B-1 Term Loans, the "Converted Tranche B-1 Term Loans" and any such conversion of Original Tranche B Term Loans into Tranche B-1 Term Loans being referred to herein as a "Conversion"). Any Lender holding Original Tranche B Term Loans immediately prior to the effectiveness of this Amendment that is not a Tranche B-1 Term Lender is referred to herein as an "Exiting Term Lender".

E. In order to effect the foregoing, the Borrower and the other parties hereto desire to amend the Credit Agreement, subject to the terms and conditions set forth herein.

F. Wells Fargo Securities, LLC, Credit Agricole Corporate and Investment Bank, JPMorgan Chase Bank, N.A, MUFG Bank, Ltd., Bank of America, N.A., Barclays Bank PLC, Credit Suisse Loan Funding LLC, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc. and SunTrust Robinson Humphrey, Inc. will act as the joint lead arrangers and joint bookrunners with respect to this Amendment (the "First Amendment Arrangers"). The Bank of Nova Scotia and Sumitomo Mitsui Banking Corporation will act as co-managers and senior managing agents with respect to this Amendment.

AGREEMENTS

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Tranche B-1 Term Lenders and the Administrative Agent hereby agree as follows:

ARTICLE I.

Amendment

SECTION 1.01. Defined Terms. Capitalized terms used herein (including in the recitals hereto) and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. The rules of construction specified in Section 1.3 of the Credit Agreement also apply to this Amendment.

SECTION 1.02. Tranche B-1 Term Commitments. (a) Subject to the terms and conditions set forth herein, on the First Amendment Effective Date, each Additional Tranche B-1 Term Lender agrees to fund a Tranche B-1 Term Loan in a principal amount not exceeding such Additional Tranche B-1 Term Lender's Tranche B-1 Term Commitment set forth on its signature page hereto.

(a) Subject to the terms and conditions set forth herein, on the First Amendment Effective Date, each Continuing Tranche B-1 Term Lender agrees to convert all (or such lesser principal amount of its Original Tranche B Term Loans as the First Amendment Arrangers may allocate to such Continuing Tranche B-1 Term Lender) of its Original Tranche B Term Loans into Converted Tranche B-1 Term Loans. Without limiting the generality of the foregoing, each Continuing Tranche B-1 Term Lender shall have a commitment to acquire by Conversion Converted Tranche B-1 Term Loans in the amounts of Original Tranche B Term Loans held by such Continuing Tranche B-1 Term Lender immediately prior to the First Amendment Effective Date (or such lesser principal amount of its Original Tranche B Term Loans as the First Amendment Arrangers may allocate to such Continuing Tranche B-1 Term Lender). Each party hereto acknowledges and agrees that notwithstanding any such Conversion, each such Continuing Tranche B-1 Term Lender shall be entitled to receive payment on the First Amendment Effective Date of the unpaid fees and interest accrued to such date with respect to all of its Original Tranche B Term Loans.

(b) Each Lender, by delivering its signature page to this Amendment and funding, or converting its Original Tranche B Term Loans into, Tranche B-1 Term Loans on the First Amendment Effective Date shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or to be approved by or satisfactory to, the Administrative Agent or any Class of Lenders on the First Amendment Effective Date. The commitments of the Tranche B-1 Term Lenders are several, and no Tranche B-1 Term Lender shall be responsible for any other Tranche B-1 Term Lender's failure to make Tranche B-1 Term Loans.

(c) Subject to the terms and conditions set forth herein, effective as of the First Amendment Effective Date, for all purposes of the Loan Documents, (i) the Tranche B-1 Term Commitments shall constitute "Commitments", (ii) the Tranche B-1 Term Loans shall constitute "Term Loans" and (iii) each Tranche B-1 Term Lender shall become a "Term Lender" and a "Lender" (if such Tranche B-1 Term Lender is not already a Term Lender or Lender prior to the effectiveness of this Amendment) and shall have all the rights and obligations of a Lender holding a Tranche B-1 Term Commitment (or, following the making of a Tranche B-1 Term Loan, a Tranche B-1 Loan).

(d) The Original Tranche B Term Loans of each Exiting Term Lender shall, immediately upon the effectiveness of this Amendment, be repaid in full (together with any unpaid fees and interest accrued thereon (other than funding losses payable to any Exiting Term Lenders pursuant to Section 2.20 of the Credit Agreement waived pursuant to clause (f) below)) with the proceeds of the Tranche B-1 Term Loans and other funds available to the Borrower. The Borrower shall, on the First Amendment Effective Date, pay to the Administrative Agent, for the accounts of the Persons that are Term Lenders immediately prior to the First Amendment Effective Date, all interest, fees and other amounts accrued to the First Amendment Effective Date with respect to the Original Tranche B Term Loans, whether or not such Original Tranche B Term Loans are converted pursuant to Section 1.02(b) of this Amendment (subject to clause (f) below).

(e) Each Lender party hereto (including each Continuing Tranche B-1 Term Lender) waives (i) any right to compensation for losses, expenses or liabilities incurred by such Lender to which it may otherwise have been entitled pursuant to Section 2.20 of the Credit Agreement in respect of the transactions contemplated hereby, (ii) solely in respect of the prepayment of Original Tranche B Term Loans and the making of (or conversion into) Tranche B-1 Term Loans, as contemplated hereby, compliance with the requirements set forth in Section 2.10 of the Credit Agreement that the Borrower give prior notice of a voluntary prepayment of Loans and (iii) compliance with the requirements set forth in Section 5.2 of the Credit Agreement that the Borrower deliver a Borrowing Request within the time periods specified therein.

(f) The Borrower and the Administrative Agent acknowledge and agree that the borrowing of the Tranche B-1 Term Loans pursuant to this Amendment will constitute a borrowing of Eurodollar Loans with an initial Interest Period beginning on the First Amendment Effective Date and ending on February 28, 2020.

SECTION 1.03. Amendment of Credit Agreement. Effective as of the First Amendment Effective Date, the Credit Agreement is hereby amended as follows:

(i) The following definitions are hereby added in the appropriate alphabetical order to Section 1.1 (or, to the extent applicable, are hereby amended and restated in their entirety):

"Conversion" has the meaning assigned thereto in the First Amendment.

“Converted Tranche B-1 Term Loans” has the meaning assigned thereto in the First Amendment.

“First Amendment” means the First Amendment to this Agreement dated as of February 13, 2020, among the Borrower, the other Loan Parties thereto, the Tranche B-1 Term Lenders party thereto and the Administrative Agent.

“First Amendment Effective Date” has the meaning assigned thereto in the First Amendment.

“Original Tranche B Term Loans” has the meaning assigned thereto in the First Amendment.

“Tranche B-1 Term Commitment” shall mean, with respect to each Term Lender, its obligation to make a Tranche B-1 Term Loan to the Borrower pursuant to the First Amendment (including pursuant to a Conversion of Original Tranche B Term Loans of such Term Lender) in an aggregate amount not to exceed the amount set forth on such Lender’s signature page to the First Amendment under the caption “Tranche B-1 Term Commitment” or in the Assignment and Assumption pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. On the First Amendment Effective Date the initial aggregate amount of the Tranche B-1 Term Commitments is \$2,743,125,000.00.

“Tranche B-1 Term Facility” has the meaning assigned thereto in the First Amendment.

“Tranche B-1 Term Lender” has the meaning assigned thereto in the First Amendment.

“Tranche B-1 Term Loan” shall mean a Tranche B-1 Term Loan constituting a Replacement Term Loan made pursuant to, and as defined in, the First Amendment.

“Tranche B-1 Term Loan Maturity Date” shall mean August 12, 2026.

“Tranche B-1 Term Percentage” shall mean, as to any Tranche B-1 Term Lender at any time, the percentage which such Lender’s Tranche B-1 Term Commitment then constitutes of the aggregate Tranche B-1 Term Commitments (or, at any time after the First Amendment Effective Date, the percentage which the aggregate principal amount of such Lender’s Tranche B-1 Term Loans then outstanding constitutes of the aggregate principal amount of the Tranche B-1 Term Loans then outstanding).

(ii) The table set forth in the definition of “Applicable Margin” set forth in Section 1.1 of the Credit Agreement is hereby amended by deleting the last line of such table and replacing it as follows:

| | <u>ABR Loans</u> | <u>Eurodollar Loans</u> |
|------------------------|------------------|-------------------------|
| Tranche B-1 Term Loans | 0.75% | 1.75% |

(iii) The definition of “Loan Documents” set forth in Section 1.1 of the Credit Agreement is hereby amended by (A) replacing the “and” appearing therein with “,” and (B) adding the text “and including the First Amendment” at the end of such definition.

(iv) Each existing definition for “Tranche B Term Commitment”, “Tranche B Term Facility”, “Tranche B Term Lender”, “Tranche B Term Loan”, “Tranche B Term Loan Maturity Date” and “Tranche B Term Percentage” is hereby deleted in its entirety and all references to “Tranche B Term Commitment”, “Tranche B Term Facility”, “Tranche B Term Lender”, “Tranche B Term Loan”, “Tranche B Term Loan Maturity Date” and “Tranche B Term Percentage” in the Credit Agreement and the Loan Documents shall be deemed to be references to “Tranche B-1 Term Commitment”, “Tranche B-1 Term Facility”, “Tranche B-1 Term Lender”, “Tranche B-1 Term Loan”, “Tranche B-1 Term Loan Maturity Date” and “Tranche B-1 Term Percentage”, respectively (other than any such references contained in (i) the introductory paragraphs to the Credit Agreement, (ii) the First Amendment and (iii) Sections 2.1, 2.2 and 2.8(e) of the Credit Agreement).

(v) Clause (b) of Section 2.3 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“The Tranche B-1 Term Loan of each Tranche B-1 Term Lender shall mature (i) in quarterly installments on the last day of each March, June, September and December (commencing on March 31, 2020), each in an amount equal to such Lender’s Tranche B-1 Term Percentage multiplied by 0.25% of the aggregate principal amount of the Tranche B-1 Term Loans outstanding on the First Amendment Effective Date immediately after funding the Tranche B-1 Term Facility, until the Tranche B-1 Term Loan Maturity Date and (ii) on the Tranche B-1 Term Loan Maturity Date in an amount equal to all remaining outstanding Tranche B-1 Term Loans of such Tranche B-1 Term Lender.”

(vi) The following is added as a new Section 2.11(i):

“In the event that, on or prior to the date that is six months after the First Amendment Effective Date, the Borrower (x) prepays, refinances, substitutes or replaces any Tranche B-1 Term Loan pursuant to a Repricing Transaction (including, for avoidance of doubt, any prepayment made pursuant to Section 2.11(a) that constitutes a Repricing Transaction), or (y) effects any amendment of this Agreement resulting in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Tranche B-1 Term Lenders, (I) in the case of clause (x), a prepayment premium of 1.00% of the aggregate principal amount of the Tranche B-1 Term Loan so prepaid, refinanced, substituted or replaced and (II) in the case of clause (y), a fee equal to 1.00% of the aggregate principal amount of the applicable Tranche B-1 Term Loan outstanding immediately prior to such amendment. Such amounts shall be due and payable on the date of effectiveness of such Repricing Transaction.”

SECTION 1.04. Amendment Effectiveness. The effectiveness of this Amendment and the obligations of each Additional Tranche B-1 Term Lender to fund a Tranche B-1 Term Loan are subject to the satisfaction of the following conditions precedent (the first date of such satisfaction, the “First Amendment Effective Date”):

(a) The Administrative Agent (or its counsel) shall have received from (i) the Borrower and each other Loan Party, (ii) each Tranche B-1 Term Lender and (iii) the Administrative Agent, either (x) counterparts of this Amendment signed on behalf of such parties or (y) written evidence satisfactory to the Administrative Agent (which may include facsimile or other electronic transmissions of signed signature pages) that such parties have signed counterparts of this Amendment.

(b) The Borrower shall have obtained Tranche B-1 Term Commitments in an aggregate amount equal to \$2,743,125,000.00. The Borrower shall have paid in full, or substantially concurrently with the satisfaction of the other conditions precedent set forth in this Section 1.04 shall pay in full (i) all of the Original Tranche B Term Loans (after giving effect to any Conversion thereof), (ii) all accrued and unpaid fees and interest with respect to the Original Tranche B Term Loans (including any such Original Tranche B Term Loans that will be converted to Tranche B-1 Term Loans on the First Amendment Effective Date) and (iii) to the extent invoiced, any amounts payable to the Persons that are Exiting Term Lenders immediately prior to the First Amendment Effective Date pursuant to Section 2.20 of the Credit Agreement, such payments to be made with the cash proceeds of the Tranche B-1 Term Loans to be made on the First Amendment Effective Date and other funds available to the Borrower.

(c) Immediately before and after giving effect to the borrowing of the Tranche B-1 Term Loans and the repayment in full of the Original Tranche B Term Loans, the conditions set forth in paragraphs (b) and (c) of Section 5.2 of the Credit Agreement shall be satisfied on and as of the First Amendment Effective Date, and the Tranche B-1 Term Lenders shall have received a certificate of a Responsible Officer of the Borrower dated the First Amendment Effective Date to such effect.

(d) The Administrative Agent shall have received:

(i) a certificate of the secretary or assistant secretary of each Loan Party dated the First Amendment Effective Date, certifying (A) that either (x) a true and complete copy of each Constitutive Document of such Loan Party was attached to the secretary’s certificate dated August 12, 2019 thereto and such Constitutive Documents have not been altered since delivery of such Constitutive Documents on such date or (y) attaching a true and complete copy of each Constitutive Document of such Loan Party and certifying such Constitutive

Documents are in full force and effect on the First Amendment Effective Date, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of such Loan Party authorizing the execution, delivery and performance of the Amendment and, in the case of the Borrower, the borrowings hereunder, and that such resolutions have not been further modified, rescinded or amended and are in full force and effect and (C) as to the incumbency and specimen signature of each officer executing the Amendment or any other document delivered in connection herewith on behalf of such Loan Party (together with a certificate of another officer as to the incumbency and specimen signature of the secretary or assistant secretary executing the certificate in this clause (1)), including by reference to the incumbency certificate previously delivered in connection with the secretary's certificate dated August 12, 2019; and

(ii) a certificate as to the good standing of each Loan Party, to the extent requested by the Administrative Agent, as of a recent date, from such Secretary of State (or other applicable Governmental Authority).

(e) The Administrative Agent shall have received a Borrowing Request in a form reasonably acceptable to the Administrative Agent requesting that the Additional Tranche B-1 Term Lenders make the Tranche B-1 Term Loans to the Borrower on the First Amendment Effective Date.

(f) The Administrative Agent and the Lenders shall have received, sufficiently in advance of the First Amendment Effective Date, all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act, and including, without limitation, the information described in Section 11.17 of the Credit Agreement. At least three days prior to the First Amendment Effective Date, if the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation and the Administrative Agent has provided the Borrower the name of each requesting Lender and its electronic delivery requirements at least 10 Business Days prior to the First Amendment Effective Date, the Administrative Agent and each such Lender requesting a Beneficial Ownership Certification (which request shall be made through the Administrative Agent) shall have received such Beneficial Ownership Certification.

(g) The Administrative Agent and the First Amendment Arrangers shall have received, in immediately available funds, on or prior to the First Amendment Effective Date (i) all fees required to be paid to them by the Borrower as mutually agreed prior to the First Amendment Effective Date and (ii) payment or reimbursement of all costs, fees, out-of-pocket expenses, compensation and other amounts then due and payable in connection with this Amendment, including, to the extent invoiced at least one Business Day prior to the First Amendment Effective Date, the reasonable fees, charges and disbursements of counsel for the Administrative Agent.

The Administrative Agent shall notify the Borrower, the Tranche B-1 Term Lenders and the other Lenders of the First Amendment Effective Date and such notice shall be conclusive and binding.

ARTICLE II.

Miscellaneous

SECTION 2.01. Representations and Warranties. (a) To induce the other parties hereto to enter into this Amendment, each Loan Party represents and warrants to each of the Lenders, including the Tranche B-1 Term Lenders, and the Administrative Agent that, as of the First Amendment Effective Date and after giving effect to the transactions and amendments to occur on the First Amendment Effective Date, this Amendment has been duly authorized, executed and delivered by each Loan Party and constitutes, and the Credit Agreement, as amended hereby on the First Amendment Effective Date will constitute, its legal, valid and binding obligation, enforceable against each of the Loan Parties in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(a) The representations and warranties of each Loan Party set forth in the Loan Documents are, after giving effect to this Amendment on such date, true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) on and as of the First Amendment Effective Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties were true and correct in all material respects as of such earlier date).

(b) After giving effect to this Amendment and the transactions contemplated hereby on the First Amendment Effective Date, no Default or Event of Default has occurred and is continuing on the First Amendment Effective Date.

(c) As of the First Amendment Effective Date and after giving effect to the incurrence of all indebtedness and obligations being incurred on the First Amendment Effective Date in connection herewith, each Loan Party is, individually and together with its Subsidiaries, Solvent.

SECTION 2.02. Effect of Amendment. (a) This Amendment shall not constitute a novation of the Credit Agreement or any of the other Loan Documents. Except as expressly set forth herein, this Amendment (i) shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of, the Lenders, the Issuing Lender or the Agents under the Credit Agreement or any other Loan Document, and (ii) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document. Except as expressly set forth herein, each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Loan Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect. Each Loan Party hereby expressly acknowledges the terms of this Amendment and (except as expressly set forth herein) reaffirms, as of the date hereof, (i) the covenants and agreements contained in each Loan Document to which such Loan Party is a party, including, in each case, such covenants and agreements as in effect immediately after giving effect to this Amendment and the transactions contemplated hereby and (ii) such Loan Party's guarantee of the Obligations under the Guarantee in Section 10.1 of the Credit Agreement, as applicable, and such Loan Party's grant of Liens on the Collateral to secure the Obligations pursuant to the Security Documents. Each Loan Party hereby consents to this Amendment and confirms that all obligations of the Loan Parties under the Loan Documents to which the Loan Parties are a party shall continue to apply to the Credit Agreement, including on and after the First Amendment Effective Date, as amended hereby. Nothing herein shall be deemed to establish a precedent for purposes of interpreting the provisions of the Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. This Amendment shall apply to and be effective only with respect to the provisions of the Credit Agreement and the other Loan Documents specifically referred to herein.

(b) On and after the First Amendment Effective Date each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import, and each reference to the Credit Agreement, "thereunder", "thereof", "therein" or words of like import in any other Loan Document, shall be deemed a reference to the Credit Agreement, as amended hereby on the First Amendment Effective Date. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

SECTION 2.03. Governing Law. **THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK (INCLUDING, WITHOUT LIMITATION, SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW, BUT OTHERWISE WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF).** The jurisdiction and waiver of right to trial by jury provisions in Section 11.12 of the Credit Agreement are incorporated herein by reference mutatis mutandis.

SECTION 2.04. Costs and Expenses. The Borrower agrees to reimburse the Administrative Agent for its reasonable out of pocket expenses in connection with this Amendment and the transactions contemplated hereby, including the reasonable fees, charges and disbursements of Cahill Gordon & Reindel LLP, counsel for the Administrative Agent and the First Amendment Arrangers.

SECTION 2.05. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Amendment by facsimile transmission or other electronic imaging means shall be effective as delivery of a manually executed counterpart hereof.

SECTION 2.06. Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their officers as of the date first above written.

DAVITA INC.

By: /s/ Chetan P. Mehta

Name: Chetan P. Mehta

Title: Group Vice President, Finance

Signature Page to First Amendment
(DaVita, Inc.)

GUARANTORS:

**DIALYSIS HOLDINGS, INC.
DVA OF NEW YORK, INC.
DVA HEALTHCARE OF MASSACHUSETTS, INC.
DVA HEALTHCARE RENAL CARE, INC.
DVA RENAL HEALTHCARE, INC.
ISD I HOLDING COMPANY, INC.
ISD II HOLDING COMPANY, INC.
ISD RENAL, INC.
PHYSICIANS DIALYSIS ACQUISITIONS, INC.
RENAL LIFE LINK, INC.
RENAL TREATMENT CENTERS, INC.
RENAL TREATMENT CENTERS – CALIFORNIA, INC.
RENAL TREATMENT CENTERS – ILLINOIS, INC.
RENAL TREATMENT CENTERS – MID-ATLANTIC, INC.
RENAL TREATMENT CENTERS – NORTHEAST, INC.
RENAL TREATMENT CENTERS – WEST, INC.
TOTAL RENAL CARE, INC.
TOTAL RENAL LABORATORIES, INC.
TRC WEST, INC.**

By: /s/ Chetan P. Mehta

Name: Chetan P. Mehta

Title: Group Vice President

RENAL TREATMENT CENTERS - SOUTHEAST, LP

By: Renal Treatment Centers, Inc., its general partner

By: /s/ Chetan P. Mehta

Name: Chetan P. Mehta

Title: Group Vice President

TOTAL RENAL CARE TEXAS LIMITED PARTNERSHIP

By: Total Renal Care, Inc., its general partner

By: /s/ Chetan P. Mehta

Name: Chetan P. Mehta

Title: Group Vice President

VILLAGEHEALTH DM, LLC

By: Total Renal Care, Inc., its managing member

By: /s/ Chetan P. Mehta

Name: Chetan P. Mehta

Title: Group Vice President

[DVA – Signature Page to First Amendment]

**KNICKERBOCKER DIALYSIS, INC.
LIBERTY RC, INC.
DAVITA OF NEW YORK, INC.**

By: /s/ Matt Henn

Name: Matt Henn

Title: President

[DVA – Signature Page to First Amendment]

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Administrative Agent

By: /s/ Kirk Tesch _____

Name: Kirk Tesch

Title: Managing Director

[DVA – Signature Page to First Amendment]

Existing Tranche B Term Lenders

The undersigned Term Lender hereby irrevocably and unconditionally approves the Amendment and consents as follows:

Cashless Settlement Option

to convert 100% of the outstanding principal amount of the Original Tranche B Term Loan held by such Lender (or such lesser amount allocated to such Lender by the First Amendment Arrangers) into a Tranche B-1 Term Loan in a like principal amount.

Post-Closing Settlement Option

to have 100% of the outstanding principal amount of the Original Tranche B Term Loan held by such Lender prepaid on the First Amendment Effective Date and purchase by assignment a Tranche B-1 Term Loan in the principal amount committed to separately by the undersigned (or such lesser amount allocated to such Lender by the First Amendment Arrangers).

[LENDER NAME], As a Lender (type name of legal entity)

By: _____
Name: _____
Title: _____

If second signature is necessary:

By: _____
Name: _____
Title: _____

To approve the Amendment and to make Tranche B-1 Term Loans on the First Amendment Effective Date in the amount set forth below:

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as an Additional Tranche B-1
Term Lender

By: /s/ Sara Barton

Name: Sara Barton

Title: Vice President

Amount of Tranche B-1 Term Commitment:

[DVA – Signature Page to First Amendment]

EMPLOYMENT AGREEMENT

This Employment Agreement (this "Agreement") is made effective as of April 29, 2015 (the "Effective Date"), by and between DaVita HealthCare Partners Inc. ("Parent") and one of its controlled affiliates ("Employer," and collectively with Parent, "DaVita") and Michael Staffieri ("Teammate").

In consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the parties hereto, intending to be legally bound hereby, agree as follows:

Section 1. Employment and Duties. Teammate has served as Chief Operating Officer - Kidney Care ("COO-Kidney Care") since March 6, 2014, and Employee hereby continues to employ Teammate in such capacity. Teammate accepts such employment on the terms and conditions set forth in this Agreement. Teammate shall perform the duties of COO Kidney Care or any additional or different duties or jobs as the Employer deems appropriate. Initially, Teammate shall work out of Denver, Colorado, although the location is subject to change to suit business needs. Teammate agrees to devote substantially all of his time, energy, and ability to the business of Employer on a full-time basis and shall not engage in any other business activities during the term of this Agreement, including but not limited to providing consulting services to any investment firm, such as a hedge fund, provided however, Teammate may pursue normal charitable activities so long as such activities do not require a substantial amount of time and do not interfere with his ability to perform his duties. Teammate agrees that he shall not serve on the board of directors of any not-for-profit or for-profit company without the express written approval of the Chief Executive Officer or the Board of Directors. Teammate shall at all times observe and abide by the Employer's policies and procedures as in effect from time to time.

Section 2. Compensation. In consideration of the services to be performed by Teammate hereunder, Teammate shall receive the following compensation and benefits:

2.1 Base Salary. Employer shall pay Teammate a base salary of \$550,000 per annum, less standard withholdings and authorized deductions. Effective April 22, 2015, Teammate's base salary will increase to \$600,000 per annum, less standard withholdings and authorized deductions. Teammate shall be paid consistent with Employer's payroll schedule. The base salary will be reviewed from time to time. Employer, in its sole discretion, may increase the base salary as a result of any such review. Employer may not reduce Teammate's base salary unless the Teammate authorizes it in writing or the Employer is reducing the base salary of other similarly-situated executives by a similar percentage.

Benefits. Teammate and/or his family, as the case may be, shall be eligible for participation in and shall receive all benefits under Employer's health and welfare benefit plans (including, without limitation, medical, prescription, dental, disability, and life insurance) under the same terms and conditions applicable to most executives at similar levels of compensation and responsibility.

2.2 Performance Bonus.

(a) Teammate shall be eligible to receive an annual bonus under the short-term incentive program approved by the Parent's Board of Directors and applicable to the company's executive officers exposed to the requirements of Section 162(m) of the Internal Revenue Code (the "Short-Term Incentive Program", or "STI Program"). Under the STI Program, the actual annual bonus amount payable to you for any one year (the "Bonus") is primarily contingent on the level of the Company's achievement on the performance metrics specified in the Short-Term Incentive Program for that year. For fiscal year 2014, the Bonus payable to you under the STI Program will be in an amount between zero and \$1,100,000. For fiscal year 2015, the Bonus payable to you under the STI Program will be in an amount between zero and \$1,200,000.

(b) For senior executives subject to the STI Program, the amounts of annual Bonuses earned are objectively and formulaically driven, further subject to negative discretion (i.e., further downward adjustment) in the sole discretion of the Board of Directors or the Compensation Committee of the Board of Directors.

Michael Staffieri Employment Agreement

(c) Teammate must be employed by DaVita on the date any Bonus is paid to be eligible to receive such Bonus and, if Teammate is not employed by DaVita on the date any Bonus is paid for any reason whatsoever, Teammate shall not be entitled to receive such Bonus.

2.3 Vacation. Teammate shall have vacation, subject to the approval of his direct supervisor.

2.4 Management Share Ownership Policy. Teammate shall review and understand the terms of the Management Share Ownership Policy with respect to all equity based awards.

2.5 Return of Compensation or other Property Received in Connection with Director, Officer, Shareholder or Similar Position. All fees, compensation, other remuneration, dividends, distributions, or other property or financial benefit received by Teammate in connection with Teammate's position as a director, officer, member, shareholder, partner or any other similar position of any controlled or uncontrolled direct or indirect subsidiary or affiliate of Employer, or other contractual obligor to Employer or any of its subsidiaries or affiliates the obligations of which constitute revenue to Employer or any of its subsidiaries or affiliates and of which Teammate beneficially owns or has the right to acquire, directly or indirectly, 10% or more of the equity interests or has the power to vote 10% or more of the voting interests, shall belong to Employer and shall be immediately remitted to Employer. Notwithstanding the foregoing, this provision shall not apply to any amounts payable to, earned by, received by or otherwise due to Teammate as employment compensation from Employer or any of its subsidiaries or affiliates, or any dividends or other distributions received by Teammate in Teammate's capacity as a stockholder of Employer's ultimate parent company.

2.6 Indemnification. Employer agrees to indemnify Teammate against and in respect of any and all claims, actions, or demands, to the extent permitted by the Parent's By laws and applicable law.

2.7 Reimbursement. Employer also agrees to reimburse Teammate in accordance with Employer's reimbursement policies for travel and entertainment expenses, as well as other business-related expenses, incurred in the performance of his duties hereunder.

2.8 Changes to Benefit Plans. Employer reserves the right to modify, suspend, or discontinue any and all of its health and welfare benefit plans, practices, policies, and programs at any time without recourse by Teammate so long as such action is taken generally with respect to all other similarly-situated peer executives and does not single out Teammate.

2.9 Possible Recoupment of Certain Compensation. Notwithstanding any other provision in this Agreement to the contrary, Teammate shall be subject to the written policies of the Board of Directors applicable to executives of the Employer, including without limitation any Board policy relating to recoupment or "claw back" of compensation, as they exist from time to time during the Teammate's employment by the Employer and thereafter.

Section 3. Provisions Relating to Termination of Employment

3.1 Employment Is At-Will. Teammate's employment with Employer is "at will" and is terminable by Employer or by Teammate at any time and for any reason or no reason, subject to the notice requirements set forth below.

3.2 Termination for Material Cause. Employer may terminate Teammate's employment without advanced notice for Material Cause (as defined below). Upon termination for Material Cause, Teammate shall (i) be entitled to receive the Base Salary and benefits as set forth in Section 2.1 and Section 2.2, respectively, through the effective date of such termination and (ii) not be entitled to receive any other compensation, benefits, or payments of any kind, except as otherwise required by law or by the terms of any benefit or retirement plan or other arrangement that would, by its terms, apply.

Michael Staffieri Employment Agreement

3.3 Other Termination. Employer may terminate the employment of Teammate for any reason or for no reason at any time upon at least thirty (30) days' advance written notice. If Employer terminates the employment of Teammate for reasons other than for death, Material Cause, or Disability, and contingent upon Teammate's execution of the Employer's standard Severance and General Release Agreement within twenty-eight days of the termination of Teammate's employment, Teammate shall be entitled to the benefits set forth in the DaVita HealthCare Partners Inc. Severance Plan, pursuant to the terms and conditions of that plan as they exist at the time of the termination of Teammate's employment. For purposes of this provision, a Teammate's employment has been terminated when Teammate is no longer providing services for Employer after a specific date or the level of bona fide services that Teammate would perform (as an Teammate or independent contractor) after a specific date would permanently decrease to no more than 20% of the average level of bona fide services performed over the immediately preceding thirty-six month period (or the full period of service if Teammate was employed for less than thirty-six months).

3.4 Voluntary Resignation. Teammate may resign from Employer at any time upon at least ninety (90) days' advance written notice. If Teammate resigns from Employer, Teammate shall (i) be entitled to receive the base salary and benefits as set forth in Section 2.1 and Section 2.2, respectively, through the effective date of such termination and (ii) not be entitled to receive any other compensation, benefits, or payments of any kind, except as otherwise required by law or by the terms of any benefit or retirement plan or other arrangement that would, by its terms, apply. In the event Teammate resigns from Employer at any time, Employer shall have the right to make such resignation effective as of any date before the expiration of the required notice period.

3.5 Good Cause Resignation. If Teammate resigns for Good Cause, as defined below, and contingent upon Employee's execution of the Employer's standard Severance and General Release Agreement within twenty-eight days of the termination of Teammate's employment, Teammate shall (i) be entitled to receive the base salary and benefits as set forth in Section 2.1 and Section 2.2, respectively, through the effective date of such resignation, (ii) shall continue to receive his salary for the twelve-month period following the termination of his employment (the "Resignation Severance Period"), subject to Employer's payroll practices and procedures, (iii) if Teammate's employment is terminated after April in a given year, receive a lump-sum payment equal to the Bonus paid in the year prior to the termination of Teammate's employment, pro-rated for the number of months served in the year Teammate's employment is terminated, to be paid on or around the time Employer normally pays performance bonuses to other senior executives so long as he has complied with the terms of the Noncompetition, Nonsolicitation, and Confidentiality Agreement, which Teammate is executing at the same time as this Agreement, and (iv) not be entitled to receive any other compensation, benefits, or payments of any kind, except as otherwise required by law or by the terms of any benefit or retirement plan or other arrangement that would, by its terms, apply. If Teammate resigns within sixty (60) days following a Good Cause Event after a Change of Control (as those terms are defined below), Teammate shall receive the severance benefits set forth above except that the Resignation Severance Period shall increase from twelve months to two years. Any severance shall be subject to the terms and conditions of the DaVita HealthCare Partners Inc. Severance Plan. Any severance shall also be subject to the cooperation and compliance with other agreement provisions set forth in Sections 3.3, set forth above, and which are fully incorporated herein by reference.

3.6 Disability. Upon thirty (30) days' advance notice (which notice may be given before the completion of the periods described herein), Employer may terminate Teammate's employment for Disability (as defined below).

3.7 Definitions. For the purposes of this Agreement, the following terms shall have the meanings indicated:

(a) "Change of Control" shall mean (i) any transaction or series of transactions in which any person or group (within the meaning of Rule 13d-5 under the Exchange Act and Sections 13(d) and 14(d) of the Exchange Act) becomes the direct or indirect "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), by way of a stock issuance, tender offer, merger, consolidation, other business combination or otherwise, of greater than 50% of the total voting power (on a fully diluted basis as if all convertible securities had been converted and all warrants and options had been exercised) entitled to vote in the election of directors of Employer (including

Michael Staffieri Employment Agreement

any transaction in which Employer becomes a wholly-owned or majority-owned subsidiary of another corporation), (ii) any merger or consolidation or reorganization in which Employer does not survive, (iii) any merger or consolidation in which Employer survives, but the shares of Employer's Common Stock outstanding immediately prior to such merger or consolidation represent 40% or less of the voting power of Employer after such merger or consolidation, and (iv) any transaction in which more than 40% of Employer's assets are sold. However, despite the occurrence of any of the above-described events, a Change of Control will not have occurred if Kent Thiry remains the Chief Executive Officer or Executive Chair of Employer for at least one (1) year after the Change of Control or becomes the Chief Executive Officer or Executive Chair of the surviving company with which Employer merged or consolidated and remains in that position for at least one (1) year after the Change of Control.

(b) "Disability" shall mean the inability, for a period of six (6) months, to adequately perform Teammate's regular duties, with or without reasonable accommodation, due to a physical or mental illness, condition, or disability.

(c) "Good Cause" shall mean the occurrence of the following events without Teammate's express written consent: (i) Employer materially diminishes the scope of Employee's duties and responsibilities; or (ii) Employer materially reduces Teammate's base compensation. Notwithstanding the above, the occurrence of any such condition shall not constitute Good Cause unless the Teammate provides notice to Employer of the existence of such condition not later than 90 days after the initial existence of such condition, and Employer shall have failed to remedy such condition within 30 days after receipt of such notice.

(d) "Material Cause" shall mean any of the following: (i) conviction

of a felony or plea of no contest to a felony; (ii) any act of fraud or dishonesty in connection with the performance of his duties; (iii) repeated failure or refusal by Teammate to follow policies or directives reasonably established by the Chief Executive Officer of Employer or his/her designee that goes uncorrected for a period of ten (10) consecutive days after written notice has been provided to Teammate; (iv) a material breach of this Agreement and/or the Noncompetition, Nonsolicitation and Confidentiality Agreement; (v) any gross or willful misconduct or gross negligence by Teammate in the performance of his duties; (vi) egregious conduct by Teammate that brings Employer or any of its subsidiaries or affiliates into public disgrace or disrepute; (vii) an act of unlawful discrimination, including sexual harassment; (viii) a violation of the duty of loyalty or of any fiduciary duty; or (ix) exclusion or notice of exclusion of Teammate from participating in any federal health care program.

3.8 Notice of Termination. Any purported termination of Teammate's employment by Employer or by Teammate shall be communicated by a written Notice of Termination to the other party hereto in accordance with Section 3 hereof. A "Notice of Termination" shall mean a written notice that indicates the specific termination provision in this Agreement.

3.9 Effect of Termination. Upon termination, this Agreement shall be of no further force and effect and neither party shall have any further right or obligation hereunder; provided, however, that no termination shall modify or affect the rights and obligations of the parties that have accrued prior to termination; and provided further, that the rights and obligations of the parties under Section 3 and Section 4 shall survive termination of this Agreement.

3.10 Notwithstanding any provision herein to the contrary, in the event that any payment to be made to Teammate hereunder (whether pursuant to this Section 3 or any other Section) as a result of Teammate's termination of employment is determined to constitute "deferred compensation" subject to Section 409A of the Internal Revenue Code, and Teammate is a "Key Teammate" under the DaVita Inc. Key Teammate Policy for 409A Arrangements at the time of Teammate's termination of employment, all such deferred compensation payments payable during the first six (6) months following Teammate's termination of employment shall be delayed and paid in a lump sum during the seventh calendar month following the calendar month during which Teammate's termination of employment occurs.

Michael Staffieri Employment Agreement

Section 4: Noncompetition, Nonsolicitation and Confidentiality. Teammate, contemporaneously herewith, shall enter into a Noncompetition, Nonsolicitation and Confidentiality Agreement, the terms of which are incorporated herein and made a part hereof as though set forth in this Agreement.

Section 5. Miscellaneous.

5.1 Entire Agreement; Amendment. This Agreement represents the entire understanding of the parties hereto with respect to the employment of Teammate and supersedes all prior agreements with respect thereto. This Agreement may not be altered or amended except in writing executed by both parties hereto.

5.2 Assignment; Benefit. This Agreement is personal and may not be assigned by Teammate. This Agreement may be assigned by Employer and shall inure to the benefit of and be binding upon the successors and assigns of Employer.

5.3. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Colorado, without regard to the principles of conflicts of laws. Both parties agree that any action relating to this Agreement shall be brought in a state or federal court of competent jurisdiction located in the State of Colorado and both parties agree to exclusive venue in the State of Colorado.

5.4 Notice. Notices and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States registered mail, return receipt requested, postage prepaid, addressed to Employer at its principal office and to Teammate at Teammate's principal residence as shown in Employer's personnel records, provided that all notices to Employer shall be directed to the attention of the Chief Executive Officer, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

5.5 Construction. Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against any party on the basis that the party was the drafter. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

5.6 Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Photographic or facsimile copies of such signed counterparts may be used in lieu of the originals for any purpose.

5.7 Legal Counsel. Teammate and Employer recognize that this is a legally binding contract and acknowledge and agree that they have had the opportunity to consult with legal counsel of their choice.

5.8 Waiver. The waiver by any party of a breach of any provision of this Agreement by the other shall not operate or be construed as a waiver of any other or subsequent breach of such or any provision.

5.9 Invalidity of Provision. In the event that any provision of this Agreement is determined to be illegal, invalid, or void for any reason, the remaining provisions hereof shall continue in full force and effect.

5.10 Approval by DaVita HealthCare Partners Inc. as to Form. The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita HealthCare Partners Inc. as to the form of hereof.

[The remainder of this page is left blank intentionally.]

Michael Staffieri Employment Agreement

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the date and year first written above.

DAVITA HEALTHCARE PARTNERS INC.

By: /s/ Javier Rodriguez
Javier Rodriguez

MICHAEL STAFFIERI

By: /s/ Michael Staffieri
Michael Staffieri

Approved by DaVita HealthCare Partners Inc. as to Form:

By: /s/ Michael Freimann
Michael Freimann
Assistant General Counsel - Labor and Employment

SUBSIDIARIES OF THE COMPANY
as of December 31, 2019

| Name | Jurisdiction of Organization |
|------------------------------------|------------------------------|
| Aberdeen Dialysis, LLC | Delaware |
| Accountable Kidney Care, LLC | Delaware |
| Adair Dialysis, LLC | Delaware |
| American Fork Dialysis, LLC | Delaware |
| American Medical Insurance, Inc. | Arizona |
| Animas Dialysis, LLC | Delaware |
| Arcadia Gardens Dialysis, LLC | Delaware |
| Ashdow Dialysis, LLC | Delaware |
| Atlantic Dialysis, LLC | Delaware |
| Austin Dialysis Centers, L.P. | Delaware |
| Barnell Dialysis, LLC | Delaware |
| Barrons Dialysis, LLC | Delaware |
| Barton Dialysis, LLC | Delaware |
| Bastrop Dialysis, LLC | Delaware |
| Beachside Dialysis, LLC | Delaware |
| Beck Dialysis, LLC | Delaware |
| Bellevue Dialysis, LLC | Delaware |
| Bemity Dialysis, LLC | Delaware |
| Beverly Hills Dialysis Partnership | California |
| Birch Dialysis, LLC | Ohio |
| Bladon Dialysis, LLC | Delaware |
| Bliss Dialysis, LLC | Delaware |
| Bohama Dialysis, LLC | Delaware |
| Bowan Dialysis, LLC | Delaware |
| Braddock Dialysis, LLC | Delaware |
| Bridges Dialysis, LLC | Delaware |
| Brimfield Dialysis, LLC | Delaware |
| Brook Dialysis, LLC | Delaware |
| Brownsville Kidney Center, Ltd. | Texas |
| Brownwood Dialysis, LLC | Delaware |
| Bruno Dialysis, LLC | Delaware |
| Buckhorn Dialysis, LLC | Delaware |
| Buford Dialysis, LLC | Delaware |
| Bullards Dialysis, LLC | Delaware |
| Bullock Dialysis, LLC | Delaware |
| Calante Dialysis, LLC | Delaware |
| Campton Dialysis, LLC | Delaware |
| Canyon Springs Dialysis, LLC | Delaware |
| Capes Dialysis, LLC | Delaware |
| Capital Dialysis Partnership | California |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Capron Dialysis, LLC | Delaware |
| Carlton Dialysis, LLC | U.S. Virgin Islands |
| Carroll County Dialysis Facility Limited Partnership | Maryland |
| Carroll County Dialysis Facility, Inc. | Maryland |
| Cascades Dialysis, LLC | Delaware |
| Caverns Dialysis, LLC | Delaware |
| Cedar Dialysis, LLC | Delaware |
| Centennial LV, LLC | Delaware |
| Central Carolina Dialysis Centers, LLC | Delaware |
| Central Georgia Dialysis, LLC | Delaware |
| Central Iowa Dialysis Partners, LLC | Delaware |
| Central Kentucky Dialysis Centers, LLC | Delaware |
| Channel Dialysis, LLC | Delaware |
| Cheraw Dialysis, LLC | Delaware |
| Chicago Heights Dialysis, LLC | Delaware |
| Chipeta Dialysis, LLC | Delaware |
| Churchill Dialysis, LLC | Delaware |
| Cinco Rios Dialysis, LLC | Delaware |
| Clark Dialysis, LLC | Delaware |
| Clayton Dialysis, LLC | Delaware |
| Cleburne Dialysis, LLC | Delaware |
| Clinica Central do Bonfim S.A. | Portugal |
| Clinton Township Dialysis, LLC | Delaware |
| Clyfee Dialysis, LLC | Delaware |
| Columbus-RNA-DaVita, LLC | Delaware |
| Conconully Dialysis, LLC | Delaware |
| Continental Dialysis Center, Inc. | Virginia |
| Couer Dialysis, LLC | Delaware |
| Court Dialysis, LLC | Delaware |
| Cowell Dialysis, LLC | Delaware |
| Cowesett Dialysis, LLC | Delaware |
| Crossings Dialysis, LLC | Delaware |
| Crystals Dialysis, LLC | Delaware |
| Cuivre Dialysis, LLC | Delaware |
| Culbert Dialysis, LLC | Delaware |
| Dallas-Fort Worth Nephrology, L.P. | Delaware |
| Damon Dialysis, LLC | Delaware |
| DaVita - Riverside II, LLC | Delaware |
| DaVita - Riverside, LLC | Delaware |
| DaVita - West, LLC | Delaware |
| DaVita APAC Holding B.V. | Netherlands |
| DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil |
| DaVita Care (Saudi Arabia) | Saudi Arabia |
| DaVita Dakota Dialysis Center, LLC | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| DaVita Deutschland AG | Germany |
| DaVita Deutschland Beteiligungs GmbH & Co. KG | Germany |
| DaVita El Paso East, L.P. | Delaware |
| DaVita Germany GmbH | Germany |
| DaVita HealthCare Brasil Serviços Médicos Ltda. | Brazil |
| DaVita HK Holdings Limited | Hong Kong |
| DaVita International Limited | United Kingdom |
| DaVita Nefromed Serviços de Nefrologia Ltda. | Brazil |
| DaVita Nephron Care Serviços de Nefrologia Ltda. | Brazil |
| DaVita of New York, Inc. | New York |
| DaVita Rien Serviços de Nefrologia Ltda. | Brazil |
| DaVita S.A.S. | Colombia |
| DaVita Serviços de Nefrologia Asa Sul Ltda. | Brazil |
| DaVita Serviços de Nefrologia de Araraquara Ltda. | Brazil |
| DaVita Serviços de Nefrologia Distrito Federal Ltda. | Brazil |
| DaVita Serviços de Nefrologia Guarulhos Ltda. | Brazil |
| DaVita Serviços de Nefrologia Jardim das Imbuías Ltda. | Brazil |
| DaVita Serviços de Nefrologia Taubaté Ltda. | Brazil |
| DaVita Sp. z o.o. | Poland |
| DaVita Sud-Niedersachsen GmbH | Germany |
| DaVita Transrim Serviços de Nefrologia Ltda. | Brazil |
| DaVita UTR Serviços de Nefrologia Ltda. | Brazil |
| DaVita VillageHealth, Inc. | Delaware |
| DC Healthcare International, Inc. | Delaware |
| Dialysis Holdings, Inc. | Delaware |
| Dialysis of Des Moines, LLC | Delaware |
| Dialysis of Northern Illinois, LLC | Delaware |
| Dierks Dialysis, LLC | Delaware |
| DNP Management Company, LLC | Delaware |
| Dolores Dialysis, LLC | Delaware |
| Dome Dialysis, LLC | Delaware |
| Doves Dialysis, LLC | Delaware |
| Downriver Centers, Inc. | Michigan |
| DPS CKD, LLC | Delaware |
| DV Care Netherlands B.V. | Netherlands |
| DV Care Netherlands C.V. | Netherlands |
| DVA Healthcare - Southwest Ohio, LLC | Tennessee |
| DVA Healthcare of Maryland, LLC | Maryland |
| DVA Healthcare of Massachusetts, Inc. | Massachusetts |
| DVA Healthcare of New London, LLC | Tennessee |
| DVA Healthcare of Norwich, LLC | Tennessee |
| DVA Healthcare of Pennsylvania, LLC | Pennsylvania |
| DVA Healthcare of Tuscaloosa, LLC | Tennessee |
| DVA Healthcare Renal Care, Inc. | Nevada |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| DVA Holdings Pte. Ltd. | Singapore |
| DVA Laboratory Services, Inc. | Florida |
| DVA of New York, Inc. | New York |
| DVA Renal Healthcare, Inc. | Tennessee |
| East End Dialysis Center, Inc. | Virginia |
| East Ft. Lauderdale, LLC | Delaware |
| Ebrea Dialysis, LLC | Delaware |
| Edisto Dialysis, LLC | Delaware |
| Eldrist Dialysis, LLC | Delaware |
| Elgin Dialysis, LLC | Delaware |
| Elk Grove Dialysis Center, LLC | Delaware |
| Empire State DC, Inc. | New York |
| Etowah Dialysis, LLC | Delaware |
| Ettleton Dialysis, LLC | Delaware |
| Eufaula Dialysis, LLC | Delaware |
| EURODIAL - Centro de Nefrologia e Dialise de Leiria S.A. | Portugal |
| Falcon, LLC | Delaware |
| Fanthorp Dialysis, LLC | Delaware |
| Federal Way Assurance, Inc. | Colorado |
| Fields Dialysis, LLC | Delaware |
| Five Star Dialysis, LLC | Delaware |
| Fjords Dialysis, LLC | Delaware |
| Flagler Dialysis, LLC | Delaware |
| Flamingo Park Kidney Center, Inc. | Florida |
| Forester Dialysis, LLC | Delaware |
| Freehold Artificial Kidney Center, L.L.C. | New Jersey |
| Fremont Dialysis, LLC | Delaware |
| Frontier Dialysis, LLC | Delaware |
| Fullerton Dialysis Center, LLC | Delaware |
| Ganois Dialysis, LLC | Delaware |
| Garner Dialysis, LLC | Delaware |
| Garrett Dialysis, LLC | Delaware |
| Gaviota Dialysis, LLC | Delaware |
| GDC International, LLC | Delaware |
| Gebhard Dialysis, LLC | Delaware |
| Genesis KC Development, LLC | Delaware |
| GiveLife Dialysis, LLC | Delaware |
| Glassland Dialysis, LLC | Delaware |
| Glosser Dialysis, LLC | Delaware |
| Goliad Dialysis, LLC | Delaware |
| Grand Home Dialysis, LLC | Delaware |
| Greater Las Vegas Dialysis, LLC | Delaware |
| Greater Los Angeles Dialysis Centers, LLC | Delaware |
| Green Country Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---|------------------------------|
| Green Desert Dialysis, LLC | Delaware |
| Griffin Dialysis, LLC | Delaware |
| Groten Dialysis, LLC | Delaware |
| Harmony Dialysis, LLC | Delaware |
| Hart Dialysis, LLC | Delaware |
| Hawn Dialysis, LLC | Delaware |
| Helmer Dialysis, LLC | Delaware |
| Hennepin Dialysis, LLC | Delaware |
| Hewett Dialysis, LLC | Delaware |
| Hilgards Dialysis, LLC | Delaware |
| Hochatown Dialysis, LLC | Delaware |
| Home Kidney Care, LLC | Delaware |
| Honeyman Dialysis, LLC | Delaware |
| Houston Kidney Center/Total Renal Care Integrated Service Network Limited Partnership | Delaware |
| Hummer Dialysis, LLC | Delaware |
| Hunter Dialysis, LLC | Delaware |
| Huntington Artificial Kidney Center, Ltd. | New York |
| Hyde Dialysis, LLC | Delaware |
| IDC -International Dialysis Centers, Lda | Portugal |
| Iroquois Dialysis, LLC | Delaware |
| ISD Bartlett, LLC | Delaware |
| ISD Corpus Christi, LLC | Delaware |
| ISD I Holding Company, Inc. | Delaware |
| ISD II Holding Company, Inc. | Delaware |
| ISD Las Vegas, LLC | Delaware |
| ISD Lees Summit, LLC | Delaware |
| ISD Renal, Inc. | Delaware |
| ISD Schaumburg, LLC | Delaware |
| ISD Spring Valley, LLC | Delaware |
| ISD Summit Renal Care, LLC | Ohio |
| Jacinto Dialysis, LLC | Delaware |
| Jeness Dialysis, LLC | Delaware |
| Kamiah Dialysis, LLC | Delaware |
| Kanika Dialysis, LLC | Delaware |
| Kavett Dialysis, LLC | Delaware |
| Kenai Dialysis, LLC | Delaware |
| Kershaw Dialysis, LLC | Delaware |
| Kidney Home Center, LLC | Delaware |
| Kimball Dialysis, LLC | Delaware |
| Kingston Dialysis, LLC | Delaware |
| Kinnick Dialysis, LLC | Delaware |
| Kinter Dialysis, LLC | Delaware |
| Kiowa Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---------------------------------------|-------------------------------------|
| Knickerbocker Dialysis, Inc. | New York |
| Lakeshore Dialysis, LLC | Delaware |
| Landing Dialysis, LLC | Delaware |
| Landor Dialysis, LLC | Delaware |
| Lassen Dialysis, LLC | Delaware |
| Leasburg Dialysis, LLC | Delaware |
| Leawood Dialysis, LLC | Delaware |
| Lees Dialysis, LLC | Delaware |
| Legare Development LLC | Delaware |
| Liberty RC, Inc. | New York |
| Lifeline Pensacola, LLC | Delaware |
| Lifeline Vascular Center-Albany, LLC | Delaware |
| Lincoln Park Dialysis Services, Inc. | Illinois |
| Livingston Dialysis, LLC | Delaware |
| Llano Dialysis, LLC | Delaware |
| Lofield Dialysis, LLC | Delaware |
| Logoley Dialysis, LLC | Delaware |
| Lone Dialysis, LLC | Delaware |
| Long Beach Dialysis Center, LLC | Delaware |
| Lord Baltimore Dialysis, LLC | Delaware |
| Lory Dialysis, LLC | Delaware |
| Lourdes Dialysis, LLC | Delaware |
| Lyndale Dialysis, LLC | Delaware |
| Madigan Dialysis, LLC | Delaware |
| Magney Dialysis, LLC | Delaware |
| Magoffin Dialysis, LLC | Delaware |
| Makonee Dialysis, LLC | Delaware |
| Marlton Dialysis Center, LLC | Delaware |
| Marseille Dialysis, LLC | Delaware |
| Mason-Dixon Dialysis Facilities, Inc. | Maryland |
| Mazonia Dialysis, LLC | Delaware |
| Mellen Dialysis, LLC | Delaware |
| Melnea Dialysis, LLC | Delaware |
| Memorial Dialysis Center, L.P. | Delaware |
| Meridian Dialysis, LLC | Delaware |
| Mermet Dialysis, LLC | Delaware |
| Milltown Dialysis, LLC | Delaware |
| Minam Dialysis, LLC | Delaware |
| Minneopa Dialysis, LLC | Delaware |
| Mountain West Dialysis Services, LLC | Delaware |
| Mulgee Dialysis, LLC | Delaware |
| MVZ DaVita Alzey GmbH | Germany |
| MVZ DaVita Aurich GmbH | Germany |
| MVZ DaVita Bad Aibling GmbH | Germany |

| Name | Jurisdiction of Organization |
|---|------------------------------|
| MVZ DaVita Bad Duben GmbH | Germany |
| MVZ DaVita Cardio Centrum Dusseldorf GmbH | Germany |
| MVZ DaVita Dillenburg GmbH | Germany |
| MVZ DaVita Dinkelsbuhl GmbH | Germany |
| MVZ DaVita Dormagen GmbH | Germany |
| MVZ DaVita Duisburg GmbH | Germany |
| MVZ DaVita Elsterland GmbH | Germany |
| MVZ DaVita Emden GmbH | Germany |
| MVZ DaVita Falkensee GmbH | Germany |
| MVZ DaVita Geilenkirchen GmbH | Germany |
| MVZ DaVita Gera GmbH | Germany |
| MVZ DaVita Iserlohn GmbH | Germany |
| MVZ DaVita Monchengladbach GmbH | Germany |
| MVZ DaVita Neuss GmbH | Germany |
| MVZ DaVita Niederrhein GmbH | Germany |
| MVZ DaVita Nierenzentrum Aachen Alsdorf GmbH | Germany |
| MVZ DaVita Nierenzentrum Berlin-Britz GmbH | Germany |
| MVZ DaVita Nierenzentrum Hamm-Ahlen GmbH | Germany |
| MVZ DaVita Prenzlau-Pasewalk GmbH | Germany |
| MVZ DaVita Rhein-Ahr GmbH | Germany |
| MVZ DaVita Rhein-Ruhr GmbH | Germany |
| MVZ DaVita Schwalm-Eder GmbH | Germany |
| MVZ DaVita Viersen GmbH | Germany |
| Nansen Dialysis, LLC | Delaware |
| Natomas Dialysis, LLC | Delaware |
| Nauvue Dialysis, LLC | Delaware |
| Navarro Dialysis, LLC | Delaware |
| Nephrology Medical Associates of Georgia, LLC | Georgia |
| Nephrology Practice Solutions, LLC | Delaware |
| New Bay Dialysis, LLC | Delaware |
| Nicona Dialysis, LLC | Delaware |
| Norbert Dialysis, LLC | Delaware |
| Norte Dialysis, LLC | Delaware |
| North Austin Dialysis, LLC | Delaware |
| Oasis Dialysis, LLC | Delaware |
| Ohio River Dialysis, LLC | Delaware |
| Okanogan Dialysis, LLC | Delaware |
| Olive Dialysis, LLC | Delaware |
| Ordust Dialysis, LLC | Delaware |
| Owyhee Dialysis, LLC | Delaware |
| Palo Dialysis, LLC | Delaware |
| Palomar Dialysis, LLC | Delaware |
| Panther Dialysis, LLC | Delaware |
| Parkside Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---|-------------------------------------|
| Pattison Dialysis, LLC | Delaware |
| Patuk Dialysis, LLC | Delaware |
| Pearl Dialysis, LLC | Delaware |
| Pendster Dialysis, LLC | Delaware |
| Percha Dialysis, LLC | Delaware |
| Pershing Dialysis, LLC | Delaware |
| Pfeiffer Dialysis, LLC | Delaware |
| Philadelphia-Camden Integrated Kidney Care, LLC | Delaware |
| Physicians Choice Dialysis Of Alabama, LLC | Delaware |
| Physicians Choice Dialysis, LLC | Delaware |
| Physicians Dialysis Acquisitions, Inc. | Delaware |
| Physicians Dialysis of Lancaster, LLC | Pennsylvania |
| Physicians Dialysis Ventures, LLC | Delaware |
| Physicians Management, LLC | Delaware |
| Pible Dialysis, LLC | Delaware |
| Pinson Dialysis, LLC | Delaware |
| Pittsburgh Dialysis Partners, LLC | Delaware |
| Piute Dialysis, LLC | Delaware |
| Plaine Dialysis, LLC | Delaware |
| Platte Dialysis, LLC | Delaware |
| Pluribus Dialise - Benfica, S.A. | Portugal |
| Pluribus Dialise - Cascais, S.A. | Portugal |
| Pluribus Dialise, S.A. | Portugal |
| Prairie Dialysis, LLC | Delaware |
| Prineville Dialysis, LLC | Delaware |
| Ramsey Dialysis, LLC | Delaware |
| Rayburn Dialysis, LLC | Delaware |
| Red Willow Dialysis, LLC | Delaware |
| Redcliff Dialysis, LLC | Delaware |
| Refuge Dialysis, LLC | Delaware |
| Renal Center of Beaumont, LLC | Delaware |
| Renal Center of Fort Dodge, LLC | Delaware |
| Renal Center of Lewisville, LLC | Delaware |
| Renal Center of Morristown, LLC | Delaware |
| Renal Center of Newton, LLC | Delaware |
| Renal Center of Port Arthur, LLC | Delaware |
| Renal Center of the Hills, LLC | Delaware |
| Renal Center of Tyler, L.P.L.L.L.P. | Delaware |
| Renal Center of West Beaumont, LLC | Delaware |
| Renal Life Link, Inc. | Delaware |
| Renal Treatment Centers - California, Inc. | Delaware |
| Renal Treatment Centers - Illinois, Inc. | Delaware |
| Renal Treatment Centers - Mid-Atlantic, Inc. | Delaware |
| Renal Treatment Centers - Northeast, Inc. | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Renal Treatment Centers - Southeast, LP | Delaware |
| Renal Treatment Centers - West, Inc. | Delaware |
| Renal Treatment Centers, Inc. | Delaware |
| Renal Ventures Management, LLC | Delaware |
| RenalServ LLC | Delaware |
| Riddle Dialysis, LLC | Delaware |
| River Valley Dialysis, LLC | Delaware |
| RMS Lifeline Inc. | Delaware |
| RNA - DaVita Dialysis, LLC | Delaware |
| Rocky Mountain Dialysis Services, LLC | Delaware |
| Rollins Dialysis, LLC | Delaware |
| Roose Dialysis, LLC | Delaware |
| Rophets Dialysis, LLC | Delaware |
| Roushe Dialysis, LLC | Delaware |
| Routt Dialysis, LLC | Delaware |
| Royale Dialysis, LLC | Delaware |
| Rusk Dialysis, LLC | Delaware |
| Rutland Dialysis, LLC | Delaware |
| RV Academy, LLC | Delaware |
| Saddleback Dialysis, LLC | Delaware |
| Sahara Dialysis, LLC | Delaware |
| SAKDC-DaVita Dialysis Partners, L.P. | Delaware |
| San Marcos Dialysis, LLC | Delaware |
| Santiam Dialysis, LLC | Delaware |
| Sapelo Dialysis, LLC | Delaware |
| Saunders Dialysis, LLC | Delaware |
| Seabay Dialysis, LLC | Delaware |
| Secour Dialysis, LLC | Delaware |
| Sensiba Dialysis, LLC | Delaware |
| Shadow Dialysis, LLC | Delaware |
| Shayano Dialysis, LLC | Delaware |
| Shelling Dialysis, LLC | Delaware |
| Sherman Dialysis, LLC | Delaware |
| Shetek Dialysis, LLC | Delaware |
| Shining Star Dialysis, Inc. | New Jersey |
| Siena Dialysis Center, LLC | Delaware |
| Simeon Dialysis, LLC | Delaware |
| Skagit Dialysis, LLC | Delaware |
| Soledad Dialysis Center, LLC | Delaware |
| Somerville Dialysis Center, LLC | Delaware |
| South Central Florida Dialysis Partners, LLC | Delaware |
| South Fork Dialysis, LLC | Delaware |
| Southern Hills Dialysis Center, LLC | Delaware |
| Southlake Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Southwest Atlanta Dialysis Centers, LLC | Delaware |
| Sprague Dialysis, LLC | Delaware |
| Springpond Dialysis, LLC | Delaware |
| Star Dialysis, LLC | Delaware |
| Stevenson Dialysis, LLC | Delaware |
| Stewart Dialysis, LLC | Delaware |
| Stines Dialysis, LLC | Delaware |
| Storrie Dialysis, LLC | Delaware |
| Sugarloaf Dialysis, LLC | Delaware |
| Sun City Dialysis Center, L.L.C. | Delaware |
| Sunapee Dialysis, LLC | Delaware |
| Sunset Dialysis, LLC | Delaware |
| Talimena Dialysis, LLC | Delaware |
| Terre Dialysis, LLC | Delaware |
| The Woodlands Dialysis Center, LP | Delaware |
| Tortugas Dialysis, LLC | Delaware |
| Total Renal Care of North Carolina, LLC | Delaware |
| Total Renal Care Texas Limited Partnership | Delaware |
| Total Renal Care, Inc. | California |
| Total Renal Laboratories, Inc. | Florida |
| Total Renal Research, Inc. | Delaware |
| Toulouse Dialysis, LLC | Delaware |
| Transmountain Dialysis, L.P. | Delaware |
| TRC - Indiana, LLC | Indiana |
| TRC El Paso Limited Partnership | Delaware |
| TRC of New York, Inc. | New York |
| TRC West, Inc. | Delaware |
| TRC-Georgetown Regional Dialysis, LLC | District Of Columbia |
| Tross Dialysis, LLC | Delaware |
| Tugman Dialysis, LLC | Delaware |
| Tunnel Dialysis, LLC | Delaware |
| Turlock Dialysis Center, LLC | Delaware |
| Tustin Dialysis Center, LLC | Delaware |
| Twain Dialysis, LLC | Delaware |
| Tyler Dialysis, LLC | Delaware |
| Unicoi Dialysis, LLC | Delaware |
| University Dialysis Center, LLC | Delaware |
| Upper Valley Dialysis, L.P. | Delaware |
| USC-DaVita Dialysis Center, LLC | California |
| Valley Springs Dialysis, LLC | Delaware |
| Victory Dialysis, LLC | Delaware |
| VillageHealth DM, LLC | Delaware |
| Villanueva Dialysis, LLC | Delaware |
| Vively Health, LLC | Delaware |

| Name | Jurisdiction of Organization |
|-----------------------------------|-------------------------------------|
| Vogel Dialysis, LLC | Delaware |
| Volo Dialysis, LLC | Delaware |
| Waddell Dialysis, LLC | Delaware |
| Wakoni Dialysis, LLC | Delaware |
| Walker Dialysis, LLC | Delaware |
| Walton Dialysis, LLC | Delaware |
| Watkins Dialysis, LLC | Delaware |
| Weldon Dialysis, LLC | California |
| West Elk Grove Dialysis, LLC | Delaware |
| West Sacramento Dialysis, LLC | Delaware |
| Weston Dialysis Center, LLC | Delaware |
| Whitney Dialysis, LLC | Delaware |
| Willowbrook Dialysis Center, L.P. | Delaware |
| Winds Dialysis, LLC | Delaware |
| Wood Dialysis, LLC | Delaware |
| Woodford Dialysis, LLC | Delaware |
| Wyandotte Central Dialysis, LLC | Delaware |
| Yards Dialysis, LLC | Delaware |
| Ybor City Dialysis, LLC | Delaware |
| Yucaipa Dialysis, LLC | Delaware |
| Zephyrhills Dialysis Center, LLC | Delaware |

Consent of Independent Registered Public Accounting Firm

The Board of Directors
DaVita Inc.:

We consent to the incorporation by reference in the registration statements on Form S-8 (No. 333-213119, No. 333-190434, No. 333-169467, No. 333-158220, No. 333-144097, No. 333-86550, and No. 333-30736), and on Form S-4 (No. 333-182572) and on Form S-3 (No. 333-203394, No. 333-196630, No. 333-183285, and No. 333-169690) of DaVita Inc. of our reports dated February 21, 2020 with respect to the consolidated balance sheets of DaVita Inc. as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2019, and the related notes and financial statement Schedule II - Valuation and Qualifying Accounts, and the effectiveness of internal control over financial reporting as of December 31, 2019, which reports appear in the December 31, 2019 annual report on Form 10-K of DaVita Inc. Our report refers to changes in the methods of accounting for leases and revenue recognition.

/s/ KPMG LLP

Seattle, Washington
February 21, 2019

SECTION 302 CERTIFICATION

I, Javier J. Rodriguez, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JAVIER J. RODRIGUEZ

Javier J. Rodriguez
Chief Executive Officer

Date: February 21, 2019

SECTION 302 CERTIFICATION

I, Joel Ackerman, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Joel Ackerman

Joel Ackerman
Chief Financial Officer and Treasurer

Date: February 21, 2019

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Javier J. Rodriguez, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JAVIER J. RODRIGUEZ

Javier J. Rodriguez
Chief Executive Officer
February 21, 2019

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Joel Ackerman, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Joel Ackerman

Joel Ackerman
Chief Financial Officer and Treasurer
February 21, 2019

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2020
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number: 1-14106



DAVITA INC.

(Exact name of registrant as specified in charter)

Delaware
(State of incorporation)

51-0354549
(I.R.S. Employer Identification No.)

2000 16th Street
Denver, CO 80202

Telephone number (720) 631-2100

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:
Common Stock, \$0.001 par value

Trading symbol(s):
DVA

Name of each exchange on which registered:
New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its final report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 30, 2020, the aggregate market value of the Registrant's common stock outstanding held by non-affiliates based upon the closing price on the New York Stock Exchange was approximately \$9.7 billion.

As of January 29, 2021, the number of shares of the Registrant's common stock outstanding was approximately 109.4 million shares.

Documents incorporated by reference

Portions of the Registrant's proxy statement for its 2021 annual meeting of stockholders are incorporated by reference in Part III of this Form 10-K.

**DAVITA INC.
INDEX**

| | <u>Page No.</u> |
|--|-----------------|
| PART I. | |
| Item 1. Business | 2 |
| Item 1A. Risk Factors | 27 |
| Item 1B. Unresolved Staff Comments | 53 |
| Item 2. Properties | 54 |
| Item 3. Legal Proceedings | 54 |
| Item 4. Mine Safety Disclosures | 54 |
| PART II. | |
| Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities | 55 |
| Item 6. Selected Financial Data | 56 |
| Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations | 58 |
| Item 7A. Quantitative and Qualitative Disclosures about Market Risk | 78 |
| Item 8. Financial Statements and Supplementary Data | 79 |
| Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure | 79 |
| Item 9A. Controls and Procedures | 79 |
| Item 9B. Other Information | 79 |
| PART III. | |
| Item 10. Directors, Executive Officers and Corporate Governance | 80 |
| Item 11. Executive Compensation | 80 |
| Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters | 80 |
| Item 13. Certain Relationships and Related Transactions, and Director Independence | 81 |
| Item 14. Principal Accounting Fees and Services | 81 |
| PART IV. | |
| Item 15. Exhibits, Financial Statement Schedules | 82 |
| Item 16. Form 10-K Summary | 82 |
| Exhibit Index | 1 of 5 |
| Signatures | S-1 |

PART I

Item 1. Business

Unless otherwise indicated in this Annual Report on Form 10-K “DaVita”, “the Company” “we”, “us”, “our” and other similar terms refer to DaVita Inc. and its consolidated subsidiaries. Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are made available free of charge through our website, located at <http://www.davita.com>, as soon as reasonably practicable after the reports are filed with or furnished to the Securities and Exchange Commission (SEC). The SEC also maintains a website at <http://www.sec.gov> where these reports and other information about us can be obtained. The contents of our website are not incorporated by reference into this report.

Overview of DaVita Inc.

DaVita is a leading healthcare provider focused on transforming care delivery to improve quality of life for patients globally. We are one of the largest providers of kidney care services in the U.S. and have been a leader in clinical quality and innovation for over 20 years. DaVita is committed to bold, patient-centric care models, implementing the latest technologies and moving toward integrated care offerings. Over the years, we have established a value-based culture with a philosophy of caring that is focused on both our patients and teammates. This culture and philosophy fuel our continuous drive toward achieving our mission to be the provider, partner and employer of choice and fulfilling our vision to "build the greatest healthcare community the world has ever seen."

The loss of kidney function is normally irreversible. Kidney failure is typically caused by Type I and Type II diabetes, hypertension, polycystic kidney disease, long-term autoimmune attack on the kidneys and prolonged urinary tract obstruction. End stage renal disease or end stage kidney disease (ESRD or ESKD) is the stage of advanced kidney impairment that requires continued dialysis treatments or a kidney transplant to sustain life. Dialysis is the removal of toxins, fluids and salt from the blood of patients by artificial means. Patients suffering from ESRD generally require dialysis at least three times a week for the rest of their lives.

Our U.S. dialysis and related lab services (U.S. dialysis) business treats patients with chronic kidney failure and ESRD in the United States, and is our largest line of business. As of December 31, 2020, we provided dialysis and administrative services and related laboratory services throughout the U.S. via a network of 2,816 outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 204,200 patients and provided hospital inpatient dialysis services in approximately 900 hospitals. Our robust platform to deliver kidney care services also includes established nephrology and payor relationships as well as home programs. In addition, as of December 31, 2020, we provided dialysis and administrative services to a total of 321 outpatient dialysis centers located in ten countries outside of the U.S., serving approximately 36,200 patients. The Company also consists of our ancillary services and strategic initiatives, which include the aforementioned international operations (collectively, our ancillary services), as well as our corporate administrative support.

Our patient-centric care model leverages our platform of kidney care services to maximize patient choice in both models and modalities of care. We believe that the flexibility we offer coupled with a focus on comprehensive kidney care supports our commitments to help improve clinical outcomes and quality of life for our patients. For the eighth consecutive year, we are an industry leader in the Centers for Medicare & Medicaid Services' (CMS) Quality Incentive Program (QIP), which promotes high quality services in outpatient dialysis facilities treating patients with ESRD. We are also an industry leader for the seventh consecutive year under CMS' Five-Star Quality Rating system, which rates eligible dialysis centers based on the quality of outcomes to help patients, their families, and caregivers make more informed decisions about where patients receive care. According to the most recently collected data, we are an industry leader for the total number of patients in home-based dialysis services.

Our quality clinical outcomes are driven by our experienced and knowledgeable teammates. We employ registered nurses, licensed practical or vocational nurses, patient care technicians, social workers, registered dietitians, biomedical technicians and other administrative and support teammates who strive to achieve superior clinical outcomes at our dialysis facilities. In addition to our teammates at our dialysis facilities, as of December 31, 2020, our domestic Chief Medical Officer leads a team of 18 senior nephrologists in our physician leadership team as part of our domestic Office of the Chief Medical Officer (OCMO). Our international Chief Medical Officer leads a team of 11 senior nephrologists in our physician leadership team as part of our international OCMO. Our OCMO teammates represent a variety of academic, clinical practice, and clinical research backgrounds. We also have a Physician Counsel that serves as an advisory body to senior management, which is composed of nine physicians with extensive experience in clinical practice and have seven Group Medical Directors as of December 31, 2020.

On June 19, 2019, we completed the sale of our DaVita Medical Group (DMG) business, a patient and physician-focused integrated healthcare delivery and management company, to Collaborative Care Holdings, LLC, a subsidiary of UnitedHealth Group Inc. As a result, the DMG business has been classified as discontinued operations and its results of operations are reported as discontinued operations for all periods presented in the consolidated financial statements included in this report.

For financial information about DMG, see Note 22 to the consolidated financial statements included in this report.

COVID-19 and its impact on our business

As a caregiving organization, we are exposed to and will continue to be impacted by the effects of the novel coronavirus (COVID-19) pandemic. DaVita's teammates include, among others, dialysis nurses, patient care technicians, social workers, dieticians and other caregivers who are on the front lines of the ongoing COVID-19 pandemic providing critical, life-sustaining care for our patients. We are closely monitoring the impact on our business of the pandemic and the resulting economic environment, including the impact on our patients, teammates, physician partners, suppliers, vendors and business partners.

During this time of great challenge, our top priorities continue to be the health, safety and well-being of our patients, teammates and physician partners and helping to ensure that our patients have the ability to maintain continuity of care throughout this crisis, whether in the hospital, outpatient or home setting. To that end, we have dedicated and continue to dedicate substantial resources in response to COVID-19, including the implementation of additional protocols in coordination with the Centers for Disease Control and Prevention (CDC) on infection control and clinical best practices to help safely maintain continuity of care for our patients and help protect our caregivers. We also have been collaborating with the CDC, the U.S. Department of Health and Human Services (HHS), CMS, the American Society of Nephrology, and dialysis providers nationwide to help ensure that the dialysis community is able to support patients nationwide during this global health crisis.

The protocols and initiatives we have implemented in response to COVID-19 include steps designed to implement dedicated care shifts for patients with confirmed or suspected COVID-19 and other enhanced clinical practices, including procuring additional equipment and clinical supplies, including personal protective equipment (PPE) and providing financial support to our teammates associated with relief reimbursement. These efforts are part of a wider Prepare, Prevent, Respond and Recover protocol that we have implemented in connection with the pandemic, which also includes operational protocols such as the redistribution of teammates, machines and supplies across the country as needed and increased investment in and utilization of telehealth capabilities. We also have maintained business process continuity during the pandemic by enabling most back office teammates to work remotely. Our response protocol generally has allowed us to maintain continuity of care for our patients and we carefully monitor the efficacy of these protocols and their impact on our operations and strategic priorities as the pandemic continues. If we are required to maintain certain restrictive operational initiatives for an extended period of time, it may adversely impact our strategic initiatives, such as our strategy to continue to build on our abilities to offer home dialysis options. Certain temporary changes made in response to the COVID-19 pandemic could become permanent, which could have an adverse impact on our business. In addition, any staffing shortages or disruptions, or any equipment or clinical supply shortages, disruptions or delays or associated price increases, could impact our ability to provide dialysis services or the cost of providing those services. Due in part to the protocols and initiatives described above, we have incurred significant costs related to COVID-19 in 2020, and we expect to continue to incur extended and significant additional costs in connection with our response to COVID-19.

We have worked with certain government agencies to respond to the COVID-19 pandemic, and in certain cases have sought waivers of regulatory requirements. We also are working to help make COVID-19 vaccines available to our patients and teammates, including through coordination with state and federal governments on direct vaccine distribution so that we can administer vaccines to our patients and teammates. These vaccines are currently available under emergency use authorizations, and there can be no assurance that our patients and caregivers will choose to receive a COVID-19 vaccine or that the vaccines will prove to be as safe and effective as currently understood by the scientific community. In addition, we may encounter difficulties with the availability and storage of the vaccines, or administration of the vaccines, some of which have multiple dose requirements. We operate in a complex and highly regulated environment, and the novel nature of our COVID-19 response, including, for example, with respect to regulatory waivers and our administration of the newly developed COVID-19 vaccines, may increase our exposure to legal, regulatory and clinical risks.

In addition, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and subsequent COVID-19 relief legislation temporarily suspended Medicare's 2% sequestration from May 1, 2020 through December 31, 2020, and the Consolidated Appropriations Act subsequently extended this sequestration suspension until March 31, 2021. While in effect, this legislation, has increased, and will continue to increase, our revenues. Furthermore, a significant initial part of the federal government response to the COVID-19 pandemic was the CARES Act's authorization of \$100 billion in funding to be distributed to healthcare providers through the federal Public Health and Social Services Emergency Fund (Provider Relief Fund). While we declined approximately \$250 million of government funding received in the second quarter of 2020 from the

Provider Relief Fund, certain of our competitors accepted such funds. There can be no assurance that financial or other assistance will be available from the government if we have a need for such assistance in the future.

We believe the ultimate impact of this public health crisis on the Company will depend on future developments that are highly uncertain and difficult to predict, including among other things the severity and duration of the pandemic; further spread or resurgence of the virus, including as a result of the emergence of new strains of the virus; its impact on the CKD patient population and our patient population; the availability, acceptance, impact and efficacy of COVID-19 vaccines and other treatments or therapies; the pandemic's continuing impact on the U.S. and global economies and unemployment; the responses of our competitors to the pandemic and related changes in the marketplace; and the timing, scope and effectiveness of federal, state and local governmental responses.

For additional discussion of the COVID-19 pandemic and our response, including its impact on us and related risks and uncertainties, please see the discussion below under the heading "Human Capital Management", as well as the risk factor in Item 1A Risk Factors under the heading "*We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us,*" and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

U.S. dialysis business

Our U.S. dialysis business is a leading provider of kidney dialysis services for patients suffering from ESRD. As of December 31, 2020, we provided dialysis and administrative services in the U.S. through a network of 2,816 outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 204,200 patients. We also provide hospital inpatient dialysis services in approximately 900 hospitals and related laboratory services throughout the U.S.

According to the United States Renal Data System (USRDS), there were over 555,000 ESRD dialysis patients in the U.S. in 2018. Based on the most recent 2020 annual data report from the USRDS, the underlying ESRD dialysis patient population has grown at an approximate compound rate of 3.7% from 2008 to 2018 and a compound rate of 3.5% from 2013 to 2018, which suggests that the rate of growth of the ESRD patient population is declining relative to long term trends. A number of factors may impact ESRD growth rates, including, among others, the aging of the U.S. population, transplant rates, incidence rates for diseases that cause kidney failure such as diabetes and hypertension, mortality rates for dialysis patients and growth rates of minority populations with higher than average incidence rates of ESRD. Certain of these factors, in particular mortality rates for dialysis patients, have been impacted by the COVID-19 pandemic.

Since 1972, the federal government has provided healthcare coverage for ESRD patients under the Medicare ESRD program regardless of age or financial circumstances. ESRD is the first and only disease state eligible for Medicare coverage both for dialysis and dialysis-related services and for all benefits available under the Medicare program. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate. See page 7 for further details.

Although Medicare reimbursement limits the allowable charge per treatment, it provides industry participants with a relatively predictable and recurring revenue stream for dialysis services provided to patients without commercial insurance. For the year ended December 31, 2020, approximately 90% of our total dialysis patients were covered under some form of government-based program, with approximately 74% of our dialysis patients covered under Medicare and Medicare Advantage plans.

Treatment options for ESRD

Treatment options for ESRD are dialysis and kidney transplantation.

Dialysis options

- *Hemodialysis*

Hemodialysis, the most common form of ESRD treatment, is usually performed at a freestanding outpatient dialysis center, at a hospital-based outpatient center, or at the patient's home. The hemodialysis machine uses an artificial kidney, called a dialyzer, to remove toxins, fluids and salt from the patient's blood. The dialysis process occurs across a semi-permeable membrane that divides the dialyzer into two distinct chambers. While blood is circulated through one chamber, a pre-mixed fluid is circulated through the other chamber. The toxins, salt and excess fluids from the blood cross the membrane into the fluid, allowing cleansed blood to return back into the patient's body. Each hemodialysis treatment that occurs in the outpatient dialysis centers typically lasts approximately three and one-half hours and is usually performed three times per week.

Hospital inpatient hemodialysis services are required for patients with acute kidney failure primarily resulting from trauma, patients in early stages of ESRD and ESRD patients who require hospitalization for other reasons. Hospital inpatient hemodialysis is generally performed at the patient's bedside or in a dedicated treatment room in the hospital, as needed.

Some ESRD patients who are healthier and more independent may perform home hemodialysis in their home or residence through the use of a hemodialysis machine designed specifically for home therapy that is portable, smaller and easier to use. Patients receive training, support and monitoring from registered nurses, usually in our outpatient dialysis centers, in connection with their home hemodialysis treatment. Home hemodialysis is typically performed with greater frequency than dialysis treatments performed in outpatient dialysis centers and on varying schedules.

- *Peritoneal dialysis*

Peritoneal dialysis uses the patient's peritoneal or abdominal cavity to eliminate fluid and toxins and is typically performed at home. The most common methods of peritoneal dialysis are continuous ambulatory peritoneal dialysis (CAPD) and continuous cycling peritoneal dialysis (CCPD). Because it does not involve going to an outpatient dialysis center three times a week for treatment, peritoneal dialysis is generally an alternative to hemodialysis for patients who are healthier, more independent and desire more flexibility in their lifestyle.

CAPD introduces dialysis solution into the patient's peritoneal cavity through a surgically placed catheter. Toxins in the blood continuously cross the peritoneal membrane into the dialysis solution. After several hours, the patient drains the used dialysis solution and replaces it with fresh solution. This procedure is usually repeated four times per day.

CCPD is performed in a manner similar to CAPD, but uses a mechanical device to cycle dialysis solution through the patient's peritoneal cavity while the patient is sleeping or at rest.

Kidney transplantation

Although kidney transplantation, when successful, is generally the most desirable form of therapeutic intervention, the shortage of suitable donors, side effects of immunosuppressive pharmaceuticals given to transplant recipients and dangers associated with transplant surgery for some patient populations have generally limited the use of this treatment option. An executive order signed in July 2019 (the 2019 Executive Order) directed the HHS to develop policies addressing, among other things, the goal of making more kidneys available for transplant. As directed by the 2019 Executive Order, the CMS, through its Center for Medicare and Medicaid Innovation (CMMI), subsequently released the framework for certain proposed voluntary payment models that would adjust payment incentives to encourage kidney transplants. For more information regarding the 2019 Executive Order and these payment models, please see the discussion below under the heading “-New models of care and Medicare and Medicaid program reforms.”

U.S. dialysis services we provide

Outpatient hemodialysis services

As of December 31, 2020, we operated or provided administrative services through a network of 2,816 outpatient dialysis centers in the U.S. that are designed specifically for outpatient hemodialysis. In 2020, our overall network of U.S. outpatient dialysis centers increased by 63 primarily as a result of the opening of new dialysis centers and acquisitions, net of center closures, representing a total increase of approximately 2.3% from 2019.

As a condition of our enrollment in Medicare for the provision of dialysis services, we contract with a nephrologist or a group of associated nephrologists to provide medical director services at each of our dialysis centers. In addition, other nephrologists may apply for practice privileges to treat their patients at our centers. Each center has an administrator, typically a registered nurse, who supervises the day-to-day operations of the center and its staff. The staff of each center typically consists of registered nurses, licensed practical or vocational nurses, patient care technicians, a social worker, a registered dietician, biomedical technician support and other administrative and support personnel.

Under Medicare regulations, we cannot promote, develop or maintain any kind of contractual relationship with our patients that would directly or indirectly obligate a patient to use or continue to use our dialysis services, or that would give us any preferential rights other than those related to collecting payments for our dialysis services. Our total patient turnover, which is based upon all causes, averaged approximately 25% in 2020 and 24% in 2019. The overall number of patients to whom we provided services in the U.S. in 2020 decreased by approximately 1.3% from 2019, primarily due to an increase in mortality rates, which have been impacted by the COVID-19 pandemic, and a decline in new admissions. This was partially offset by new dialysis patients who started treating at our centers during the year from acquisitions and non-acquired growth.

Hospital inpatient hemodialysis services

As of December 31, 2020, we provided hospital inpatient hemodialysis services, excluding physician services, to patients in approximately 900 hospitals throughout the U.S. We render these services based on a contracted per-treatment fee that is individually negotiated with each hospital. When a hospital requests our services, we typically administer the dialysis treatment at the patient's bedside or in a dedicated treatment room in the hospital, as needed.

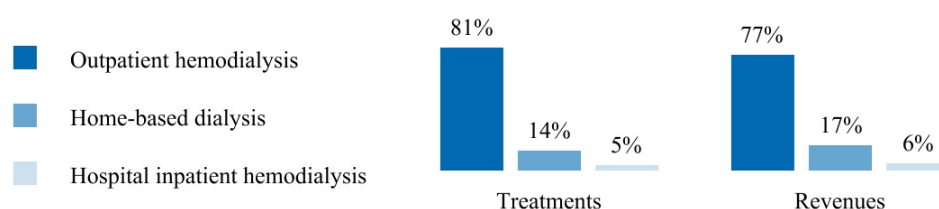
Home-based dialysis services

Home-based dialysis services includes home hemodialysis and peritoneal dialysis. Many of our outpatient dialysis centers offer certain support services for dialysis patients who prefer and are able to perform either home hemodialysis or peritoneal dialysis in their homes. Home-based hemodialysis support services consist of providing equipment and supplies, training, patient monitoring, on-call support services and follow-up assistance. Registered nurses train patients and their families or other caregivers to perform either home hemodialysis or peritoneal dialysis. The 2019 Executive Order and related HHS guidance described above also included a stated goal of increasing the relative number of new ESRD patients that receive dialysis at home as compared to those receiving dialysis in center or at a hospital.

According to the most recent 2020 annual data report from the USRDS, in 2018 approximately 12% of ESRD dialysis patients in the U.S. perform home-based dialysis.

Treatments and revenues by modality:

The following graph summarizes our U.S. dialysis treatments by modality and U.S. dialysis patient services revenues by modality for the year ended December 31, 2020.



Other

ESRD laboratory services

We operate one separately licensed and highly automated clinical laboratory which specializes in ESRD patient testing. This specialized laboratory provides routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients which are integral components of the overall dialysis services that we provide. Our laboratory provides these tests predominantly for our network of ESRD patients throughout the U.S. These tests are performed to monitor a patient's ESRD condition, including the adequacy of dialysis, as well as other medical conditions of the patient. Our laboratory utilizes information systems which provide information to certain members of the dialysis centers' staff and medical directors regarding critical outcome indicators.

Management services

We currently operate or provide management and administrative services pursuant to management and administrative services agreements to 53 outpatient dialysis centers located in the U.S. in which we either own a noncontrolling interest or which are wholly-owned by third parties. Management fees are established by contract and are recognized as earned typically based on a percentage of revenues or cash collections generated by the outpatient dialysis centers.

Sources of revenue—concentrations and risks

Our U.S. dialysis revenues represent approximately 91% of our consolidated revenues for the year ended December 31, 2020. Our U.S. dialysis revenues are derived primarily from our core business of providing dialysis services and related laboratory services and, to a lesser extent, the administration of pharmaceuticals and management fees generated from providing management and administrative services to certain outpatient dialysis centers, as discussed above.

The sources of our U.S. dialysis revenues are principally from government-based programs, including Medicare and Medicare Advantage plans, Medicaid and managed Medicaid plans and commercial insurance plans. Our largest source of revenue is from Medicare and Medicare Advantage plans which accounted for 57% of our overall U.S. dialysis patient services revenues for the year ended December 31, 2020. Other sources of our U.S. dialysis patient services revenues for the year ended December 31, 2020, were from commercial payors (including hospital inpatient dialysis services) accounting for 32% of revenues, Medicaid and managed Medicaid plans accounting for 7% of our revenues and other government programs accounting for 4% of our revenues.

Medicare revenue

Medicare ESRD revenue

Government dialysis related payment rates in the U.S. are principally determined by federal Medicare and state Medicaid policy. For patients with Medicare coverage, all ESRD payments for dialysis treatments are made under a single bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the dialysis treatment, including certain pharmaceuticals, such as Epogen® (EPO), vitamin D analogs and iron supplements, irrespective of the level of pharmaceuticals administered to the patient or additional services performed. Prior to January 2021, calcimimetics, a drug class taken by many patients with ESRD to treat mineral bone disorder, was separately billable through a transitional drug add-on payment adjustment (TDAPA); however, since January 1, 2021 and as described more fully below, calcimimetics has been included in the ESRD bundled payment. Most lab services are also included in the bundled payment.

Under this ESRD Prospective Payment System (PPS), the bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set annually by CMS through its QIP. CMS established QIP through the Medicare Improvements for Patients and Providers Act of 2008 to promote high quality services in outpatient dialysis facilities treating patients with ESRD. QIP associates a portion of Medicare reimbursement directly with a facility's performance on quality of care measures. Reductions in Medicare reimbursement result when a facility's overall score on applicable measures does not meet established standards. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors.

Uncertainty about future payment rates remains a material risk to our business, as well as the potential implementation of or changes in coverage determinations or other rules or regulations by CMS or Medicare Administrative Contractors that may impact reimbursement. An important provision in the Medicare ESRD statute is an annual adjustment, or market basket update, to the ESRD PPS base rate. Absent action by Congress, the ESRD PPS base rate is automatically updated annually by a formulaic inflation adjustment.

On September 18, 2020, pursuant to the 2019 Executive Order, CMS, through CMMI, published the final ESRD Treatment Choices mandatory payment model (ETC). The ETC launched on January 1, 2021, and will be administered through CMMI and in approximately 30% of dialysis clinics across the country.

On November 9, 2020, CMS issued a final rule to update the ESRD PPS payment rate and policies. Among other things, the rule provided for the inclusion of calcimimetics in the ESRD bundled payment as described above; specified TDAPAs for certain new renal dialysis drugs and biological products; and amended the reporting measures in the ESRD QIP. CMS estimates that the overall impact of the final rule will increase ESRD facilities' average reimbursement by 1.6% in 2021.

As a result of the Budget Control Act of 2011 (BCA) and subsequent activity in Congress, a \$1.2 trillion sequester (across-the-board spending cuts) in discretionary programs took effect in 2013 reducing Medicare payments by 2%, which was subsequently extended through fiscal year 2027. The CARES Act that was signed into law on March 27, 2020 included a provision that suspended the 2% Medicare sequestration from May 1, 2020 through December 31, 2020, and the Consolidated Appropriations Act, 2021 signed into law on December 27, 2020 extended the suspension of the 2% Medicare sequestration until March 31, 2021. In the year ended December 31, 2020, our revenues increased due to this suspension and we estimate that this suspension will increase our revenues while it remains in effect. When the temporary suspension is no longer in effect the across-the-board spending cuts of the BCA will continue to adversely affect our business, results of operations, financial condition and cash flows.

ESRD patients receiving dialysis services become eligible for primary Medicare coverage at various times, depending on their age or disability status, as well as whether they are covered by a commercial insurance plan. Generally, for a patient not covered by a commercial insurance plan, Medicare becomes the primary payor for ESRD patients receiving dialysis services either immediately or after a three-month waiting period. For a patient covered by a commercial insurance plan, Medicare generally becomes the primary payor after 33 months, which includes the three-month waiting period, or earlier if the patient's commercial insurance plan coverage terminates. When Medicare becomes the primary payor, the payment rates we receive for

that patient shift from the commercial insurance plan rates to Medicare payment rates, which are on average significantly lower than commercial insurance rates.

Medicare pays 80% of the amount set by the Medicare system for each covered dialysis treatment. The patient is responsible for the remaining 20%. In most cases, a secondary payor, such as Medicare supplemental insurance, a state Medicaid program or a commercial health plan, covers all or part of these balances. Some patients who do not qualify for Medicaid, but otherwise cannot afford secondary insurance in the form of a Medicare Supplement Plan, can apply for premium payment assistance from charitable organizations to obtain secondary coverage. If a patient does not have secondary insurance coverage, we are generally unsuccessful in our efforts to collect from the patient the remaining 20% portion of the ESRD composite rate that Medicare does not pay. However, we are able to recover some portion of this unpaid patient balance from Medicare through an established cost reporting process by identifying these Medicare bad debts on each center's Medicare cost report.

In recent years, federal legislative and executive action has been focused on developing new models of kidney care for Medicare beneficiaries. For additional detail on these and other developments in models of care, see the discussion below under the heading "*—New models of care and Medicare and Medicaid program reforms.*"

Medicare Advantage revenue

Medicare Advantage (MA, managed Medicare or Medicare Part C) plans are offered by private health insurers who contract with CMS to provide their members with Medicare Part A, Part B and/or Part D benefits. These MA plans include health maintenance organizations, preferred provider organizations, private fee-for-service organizations, special needs plans (SNPs) or Medicare medical savings account plans. The 21st Century Cures Act (the Cures Act) included a provision that, effective January 1, 2021, allows Medicare-eligible beneficiaries with ESRD to choose coverage under an MA plan. Prior to the Cures Act, MA plans were only available to ESRD patients if the patient was remaining on an MA plan that they had enrolled in prior to being diagnosed with ESRD, or in certain other limited situations such as a SNP. As a result, this provision under the Cures Act could broaden access for Medicare ESRD patients to certain enhanced benefits offered by MA plans. MA plans usually provide reimbursement to us at a negotiated rate that is generally higher than Medicare FFS rates.

Medicaid revenue

Medicaid programs are state-administered programs partially funded by the federal government. These programs are intended to provide health coverage for patients whose income and assets fall below state-defined levels and who are otherwise uninsured. These programs also serve as supplemental insurance programs for co-insurance payments due from Medicaid-eligible patients with primary coverage under the Medicare program. Some Medicaid programs also pay for additional services, including some oral medications that are not covered by Medicare. We are enrolled in the Medicaid programs in the states in which we conduct our business.

Commercial revenue

Before a patient becomes eligible to elect to have Medicare as their primary payor for dialysis services, a patient's commercial insurance plan, if any, is generally responsible for payment of such dialysis services for up to the first 33 months, as discussed above. Although commercial payment rates vary, average commercial payment rates established under commercial contracts are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profits and all of our non-hospital dialysis profits come from commercial payors. Payment methods from commercial payors can include a single lump-sum per treatment, referred to as bundled rates, or in other cases separate payments for dialysis treatments and pharmaceuticals, if used as part of the treatment, referred to as FFS rates. Commercial payment rates are the result of negotiations between us and insurers or third-party administrators. Our out-of-network payment rates are on average higher than in-network commercial contract payment rates. Some of our commercial contracts pay us under a single bundled payment rate for all dialysis services provided to covered patients. However, some of our commercial contracts also pay us for certain other services and pharmaceuticals in addition to the bundled payment. Our commercial contracts typically contain annual price escalator provisions.

Approximately 25% of our U.S. dialysis patient services revenues and approximately 10% of our U.S. dialysis patients are associated with non-hospital commercial payors for the year ended December 31, 2020. Non-hospital commercial patients as a percentage of our total U.S. dialysis patients for 2020 were relatively flat compared to 2019. Less than 1% of our U.S. dialysis revenues are due directly from patients. There is no single commercial payor that accounted for more than 10% of total U.S. dialysis revenues for the year ended December 31, 2020. See Note 2 to the consolidated financial statements included in this report for disclosure on our concentration related to our commercial payors on a total consolidated revenue basis.

Both the number of our patients under commercial plans and the rates under these commercial plans are subject to change based on a number of factors. These factors include, among others, a highly competitive rate environment that shapes our ongoing negotiations with commercial payors; changes in commercial plan design; and the health of the U.S. economy including the continuing impact of COVID-19 and efforts to contain the virus. In addition, changes in state and federal legislation, regulations, rules, laws, guidance or other requirements may impact the availability and scope of commercial insurance, including, among others, developments that impact the healthcare exchanges introduced by the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (Affordable Care Act (ACA)) and commercial payor participation in that marketplace as well as developments that impact the availability of charitable premium assistance. For additional detail on the potential impact of these factors on our commercial revenue, see the risk factors in Item 1A Risk Factors under the headings "*Our business is subject to a complex series of governmental laws, regulations and requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation*"; "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows*"; "*We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows*"; "*If the number or percentage of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows*"; and "*We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us.*"

Revenue from other pharmaceuticals

Effective January 1, 2018, both oral and intravenous forms of calcimimetics became the financial responsibility of our U.S. dialysis business for our Medicare patients and are reimbursed under Medicare Part B. Since the effective date through December 31, 2020, the oral and intravenous forms of calcimimetics were separately reimbursed through a TDAPA and not as part of the ESRD PPS bundled payment. These separate reimbursement payments for calcimimetics were subject to change on an annual basis. During the initial pass-through TDAPA period, Medicare payments were based on a pass-through rate of the average sales price plus approximately 6% before sequestration (or 4% adjusted for sequestration), and in 2020 they were based on a pass-through rate of the average sales price plus 0%, before sequestration. As expected, as of January 1, 2021, calcimimetics was entered into the ESRD PPS bundled payment.

Physician relationships

Joint venture partners

We own and operate certain of our dialysis centers through entities that are structured as joint ventures. We generally hold controlling interests in these joint ventures, with certain nephrologists, hospitals, management services organizations, and/or other healthcare providers holding minority equity interests. These joint ventures are typically formed as limited liability companies. For the year ended December 31, 2020, revenues from joint ventures in which we have a controlling interest represented approximately 27% of our net U.S. dialysis revenues. We expect to continue to enter into new U.S. dialysis-related joint ventures in the ordinary course of business.

Community physicians

An ESRD patient generally seeks treatment at an outpatient dialysis center near their home where their treating nephrologist has practice privileges. Our relationships with local nephrologists and our ability to provide quality dialysis services and to meet the needs of their patients are key factors in the success of our dialysis operations. Over 5,400 nephrologists currently refer patients to our outpatient dialysis centers.

Medical directors

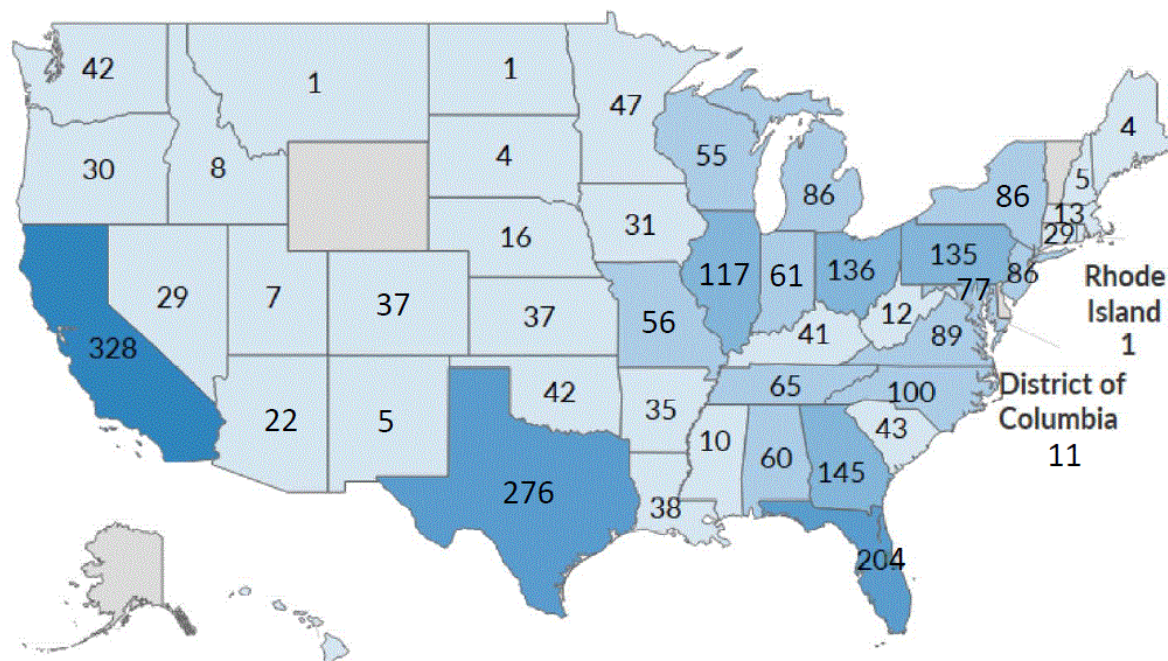
Participation in the Medicare ESRD program requires that dialysis services at an outpatient dialysis center be under the general supervision of a medical director. Per these requirements, this individual is usually a board certified nephrologist. We have engaged physicians or groups of physicians to serve as medical directors for each of our outpatient dialysis centers. At some outpatient dialysis centers, we also separately contract with one or more other physicians or groups to serve as assistant or associate medical directors over other modalities such as home dialysis. We have over 1,000 individual physicians and physician groups under contract to provide medical director services.

Medical directors for our dialysis centers enter into written contracts with us that specify their duties and fix their compensation generally for periods of ten years. The compensation of our medical directors is the result of arm's length negotiations, consistent with fair market value, and generally depends upon an analysis of various factors such as the physician's duties, responsibilities, professional qualifications and experience, as well as the time and effort required to provide such services.

Our medical director contracts and joint venture operating agreements generally include covenants not to compete or own interests in other competing outpatient dialysis centers within a defined geographic area for various time periods, as applicable. These non-compete agreements do not restrict or limit the physicians from practicing medicine or prohibit the physicians from referring patients to any outpatient dialysis center, including competing centers.

Location of our U.S. dialysis centers

As of December 31, 2020, we operated or provided administrative services to a total of 2,816 U.S. outpatient dialysis centers. A total of 2,763 of such centers are consolidated in our financial statements. Of the remaining 53 non-consolidated U.S. outpatient dialysis centers, we own a noncontrolling interest in 50 centers and provide management and administrative services to three centers that are wholly-owned by third parties. The locations of the 2,763 U.S. outpatient dialysis centers consolidated in our financial statements at December 31, 2020, were as follows:



Ancillary services and strategic initiatives, including our international operations

Our ancillary services and strategic initiatives relate primarily to our core business of providing kidney care services and, as of December 31, 2020, consisted primarily of integrated kidney care, physician services, ESCO joint ventures (ESCO JVs), and clinical research programs, as well as our international operations.

Ancillary Services and Strategic Initiatives

We have made and continue to make investments in building our integrated care capabilities, including the operation of certain strategic business initiatives that are intended to integrate care amongst healthcare participants across the renal care continuum from chronic kidney disease (CKD) to ESRD to kidney transplant. Through improved technology and data sharing, as well as an increasing focus on value-based contracting and care, these initiatives seek to bring together physicians, nurses, dietitians, pharmacists, hospitals, dialysis clinics, transplant centers and payors with a view towards improving clinical outcomes for our patients and reducing the overall cost of comprehensive kidney care.

- *Integrated Kidney Care services.* VillageHealth DM, LLC, also doing business as DaVita Integrated Kidney Care (DaVita IKC), provides advanced integrated care management services to health plans and government programs for members/beneficiaries diagnosed with ESRD, chronic kidney disease, and/or poly-comorbid conditions. Through a combination of clinical coordination, innovative interventions, predictive analytics, medical claims analysis and information technology, we endeavor to assist our customers and patients in obtaining superior renal healthcare and improved clinical outcomes, as well as helping to reduce overall medical costs. Integrated kidney care management revenues from commercial and Medicare Advantage insurers can be based upon either an established contract fee recognized as earned over the contract period, or related to the operation of value-based programs, including pay for performance, shared savings, and capitation contracts. DaVita IKC also contracts with payors to operate Medicare Advantage ESRD Special Needs Plans to provide ESRD patients full service healthcare. We are at risk for all medical costs of the program in excess of the capitation payments. DaVita IKC supports our ESCO joint ventures, and more recently has been provisionally accepted to participate in one of the voluntary payment models administered by CMMI.
- *Physician services.* Nephrology Practice Solutions (NPS) is an independent business that partners with physicians committed to providing outstanding clinical and integrated care to patients. NPS provides nephrologist recruitment and staffing services in select markets which are billed on a per search basis. NPS also offers physician practice management services to nephrologists under administrative services agreements. These services include physician practice management, billing and collections, credentialing, coding, and other support services that enable physician practices to increase efficiency and manage their administrative needs. Additionally, NPS owns and operates nephrology practices in multiple states. Fees generated from these services are recognized as earned typically based upon flat fees or cash collections generated by the physician practice.
- *ESCO JVs.* Certain of our dialysis clinics have entered into partnerships with various nephrology practices, health systems, and other providers to establish three ESCO JVs in Phoenix-Tucson Arizona, South Florida, and Philadelphia Pennsylvania-Camden, New Jersey. The ESCO JVs were formed under the CMS Innovation Center's CEC Model, a demonstration to assess the impact of care coordination for ESRD patients in a dialysis-center oriented ACO setting. Each ESCO JV has a shared risk arrangement with CMS and the programs are evaluated on a performance year basis. The delivery of improved quality outcomes for patients and program savings depend on the contributions of the dialysis center teammates, nephrologists, health system and hospital partners, pharmacy providers, other primary care and specialty care providers and facilities, and integrated care management support from DaVita IKC, which is also the manager of the ESCO JVs. The CEC Model ended the South Florida ESCO JV program on December 31, 2020, while the Phoenix-Tucson Arizona and Philadelphia Pennsylvania-Camden, New Jersey programs are scheduled to end on March 31, 2021.
- *Clinical research programs.* DaVita Clinical Research (DCR) is a provider-based specialty clinical research organization with a full spectrum of services for clinical drug research and device development. DCR uses its extensive, applied database and real-world healthcare experience to assist in the design, recruitment and completion of retrospective and prospective pragmatic and clinical trials. Revenues are based upon an established fee per study, as determined by contract with drug companies and other sponsors and are recognized as earned according to the contract terms.

For additional discussion of our ancillary services and strategic initiatives, see Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

International dialysis operations

As of December 31, 2020, we operated or provided administrative services to a total of 321 outpatient dialysis centers, which includes consolidated and nonconsolidated centers located in ten countries outside of the U.S., serving approximately 36,200 patients. Our international dialysis operations have continued to grow steadily and expand as a result of acquiring and developing outpatient dialysis centers in various strategic markets. Our international operations are included as part of our ancillary services and strategic initiatives.

The locations of our international outpatient dialysis centers are as follows:

| | |
|--------------------------|------------|
| Brazil | 69 |
| Poland | 68 |
| Germany | 59 |
| Malaysia ⁽¹⁾ | 39 |
| Colombia | 28 |
| Saudi Arabia | 23 |
| United Kingdom | 21 |
| Portugal | 9 |
| Singapore ⁽¹⁾ | 3 |
| China ⁽¹⁾ | 2 |
| | <u>321</u> |

(1) Includes centers that are operated or managed by our Asia Pacific joint venture (APAC JV).

Corporate administrative support

Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation costs for departments which provide support to all of our different operating lines of business. These expenses are included in our consolidated general and administrative expenses.

Government regulation

We operate in a complex regulatory environment with an extensive and evolving set of federal, state and local governmental laws, regulations and other requirements. These laws, regulations and other requirements are promulgated and overseen by a number of different legislative, regulatory, administrative and quasi-regulatory bodies, each of which may have varying interpretations, judgments or related guidance. As such, we utilize considerable resources on an ongoing basis to monitor, assess and respond to applicable legislative, regulatory and administrative requirements, but there is no guarantee that we will be successful in our efforts to adhere to all of these requirements. Additional discussion on certain of these laws, regulations and other requirements is set forth below in this section.

The foregoing are each themselves comprised of numerous associated regulations or other requirements that have varying levels of impact on our business. If any of our personnel, representatives or operations are found to violate these laws, regulations or other requirements, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price, including, among others:

- Loss of required certifications, suspension or exclusion from or termination of our participation in government programs (including Medicare, Medicaid and CMMI demonstration programs);
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Criminal or civil liability, fines, damages or monetary penalties, which could be material and/or could materially harm our reputation or stock price;

- Imposition of corporate integrity agreements or consent agreements;
- Enforcement actions, investigations, or audits by governmental agencies and/or state law claims for monetary damages by patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws, including, among others, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices, which could lead to potential fines, among other things;
- Termination of various relationships and/or contracts related to our business, such as joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and
- Harm to our reputation which could negatively impact our business relationships and stock price, affect our ability to attract and retain patients, physicians and teammates, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

We expect that our industry will continue to be subject to extensive and complex regulation, the scope and effect of which are difficult to predict. We are currently subject to various legal proceedings, such as lawsuits, investigations, audits and inquiries by various government and regulatory agencies, as further described in Note 16 to the consolidated financial statements, and our operations and activities could be reviewed or challenged by regulatory authorities at any time in the future. For additional detail on risks related to each of the foregoing, see the discussion in Item 1A. Risk Factors under the headings, *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm stock price, and in some circumstances, could materially harm our reputation"; and "We are, and may in the future be, a party to various lawsuits, demands, claims, qui tam suits, governmental investigations and audits and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price."*

Licensure and Certification

Our dialysis centers are certified by CMS, as required for the receipt of Medicare payments. Certain of our payor contracts also condition payment on Medicare certification. In some states, our outpatient dialysis centers also are required to secure additional state licenses and permits. Governmental authorities, primarily state departments of health, periodically inspect our centers to determine if we satisfy applicable federal and state standards and requirements, including the conditions for coverage in the Medicare ESRD program.

We have experienced some delays in obtaining Medicare certifications from CMS, though recent changes by CMS in the prioritizing of dialysis providers as well as legislation allowing private entities to perform initial dialysis facility surveys for certification has helped to decrease or limit certain delays.

In addition, in November 2019, CMS finalized updates to the Provider Enrollment Rule creating onerous disclosure obligations for all providers enrolled in Medicare, Medicaid and the Children's Health Insurance Plan (CHIP). The final rule implements greater revocation authority and increases the bar for re-enrollment for providers who are terminated from the Medicare program. It also institutes penalties for providers who submit incomplete or inaccurate information or who have affiliations with other providers that CMS has determined pose undue risk of fraud, waste or abuse. If we fail to comply with these and other applicable requirements on our licensure and certification programs, particularly in light of increased penalties that include a 10-year bar to re-enrollment, under certain circumstances it could have a material adverse impact on our business, results of operations, financial condition, cash flows and reputation.

Federal Anti-Kickback Statute

The federal Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, in cash or kind, to induce or reward either the referral of an individual for, or the purchase, or order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid.

Federal criminal penalties for the violation of the federal Anti-Kickback Statute include imprisonment, fines and exclusion of the provider from future participation in the federal healthcare programs, including Medicare and Medicaid. Violations of the federal Anti-Kickback Statute are punishable by imprisonment for up to ten years and fines of up to \$100,000 or both. Larger fines can be imposed upon corporations under the provisions of the U.S. Sentencing Guidelines and the Alternate Fines Statute. Individuals and entities convicted of violating the federal Anti-Kickback Statute are subject to mandatory exclusion from participation in Medicare, Medicaid and other federal healthcare programs for a minimum of five years. Civil penalties for violation of this law include up to \$100,000 in monetary penalties per violation, repayments of up to three times the total payments between the parties to the arrangement and suspension from future participation in Medicare and Medicaid. Court decisions have held that the statute may be violated even if only one purpose of remuneration is to induce referrals. The ACA amended the federal Anti-Kickback Statute to clarify the intent that is required to prove a violation. Under the statute as amended, the defendant may not need to have actual knowledge of the federal Anti-Kickback Statute or have the specific intent to violate it. In addition, the ACA amended the federal Anti-Kickback Statute to provide that any claims for items or services resulting from a violation of the federal Anti-Kickback Statute are considered false or fraudulent for purposes of the False Claims Act (FCA).

The federal Anti-Kickback Statute includes statutory exceptions and regulatory safe harbors that protect certain arrangements. Business transactions and arrangements that are structured to comply fully with an applicable safe harbor do not violate the federal Anti-Kickback Statute. Transactions and arrangements that do not satisfy all elements of a relevant safe harbor do not necessarily violate the law. When an arrangement does not satisfy a safe harbor, the arrangement must be evaluated on a case-by-case basis in light of the parties' intent and the arrangement's potential for abuse. Arrangements that do not satisfy a safe harbor may be subject to greater scrutiny by enforcement agencies.

On November 20, 2020, HHS' Office of Inspector General (OIG) and CMS released a final rule implementing modifications to the Federal Anti-Kickback Statute and Civil Monetary Penalties Statute that are intended to promote value-based and coordinated care arrangements as well as reduce other regulatory burdens. The changes implemented by the final rules went into effect on January 19, 2021. We continue to assess the anticipated impact of these modifications on our business, results of operations and financial condition.

DaVita and its subsidiaries enter into several arrangements with physicians and other potential referral sources, that potentially implicate the Anti-Kickback Statute, such as:

Medical director agreements. Because our medical directors may refer patients to our dialysis centers, our arrangements with these physicians are designed to substantially comply with the safe harbor for personal service arrangements. Although we endeavor to structure the Medical Director Agreements we enter into with physicians to substantially comply with the safe harbor for personal service arrangements, including the requirement that compensation be consistent with fair market value, the safe harbor requires that when services are provided on a part-time basis, the agreement must specify the schedule of intervals of services, and their precise length and the exact charge for such services. Because of the nature of our medical directors' duties, it is impossible to fully satisfy this technical element of the safe harbor. As a result, these arrangements could be subject to scrutiny since they do not expressly describe the schedule of part-time services to be provided under the arrangement.

Joint ventures. As noted above, we own a controlling interest in numerous U.S. dialysis related joint ventures. Our internal policies, procedures, and template agreements were developed and are utilized for compliance with the Anti-Kickback Statute. However, we recognize that at times these joint ventures do not fully satisfy all of the requirements of the safe harbor for investments in small entities. Although failure to comply with a safe harbor does not render an arrangement illegal under the federal Anti-Kickback Statute, an arrangement that does not operate within a safe harbor may be subject to scrutiny by both federal and state government enforcement agencies including the OIG and the Department of Justice (DOJ). Joint ventures that fall outside the safe harbors are evaluated on a case-by-case basis under the federal Anti-Kickback Statute.

Lease arrangements. We lease space from entities in which physicians, hospitals or medical groups hold ownership interests, and we sublease space to referring physicians. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for space rentals in all material respects.

Consulting agreements. From time to time, we enter into consulting agreements with physicians. Engaged physicians provide services including providing input on processes, services and protocols as well as providing education on assorted topics. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for personal services in all material respects.

Employment and coverage agreements. Our subsidiary Nephrology Practice Solutions and its affiliated entities employs and contracts with physicians and Advanced Practice Providers to provide administrative and clinical services. We endeavor to structure these arrangements to comply with the federal Anti-Kickback Statute safe harbor for employment and personal services in all material respects.

Common stock. Some referring physicians may own our common stock. We believe that these interests materially satisfy the requirements of the Anti-Kickback Statute safe harbor for investments in large publicly traded companies.

Discounts. Our dialysis centers and subsidiaries sometimes acquire certain items and services at a discount that may be reimbursed by a federal healthcare program. We endeavor to structure our vendor contracts that include discount or rebate provisions to comply with the federal Anti-Kickback Statute safe harbor for discounts.

If any of our business transactions or arrangements, including those described above, were found to violate the federal Anti-Kickback Statute, we, among other things, could face criminal, civil or administrative sanctions, including possible exclusion from participation in Medicare, Medicaid and other state and federal healthcare programs. Any findings that we have violated these laws could have a material adverse impact on our business, results of operations, financial condition, cash flows, reputation and stock price.

Stark Law

The Stark Law prohibits a physician who has a financial relationship, or who has an immediate family member who has a financial relationship, with entities providing Designated Health Services (DHS), from referring Medicare and Medicaid patients to such entities for the furnishing of DHS, unless an exception applies. DHS is defined to mean any of the following enumerated items or services; clinical laboratory services; physical therapy services; occupational therapy services; radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services; radiation therapy services and supplies; durable medical equipment and supplies; parenteral and enteral nutrients, equipment, and supplies; prosthetics, orthotics and prosthetic devices and supplies; home health services; outpatient prescription drugs; inpatient and outpatient hospital services; and outpatient speech-language pathology services. The types of financial arrangements between a physician and a DHS entity that trigger the self-referral prohibitions of the Stark Law are broad and include direct and indirect ownership and investment interests and compensation arrangements. The Stark Law also prohibits the DHS entity receiving a prohibited referral from presenting, or causing to be presented, a claim or billing for the services arising out of the prohibited referral. The prohibition applies regardless of the reasons for the financial relationship and the referral; unlike the federal Anti-Kickback Statute, intent to induce referrals is not required. If the Stark Law is implicated, the financial relationship must fully satisfy a Stark Law exception. If an exception is not satisfied, then the parties to the arrangement could be subject to sanctions. Sanctions for violation of the Stark Law include denial of payment for claims for services provided in violation of the prohibition, refunds of amounts collected in violation of the prohibition, a civil penalty of up to \$15,000 for each service arising out of the prohibited referral, a civil penalty of up to \$100,000 against parties that enter into a scheme to circumvent the Stark Law prohibition, civil assessment of up to three times the amount claimed, and potential exclusion from the federal healthcare programs, including Medicare and Medicaid. Amounts collected for prohibited claims must be reported and refunded generally within 60 days after the date on which the overpayment was identified. Furthermore, Stark Law violations and failure to return overpayments timely can form the basis for FCA liability as discussed below.

The definition of DHS under the Stark Law excludes services paid under a composite rate, even if some of the components bundled in the composite rate are DHS. Although the ESRD bundled payment system is no longer titled a composite rate, we believe that the former composite rate payment system and the current bundled system are both composite systems excluded from the Stark Law. Since most services furnished to Medicare beneficiaries provided in our dialysis centers are reimbursed through a bundled rate, the services performed in our facilities generally are not DHS, and the Stark Law referral prohibition does not apply to those services. Certain separately billable drugs (drugs furnished to an ESRD patient that are not for the treatment of ESRD that CMS allows our centers to bill for using the so-called AY modifier) may be considered DHS. However, we have implemented certain billing controls designed to limit DHS being billed out of our dialysis clinics. Likewise, the definition of inpatient hospital services, for purposes of the Stark Law, also excludes inpatient dialysis performed in hospitals that are not certified to provide ESRD services. Consequently, our arrangements with such hospitals for the provision of dialysis services to hospital inpatients do not trigger the Stark Law referral prohibition.

In addition, although prescription drugs are DHS, there is an exception in the Stark Law for calcimimetics, EPO and other specifically enumerated dialysis drugs when furnished in or by an ESRD facility such that the arrangement for the furnishing of the drugs does not violate the Stark Law.

We have entered into several types of financial relationships with referring physicians, including compensation arrangements. If our dialysis centers were to bill for a non-exempted drug and the financial relationships with the referring physician did not satisfy an exception, we could be required to change our practices, face civil penalties, pay substantial fines, return certain payments received from Medicare and beneficiaries or otherwise experience a material adverse effect as a result of a challenge to payments made pursuant to referrals from these physicians under the Stark Law. Additionally, certain of our subsidiaries, were they to bill DHS, would implicate the Stark Law. As such we endeavor to structure arrangements with relevant physicians to fit within the existing exceptions to the Stark Law. If we were to fail to satisfy an applicable exception,

we could similarly be required to change practices, face penalties and fines, return certain payments or otherwise face adverse consequences.

On December 2, 2020, CMS released a final rule implementing modifications to the Stark Law. The purpose of these modifications is to promote value-based and coordinated care arrangements as well as reduce other regulatory burdens. The changes implemented by the final rules went into effect on January 19, 2021. We continue to assess the anticipated impact of these modifications on our business, results of operations and financial condition.

Medical director agreements. We endeavor to structure our medical director agreements to satisfy the personal services arrangement exception to the Stark Law. While we believe that the compensation provisions included in our medical director agreements are the result of arm's length negotiations and result in fair market value payments for medical director services, an enforcement agency could nevertheless challenge the level of compensation that we pay our medical directors.

Lease agreements. We lease space from entities in which referring physicians hold interests and we sublease space to referring physicians at some of our dialysis centers. The Stark Law provides an exception for lease arrangements if specific requirements are met. We endeavor to structure our leases and subleases with referring physicians to satisfy the requirements for this exception.

Consulting agreements. From time to time, we enter into consulting agreements with physicians. Engaged physicians provide services including providing input on processes, services and protocols as well as providing education on assorted topics. We endeavor to structure these arrangements to comply with the Stark Law exception for personal services.

Employment agreements. We employ physicians to provide administrative and clinical services. We endeavor to structure these arrangements to comply with the relevant Stark Law exceptions.

Common stock. Some referring physicians may own our common stock. We believe that these interests satisfy the Stark Law exception for investments in large publicly traded companies.

Joint ventures. Some of our referring physicians also own equity interests in entities that operate our dialysis centers and subsidiaries. We believe that none of the Stark Law exceptions applicable to physician ownership interests in entities to which they make DHS referrals apply to the kinds of ownership arrangements that referring physicians hold in several of our subsidiaries that operate dialysis centers. Accordingly, these dialysis centers do not bill Medicare for DHS, if any, when provided based on the referral from any physician owners. If the dialysis centers bill for DHS referred by physician owners, the dialysis centers or subsidiaries could be subject to the Stark Law penalties described above unless a relevant exception to the Stark Law applies.

Ancillary services. The operations of our ancillary and subsidiary businesses are also subject to compliance with the Stark Law, and any failure to comply with these requirements, particularly in light of the strict liability nature of the Stark Law, could subject these operations to the Stark Law penalties and sanctions described above.

If CMS or other regulatory or enforcement authorities determined that we have submitted claims in violation of the Stark Law, or otherwise violated the Stark Law, we would be subject to the penalties described above. In addition, it might be necessary to restructure existing compensation agreements with our medical directors and to repurchase or to request the sale of ownership interests in subsidiaries and partnerships held by referring physicians or, alternatively, to refuse to accept referrals for DHS from these physicians, or take other actions to modify our operations. Any such penalties and restructuring or other required actions could have a material adverse effect on our business, results of operations, financial condition, cash flows, stock price and reputation.

Fraud and abuse under state law

Some states in which we operate dialysis centers have laws prohibiting physicians from holding financial interests in various types of medical facilities to which they refer patients. Some of these laws could potentially be interpreted broadly as prohibiting physicians who hold shares of our publicly traded stock or are physician owners from referring patients to our dialysis centers if the centers use our laboratory subsidiary to perform laboratory services for their patients or do not otherwise satisfy an exception to the law. States also have laws similar to or stricter than the federal Anti-Kickback Statute that may affect our ability to receive referrals from physicians with whom we have financial relationships, such as our medical directors. Some state anti-kickback laws also include civil and criminal penalties. Some of these laws include exemptions that may be applicable to our medical directors and other physician relationships or for financial interests limited to shares of publicly traded stock. Some, however, may include no explicit exemption for certain types of agreements and/or relationships entered into with physicians. If these laws are interpreted to apply to referring physicians with whom we contract for medical director and similar services, to referring physicians with whom we hold joint ownership interests or to referring physicians who hold interests in

DaVita Inc. limited solely to our publicly traded stock, and for which no applicable exception exists, we may be required to terminate or restructure our relationships with or refuse referrals from these referring physicians and could be subject to criminal, civil and administrative sanctions, refund requirements and exclusions from government healthcare programs, including Medicare and Medicaid, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

Corporate Practice of Medicine and Fee-Splitting

There are states in which we operate that have laws that prohibit business entities, such as our Company and our subsidiaries, from practicing medicine, employing physicians to practice medicine or exercising control over medical decisions by physicians (known collectively as the corporate practice of medicine). These states also prohibit entities from engaging in certain financial arrangements, such as fee-splitting, with physicians. In some states these prohibitions are expressly stated in a statute or regulation, while in other states the prohibition is a matter of judicial or regulatory interpretation. Violations of the corporate practice of medicine vary by state and may result in physicians being subject to disciplinary action, as well as to forfeiture of revenues from payors for services rendered. For lay entities, violations may also bring both civil and, in more extreme cases, criminal liability for engaging in medical practice without a license. Some of the relevant laws, regulations, and agency interpretations in states with corporate practice of medicine restrictions have been subject to limited judicial and regulatory interpretation. Moreover, state laws are subject to change.

False Claims Act

The federal FCA is a means of policing false bills or false requests for payment in the healthcare delivery system. In part, the FCA authorizes the imposition of up to three times the government's damages and civil penalties on any person who, among other acts:

- Knowingly presents or causes to be presented to the federal government, a false or fraudulent claim for payment or approval;
- Knowingly makes, uses or causes to be made or used, a false record or statement material to a false or fraudulent claim;
- Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay the government, or knowingly conceals or knowingly and improperly, avoids or decreases an obligation to pay or transmit money or property to the federal government; or
- Conspires to commit the above acts.

In addition, amendments to the FCA impose severe penalties for the knowing and improper retention of overpayments collected from government payors. Under these provisions, within 60 days of identifying and quantifying an overpayment, a provider is required to follow certain notification and repayment processes. An overpayment impermissibly retained could subject us to liability under the FCA, exclusion from government healthcare programs, and penalties under the federal Civil Monetary Penalty statute. As a result of these provisions, our procedures for identifying and processing overpayments may be subject to greater scrutiny.

On June 19, 2020, the DOJ issued a final rule announcing penalties for a violation of the FCA ranging from \$11,665 to \$23,331 for each false claim, plus up to three times the amount of damages caused by each false claim, which can be as much as the amounts received directly or indirectly from the government for each such false claim. The federal government has used the FCA to prosecute a wide variety of alleged false claims and fraud allegedly perpetrated against Medicare and state healthcare programs, including coding errors, billing for services not rendered, the submission of false cost reports, billing for services at a higher payment rate than appropriate, billing under a comprehensive code as well as under one or more component codes included in the comprehensive code and billing for care that is not considered medically necessary. The ACA provides that claims tainted by a violation of the federal Anti-Kickback Statute are false for purposes of the FCA. Some courts have held that filing claims or failing to refund amounts collected in violation of the Stark Law can form the basis for liability under the FCA. In addition to the provisions of the FCA, which provide for civil enforcement, the federal government can use several criminal statutes to prosecute persons who are alleged to have submitted false or fraudulent claims for payment to the federal government.

Civil Monetary Penalties Statute

The Civil Monetary Penalties Statute, 42 U.S.C. § 1320a-7a, authorizes the imposition of civil money penalties, assessments, and exclusion against an individual or entity based on a variety of prohibited conduct, including, but not limited to:

- Presenting, or causing to be presented, claims for payment to Medicare, Medicaid, or other third-party payors that the individual or entity knows or should know are for an item or service that was not provided as claimed or is false or fraudulent;
- Offering remuneration to a Federal healthcare program beneficiary that the individual or entity knows or should know is likely to influence the beneficiary to order or receive healthcare items or services from a particular provider;
- Arranging contracts with an entity or individual excluded from participation in the Federal healthcare programs;
- Violating the federal Anti-Kickback Statute;
- Making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim for payment for items and services furnished under a Federal healthcare program;
- Making, using, or causing to be made any false statement, omission, or misrepresentation of a material fact in any application, bid, or contract to participate or enroll as a provider of services or a supplier under a Federal healthcare program; and
- Failing to report and return an overpayment owed to the federal government.

Substantial civil monetary penalties may be imposed under the federal Civil Monetary Penalty Statute and vary, depending on the underlying violation. In addition, an assessment of not more than three times the total amount claimed for each item or service may also apply, and a violator may be subject to exclusion from Federal and state healthcare programs.

Foreign Corrupt Practices Act

We are subject to the provisions of the Foreign Corrupt Practices Act (FCPA) in the United States and similar laws in other countries, which generally prohibit companies and those acting on their behalf from making improper payments to foreign government officials for the purpose of obtaining or retaining business. A violation of the FCPA by us and/or our agents or representatives could result in, among other things, the imposition of fines and penalties, changes to our business practices, the termination of our contracts or debarment from bidding on contracts, and/or harm to our reputation, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Privacy and Security

The Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH Act), (collectively referred to as HIPAA), require us to provide certain protections to patients and their health information. The HIPAA privacy and security regulations extensively regulate the use and disclosure of PHI and require covered entities, which include healthcare providers, to implement and maintain administrative, physical and technical safeguards to protect the security of such information. Additional security requirements apply to electronic PHI. These regulations also provide patients with substantive rights with respect to their health information.

The HIPAA privacy and security regulations also require us to enter into written agreements with certain contractors, known as business associates, to whom we disclose PHI. Covered entities may be subject to penalties for, among other activities, failing to enter into a business associate agreement where required by law or as a result of a business associate violating HIPAA if the business associate is found to be an agent of the covered entity and acting within the scope of the agency. Business associates are also directly subject to liability under the HIPAA privacy and security regulations. In instances where we act as a business associate to a covered entity, there is the potential for additional liability beyond our status as a covered entity.

Covered entities must report breaches of unsecured PHI to affected individuals without unreasonable delay but not to exceed 60 days of discovery of the breach by a covered entity or its agents. Notification must also be made to the HHS, and, for breaches of unsecured PHI involving more than 500 residents of a state or jurisdiction, to the media. All non-permitted uses or disclosures of unsecured PHI are presumed to be breaches unless the covered entity or business associate establishes that there is a low probability the information has been compromised. Various state laws and regulations may also require us to notify affected individuals in the event of a data breach involving individually identifiable information without regard to whether there is a low probability of the information being compromised.

Penalties for impermissible use or disclosure of PHI were increased by the HITECH Act by imposing tiered penalties of more than \$50,000 per violation and up to \$1.5 million per year for identical violations. In addition, HIPAA provides for criminal penalties of up to \$250,000 and ten years in prison, with the severest penalties for obtaining and disclosing PHI with

the intent to sell, transfer or use such information for commercial advantage, personal gain or malicious harm. Further, state attorneys general may bring civil actions seeking either injunction or damages in response to violations of the HIPAA privacy and security regulations that threaten the privacy of state residents.

In addition to the protection of PHI, healthcare companies must meet privacy and security requirements applicable to other categories of personal information. Companies may process consumer information in conjunction with website and corporate operations. They may also handle employee information, including Social Security Numbers, payroll information, and other categories of sensitive information, to further their employment practices. In processing this additional information, companies must comply with the privacy and security requirements of consumer protection laws, labor and employment laws, and its publicly-available notices.

Data protection laws are evolving globally, and may add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) became effective on May 25, 2018. The GDPR applies to entities that are established in the European Union (EU), as well as extends the scope of EU data protection laws to foreign companies processing data of individuals in the EU. The GDPR imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under GDPR, regulatory penalties may be passed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million. The costs of compliance with, and other burdens imposed by, the GDPR and other new laws, regulations and policies implementing the GDPR may impact our European operations and/or limit the ways in which we can provide services or use personal data collected while providing services. In July 2020, the Court of Justice of the European Union issued an opinion in the Schrems II case that invalidated the E.U.-U.S. Privacy Shield as a basis for transferring EU personal data to the U.S. The Court upheld European Commission-approved Standard Contractual Clauses (SCCs) as a basis for transfers of EU personal data to the United States, but imposed additional compliance burdens on companies to ensure their ability to comply with such contractual obligations. In October 2020, the U.S. government has issued guidance to companies on how to assess their ability to comply with transfer obligations, and in November 2020, the European Data Protection Board (EDPB), tasked with overseeing compliance with the GDPR, published, further to its initial guidance, its recommendations on measures to supplement data transfer rules to ensure compliance with EEA data protection law. In addition, the European Commission has also published a draft implementing a decision on new SCCs for the transfer of personal data to third countries which may be a significant task to put into place given its requirements. These developments add a layer of complexity to compliance efforts around international data transfers and compliance with the GDPR. If we fail to comply with the requirements of GDPR, we could be subject to penalties that would have a material adverse impact on our business, results of operations, financial condition and cash flows.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California Consumer Protection Act (CCPA) became effective January 1, 2020 and enforceable by the California Attorney General on July 1, 2020. The CCPA is a privacy law that requires certain companies doing business in California to enhance privacy disclosures regarding the collection, use and sharing of a consumer's personal data. The CCPA grants consumers additional privacy rights that are broader than current Federal privacy rights. The CCPA also permits the imposition of civil penalties, grants enforcement authority to the state Attorney General and provides a private right of action for consumers where certain personal information is breached due to unreasonable information security practices. Since its passage, several other states, including Nevada and Maine, have expanded their state data protection laws, and other states are considering similar legislation. These laws impose organizational requirements and grant individual rights that are comparable to those established in the CCPA. Additionally, in November 2020, California voters passed the California Privacy Rights Act (CPRA). The CPRA, which is expected to take effect on January 2023, significantly expands the data protection obligations imposed by the CCPA on companies doing business in California, including additional consumer rights processes, limitations on data uses, and opt outs for certain uses of sensitive data. It also will create a new California data protection agency to enforce the law, and require certain businesses with higher risk privacy and security practices to submit annual audits to the agency on a regular basis. The CPRA will likely result in broader increased regulatory scrutiny in California of businesses' privacy and security practices, could lead to a further rise in data protection litigation, and will require additional compliance investment and potential business process changes in the meantime.

In addition to the breach reporting requirements under HIPAA, companies are subject to state breach notification laws. Each state enforces a law requiring companies to provide notice of a breach of certain categories of sensitive personal information, e.g. Social Security Number, financial account information, or username and password. A company impacted by a breach must notify affected individuals, attorney's general or other agencies within a certain time frame. If a company does not provide timely notice with the required content, it may be subject to civil penalties brought by attorney's generals or affected individuals.

Companies must also safeguard personal information in accordance with federal and state data security laws and requirements. These requirements are akin to the HIPAA requirements to safeguard PHI, described above. The Federal Trade Commission, for example, requires companies to implement reasonable data security measures relative to its operations and the

volume and complexity of the information it processes. Also, various state data security laws require companies to safeguard data with technical security controls and underlying policies and processes. Due to the constant changes in the data security space, companies must continuously review and update data security practices to mitigate any potential operational or legal liabilities stemming from data security risks.

Healthcare reform

In March 2010, broad healthcare reform legislation was enacted in the U.S. through the ACA, but the ACA's regulatory framework and other healthcare reforms continue to evolve as a result of executive, legislative, regulatory and administrative developments and judicial proceedings. There have been multiple attempts to repeal or amend the ACA through legislative action and legal challenges, and the most recent challenge is currently before the U.S. Supreme Court. A repeal or other significant change to the ACA could have a material impact on our business if, for example, programs under the ACA were cancelled, including, among others, Medicaid expansion, CMMI models or the health insurance exchanges. Our revenue and operating income levels are highly sensitive to the percentage of our patients with higher-paying commercial health insurance and any legislative, regulatory or other changes that decrease the accessibility and availability, including the duration, of commercial insurance may have a material adverse impact on our business. In the event the health insurance exchange markets are significantly impaired as a result of legislative developments or other changes, it may adversely impact the percentage of our patients with higher-paying commercial health insurance, particularly if patients become unemployed due to factors related to the COVID-19 pandemic or otherwise and are unable to turn to the exchanges as an alternative to employer-based coverage.

Any changes in legislation, regulation or market conditions in connection with or resulting from the recent elections, could also impact our business in a number of ways, some of which may be material. For example, proposed legislative developments or administrative decisions, such as the creation of a public health insurance option similar to Medicare, government programs that impact access to Medicaid expansion or funding to families to purchase plans through health insurance exchanges or changes to the eligibility age for Medicare beneficiaries, eliminating the eligibility cap for the advance premium tax credit (APTC) and enhancing activities aimed at enrolling eligible individuals in Medicaid could impact the percentage of our patients with higher-paying commercial health insurance, impact the scope of coverage under commercial health plans and increase our expenses, among other things. Particularly in light of the ongoing COVID-19 pandemic, considerable uncertainty exists surrounding the continued development of the ACA and related regulations, programs and models, as well as similar healthcare reform measures and/or other potential changes at the federal and/or state level to laws, regulations and other requirements that govern our business.

New models of care and Medicare and Medicaid program reforms

As noted above, the 2019 Executive Order directed CMS to create payment models to evaluate the effects of creating payment incentives for the greater use of home dialysis and kidney transplants for those already on dialysis. CMS, through CMMI, published the final ETC mandatory payment model on September 18, 2020. The ETC will be administered through CMMI and launched in approximately 30% of dialysis clinics across the country on January 1, 2021.

In addition, CMS also announced the implementation of four voluntary kidney care payment models with the stated goal of helping healthcare providers reduce the cost and improve the quality of care for patients with late-stage chronic kidney disease and ESRD. CMS has stated these payment models are aimed to prevent or delay the need for dialysis and encourage kidney transplantation. These payment models have a scheduled commencement date of April 2021, though applicants now have the option to delay implementation until January 2022. Though we have applied for, and been provisionally accepted to participate in certain of these voluntary models, we continue to assess these models and their viability for us and the industry. These voluntary models continue CMMI's prior work with various healthcare providers to develop, refine and implement ACOs and other innovative models of care for Medicare and Medicaid beneficiaries, including, without limitation, the CEC Model (which includes the development of ESRD Seamless Care Organizations), the Duals Demonstration, and other models. We participated in the CEC Model with CMMI, including with organizations in Arizona, Florida, and adjacent markets in New Jersey and Pennsylvania. The CEC ESCOs Model overall ended in Florida in December 2020, while the Arizona and adjacent markets in New Jersey and Pennsylvania are scheduled to end in March 2021. We may choose to participate in additional models either as a partner with other providers or independently. Even in areas where we are not directly participating in these or other CMMI models, some of our patients may be assigned to an ACO, another ESRD Care Model, or another program, in which case the quality and cost of care that we furnish will be included in an ACO's, another ESRD Care Model's, or other program's calculations.

In addition, as to the aforementioned new models of care, federal bipartisan legislation related to full capitation demonstration for ESRD was introduced in Congress in September 2020 as the BETTER Kidney Care Act. This proposed legislation, which has not secured introduction in the current Congress, would build on prior coordinated care models, such as the CEC Model, and would establish a demonstration program for the provision of integrated care to Medicare fee-for-service

dialysis and transplant patients. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as this or similar legislation will be introduced or passed into law, and the ongoing COVID-19 pandemic may delay the progress of any such initiatives. If such legislation is passed, there can be no assurances that we will be able to successfully execute on the required strategic initiatives that would allow us to provide a competitive and successful integrated care program on the broader scale contemplated by legislation like this, and in the desired time frame. Additionally, the ultimate terms and conditions of any such potential legislation remain unclear. For example, our costs of care could exceed our associated reimbursement rates under such legislation. For additional detail on the evolving health care landscape and associated developments in our competitive environment, see the risk factor in Item 1A Risk Factors under the heading *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows."*

CMS has also issued final rules related to the Cures Act. The Cures Act included a provision that, effective January 1, 2021, allows Medicare eligible beneficiaries with ESRD to choose coverage under a Medicare Part C MA managed care plan. This provision could broaden access to certain enhanced benefits offered by MA plans. MA plans usually provide reimbursement to us at a negotiated rate that is generally higher than Medicare FFS rates. We continue to evaluate the potential impact of this change in benefit eligibility, as there remains significant uncertainty as to how many or which newly eligible ESRD patients will seek to enroll in MA plans for their ESRD benefits and how quickly any such changes would occur. This uncertainty may be heightened by components of the aforementioned final rules, which include a provision that, among other things, removes the objective time and distance standards relating to network adequacy for outpatient dialysis centers for MA plans. The removal of these standards could result in MA plans seeking to limit provider networks available to dialysis patients. If MA plans attempt to use this revision to the rules to limit or restrict their networks, this may adversely impact the number of ESRD patients that select MA plans and also may result in the Company not being an in-network provider for significant MA plans. For details on the risks associated with these changes, see the risk factors in Item 1A Risk Factors under the headings, *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation;"* and *"We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows"*.

The Cures Act also includes provisions related to data interoperability, information blocking, and patient access. CMS and the Office of the National Coordinator for Health Information Technology (ONC) recently issued final rules related to these provisions, which include, among other things, requirements surrounding information blocking, changes to ONC's Health IT Certification Program and requirements that CMS-regulated payors make relevant claims/care data and provider directory information available through standardized patient access and provider directory application programming interfaces (APIs) that connect to provider electronic health records. We have made and continue to make investments in building data interoperability capabilities, including as part of building on our integrated care capabilities as noted above, and continue to evaluate the potential impact of the CMS and ONC final rules.

In addition, recent price and patient responsibility transparency regulations require health plans to make certain pricing and patient responsibility information publicly available. Certain of the requirements went into effect January 1, 2021 while others will go into effect January 1, 2024. There is a possibility that any changes by health plans resulting from these regulations could impact our revenue and results of operations.

Other regulations

Our U.S. dialysis and related lab services operations are subject to various state hazardous waste and non-hazardous medical waste disposal laws. These laws do not classify as hazardous most of the waste produced from dialysis services. Occupational Safety and Health Administration regulations require employers to provide workers who are occupationally subject to blood or other potentially infectious materials with prescribed protections. These regulatory requirements apply to all healthcare facilities, including dialysis centers, and require employers to make a determination as to which employees may be exposed to blood or other potentially infectious materials and to have in effect a written exposure control plan. In addition, employers are required to provide or employ hepatitis B vaccinations, personal protective equipment and other safety devices, infection control training, post-exposure evaluation and follow-up, waste disposal techniques and procedures and work practice controls. Employers are also required to comply with various record-keeping requirements.

In addition, a few states in which we do business have certificate of need programs regulating the establishment or expansion of healthcare facilities, including dialysis centers.

State initiatives

There have been several state initiatives to limit payments to dialysis providers or impose other burdensome operational requirements, which, if passed, could have a material adverse impact on our business, results of operation, financial condition and cash flows. For example, on October 24, 2019, the Service Employees International Union - United Healthcare Workers West (SEIU) proposed a California statewide ballot initiative (Proposition 23) that sought to impose certain regulatory requirements on dialysis clinics, including requirements related to physician staffing levels, clinical reporting, clinical treatment options and limitations on the ability to make decisions on closing or reducing services for dialysis clinics. While this ballot initiative was rejected by voters in 2020, we incurred substantial costs to oppose it. We may face ballot initiatives or other proposed regulations or legislation in California or other states in future years, which may require us to incur further substantial costs and which, if passed, could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Evolving proposed or issued laws, requirements, rules and guidance that impact our business, including as may be described above, and any failure on our part to adequately adjust to any resulting marketplace developments could have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional discussion on the risks associated with the evolving payment and regulatory landscape for kidney care, see the discussion in Item 1A Risk Factors, including the discussion under the heading, *"Our business is subject to a complex series of governmental laws, regulations and requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation"* and *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows"*.

Corporate compliance program

Our businesses are subject to extensive regulations. Management has designed and implemented a corporate compliance program as part of our commitment to comply fully with applicable criminal, civil and administrative laws and regulations and to maintain the high standards of conduct we expect from all of our teammates. We continuously review this program and work to enhance it as appropriate. The primary purposes of the program include:

- Assessing and identifying risks for existing and new businesses;
- Training and educating our teammates and affiliated professionals to promote awareness of legal and regulatory requirements, a culture of compliance, and the necessity of complying with all applicable laws, regulations and requirements;
- Developing and implementing compliance policies and procedures and creating controls to support compliance with applicable laws, regulations and requirements and our policies and procedures;
- Auditing and monitoring the activities of our operating units and business support functions to identify and mitigate risks and potential instances of noncompliance in a timely manner; and
- Ensuring that we promptly take steps to resolve any instances of noncompliance and address areas of weakness or potential noncompliance.

We have a code of conduct that each of our teammates, members of our Board of Directors, affiliated professionals and certain third parties must follow, and we have an anonymous compliance hotline for teammates and patients to report potential instances of noncompliance that is managed by a third party. Our Chief Compliance Officer administers the compliance program. The Chief Compliance Officer reports directly to our Chief Executive Officer and the Chair of the Compliance and Quality Committee of our Board of Directors (Board Compliance and Quality Committee). Previously, we were subject to a five-year Corporate Integrity Agreement (CIA) with OIG. The term of the CIA expired on October 22, 2019, and we were notified on May 20, 2020 that the OIG had closed out its review. The CIA (i) required that we maintain certain elements of our compliance programs; (ii) imposed certain expanded compliance-related requirements during the term of the CIA; (iii) required ongoing monitoring and reporting by an independent monitor, imposed certain reporting, certification, records retention and training obligations, allocated certain oversight responsibility to the Board's Compliance and Quality Committee, and necessitated the creation of a Management Compliance Committee and the retention of an independent compliance advisor to the Board; and (iv) contained certain business restrictions related to a subset of our joint venture arrangements.

Any future penalties, sanctions or other consequences could be more severe in certain circumstances if the OIG or a similar regulatory authority determines that we knowingly and repeatedly failed to comply with applicable laws, regulations or requirements that apply to our business, including substantial penalties and exclusion from participation in federal healthcare programs that could have a material adverse effect on our business, results of operations, financial condition and cash flows, reputation and stock price.

Competition

The U.S. dialysis industry has experienced consolidation over the last 20 years, but remains highly competitive. Patient retention and the continued referrals of patients from referral sources such as hospitals and nephrologists, as well as acquiring or developing new outpatient dialysis centers are some of the important parts of our growth strategy. In our U.S. dialysis business, we continue to face intense competition from large and medium-sized providers, among others, which compete directly with us for limited acquisition targets, for individual patients who may choose to dialyze with us and for physicians qualified to provide required medical director services. Competition for growth in existing and expanding geographies or areas is intense and is not limited to large competitors with substantial financial resources or established participants in the dialysis space. We also compete with individual nephrologists, former medical directors or physicians that have opened their own dialysis units or facilities. Moreover, as we continue our international dialysis expansion into various international markets, we face competition from large and medium-sized providers, among others, for acquisition targets as well as physician relationships. We also experience competitive pressures from other dialysis providers in recruiting and retaining qualified skilled clinical personnel as well as in connection with negotiating contracts with commercial healthcare payors and inpatient dialysis service agreements with hospitals. Acquisitions, developing new outpatient dialysis centers, patient retention and physician relationships are significant components of our growth strategy and our business could be adversely affected if we are not able to continue to make dialysis acquisitions on reasonable and acceptable terms, continue to develop new outpatient dialysis centers, maintain or establish new relationships with physicians or if we experience significant patient attrition relative to our competitors.

Together with our largest competitor, Fresenius Medical Group (FMC), we account for approximately 73% of outpatient dialysis centers in the U.S. Many of the centers not owned by us, FMC or other large for profit dialysis providers are owned or controlled by hospitals or non-profit organizations. Hospital-based and non-profit dialysis units typically are more difficult to acquire than physician-owned dialysis centers.

FMC also manufactures a full line of dialysis supplies and equipment in addition to owning and operating outpatient dialysis centers worldwide. This may, among other things, give FMC cost advantages over us because of its ability to manufacture its own products. Additionally, FMC has been one of our largest suppliers of dialysis products and equipment over the last several years. In January 2021, upon the expiration of our prior agreement with FMC on December 31, 2020, we entered into and subsequently extended a new agreement with FMC to purchase a certain amount of dialysis equipment, parts and supplies from FMC which extends through December 31, 2024. The amount of purchases from FMC over the remaining term of this agreement will depend upon a number of factors, including the operating requirements of our centers, the number of centers we acquire, and growth of our existing centers.

There have been a number of announcements by non-traditional dialysis providers and others, which relate to entry into the dialysis and pre-dialysis space, the development of innovative technologies, or the commencement of new business activities that could be disruptive to the industry. These developments over time may shift the competitive landscape in which we operate. For additional discussion on these developments and associated risks, see the risk factor in Item 1A Risk Factors under the heading, *“If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows.”*

Insurance

We are predominantly self-insured with respect to professional and general liability and workers' compensation risks through wholly-owned captive insurance companies. We are also predominantly self-insured with respect to employee medical and other health benefits. We also maintain insurance, excess coverage, or reinsurance for property and general liability, professional liability, directors' and officers' liability, workers' compensation, cybersecurity and other coverage in amounts and on terms deemed appropriate by management, based on our actual claims experience and expectations for future claims. Future claims could, however, exceed our applicable insurance coverage. Physicians practicing at our dialysis centers are required to maintain their own malpractice insurance, and our medical directors are required to maintain coverage for their individual private medical practices. Our liability policies cover our medical directors for the performance of their duties as medical directors at our outpatient dialysis centers.

Human capital management

Overview

At DaVita, we are guided by our Mission—to be the provider, partner and employer of choice—and a set of Core Values—Service Excellence, Integrity, Team, Continuous Improvement, Accountability, Fulfillment and Fun—which are reinforced at all levels of the organization. Our teammates share a common passion for improving patients' lives and are the cornerstone for the health of DaVita.

We strive to be a community first and a company second, and affectionately call ourselves a Village. To be a healthy Village, we need to attract, retain and motivate highly qualified and diverse teammates. To do so, we have implemented strategies that support our mission to be the employer of choice, such as:

- Designing programs and processes to cultivate a diverse talent pipeline that allows us to hire ahead of needs;
- Providing development and professional growth opportunities; and
- Offering a robust total rewards program.

These efforts are underpinned by a foundational focus on diversity and belonging that starts at the top with our Board of Directors and executive leadership and permeates through our Village as further described below.

We believe that this intentional investment of time and resources fosters a special community of teammates that, in turn, inspires the Village to take better care of our patients and better care of the communities in which we live.

Oversight & Management

Our Board of Directors provides oversight on human capital matters, receiving regular updates from our Chief People Officer about People Services' activities, strategies and initiatives, and through the Board's annual work with our Chief Executive Officer on management development and succession planning. Among other things, our Board of Directors and/or its committees also receive reports related to pay equity, risks and trends related to labor and human capital management issues and general issues pertaining to our teammates. The Board also oversees the Company's activities, policies and programs related to corporate environmental and social responsibility, including considering the impact of such activities, policies and programs on the Company, teammates and communities.

These reports and recommendations to the Board and its committees are part of our broader People Services leadership and oversight framework, which includes guidance from various stakeholders across the business and benefits from the full participation of senior leadership.

Diversity & Belonging

Our investment in our teammates is underscored by our commitment to Diversity & Belonging (D&B). Our D&B vision is "a diverse Village where everyone belongs." Our 3,137 dialysis centers operate in communities large and small, in nearly every state in the U.S. as well as ten other countries: Brazil, China, Columbia, Germany, Malaysia, Poland, Portugal, Saudi Arabia, Singapore, and the United Kingdom. Our Village's diversity is inherent in the teammates who work in our centers, the patients we care for, the physicians with whom we partner, and the communities where we serve.

To help achieve this vision, we empower all leaders and teammates to cultivate D&B in their centers and on their teams. One way we do this is by sharing tools and resources like our Belonging Teammate and Belonging Leader Guides, which encourage teammates to connect with each other to learn about individual experiences with belonging and better understand the impact of unconscious bias.

We take a collaborative, leader-led approach to building our D&B program. Everyone from our front-line patient care technicians (PCTs) and nurses to our divisional vice presidents, our CEO and our Board of Directors has a role in implementing our strategy. It truly does take a Village to bring our vision to life.

Over the past several years, our D&B efforts have focused primarily on supporting strong representation of women and people of color and ensuring that we are creating a welcoming, open environment where all teammates, patients, physicians and care partners belong.

As of December 31, 2020, our Village in the U.S. was comprised of 78% women and 54% people of color. We are proud of the fact that in the U.S. as of December 31, 2020, 74% of our managers and 54% of our directors are women and that leaders with profit and loss responsibility are 52% women and 27% people of color. We also are proud of the fact that our Board of

Directors is comprised of 44% women and 33% people of color. With respect to Board leadership positions, we are one of the few companies in the S&P 500 to have a woman serving as the Chair of the Board of Directors, and 75% of our Board committees are led by women or people of color.

Talent Pipeline and Career Development

We understand that a key component of developing strong representation of women and people of color in leadership is to have recruiting practices focused on diversity. Some of our practices include:

- **Diverse Sourcing:** Our recruiters are trained on how to source for diverse candidates to ensure we have a robust pipeline at all levels of the organization.
- **Diverse Partnerships:** We have external partnerships with organizations like Forte Foundation and Management Leadership for Tomorrow to help create equal opportunities for diverse candidates.
- **Redwoods Leadership:** We partner closely with diverse student body organizations at colleges and universities to source applicants for our Redwoods leadership development programs.

Helping teammates reach the next stage in their career and increasing their earnings potential is one of our passions. We have several career development programs that support teammates to further their careers. To help ensure that teammates have the support needed to succeed in their current roles, and grow their careers, we have invested in an end-to-end career development pipeline that includes programs and initiatives that provide financial, academic and social support to our clinical and operations personnel to help achieve their higher education and leadership goals. For example, approximately 86% of our teammates are clinical field/operations personnel, and we have programs in place to help guide their potential journey at DaVita. Beginning with programs that cover certification fees for PCTs to coaching and tuition programs that help guide PCTs to becoming registered nurses (RNs) to programs that help develop high potential nurses, clinical coordinators and clinic nurse managers into operational managers and ultimately to programs that prepare and coach operational managers for potential regional operations director roles, our goal is to make resources available to teammates at each step of a possible career path.

Total Rewards Program and Pay Equity

Our pay philosophy and practices are designed to be competitive in the local market and to reward strong team and individual performance. We believe merit-driven pay encourages teammates to do their best work, including in caring for our patients, and we strive to link pay to performance so we can continue to incentivize the provision of extraordinary care to our patients and grow our Village.

To help our teammates reach their full potential, we offer a total rewards package. More than just pay, our comprehensive compensation package connects teammates to robust health care coverage, resources for retirement planning and savings, opportunities for career development, and well-being resources for every stage of life.

To support our teammates in maintaining strong physical and mental health, we offer a variety of physical and mental health benefits programs, including, among other things:

- **Teammate Assistance Program** that offers counseling sessions annually to all teammates and their household members, along with work/life resources and tools that include telephonic or face to face legal consultation and expert financial planning/consultation.
- **Free access to Headspace application** for digital meditation and mindfulness and referrals/consultations on everyday issues such as dependent care, auto repair, pet care and home improvement.
- **Vitality Points**, a voluntary wellness incentive program that allows participating teammates and spouses/domestic partners to earn credits toward their medical premium for getting a biometric screening and engaging in healthy actions should they not meet certain targets.
- **Short & Long term disability** for full time teammates and **Life/AD&D coverage** at both the basic and supplemental levels.
- **Our DaVita Village Network**, which provides financial support to eligible teammates experiencing a specific tragedy or hardship and helps cover additional costs that local fundraising and insurance do not fully cover.

In support of our teammates and their families, we also offer family support programs that include family care programs for back-up child and elder care, parental support and parental leave programs. We also offer a number of scholarships for teammates' children and grandchildren.

We also offer a robust suite of financial well-being programs for eligible teammates including, among others, a 401(k) program with company match, an employee stock purchase plan, health savings account funding for certain high deductible health plans and a deferred compensation plan. We also offer DailyPay, a service that provides teammates with financial flexibility by allowing them to access earned but unpaid wages before payday for a nominal fee.

Pay Equity

At DaVita, we are committed to equal pay for equal work; meaning, teammates in the same position, performing at the same level, and in similar geographies, are paid fairly relative to one another, regardless of their gender, race or ethnicity. We believe that equitable pay is a critical component of establishing a fair work environment where all teammates are valued and feel like they belong. Fair pay is essential to our ability to attract and motivate the highly qualified, and diverse, teammates who are at the center of our current and future success.

Agile Response, Teammate Feedback and Responding to the Public Health Crisis

The COVID-19 pandemic tested our ability to respond to external developments and care for our teammates in real time. In response to the hardship imposed by the pandemic on our teammates, and in recognition of their dedication and commitment to our patients' health, DaVita provided financial relief to over 50,000 teammates, such as a "Village Lives" award of \$100 per week from March through May 2020, as well as other relief payments during the pandemic. In addition, we did not furlough, layoff or reduce pay for any teammates due to the pandemic. One of our key goals during the pandemic was to maintain frequent communication and engagement with teammates, including "town hall" calls, emails and more. As the pandemic has persisted, we continue to provide essential relief programs to support these teammates, including backup childcare, modified sick policies and certain increased overtime pay for front-line positions.

Most importantly, the health and safety of our teammates in the Village and their families remains a top priority throughout this ongoing pandemic. We implemented guidance early in the pandemic to help mitigate health and safety risks imposed by COVID-19, including, among other things:

- Securing necessary supplies of personal protective equipment;
- Restricting visitors to our centers;
- Screening teammates, patients and visitors for signs and symptoms of, or exposure to, COVID-19, before allowing entry into our clinics or business offices;
- Implementing an early universal masking policy; and
- Providing guidance on staying safe outside of our centers.

We also converted our live, in-person teammate and leadership development programs to virtual delivery, to help ensure that our teammates across our global Village could continue to grow personally and professionally and have access to career development resources despite the ongoing pandemic.

We believe our ability to engage with teammates and respond to these developments has helped us to better care for them. By caring for our teammates, we were generally able to maintain continuity of care for our patients and support the broader healthcare community throughout this unprecedented public health crisis.

As of December 31, 2020, we employed approximately 67,000 teammates, including our international teammates.

For additional information about certain risks associated with our human capital management, see the risk factor in Item 1A Risk Factors under the heading, "*If our labor costs continue to rise, including due to shortages, changes in certification requirements and/or higher than normal turnover rates in skilled clinical personnel; or currently pending or future governmental laws, rules, regulations or initiatives impose additional requirements or limitations on our operations or profitability; or, if we are unable to attract and retain key leadership talent, we may experience disruptions in our business operations and increases in operating expenses, among other things, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.*"

We also encourage you to visit our website at www.davita.com for more detailed information regarding certain of the human capital related programs and initiatives described herein, including our Policy on Fair and Equitable Pay, as well as our efforts to care for our patients, our community and our world. Nothing on our website, sections thereof or documents linked thereto, shall be deemed incorporated by reference into this Form 10-K.

Item 1A. Risk Factors

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws. Please read the cautionary notice regarding forward-looking statements in Item 7 of Part II of this Annual Report on Form 10-K under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” These forward-looking statements involve risks and uncertainties, including those discussed below, which could have a material adverse effect on our business, cash flows, financial condition, results of operations and/or reputation. The risks and uncertainties discussed below are not the only ones facing our business. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial could also have a material adverse effect on our business, cash flows, financial condition, results of operations and/or reputation.

Summary Risk Factors

The following is a summary of the principal risks and uncertainties that could adversely affect our business, cash flows, financial condition and/or results of operations, and these adverse impacts may be material. This summary is qualified in its entirety by reference to the more detailed descriptions of the risks and uncertainties included in this Item 1A below and you should read this summary together with those more detailed descriptions.

These principal risk and uncertainties relate to, among other things:

Risks Related to the Operation of our Business

- the dynamic and evolving novel coronavirus pandemic;
- the complex set of governmental laws, regulations and other requirements that impact us, including potential changes thereto;
- the various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits and other legal matters that we may be subject to from time to time;
- our ability to comply with complex privacy and information security laws that impact us and/or our ability to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks;
- our negotiations and arrangements with commercial payors, including with respect to value-based care and Medicare Advantage plans, the average rates that commercial payors pay us, any restrictions in plan designs or other contractual terms, including, without limitation, the scope and duration of coverage and in-network benefits;
- the number or percentage of our patients with higher-paying commercial insurance;
- our ability to successfully implement our strategy with respect to home-based dialysis;
- changes in the structure of and payment rates under government-based programs;
- changes in clinical practices, payment rates or regulations impacting pharmaceuticals;
- our ability to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors;
- our acquisitions, mergers, joint ventures or dispositions;
- our ability to establish and maintain supply relationships that meet our needs at cost-effective prices or at prices that allow for adequate reimbursement as applicable, as well as our ability to access new technology or superior products in a cost-effective manner;
- our ancillary services and strategic initiatives, including without limitation, our international operations and our ability to expand within markets or to new markets, or invest in new products or services;
- our ability to appropriately estimate the amount of dialysis revenues and related refund liabilities;
- changes in physician referrals to our dialysis centers, whether due to governmental laws, regulations or other requirements, new competition, a perceived decrease in the quality of service levels at our centers or other reasons;

- increases in labor costs, including, without limitation, due to shortages, changes in certification requirements and/or higher than normal turnover rates in skilled clinical personnel; or currently pending or future governmental laws, rules, regulations or initiatives;
- our ability to attract and retain key leadership talent;
- our ability to attract and retain employees or our ability to manage operating cost increase or productivity decreases whether due to union organizing activities or legislative or other changes;
- our ability to effectively maintain, operate or upgrade our information systems or those of third-party service providers upon which we rely, including, without limitation, our clinical, billing and collections systems;

General Risks

- our current or future level of indebtedness, including, without limitation, our ability to generate cash to service our indebtedness and for other intended purposes and our ability to maintain compliance with debt covenants;
- changes in tax laws, regulations and interpretations or challenges to our tax positions;
- liability claims for damages and other expenses that are not covered by insurance or exceed our existing insurance coverage;
- our ability to successfully maintain an effective internal control over financial reporting;
- deterioration in economic conditions, disruptions in the financial markets or the effects of natural or other disasters, political instability, public health crises or adverse weather events such as hurricanes, earthquakes, fires or flooding, including as such events may be impacted by the effects of climate change; and
- provisions in our organizational documents, our compensation programs and policies and certain requirements under Delaware law that may deter changes of control or make it more difficult for our stockholders to change the composition of our Board of Directors and take other corporate actions that our stockholders would otherwise determine to be in their best interests.

Risks Related to the Operation of our Business

We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us.

The disease caused by the novel coronavirus (COVID-19) is impacting the world and our business in many different ways. The ultimate impact of COVID-19 on us will depend on future developments that are highly uncertain and difficult to predict, including among other things, the severity and duration of the pandemic; further spread or resurgence of the virus, including as a result of the emergence of new strains of the virus; its impact on the chronic kidney disease (CKD) population and our patient population; the availability, acceptance, impact and efficacy of COVID-19 treatments, therapies and vaccines; the pandemic's continuing impact on the U.S. and global economies and unemployment; the responses of our competitors to the pandemic and related changes in the marketplace; and the timing, scope and effectiveness of federal, state and local governmental responses. The impact could come in many forms, including but not limited to those described below.

- We have experienced and expect to continue to experience a negative impact on revenue and non-acquired growth from COVID-19 due to lower treatment volumes, including from the negative impact on our patient census that is the result of changes in rates of mortality. Because ESRD patients may be older and generally have comorbidities, several of which are risk factors for COVID-19, we believe the mortality rate of infected patients is, and will continue to be, higher in the dialysis population than in the general population, and COVID-19 also could impact the CKD population differentially. Over the longer term, we believe that changes in mortality in both the CKD and ESRD populations due to COVID-19 will depend primarily on the infection rate, case fatality rate, the age and health status of affected patients, the access to and efficacy of vaccinations as well as willingness to be vaccinated. We expect that these changes are likely to continue to negatively impact our revenue and non-acquired growth even as the pandemic subsides. However, determining the extent to which these impacts should be directly attributable to COVID-19 is difficult due to testing and reporting limitations, and other factors may drive treatment volumes and new admissions over time, such as the number of transplants or deferred admissions. The magnitude of these cumulative impacts has been substantial and, depending on the ultimate severity and duration of the pandemic could be material.

- The COVID-19 pandemic and efforts to contain the virus have led to global economic deterioration and rapid and sharp increases in unemployment levels, which ultimately could result in a materially reduced share of our patients being covered by commercial insurance plans, with more patients being covered by lower-paying government insurance programs or being uninsured. These effects may persist after the pandemic subsides as, among other things, our patients could experience permanent changes in their insurance coverage as a result of changes to their employment status. In the event such a material reduction occurs in the share of our patients covered by commercial insurance plans, it would have a material adverse impact on our business, results of operations, financial condition and cash flows. The extent of these effects will depend upon, among other things, the extent and duration of the increased unemployment levels for our patient population, economic deterioration and potential recession; the timing and scope of federal, state and local governmental responses to the ongoing pandemic; and patients' ability to retain existing insurance and their individual choices with respect to their coverage.
- We have dedicated and continue to dedicate substantial resources in response to COVID-19 and have had, and expect to continue to have, extended and significant additional costs in connection with our response to COVID-19. The steps we have taken designed to help safely maintain continuity of care for our patients and help protect our caregivers, such as our policies to implement dedicated care shifts for patients with confirmed or suspected COVID-19 and other enhanced clinical practices, have increased, and are expected to continue to increase, our expenses and use of personal protective equipment (PPE). Our response to COVID-19 also has resulted in higher salary and wage expense, and we have provided, and may provide in the future, substantial financial support associated with relief reimbursement to our teammates. Furthermore, the effort and cost needed to procure certain of our equipment and clinical supplies, including PPE, have increased, and we expect these increased costs will continue while the pandemic persists. These efforts are part of a wider Prepare, Prevent, Respond and Recover protocol that we have implemented in connection with the pandemic, which also includes operational initiatives such as the redistribution of teammates, machines and supplies across the country as needed and increased investment in and utilization of telehealth capabilities. Our response protocol generally has allowed us to maintain continuity of care for our patients. If the pandemic requires us to maintain certain restrictive operational protocols for an extended period of time, it may adversely impact our strategic initiatives, such as our strategy to continue to build o our abilities to offer home dialysis options. Certain temporary changes made in response to the COVID-19 pandemic could become permanent, which could have an adverse impact on our business. In addition, any equipment or clinical supply shortages, disruptions or delays or associated price increases could impact our ability to provide dialysis services or the cost of providing those services.
- We have had, and expect to continue to have, increased costs and risk associated with a high demand for our skilled clinical personnel. Historically we have faced costs and difficulties in hiring and retaining nurses and other caregivers due to a nationwide shortage of skilled clinical personnel, and these challenges have been heightened by the increased demand for and demand upon such personnel by the ongoing pandemic, particularly the more recent resurgence of the virus that is more widespread geographically, which, among other things, makes it more difficult for us to reallocate our resources to affected geographies. Any staffing shortages or disruptions could impact our ability to provide dialysis services or the cost of providing those services.
- If we experience a failure of the fitness of our clinical laboratory, dialysis centers and related operations and/or other facilities as a result of the COVID-19 pandemic, or another event or occurrence adversely impacts the safety of our caregivers or patients, we could face adverse consequences, including without limitation, material negative impact on our brand, increased litigation, compliance or regulatory investigations, teammate unrest, work stoppages or other workforce disruptions. Any legal actions brought by patients, teammates, caregivers or others allegedly exposed to COVID-19 at our facilities or by our caregivers may involve significant demands and require substantial legal defense costs, which may not be adequately covered by our professional and general liability insurance.
- If general economic conditions continue to deteriorate or remain uncertain for an extended period of time, we may incur future charges to recognize impairment in the carrying amount of our goodwill and other intangible assets. We may experience an increased need for additional liquidity funded by accessing existing credit facilities, raising new debt in the capital markets, or other sources, and we may seek to refinance existing debt, which may be more difficult or costly as a result of the pandemic's impact on capital markets or on us. Furthermore, any extended billing or collection cycles, or deterioration in collectability of accounts receivable, will adversely impact our results of operations and cash flows.
- In our value-based care and other programs where we assume financial accountability for total patient cost, an increase in COVID-19 rates among patients could have an impact on total cost of care. This increase may in turn impact the profitability of those programs relative to their respective funding.

- The global nature of the pandemic may have varying impacts on our ongoing operations outside the United States, and may impact our ability to expand our operations into other parts of the world.

The government response to the pandemic has been wide-ranging and will continue to develop over time, particularly in light of the new federal administration. As a result, we may not be able to accurately predict the nature, timing or extent of resulting changes to the markets in which we conduct business or on the other participants that operate in those markets, or any potential changes to the extensive set of federal, state and local laws, regulations and requirements that govern our business. We believe that these changes may impact our business in a variety of ways, including but not limited to those described below.

- Our need, ability and willingness to use and retain any provider relief or other funds or assistance from the government, the consequences of our decisions with respect thereto, our ability to operate within any restrictions on our business or operations that may be imposed as a condition to participation in any government assistance programs, and the impact of any such programs on our competitors, all will depend, among other things, on the magnitude, timing and nature of COVID-19's impact on the Company as well as the requirements of any such programs, which are uncertain. There can be no assurance that financial or other assistance will be available from the government if we have a need for such assistance in the future.
- State and local shelter in place and social distancing restrictions and guidance have required us to significantly increase the use of remote arrangements for our teammates and telehealth technology for our dialysis patients, which broadens our technology footprint for where and how protected health information is used or disclosed, and in turn increases our exposure to the various privacy and information security risks we face, such as the risk of "phishing" and other cybersecurity attacks and the risk of unauthorized dissemination of sensitive personal, proprietary or confidential information.
- We have worked with certain government agencies and other kidney care providers to respond to the COVID-19 pandemic, and in certain cases have sought waivers of regulatory requirements. For example, as part of our efforts to help cohort patients in line with guidance from the CDC, we have sought waivers of certain regulatory requirements related to the survey and acceleration of new clinics and entered into agreements with other kidney care providers to help ensure that patients can receive dialysis in an outpatient setting rather than a hospital. In addition, we are also working to help make COVID-19 vaccines available to patients and teammates, including through coordination with state and federal governments on direct vaccine distribution so that we can administer vaccines to our patients and teammates. These vaccines are currently available under emergency use authorizations and there can be no assurance that our patients and caregivers will choose to receive a COVID-19 vaccine or that the vaccines will prove to be as safe and effective as currently understood by the scientific community. In addition, we may encounter difficulties with the availability, storage of the vaccine, or administration of the vaccines, some of which have multiple dose requirements. We operate in a complex and highly regulated environment, and the novel nature of our COVID-19 response, including, for example, with respect to regulatory waivers and our administration of the newly developed COVID-19 vaccines, may increase our exposure to legal, regulatory and clinical risks.

The foregoing and other continued impacts and disruptions to our business as a result of the COVID-19 pandemic could have a material adverse impact on our patients, teammates, physician partners, suppliers, business, operations, reputation, financial condition, results of operations, cash flows and/or liquidity. In addition, the COVID-19 pandemic heightens many of the other risks and uncertainties discussed herein. For additional information related to COVID-19 and its impact on our business, see the discussion in Part I, Item 1. Business under the headings, "COVID-19 and its impact on our business" and "Human Capital Management" and Part II, Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations.*"

Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation.

We operate in a complex regulatory environment with an extensive and evolving set of federal, state and local governmental laws, regulations and other requirements that apply to us. These laws, regulations and other requirements are promulgated and overseen by a number of different legislative, regulatory, administrative, and quasi-regulatory bodies, each of which may have varying interpretations, judgments or related guidance. As such, we utilize considerable resources on an ongoing basis to monitor, assess and respond to applicable legislative, regulatory and administrative requirements, but there is no guarantee that we will be successful in our efforts to adhere to all of these requirements. Laws, regulations and other requirements that apply to or impact our business include, but are not limited to:

- Medicare and Medicaid reimbursement statutes, rules and regulations (including, but not limited to, manual provisions, local coverage determinations, national coverage determinations, payment schedules and agency guidance);
- Medicare and Medicaid provider requirements, including requirements associated with providing and updating certain information about the Medicare or Medicaid entity, as applicable, and its direct and indirect affiliates;
- Federal fraud waste and abuse laws and analogous state laws;
- the 21st Century Cures Act (the Cures Act);
- Federal Acquisition Regulations;
- the Foreign Corrupt Practices Act (FCPA);
- Federal and state antitrust and competition laws and regulations;
- laws related to the corporate practice of medicine;
- individualized state law requirements associated with the operation of our business; and
- federal and state laws regarding the collection, use and disclosure of patient health information (e.g., Health Insurance Portability and Accountability Act of 1996 (HIPAA)) and the storage, handling, shipment, disposal and/or dispensing of pharmaceuticals and blood products and other biological materials.

In addition, we have been subject to a five-year Corporate Integrity Agreement (CIA) with Office of Inspector General (OIG) for the U.S. Department of Health and Human Services (HHS). The term of the CIA expired on October 22, 2019, and we were notified on May 20, 2020 that the OIG had closed out its review. Any future penalties, sanctions or other consequences imposed on us could be more severe in certain circumstances if the OIG or a similar regulatory authority determines that we knowingly and repeatedly failed to comply with applicable laws, regulations or other requirements, and could adversely impact our results of operations or financial condition or could have a negative impact on our reputation.

The foregoing are each themselves comprised of numerous associated regulations or other requirements that have varying levels of impact on our business. If any of our personnel, representatives or operations are found to violate these or other laws, regulations or requirements, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation and stock price, including, among others:

- Loss of required certifications or suspension or exclusion from or termination of our participation in government programs (including, without limitation, Medicare, Medicaid and Center for Medicare and Medicaid Innovation (CMMI) demonstration programs);
- Refunds of amounts received in violation of law or applicable payment program requirements dating back to the applicable statute of limitation periods;
- Loss of licenses required to operate healthcare facilities or administer pharmaceuticals in the states in which we operate;
- Reductions in payment rates or coverage for dialysis and ancillary services and pharmaceuticals;
- Criminal or civil liability, fines, damages or monetary penalties, which could be material and/or could materially harm our reputation or stock price;
- Imposition of corporate integrity agreements or consent agreements;
- Enforcement actions, investigations, or audits by governmental agencies and/or state law claims for monetary damages by patients who believe their protected health information (PHI) has been used, disclosed or not properly safeguarded in violation of federal or state patient privacy laws, including, among others, HIPAA and the Privacy Act of 1974;
- Mandated changes to our practices or procedures that significantly increase operating expenses that could subject us to ongoing audits and reporting requirements as well as increased scrutiny of our billing and business practices which could lead to potential fines, among other things;
- Termination of various relationships and/or contracts related to our business, such as joint venture arrangements, medical director agreements, real estate leases and consulting agreements with physicians; and

- Harm to our reputation which could negatively impact our business relationships and stock price, affect our ability to attract and retain patients, physicians and teammates, affect our ability to obtain financing and decrease access to new business opportunities, among other things.

Additionally, the healthcare sector, including the dialysis industry, is also regularly subject to negative publicity, including as a result of governmental investigations, adverse media coverage and political debate surrounding industry regulation. Negative publicity, regardless of merit, regarding the dialysis industry generally, the U.S. healthcare system or DaVita in particular may adversely affect us.

See Note 16 to the consolidated financial statements included in this report for further details regarding certain pending legal proceedings and regulatory matters to which we are or may be subject from time to time, any of which may include allegations of violations of applicable laws, regulations and requirements.

Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Each of the laws, regulations and other requirements that govern our business may continue to change over time, and there is no assurance that we will be able to accurately predict the nature, timing or extent of such changes or the impact of such changes on the markets in which we conduct business or on the other participants that operate in those markets.

Among other things, the regulatory framework of the Patient Protection and Affordable Care Act and the Health Care Reconciliation Act of 2010, as amended (collectively, the ACA), and other healthcare reforms continue to evolve as a result of executive, legislative, regulatory and administrative developments and judicial proceedings. These changes shape the landscape for our current dialysis business as well as for emerging comprehensive and integrated kidney care markets. For example, an executive order issued in July 2019 (the 2019 Executive Order) directed CMS to create payment models through CMMI to evaluate the effects of creating payment incentives for the greater use of home-based dialysis and kidney transplants for those already on dialysis, improve quality of care for kidney patients and reduce expenditures. In addition, future legislative action related to, among other things, full capitation demonstration for ESRD may ultimately impact our ability to provide a competitive and successful integrated care program at scale. We have made and continue to make investments in building our integrated care capabilities, but there can be no assurances that initiatives such as this or similar legislation will be passed into law, and the ongoing COVID-19 pandemic may delay the progress of such initiatives. If such legislation is passed, there can be no assurances that we will be able to successfully execute on the required strategic initiatives that would allow us to provide a competitive and successful integrated care program on the broader scale contemplated by this legislation, and in the desired time frame. Additionally, the ultimate terms and conditions of any such potential legislation remain unclear. For example, our costs of care could exceed our associated reimbursement rates under such legislation. Any failure on our part to adequately implement strategic initiatives to adjust to any marketplace developments resulting from executive, legislative, regulatory or administrative changes such as these could have a material adverse impact on our business.

There have been multiple attempts to repeal or amend the ACA through legislative action and legal challenges, and the most recent challenge is currently before the U.S. Supreme Court. In the event the ACA is repealed or significantly altered, it would impact our business in a number of ways, some of which may be material. The outcome of this U.S. Supreme Court proceeding will likely impact the future viability of ACA policies and programs that impact our business, including, among others, Medicaid expansion, CMMI and the health insurance exchanges. For example, if an ACA repeal ends Medicaid expansion it could have an adverse impact on coverage available to our patients and if such a repeal impacts CMMI's authority to implement innovative payment models, we may lose the investment of the resources we have dedicated to those programs. In addition, our revenue and operating income levels are highly sensitive to the percentage of our patients with higher-paying commercial health insurance and any legislative, regulatory or other changes that decrease the accessibility and availability, including the duration, of commercial insurance may have a material adverse impact on our business. The ACA's health insurance exchanges, which provide a marketplace for eligible individuals and small employers to purchase health insurance, initially increased the accessibility and availability of commercial insurance. In the event the exchange markets are significantly impaired as a result of legislative developments or other changes, it may adversely impact the percentage of our patients with higher-paying commercial health insurance, particularly if patients become unemployed due to factors related to the COVID-19 pandemic or otherwise and are unable to turn to the exchanges as an alternative to employer-based coverage.

Changes to the political environment resulting from the most recent election cycle may increase the likelihood of changes that would impact us, such as changes to the healthcare regulatory landscape or to the federal corporate tax rate. Examples of such potential changes could include, among other things, legislative developments or administrative decisions such as moving to a universal health insurance or "single payor" system whereby health insurance is provided to all Americans by the government, the availability of a "public health insurance option" similar to Medicare, government programs that impact access to Medicaid expansion or impact funding provided to families to purchase plans through the health insurance exchanges

or changes to the eligibility age for Medicare beneficiaries. Some of these and other related changes could in turn impact the percentage of our patients with higher-paying commercial health insurance, impact the scope or terms of coverage under commercial health plans and increase our expenses, among other things. The timing of any legislative or executive action related to these potential initiatives remains uncertain, particularly in light of the ongoing COVID-19 pandemic, and as such, considerable uncertainty exists surrounding the continued development of the ACA and related regulations, programs and models, as well as similar healthcare reform measures and/or other changes that may be enacted at the federal and/or state level to laws, regulations and other requirements that govern our business. Although we cannot predict the short- or long-term effects of legislative or regulatory changes, we believe that future market changes could result in, among other things, more restrictive commercial plans with lower reimbursement rates or higher deductibles and co-payments that patients may not be able to pay. To the extent that changes in statutes, regulations or related guidance or changes in other market conditions result in a reduction in the percentage of our patients with commercial insurance, limit the scope or nature of coverage through the exchanges or other health insurance programs or otherwise reduce reimbursement rates for our services from commercial and/or government payors, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional information on the impact of legislative or regulatory changes on the coverage and rates for our services and the percentage of our patients with commercial insurance, see the risk factors under the headings *"We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows,"* and *"If the number or percentage of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

The introduction of new or modified rules and regulations also generates continuous risks related to appropriate compliance. Changes to the continuously evolving healthcare regulatory landscape may also have the potential to generate opportunities with relative ease of entry for certain smaller and/or non-traditional providers and we may be competing with them for patients in an asymmetrical environment with respect to data and/or regulatory requirements given our status as an ESRD service provider. These opportunities may be enhanced by disruptions or changes to the healthcare regulatory landscape resulting from the ongoing global health crisis. For additional detail on our evolving competitive environment, see the risk factor under the heading *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows."* In general, if we are unable to efficiently and effectively adjust to new or modified rules and regulations, including with respect to regulatory compliance, it may, among other things, erode our patient base or reimbursement rates and could otherwise have a material adverse impact on our business, results of operation, financial condition and cash flows.

There have also been several state initiatives to limit payments to dialysis providers or impose other burdensome operational requirements, which, if passed, could have a material adverse impact on our business, results of operation, financial condition and cash flow. For instance, in 2020, voters in California considered a statewide ballot initiative that sought to impose certain regulatory requirements on dialysis clinics, including requirements related to physician staffing levels, clinical reporting, clinical treatment options and limitations on the ability to make decisions on closing or reducing services for dialysis clinics. While this ballot initiative was rejected by voters in 2020, we incurred substantial costs to oppose it. We may face ballot initiatives or other proposed regulations or legislation in California or other states in future years, which may require us to incur further substantial costs and which, if passed, could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Finally, there have also been rule making and legislative efforts at both the federal and state level regarding the use of charitable premium assistance for ESRD patients and may establish new conditions for coverage standards for dialysis facilities. For example, on October 13, 2019, a California bill (AB 290) was signed into law that limits the amount of reimbursement paid to certain providers for services provided to patients with commercial insurance who receive charitable premium assistance. The American Kidney Fund (AKF), an organization that provides charitable premium assistance, announced that it would be withdrawing from California as a result of AB 290. The implementation of AB 290 has been stayed pending resolution of legal challenges, but in the event AB 290 becomes effective and the AKF withdraws from California, it may cause other organizations that provide charitable premium assistance to withdraw from California, and we would expect an adverse impact on the ability of patients to afford Medicare premiums and Medicare supplemental and commercial coverage. We expect that such an adverse impact will in turn adversely impact our business, results of operations, financial condition and cash flows. Bills similar to AB 290 were introduced in Illinois (SB 600) and Oregon (SB 900) in 2019, but have not been successfully passed to date. If these or similar bills are introduced and implemented in other jurisdictions, and organizations that provide charitable premium assistance in those jurisdictions are similarly impacted, it could in the aggregate have a material adverse impact on our business, results of operations, financial condition and cash flows. For additional information on the impact of

decreases to the percentage of our patients with commercial insurance, see the risk factor under the heading "*If the number or percentage of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows*".

Among other things, regulatory guidance, proposed legislation and ballot initiatives and any similar initiatives could restrict or prohibit the ability of patients with access to alternative coverage from selecting a marketplace plan on or off exchange, limit the amount of revenue that a dialysis provider can retain for caring for patients with commercial insurance, impose burdensome operational requirements, affect payments made to providers for services provided to patients who receive charitable premium assistance and/or otherwise restrict or prohibit the use of charitable premium assistance, or reduce the standards for network adequacy. In turn, these potential impacts could cause us to incur substantial costs to oppose any such proposed requirements or measures, impact our dialysis center development plans, and if passed and/or implemented, could materially reduce our revenues and increase our operating and other costs, adversely impact dialysis centers across the U.S. making certain centers economically unviable, lead to the closure of certain centers, restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage and reduce the number of patients that select commercial insurance plans or MA plans for their dialysis care, among other things.

Evolving proposed or issued laws, requirements, rules and guidance that impact our business, including as may be described above, and any failure on our part to adequately adjust to any resulting marketplace developments, could have a material adverse effect on our business, results of operations, financial condition and cash flows.

To the extent that the information above describes statutory and regulatory provisions, it is qualified in its entirety by reference to the particular statutory and regulatory provisions that are referenced. For additional information related to the laws, rules and other regulations described above, please see Part I, Item 1 "*Business-Government Regulation*" of this Form 10-K.

We are, and may in the future be, a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits and other legal matters, any of which could result in, among other things, substantial financial penalties or awards against us, mandated refunds, substantial payments made by us, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and possible criminal penalties, any of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price.

We are, and may in the future be, subject to investigations and audits by governmental agencies and/or private civil *qui tam* complaints filed by relators and other lawsuits, demands, claims and legal proceedings, including, without limitation, investigations or other actions resulting from our obligation to self-report suspected violations of law.

Responding to subpoenas, investigations and other lawsuits, claims and legal proceedings as well as defending ourselves in such matters will continue to require management's attention and cause us to incur significant legal expense. Negative findings or terms and conditions that we might agree to accept as part of a negotiated resolution of pending or future legal or regulatory matters could result in, among other things, substantial financial penalties or awards against us, substantial payments made by us, harm to our reputation, required changes to our business practices, exclusion from future participation in Medicare, Medicaid and other healthcare programs and, in certain cases, criminal penalties, any of which could have a material adverse effect on us. It is possible that criminal proceedings may be initiated against us and/or individuals in our business in connection with governmental investigations. Other than as may be described in Note 16 to the consolidated financial statements included in this report, we cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which we are or may be subject from time to time, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and stock price. See Note 16 to the consolidated financial statements included in this report for further details regarding these and other legal proceedings and regulatory matters.

Privacy and information security laws are complex, and if we fail to comply with applicable laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information on our behalf, or if we fail to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks, we may be subject to government or private actions due to privacy and security breaches or suffer losses to our data and information technology assets, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation.

We must comply with numerous federal and state laws and regulations in both the U.S. and the foreign jurisdictions in which we operate governing the collection, dissemination, access, use, security and privacy of PHI, including, without limitation, HIPAA and its implementing privacy, security, and related regulations, as amended by the federal Health Information Technology for Economic and Clinical Health Act (HITECH) and collectively referred to as HIPAA. We are also required to report known breaches of PHI and other certain personal information consistent with applicable breach reporting

requirements set forth in applicable laws and regulations. From time to time, we may be subject to both federal and state inquiries or audits related to HIPAA, HITECH and other state privacy laws associated with complaints, desk audits, and data breaches. If we fail to comply with applicable privacy and security laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information, including PHI, on our behalf, properly maintain the integrity of our data, protect our proprietary rights, or defend against cybersecurity attacks, it could materially harm our reputation and/or have a material adverse effect on our business, results of operations, financial condition and cash flows. These risks may be intensified to the extent that the laws change or to the extent that we increase our use of third-party service providers that utilize sensitive personal information, including PHI, on our behalf.

Data protection laws are evolving globally, and may continue to add additional compliance costs and legal risks to our international operations. In Europe, the General Data Protection Regulation (GDPR) imposes a comprehensive data protection regime with the potential for regulatory fines as well as data breach litigation by impacted data subjects. Under the GDPR, regulatory penalties may be assessed by data protection authorities for up to the greater of 4% of worldwide turnover or €20 million.

Data protection laws are also evolving nationally, and may add additional compliance costs and legal risks to our U.S. operations. For example, the California Consumer Privacy Act (CCPA) and California Privacy Rights Act (CPRA) have been passed into law in the past several years, and they collectively expand our obligations related to the collection, use and sharing of consumer data and also permit additional penalties, grant additional enforcement authority and authorize private rights of action. The costs of compliance with, and the burdens imposed by, the GDPR, the CCPA, the CPRA or other new laws, regulations or policies may impact our operations and/or limit the ways in which we can provide services or use personal data collected while providing services. If we fail to comply with the requirements of GDPR, the CCPA, the CPRA or other new laws, regulations or policies, we could be subject to penalties that, in some cases, would have a material adverse impact on our business, results of operations, financial condition and cash flows. For more information on regulations affecting our business, see “*Business–Government Regulation*” in Part I, Item 1 of this Form 10-K.

Scrutiny over cybersecurity standards in the health sector is also increasing. In particular, the HHS Office for Civil Rights, in partnership with the Healthcare and Public Health Sector Coordinating Council (HSCC), recently issued cybersecurity guidelines for healthcare organizations that reflect consensus-based, voluntary practices to cost-effectively reduce cybersecurity risks for organizations of varying sizes. Although these HHS-backed guidelines, entitled “*Health Industry Cybersecurity Practices: Managing Threats and Protecting Patients*,” are voluntary, they are likely to serve as an important reference point for the healthcare industry, and may cause us to invest additional resources in technology, personnel and programmatic cybersecurity controls as the cybersecurity risks we face continue to evolve.

Information security risks have significantly increased in recent years in part because of the proliferation of new technologies, the use of the Internet and telecommunications technologies to conduct our operations, and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including, among others, foreign state agents. Our business and operations rely on the secure and continuous processing, transmission and storage of confidential, proprietary and other information in our computer systems and networks, including sensitive personal information, such as PHI, social security numbers, and/or credit card information of our patients, teammates, physicians, business partners and others. Our business and operations also rely on certain critical IT vendors that support such processing, transmission and storage (which have become more relevant and important given the information security issues and risks that are intensified through remote work arrangements).

We regularly review, monitor and implement multiple layers of security measures through technology, processes and our people. We utilize security technologies designed to protect and maintain the integrity of our information systems and data, and our defenses are monitored and routinely tested internally and by external parties. Despite these efforts, our facilities and systems and those of our third-party service providers may be vulnerable to privacy and security incidents; security attacks and breaches; acts of vandalism or theft; computer viruses and other malicious code; coordinated attacks by a variety of actors, including, among others, activist entities or state sponsored cyberattacks; emerging cybersecurity risks; cyber risk related to connected devices; misplaced or lost data; programming and/or human errors; or other similar events that could impact the security, reliability and availability of our systems. Internal or external parties may attempt to circumvent our security systems, and we have in the past, and expect that we will in the future, experience attacks on our network including, without limitation, reconnaissance probes, denial of service attempts, malicious software attacks including ransomware or other attacks intended to render our internal operating systems or data unavailable, and phishing attacks or business email compromise. Cybersecurity requires ongoing investment and diligence against evolving threats. Emerging and advanced security threats, including, without limitation, coordinated attacks, require additional layers of security which may disrupt or impact efficiency of operations. As with any security program, there always exists the risk that employees will violate our policies despite our compliance efforts or that certain attacks may be beyond the ability of our security and other systems to detect. There can be no assurance that investments, diligence and/or our internal controls will be sufficient to prevent or timely discover an attack.

Any security breach involving the misappropriation, loss or other unauthorized disclosure or use of confidential information, including, among others, PHI, financial data, competitively sensitive information, or other proprietary data, whether by us or a third party, could have a material adverse effect on our business, results of operations, financial condition, cash flows and materially harm our reputation. We may be required to expend significant additional resources to modify our protective measures, to investigate and remediate vulnerabilities or other exposures, or to make required notifications. The occurrence of any of these events could, among other things, result in interruptions, delays, the loss or corruption of data, cessations in the availability of systems and liability under privacy and security laws, all of which could have a material adverse effect on our business, results of operations, financial condition and cash flows, or materially harm our reputation and trigger regulatory actions and private party litigation. If we are unable to protect the physical and electronic security and privacy of our databases and transactions, we could be subject to potential liability and regulatory action, our reputation and relationships with our patients, physicians, vendors and other business partners would be harmed, and our business, results of operations, financial condition and cash flows could be materially and adversely affected. Failure to adequately protect and maintain the integrity of our information systems (including our networks) and data, or to defend against cybersecurity attacks, could subject us to monetary fines, civil suits, civil penalties or criminal sanctions and requirements to disclose the breach publicly, and could further result in a material adverse effect on our business, results of operations, financial condition and cash flows or harm our reputation. As malicious cyber activity escalates, including activity that originates outside of the U.S., and as our COVID-19 response increases our remote work arrangements and broadens our technology footprint, the risks we face relating to transmission of data and our use of service providers outside of our network, as well as the storing or processing of data within our network, intensify. There have been increased international, federal and state and other privacy, data protection and security enforcement efforts and we expect this trend to continue. While we plan to maintain cyber liability insurance, there can be no assurance that we will successfully be able to obtain such insurance on terms and conditions that are favorable to us or at all. Additionally, any cyber liability insurance may not cover us for all types of losses and may not be sufficient to protect us against the amount of all losses.

We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

A substantial portion of our U.S. dialysis net patient services revenues for the year ended December 31, 2020 was generated from patients who have commercial payors (including hospital dialysis services) as their primary payor. The majority of these patients have insurance policies that pay us on terms and at rates that are generally significantly higher than Medicare rates. The payments we receive from commercial payors generate nearly all of our profit and all of our nonacute dialysis profits come from commercial payors. We continue to experience downward pressure on some of our commercial payment rates as a result of general conditions in the market, including as employers shift to less expensive options for medical services, as a result of consolidations among commercial payors, increased focus on dialysis services and other factors. Commercial payment rates could be materially lower in the future due to these or other factors.

We continuously are in the process of negotiating existing and potential new agreements with commercial payors who aggressively negotiate terms with us, and we can make no assurances about the ultimate results of these negotiations or the timing of any potential rate changes resulting from these negotiations. Sometimes many significant agreements are being renegotiated at the same time. In the event that our ongoing negotiations result in overall commercial rate reductions in excess of overall commercial rate increases, the cumulative effect could have a material adverse effect on our business, results of operations, financial condition and cash flows. We believe payor consolidations have significantly increased the negotiating leverage of commercial payors, and ongoing consolidations may continue to increase this leverage in the future. Our negotiations with payors occur in a highly competitive environment and are also influenced by these marketplace dynamics, and we may experience decreased contracted rates with commercial payors or experience decreases in patient volume, including in instances where we are unable to come to agreement with commercial payors on rates, as our negotiations with commercial payors continue.

Our negotiations with commercial payors may relate to commercial fee-for-service contracts, value-based care (VBC) contracts in which we share risk with commercial payors, as well as contracts to provide dialysis services to Medicare Part C Medicare Advantage (MA) patients. If we fail to maintain contracts with payors and other healthcare providers with competitive or favorable terms, either with respect to commercial plans, commercial VBC contracts, MA plans or otherwise, including, without limitation, with respect to reimbursement rates, scope and duration of coverage and in-network benefits, or if we fail to accurately estimate the price for and manage our medical costs in an effective manner such that the profitability of our value-based products is negatively impacted, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

These negotiations may also be impacted by legislative or regulatory developments and associated legal rulings. For example, the final rules for the Cures Act included a provision that, effective January 1, 2021, allows Medicare-eligible beneficiaries with ESRD to choose coverage under a MA managed care plan. This provision could broaden patient access to certain enhanced benefits offered by MA plans. MA plans usually provide reimbursement to us at a negotiated rate that is generally higher than Medicare fee-for-service rates. We continue to evaluate the potential ultimate impact of this change in benefit eligibility, as there is significant uncertainty as to how many or which newly eligible ESRD patients will seek to enroll in MA plans for their ESRD benefits and how quickly any such changes would occur. This uncertainty may be heightened by components of the aforementioned final rules, which include a provision that, among other things, removes the objective time and distance standards relating to network adequacy for outpatient dialysis centers for MA plans. If MA plans attempt to use this revision to the rules to limit or restrict their networks, this may adversely impact the number of ESRD patients that select MA plans and also may result in the Company not being an in-network provider for significant MA plans. If kidney patients choose not to enroll in MA plans or choose to leave MA plans, whether due to network adequacy standards or otherwise, or if we fail to provide education to kidney patients in the manner specified by CMS, we could be subject to certain clinical, operational, financial and legal risks, which could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, recent price and patient responsibility transparency regulations require health plans to make certain pricing and patient responsibility information publicly available. Certain of the requirements went into effect January 1, 2021 while others will go into effect January 1, 2024. There is a possibility that any changes by health plans resulting from these regulations could impact our revenue and results of operations.

Certain payors have also been attempting to design and implement plans that restrict access to ESRD coverage both in the commercial and individual market. Among other things, these restrictive plan designs seek to limit the duration and/or the breadth of ESRD benefits, limit the number of in-network providers, set arbitrary provider reimbursement rates, or otherwise restrict access to care, all of which may result in a decrease in the number of patients covered by commercial insurance. Payors have also disputed the scope and duration of ESRD benefit coverage under their plans. Any of the foregoing, including developments in plan design or new business activities of commercial payors, may lead to a significant decrease in the number of patients with commercial plans, the duration of benefits for patients under commercial plans and/or a significant decrease in the payment rates we receive, any of which would have a material adverse effect on our business, results of operations, financial condition and cash flows.

In addition, some commercial payors are pursuing or have incorporated policies into their provider manuals limiting or refusing to accept charitable premium assistance from non-profit organizations, such as the American Kidney Fund, which may impact the number of patients who are able to afford commercial plans. Paying for coverage is a significant financial burden for many patients, and ESRD disproportionately affects the low-income population. Charitable premium assistance supports continuity of coverage and access to care for patients, many of whom are unable to continue working full-time as a result of their severe condition. A material restriction in patients' ability to access charitable premium assistance may restrict the ability of dialysis patients to obtain and maintain optimal insurance coverage, and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

For additional details regarding the impact of a decline in our patients under commercial plans, see the risk factor under the heading *"If the number or percentage of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows."* For additional details regarding specific risks we face regarding potential legislative or regulatory changes that, among other things, could result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates, see the discussion in the risk factor under the headings *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation;"* and *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

If the number or percentage of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our revenue levels are sensitive to the number of our patients with higher-paying commercial insurance coverage and the percentage of our patients under higher-paying commercial plans relative to government-based programs. A patient's insurance coverage may change for a number of reasons, including changes in the patient's or a family member's employment status. A material portion of our commercial revenue is concentrated with a limited number of commercial payors, and any changes impacting our highest paying commercial payors will have a disproportionate impact on us. In addition, many patients with commercial and government insurance rely on financial assistance from charitable organizations, such as the American Kidney Fund. Certain payors have challenged our patients' and other providers' patients' ability to utilize assistance from charitable organizations for the payment of premiums, including, without limitation, through litigation and other legal proceedings. The

use of charitable premium assistance for ESRD patients has also faced challenges and inquiries from legislators, regulators and other governmental authorities, and this may continue. In addition, CMS or another regulatory agency or legislative authority may issue a new rule or guidance that challenges or restricts charitable premium assistance. For additional details, see the risk factor under the headings *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation;"* and *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."* If any of these challenges to kidney patients' use of premium assistance is successful or restrictions are imposed on the use of financial assistance from such charitable organizations or if organizations providing such assistance are no longer available such that kidney patients are unable to obtain, or continue to receive or receive for a limited duration, such financial assistance, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. In addition, if our assumptions about how kidney patients will respond to any change in financial assistance from charitable organizations are incorrect, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

When Medicare becomes the primary payor for a patient, the payment rate we receive for that patient decreases from the employer group health plan or commercial plan rate to the lower Medicare payment rate. If the number of our patients who have Medicare or another government-based program as their primary payor increases, it could negatively impact the percentage of our patients covered under commercial insurance plans. There are a number of factors that could drive a decline in the percentage of our patients covered under commercial insurance plans, including, among others, a continued decline in the rate of growth of the ESRD patient population, continued improved mortality or the reduced availability of commercial health plans or reduced coverage by such plans through the ACA exchanges or otherwise due to changes to the marketplace, healthcare regulatory system or otherwise. Commercial payors could also cease paying in the primary position after providing 30 months of coverage resulting in potentially material reductions in payment as the patient moves to Medicare primary. Moreover, declining macroeconomic conditions, such as, for example, those resulting from the ongoing COVID-19 pandemic, could also negatively impact the percentage of our patients covered under commercial insurance plans. To the extent there are sustained or increased job losses in the U.S., we could experience a decrease in the number of patients covered under commercial plans and/or an increase in uninsured and underinsured patients independent of whether general economic conditions improve. If we experience higher numbers of uninsured or underinsured patients, it also would result in an increase in uncollectible accounts.

Finally, the ultimate results of our continual negotiations with commercial payors under existing and potential new agreements cannot be predicted and, among other things, could result in a decrease in the number of our patients covered by commercial plans to the extent that we cannot reach agreement with commercial payors on rates and other terms, resulting in termination or non-renewals of existing agreements and our inability to enter into new agreements. Our agreements and rates with commercial payors may be impacted by new business activities of these commercial payors as well as steps that these commercial payors have taken and may continue to take to control the cost of and/or the eligibility for access to the services that we provide, including, without limitation, relative to products on and off the healthcare exchanges. These efforts could impact the number of our patients who are eligible to enroll in commercial insurance plans, and remain on the plans, including plans offered through healthcare exchanges. For additional detail on the risks related to commercial payor activity, including restrictive plan design, see the discussion under the heading *"We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows."* We could also experience a further decrease in the payments we receive for services if changes to the marketplace or the healthcare regulatory system result in fewer patients covered under commercial plans or an increase of patients covered under more restrictive commercial plans with lower reimbursement rates, among other things.

If there is a significant reduction in the number of patients under higher-paying commercial plans relative to government-based programs that pay at lower rates or a significant increase in the number of patients that are uninsured and underinsured, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

If we are not able to successfully implement our strategy with respect to home-based dialysis, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation.

Our home-based dialysis services, which include home hemodialysis and peritoneal dialysis (PD), represented approximately 17% of our U.S. dialysis patient services revenues for the year ended December 31, 2020, and have increasingly

become an important part of our overall strategy. In addition, home-based dialysis recently has been the subject of increased political and industry focus. For example, in connection with the 2019 Executive Order, HHS set out specific goals related to home dialysis and CMMI's ESRD Treatment Choices mandatory payment model (ETC) included new incentives to encourage dialysis at home. We are a leader in home-based dialysis and have made investments in processes and infrastructure to continue to grow this modality. There are, however, risks associated with this growth, including, among other things, financial, legal and operational risks related to our ability to design and develop infrastructure and to plan for capacity in a modality that is part of an evolving marketplace. We may also be subject to associated risks related to our ability to successfully manage related operational initiatives, find, train and retain appropriate staff, contract with payors for appropriate reimbursement, and maintain processes to adhere to the complex regulatory and legal requirements, including without limitation those associated with billing Medicare. For additional detail on risks associated with operating in a highly regulated environment, see *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation."* In addition to the above risks, certain risks inherent to home-based dialysis will increase as we expand our home-based dialysis offerings, including risks related to managing transitions between in-center and home-based dialysis, billing and telehealth systems, among others. For additional detail on risks associated with information systems and new technology generally, see the risk factor under the heading *"Failing to effectively maintain, operate or upgrade our information systems or those of third-party service providers upon which we rely, including, without limitation, our clinical, billing and collections systems could materially adversely affect our business, results of operations, financial condition and cash flows."*

An increased focus on home-based dialysis is also indicative of the generally evolving market for kidney care. This developing market may create additional opportunities for competition with relative ease of entry, and if we are unable to successfully adapt to these marketplace developments in a timely and compliant manner, we may see a reduction in our overall number of patients, among other things. Our response to the COVID-19 pandemic has also required us to impose certain operational restrictions that may adversely impact certain home-based dialysis initiatives, and the extent of this impact may depend on the severity or duration of the pandemic, among other things. For additional detail on the competitive landscape in kidney care, see the risk factor under the heading *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows,"* and for additional detail on the impact of COVID-19 on our home-based dialysis business, see the risk factor under the heading *"We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us."* If we are not able to successfully implement our strategy with respect to home-based dialysis, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation.

Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows.

A substantial portion of our dialysis revenues are generated from patients who have Medicare as their primary payor. For patients with Medicare coverage, all ESRD payments for dialysis treatments are currently made under a single bundled payment rate which provides a fixed payment rate to encompass all goods and services provided during the dialysis treatment that are related to the treatment of dialysis, subject to certain adjustments as described below. Most lab services are also included in the bundled payment.

Under the ESRD Prospective Payment System (PPS), bundled payments to a dialysis facility may be reduced by as much as 2% based on the facility's performance in specified quality measures set annually by CMS through the ESRD Quality Incentive Program, which was established by the Medicare Improvements for Patients and Providers Act of 2008. The bundled payment rate is also adjusted for certain patient characteristics, a geographic usage index and certain other factors. In addition, the ESRD PPS is subject to rebasing, which can have a positive financial effect, or a negative one if the government fails to rebase in a manner that adequately addresses the costs borne by dialysis facilities. Similarly, as new drugs, services or labs are added to the ESRD bundle, CMS' failure to adequately calculate the costs associated with the drugs, services or labs could have a material adverse effect on our business, results of operations, financial condition and cash flows. In certain instances, new injectable, intravenous or oral products may be reimbursed separately from the bundled payment through a transitional drug add-on payment adjustment (TDAPA). For a discussion of certain risks associated with this transitional pricing process, see the risk factor under the heading, *"Changes in clinical practices, payment rates or regulations impacting pharmaceuticals could have a material adverse effect on our business, results of operations, financial condition, and cash flows and negatively impact our ability to care for patients."*

The current bundled payment system presents certain operating, clinical and financial risks, which include, without limitation:

- Risk that our rates are reduced by CMS. CMS publishes a final rule for the ESRD PPS each year and uncertainty about future payment rates remains a material risk to our business.
- Risk that CMS, on its own or through its contracted Medicare Administrative Contractors (MACs) or otherwise, implements Local Coverage Determinations (LCDs) or implements payment provisions, policy or regulatory mandates, including changes to the existing or future PPS, that limit our ability to either be paid for covered dialysis services or bill for treatments or other drugs and services or other rules that may impact reimbursement. Such payment rules and regulations and coverage determinations or related decisions could have an adverse impact on our operations and revenue. There is also risk commercial insurers could seek to incorporate the requirements or limitations associated with such LCDs or CMS guidance into their contracted terms with dialysis providers, which could have an adverse impact on our revenue.
- Risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance, or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance.
- Risk that CMS implements data and related reporting requirements that result in decreased reimbursement and/or increased technology and operational costs.
- Risk that increases in our operating costs will outpace the Medicare rate increases we receive. We expect operating costs to continue to increase due to inflationary factors, such as increases in labor and supply costs, including, without limitation, increases in maintenance costs and capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet changing regulatory requirements and business needs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the bundled payment rate system.
- Risk of continued federal budget sequestration cuts or other disruptions in federal government operations and funding. As a result of the Budget Control Act of 2011, the Bipartisan Budget Act (BBA) and the CARES Act, an annual 2% reduction to Medicare payments took effect on April 1, 2013, and has been extended through 2030 (though the reduction was temporarily suspended from May 1, 2020 through March 31, 2021 in connection with COVID-19 relief related legislation). These across-the-board spending cuts have affected and will continue to adversely affect our business, results of operations, financial condition and cash flows. Any extended disruption in federal government operations and funding, including an extended government shutdown, U.S. government debt default and/or failure of the U.S. government to enact annual appropriations could have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, disruptions in federal government operations may delay or negatively impact regulatory approvals and guidance that are important to our operations, and create uncertainty about the pace of upcoming regulatory developments.
- Risk that failure to adequately develop and maintain our clinical systems or failure of our clinical systems to operate effectively could have a material adverse effect on our business, results of operations, financial condition and cash flows. For example, in connection with claims for which at least part of the government's payments to us is based on clinical performance or patient outcomes or co-morbidities, if our clinical systems fail to accurately capture the data we report to CMS or we otherwise have data integrity issues with respect to the reported information, we might be over-reimbursed by the government, which could, among other things, subject us to liability exclusion from participation in federal healthcare programs, and penalties under the federal Civil Monetary Penalty statute and could adversely impact our reputation.

We are subject to similar risks for services billed separately from the ESRD bundled payment, including, without limitation, the risk that a MAC, or multiple MACs, change their interpretations of existing regulations, manual provisions and/or guidance; or seek to implement or enforce new interpretations that are inconsistent with how we have interpreted existing regulations, manual provisions and/or guidance.

In addition to the above risks under the current Medicare ESRD program, changing legislation and other regulatory and executive developments have led and may continue to lead to the emergence of new models of care and other initiatives in both the government and private sector that, among other things, may impact the structure of, and payment rates under, the Medicare ESRD program. Moreover, the number of our patients with primary Medicare coverage may be subject to change, particularly with the effectiveness of the Cures Act, which allows Medicare-eligible individuals with ESRD to enroll in Medicare Part C MA managed care plans. For additional details regarding the risks we face for failing to adhere to our Medicare and Medicaid

regulatory compliance obligations or failing to adequately implement strategic initiatives to adjust to marketplace developments, see the risk factor above under the headings *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation;"* and *"Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

Changes in clinical practices, payment rates or regulations impacting pharmaceuticals could have a material adverse effect on our business, results of operations, financial condition, and cash flows and negatively impact our ability to care for patients.

Medicare bundles certain pharmaceuticals into the ESRD PPS payment rate at industry average doses and prices. Variations above the industry average may be subject to partial reimbursement through the PPS outlier reimbursement policy.

Changes to industry averages, which can be caused by, among other things, changes in physician prescribing practices, including in response to the introduction of new drugs, treatments or technologies, changes in best and/or accepted clinical practice, changes in private or governmental payment criteria regarding pharmaceuticals, or the introduction of administration policies may negatively impact our ability to obtain sufficient reimbursement levels for the care we provide, which could have a material adverse effect on our business, results of operations, financial condition and cash flows. Physician practice patterns, including their independent determinations as to appropriate pharmaceuticals and dosing, are subject to change, including, for example, as a result of changes in labeling of pharmaceuticals or the introduction of new pharmaceuticals. Additionally, commercial payors have increasingly examined their administration policies for pharmaceuticals and, in some cases, have modified those policies. If such policy and practice trends or other changes to private and governmental payment criteria make it more difficult to preserve our margins per treatment, it could have a material adverse effect on our business, results of operations, financial condition and cash flows. Further, increased utilization of certain pharmaceuticals whose costs are included in a bundled reimbursement rate, or decreases in reimbursement for pharmaceuticals whose costs are not included in a bundled reimbursement rate, could also have a material adverse effect on our business, results of operation, financial condition and cash flows.

Regulations and processes impacting reimbursement for pharmaceuticals and any changes thereto could similarly affect our operating results. For example, from January 1, 2018 to December 31, 2020, calcimimetics was part of the Medicare Part B payment and was subject to a TDAPA period prior to being incorporated into the payment bundle on January 1, 2021. During this transitional period, the wider availability of generic supplies of oral calcimimetics drove the acquisition cost of that drug down, which in turn lowered associated reimbursement rates and led to significant fluctuations in our levels of operating income. In addition, we anticipate that a hypoxia-inducible factor (HIF) product could be approved by the FDA and available to the market during 2021, but as of the date hereof, the timing and details of such an approval, including the contents of the applicable FDA label, remain uncertain. We expect that HIF products will be subject to a TDAPA period prior to being incorporated into the payment bundle. We are developing operational and clinical processes designed to provide the drug as may be required under the applicable regulations and as may be prescribed by physicians and also are working to contract with manufacturers of drug(s) to establish terms and access to the product, as well as payors, as applicable, for reimbursement and/or administration of the drug. If HIF products are approved, we could experience significant fluctuations in our associated levels of operating income and could be subject to material financial, operational and/or legal risk if we are not adequately reimbursed for the cost of the drug, if we are unable to implement effective and appropriate operational measures to distribute the drug, if we fail to implement appropriate storage and diversion controls or if we cannot obtain competitive pricing for the HIF, the aggregate impact of these risks could have a material adverse effect on our business, results of operation, financial condition and cash flows.

Similar operating and clinical rigor and appropriate processes will be needed for other potential new drugs, treatments or technologies that are approved and come onto the market. Any failure to successfully contract with manufacturers for competitive pricing, failure to successfully contract with the government or other payors for appropriate reimbursement, or failure to prepare, develop and implement processes that provide for appropriate availability and use in our clinics could have a material adverse impact on our business, results of operations, financial condition and cash flows. Additionally, as new kidney care drugs, treatments or technologies are introduced over time, we expect that the use of transitional payment adjustments to incorporate certain of these new drugs, treatments or technologies as defined by the CMS policy into the bundled Medicare Part B ESRD payment may lead to fluctuations in associated levels of operating income and risk that the reimbursement levels of such drugs, treatments or technologies may not adequately cover our cost to obtain the drug or other associated costs. Drivers of these risks include, among other things, the risk that CMS may not provide adequate funding in the Medicare Part B ESRD payment in the post-transitional period or such items are not covered by transitional add on pricing, in which case there may be

less clarity on the reimbursement, either of which may in turn materially adversely impact our business, results of operations, financial condition and cash flows.

We may also be subject to increased inquiries or audits from a variety of governmental bodies or claims by third parties related to pharmaceuticals, which would require management's attention and could result in significant legal expense. Any negative findings could result in, among other things, substantial financial penalties or repayment obligations, the imposition of certain obligations on and changes to our practices and procedures as well as the attendant financial burden on us to comply with the obligations, or exclusion from future participation in the Medicare and Medicaid programs, and could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation. For additional details, see the risk factor under the heading *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation."*

Changes in state Medicaid or other non-Medicare government-based programs or payment rates could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Primary coverage for a significant number of our patients comes from state Medicaid programs partially funded by the federal government as well as other non-Medicare government-based programs, such as coverage through the Department of Veterans Affairs (VA). As state governments and other governmental organizations face increasing financial hardship and budgetary pressure, including as a result of the COVID-19 pandemic, we may in turn face reductions in payment rates, delays in the receipt of payments, limitations on enrollee eligibility or other changes to the applicable programs. For example, certain state Medicaid programs and the VA have recently considered, proposed or implemented payment rate reductions.

The VA adopted Medicare's bundled PPS pricing methodology for any veterans receiving treatment from non-VA providers under a national contracting initiative. Since we are a non-VA provider, these reimbursements are tied to a percentage of Medicare reimbursement, and we have exposure to any dialysis reimbursement changes made by CMS. Approximately 3% of our U.S. dialysis net patient services revenues for the year ended December 31, 2020 were generated by the VA.

In 2019, we entered into a Nationwide Dialysis Services contract with the VA that includes five separate one-year renewal periods throughout the term of the contract. The term structure is similar to our prior five-year agreement with the VA, and is consistent with VA practice for similar provider agreements. With this contract award, the VA has agreed to keep our percentage of Medicare reimbursement consistent with that under our prior agreement with the VA during the term of the contract. As with that prior agreement, this agreement provides the VA with the right to terminate the agreements without cause on short notice, among other things. Should the VA renegotiate, not renew or cancel these agreements for any reason, we may cease accepting patients under this program and may be forced to close centers or experience lower reimbursement rates, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

State Medicaid programs are increasingly adopting Medicare-like bundled payment systems, but sometimes these payment systems are poorly defined and are implemented without any claims processing infrastructure, or patient or facility adjusters. If these payment systems are implemented without any adjusters and claims processing infrastructure, Medicaid payments will be substantially reduced and the costs to submit such claims may increase, which will have a negative impact on our business, results of operations, financial condition and cash flows. In addition, some state Medicaid program eligibility requirements mandate that citizen enrollees in such programs provide documented proof of citizenship. If our patients cannot meet these proof of citizenship documentation requirements, they may be denied coverage under these programs, resulting in decreased patient volumes and revenue. These Medicaid payment and enrollment changes, along with similar changes to other non-Medicare government programs, could reduce the rates paid by these programs for dialysis and related services, delay the receipt of payment for services provided and further limit eligibility for coverage which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows.

Patient retention and the continued referrals of patients from referral sources such as hospitals and nephrologists, as well as acquisitions, are some of the important parts of our growth strategy. In our U.S. dialysis business, we continue to face intense competition from large and medium-sized providers, among others, which compete directly with us for the limited acquisition targets as well as for individual patients and physicians qualified to serve as medical directors. U.S. regulations require medical directors for each center. As we and our competitors continue to grow and open new dialysis centers, we may not be able to retain an adequate number of nephrologists to serve as medical directors. Competition in existing and expanding geographies or areas is intense, and is not limited to large competitors with substantial financial resources or to established participants in the

dialysis space. We also compete with individual nephrologists who have opened their own dialysis units or facilities. Moreover, as we continue our expansion into various international markets, we will continue to face competition from large and medium-sized providers, among others, for acquisition targets.

In addition, Fresenius Medical Group, our largest competitor, manufactures a full line of dialysis supplies and equipment in addition to owning and operating dialysis centers. This may, among other things, give it cost advantages over us because of its ability to manufacture its own products. See further discussion regarding risks associated with our suppliers and new technologies under the heading *"If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

In addition to traditional dialysis providers, there have been a number of announcements by non-traditional dialysis providers and others, which relate to entry into the dialysis and pre-dialysis space, the development of innovative technologies, or the commencement of new business activities that could be disruptive to the industry. Some of these new entrants have considerable financial resources. Although these and other potential competitors may face operational or financial challenges, the highly-competitive and evolving dialysis and pre-dialysis marketplaces have presented some opportunities for relative ease of entry for these and other potential competitors. As a result, we may compete with these smaller or non-traditional providers or others in an asymmetrical environment with respect to data and regulatory requirements that we face as an ESRD service provider, thereby negatively impacting our ability to effectively compete. These and other factors have continued to drive change in the dialysis and pre-dialysis space, and if we are unable to successfully adapt to these dynamics, it could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Furthermore, each of the aforementioned competitive pressures and related risks may be impacted by a continued decline in the rate of growth of the ESRD patient population, higher mortality rates for dialysis patients or other reductions in demand for dialysis treatments. The recent 2020 annual data report from the United States Renal Data System (USRDS) suggests that the rate of growth of the ESRD patient population is declining relative to long term trends. A number of factors may impact ESRD growth rates, including, without limitation, the aging of the U.S. population, incidence rates for diseases that cause kidney failure such as diabetes and hypertension, transplant rates, mortality rates for dialysis patients and growth rates of minority populations with higher than average incidence rates of ESRD. Certain of these factors, in particular the mortality rates for dialysis patients, have been impacted by the COVID-19 pandemic. The magnitude of these cumulative COVID-19 related impacts on our patient census and treatment volumes has been substantial and depending on the ultimate severity and duration of the pandemic, could be material. For additional information, see the risk factor under the heading *"Changes in the structure of and payment rates under the Medicare ESRD program could have a material adverse effect on our business, results of operations, financial condition and cash flows."*

If we are not able to effectively implement our growth strategy, including by making acquisitions at the desired pace or at all; if we are not able to continue to maintain the expected or desired level of non-acquired growth; or if we experience significant patient attrition either as a result of new business activities in the dialysis or pre-dialysis space by our existing competitors, other market participants, new entrants, new technology or other forms of competition, or as a result of reductions in demand for dialysis treatments, including, without limitation, due to increased mortality rates for dialysis patients resulting from COVID-19 or otherwise, reduced prevalence of ESRD or an increase in the number of kidney transplants, it could materially adversely affect our business, results of operations, financial condition and cash flows.

We may engage in acquisitions, mergers, joint ventures or dispositions, which may materially affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business, and, under certain circumstances, could have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

Our business strategy includes growth through acquisitions of dialysis centers and other businesses, as well as through entry into joint ventures. We may engage in acquisitions, mergers, joint ventures or dispositions or expand into new business lines or models, which may affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business. There can be no assurance that we will be able to identify suitable acquisition targets or merger partners or buyers for dispositions or that, if identified, we will be able to agree to terms with merger partners, acquire these targets or make these dispositions on acceptable terms or on the desired timetable. There can also be no assurance that we will be successful in completing any acquisitions, mergers or dispositions that we announce, executing new business lines or models or integrating any acquired business into our overall operations. There is no guarantee that we will be able to operate acquired businesses successfully as stand-alone businesses, or that any such acquired business will operate profitably or will not otherwise have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation. In addition, acquisition, merger or joint venture activity conducted as part of our overall growth strategy is subject to

antitrust and competition laws, and antitrust regulators can investigate future (or pending) and consummated transactions. These laws could impact our ability to pursue these transactions, and under certain circumstances, could result in mandated divestitures, among other things. If a proposed transaction or series of transactions is subject to challenge under antitrust or competition laws, we may incur substantial legal costs, management's attention and resources may be diverted, and if we are found to have violated these or other related laws, regulations or requirements, we could suffer severe consequences that could have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation and stock price. For additional detail, see the risk factor under the heading "*Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation.*" Further, we cannot be certain that key talented individuals at the business being acquired will continue to work for us after the acquisition or that they will be able to continue to successfully manage or have adequate resources to successfully operate any acquired business. In addition, certain of our acquired dialysis centers and facilities have been in service for many years, which may result in a higher level of maintenance costs. Further, our facilities, equipment and information technology may need to be improved or renovated to maintain or increase operational efficiency, compete for patients and medical directors, or meet changing regulatory requirements. Increases in maintenance costs and/or capital expenditures could have, under certain circumstances, a material adverse effect on our business, results of operations, financial condition and cash flows.

Businesses we acquire may have unknown or contingent liabilities or liabilities that are in excess of the amounts that we originally estimated, and may have other issues, including, without limitation, those related to internal controls over financial reporting or issues that could affect our ability to comply with healthcare laws and regulations and other laws applicable to our expanded business, which could harm our reputation. As a result, we cannot make any assurances that the acquisitions we consummate will be successful. Although we generally seek indemnification from the sellers of businesses we acquire for matters that are not properly disclosed to us, we are not always successful. In addition, even in cases where we are able to obtain indemnification, we may discover liabilities greater than the contractual limits, the amounts held in escrow for our benefit (if any), or the financial resources of the indemnifying party. In the event that we are responsible for liabilities substantially in excess of any amounts recovered through rights to indemnification or alternative remedies that might be available to us, or any applicable insurance, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

In addition, under the terms of the equity purchase agreement for the DMG sale (the DMG sale agreement), we agreed to certain indemnification obligations, including with respect to claims for breaches of our representations and warranties regarding compliance with law, litigation, absence of undisclosed liabilities, employee benefit matters, labor matters, or taxes, among others, and other claims for which we provided the buyer with a special indemnity. As a result, we may become obligated to make payments to the buyer relating to our previous ownership and operation of the DMG business. Any such post-closing liabilities and required payments under the DMG sale agreement, or otherwise, or in connection with any other past or future disposition of material assets or businesses could individually or in the aggregate have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

Additionally, joint ventures, including, without limitation, our Asia Pacific joint venture, and minority investments inherently involve a lesser degree of control over business operations, thereby potentially increasing the financial, legal, operational and/or compliance risks associated with the joint venture or minority investment. In addition, we may be dependent on joint venture partners, controlling shareholders or management who may have business interests, strategies or goals that are inconsistent with ours. Business decisions or other actions or omissions of the joint venture partner, controlling shareholders or management may require us to make capital contributions or necessitate other payments, result in litigation or regulatory action against us, result in reputational harm to us or adversely affect the value of our investment or partnership, among other things. In addition, we have potential obligations to purchase the interests held by third parties in many of our joint ventures as a result of put provisions that are exercisable at the third party's discretion within specified time periods, pursuant to the applicable agreement. If these put provisions were exercised, we would be required to purchase the third party owner's equity interest, generally at the appraised market value. There can be no assurances that these joint ventures and/or minority investments, including, without limitation, our Asia Pacific joint venture, ultimately will be successful.

If certain of our suppliers do not meet our needs, if there are material price increases on supplies, if we are not reimbursed or adequately reimbursed for drugs we purchase or if we are unable to effectively access new technology or superior products, it could negatively impact our ability to effectively provide the services we offer and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We have significant suppliers, with a substantial portion of our total vendor spend concentrated with a limited number of third party suppliers. These third party suppliers include, without limitation, suppliers of pharmaceuticals that may be the primary source of products critical to the services we provide, or to which we have committed obligations to make purchases,

sometimes at particular prices. If any of these suppliers do not meet our needs for the products they supply, including, without limitation, in the event of a product recall, shortage or dispute, and we are not able to find adequate alternative sources, if we experience material price increases from these suppliers that we are unable to mitigate, or if some of the drugs that we purchase from our suppliers are not reimbursed or not adequately reimbursed by commercial or government payors, or if we are unable to secure products, including pharmaceuticals at competitive rates and within the desired time frame, it could have a material adverse impact on our business, results of operations, financial condition and cash flows. In addition, the technology related to the products critical to the services we provide is subject to new developments which may result in superior products. If we are not able to access superior products on a cost-effective basis, either due to competitive conditions in the marketplace or otherwise, or if suppliers are not able to fulfill our requirements for such products, we could face patient attrition and other negative consequences which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Expansion of our operations to and offering our services in markets outside of the U.S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

We are continuing to expand our operations by offering our services and entering new lines of business in certain markets outside of the U.S., which increases our exposure to the inherent risks of doing business in international markets. Depending on the market, these risks include those relating to:

- changes in the local economic environment;
- political instability, armed conflicts or terrorism;
- public health crises, such as pandemics or epidemics, including the COVID-19 pandemic;
- social changes;
- intellectual property legal protections and remedies;
- trade regulations;
- procedures and actions affecting approval, production, pricing, reimbursement and marketing of products and services;
- foreign currency;
- additional U.S. and foreign taxes;
- export controls;
- antitrust and competition laws and regulations;
- lack of reliable legal systems which may affect our ability to enforce contractual rights;
- changes in local laws or regulations, or interpretation or enforcement thereof;
- potentially longer ramp-up times for starting up new operations and for payment and collection cycles;
- financial and operational, and information technology systems integration;
- failure to comply with U.S. laws, such as the FCPA, or local laws that prohibit us, our partners, or our partners' or our agents or intermediaries from making improper payments to foreign officials or any third party for the purpose of obtaining or retaining business; and
- data and privacy restrictions.

Issues relating to the failure to comply with applicable non-U.S. laws, requirements or restrictions may also impact our domestic business and/or raise scrutiny on our domestic practices.

Additionally, some factors that will be critical to the success of our international business and operations will be different than those affecting our domestic business and operations. For example, conducting international operations requires us to devote significant management resources to implement our controls and systems in new markets, to comply with local laws and regulations, including to fulfill financial reporting and records retention requirements among other things, and to overcome the numerous new challenges inherent in managing international operations, including, without limitation, challenges based on

differing languages and cultures, challenges related to establishing clinical operations in differing regulatory and compliance environments, and challenges related to the timely hiring, integration and retention of a sufficient number of skilled personnel to carry out operations in an environment with which we are not familiar.

Any expansion of our international operations through acquisitions or through organic growth could increase these risks. Additionally, while we may invest material amounts of capital and incur significant costs in connection with the growth and development of our international operations, including to start up or acquire new operations, we may not be able to operate them profitably on the anticipated timeline, or at all.

These risks could have a material adverse effect on our business, results of operations, financial condition, cash flows and could materially harm our reputation.

If our joint ventures were found to violate the law, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.

As of December 31, 2020, we owned a controlling interest in numerous dialysis-related joint ventures, which represented approximately 27% of our U.S. dialysis revenues for the year ended December 31, 2020. In addition, we also owned noncontrolling equity investments in several other dialysis related joint ventures. We expect to continue to increase the number of our joint ventures. Many of our joint ventures with physicians or physician groups also have certain physician owners providing medical director services to centers we own and operate. Because our relationships with physicians are governed by the federal and state anti-kickback statutes, we have sought to structure our joint venture arrangements to satisfy as many federal safe harbor requirements as we believe are commercially reasonable. Our joint venture arrangements do not satisfy all of the elements of any safe harbor under the federal Anti-Kickback Statute, however, and therefore are susceptible to government scrutiny. Additionally, our joint ventures and minority investments inherently involve a lesser degree of control over business operations, thereby potentially increasing the financial, legal, operational and/or compliance risks associated with the joint venture or minority investment. If our joint ventures are found to violate applicable laws or regulations, we could suffer severe consequences that would have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation. For additional information on these risks, see the risk factors under the headings "*Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation*" and "*We may engage in acquisitions, mergers, joint ventures or dispositions, which may materially affect our results of operations, debt-to-capital ratio, capital expenditures or other aspects of our business, and, under certain circumstances, could have a material adverse effect on our business, results of operations, financial condition and cash flows and could materially harm our reputation.*"

There are significant risks associated with estimating the amount of dialysis revenues and related refund liabilities that we recognize, and if our estimates of revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition or have a material adverse effect on our business, results of operations, financial condition and cash flows.

There are significant risks associated with estimating the amount of U.S. dialysis net patient services revenues and related refund liabilities that we recognize in a reporting period. The billing and collection process is complex due to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, such as ensuring appropriate documentation. Determining applicable primary and secondary coverage for approximately 204,200 U.S. patients at any point in time, together with the changes in patient coverage that occur each month, requires complex, resource-intensive processes. Errors in determining the correct coordination of benefits may result in refunds to payors. Revenues associated with Medicare and Medicaid programs are also subject to estimating risk related to the amounts not paid by the primary government payor that will ultimately be collectible from other government programs paying secondary coverage, the patient's commercial health plan secondary coverage or the patient. Collections, refunds and payor retractions typically continue to occur for up to three years and longer after services are provided. We generally expect our range of U.S. dialysis net patient services revenues estimating risk to be within 1% of net revenues for the segment. If our estimates of U.S. dialysis net patient services revenues and related refund liabilities are materially inaccurate, it could impact the timing and the amount of our revenues recognition and have a material adverse impact on our business, results of operations, financial condition and cash flows.

Our ancillary services and strategic initiatives, including, without limitation, our international operations, that we operate or invest in now or in the future may generate losses and may ultimately be unsuccessful. In the event that one

or more of these activities is unsuccessful, our business, results of operations, financial condition and cash flows may be negatively impacted and we may have to write off our investment and incur other exit costs.

Our ancillary services and strategic initiatives are subject to many of the same risks, regulations and laws, as described in the risk factors related to our dialysis business set forth in this Part I, Item 1A, and are also subject to additional risks, regulations and laws specific to the nature of the particular strategic initiative. We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include healthcare services not related to dialysis. Many of these initiatives require or would require investments of both management and financial resources and can generate significant losses for a substantial period of time and may not become profitable in the expected timeframe or at all. There can be no assurance that any such strategic initiative will ultimately be successful. Any significant change in market conditions or business performance, including, without limitation, as a result of the COVID-19 pandemic, or in the political, legislative or regulatory environment, may impact the performance or economic viability of any of these strategic initiatives.

If any of our ancillary services or strategic initiatives, including our international operations, are unsuccessful, it would have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit that line of business. We could incur significant termination costs if we were to exit certain of these lines of business. In addition, we may incur a material write-off or an impairment of our investment, including, without limitation, goodwill or other assets, in one or more of our ancillary services or strategic initiatives. In that regard, we have taken, and may in the future take, impairment and restructuring charges in addition to those described above related to our ancillary services and strategic initiatives, including, without limitation, in our international and pharmacy businesses.

If a significant number of physicians were to cease referring patients to our dialysis centers, whether due to law, rule or regulation, new competition, a perceived decrease in the quality of service levels at our centers or other reasons, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Physicians, including medical directors, choose where they refer their patients. Some physicians prefer to have their patients treated at dialysis centers where they or other members of their practice supervise the overall care provided as medical director of the center. As a result, referral sources for many of our centers include the physician or physician group providing medical director services to the center.

Our medical director contracts are for fixed periods, generally ten years, and at any given time a large number of them could be up for renewal at the same time. Medical directors have no obligation to extend their agreements with us and, under certain circumstances, our former medical directors may choose to provide medical director services for competing providers or establish their own dialysis centers in competition with ours. Neither our current nor former medical directors have an obligation to refer their patients to our centers. In addition, there are a number of new entrants into the dialysis space, and physicians, including medical directors, may refer patients to these new entrants rather than the Company.

The aging of the nephrologist population and opportunities presented by our competitors may negatively impact a medical director's decision to enter into or extend his or her agreement with us. Moreover, a perceived decrease in the quality of service levels at our centers or different affiliation models in the changing healthcare environment that limit a nephrologist's choice in where he or she can refer patients, such as an increase in the number of physicians becoming employed by hospitals, may limit a nephrologist's ability or desire to refer patients to our centers or otherwise negatively impact treatment volumes.

In addition, if the terms of any existing agreement are found to violate applicable laws, there can be no assurances that we would be successful in restructuring the relationship, which would lead to the early termination of the agreement. If we are unable to obtain qualified medical directors to provide supervision of the operations and care provided at our dialysis centers, it could affect physicians' desire to refer patients to our dialysis centers. If a significant number of physicians were to cease referring patients to our dialysis centers, it would have a material adverse effect on our business, results of operations, financial condition and cash flows.

If our labor costs continue to rise, including due to shortages, changes in certification requirements and/or higher than normal turnover rates in skilled clinical personnel; or currently pending or future governmental laws, rules, regulations or initiatives impose additional requirements or limitations on our operations or profitability; or, if we are unable to attract and retain key leadership talent, we may experience disruptions in our business operations and increases in operating expenses, among other things, which could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We face increasing labor costs generally, and in particular, we continue to face increased labor costs and difficulties in hiring nurses due to a nationwide shortage of skilled clinical personnel that has been exacerbated by the ongoing COVID-19 pandemic. We have incurred and expect to continue to incur increased labor costs and experience staffing challenges related to

COVID-19 while the pandemic persists, the extent of which will depend on the severity and duration of the pandemic, among other things. For additional discussion of the risks facing us related to COVID-19, see the risk factor under the heading "*We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us.*" We compete for nurses with hospitals and other healthcare providers. This nursing shortage may limit our ability to expand our operations. Furthermore, changes in certification requirements can impact our ability to maintain sufficient staff levels, including to the extent our teammates are not able to meet new requirements, among other things. In addition, if we experience a higher than normal turnover rate for our skilled clinical personnel, our operations and treatment growth may be negatively impacted, which could adversely affect our business, results of operations, financial condition and cash flows. We also face competition in attracting and retaining talent for key leadership positions. If we are unable to attract and retain qualified individuals, we may experience disruptions in our business operations, including, without limitation, our ability to achieve strategic goals, which could have a material adverse effect on our business, results of operations, financial condition and cash flows. For additional information on these risks, see the risk factors under the headings "*Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation;*" and "*Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows.*"

Our business is labor intensive and could be materially adversely affected if we are unable to attract and retain employees or if union organizing activities or legislative or other changes result in significant increases in our operating costs or decreases in productivity.

Our business is labor intensive, and our financial and operating results have been and continue to be subject to variations in labor-related costs, productivity and the number of pending or potential claims against us related to labor and employment practices. Political or other efforts at the national or local level could result in actions or proposals that increase the likelihood of success of union organizing activities at our facilities and ongoing union organizing activities at our facilities could continue or increase for other reasons. We could experience an upward trend in wages and benefits and labor and employment claims, including, without limitation, the filing of class action suits, or adverse outcomes of such claims, or face work stoppages. In addition, we are and may continue to be subject to targeted corporate campaigns by union organizers in response to which we have been and may continue to be required to expend substantial resources, both time and financial. Any of these events or circumstances could have a material adverse effect on our employee relations, treatment growth, productivity, business, results of operations, financial condition and cash flows.

Failing to effectively maintain, operate or upgrade our information systems or those of third-party service providers upon which we rely, including, without limitation, our clinical, billing and collections systems could materially adversely affect our business, results of operations, financial condition and cash flows.

Our business depends significantly on effective information systems. Our information systems require an ongoing commitment of significant resources to maintain, upgrade and enhance existing systems and develop or contract for new systems in order to keep pace with continuing changes in information processing technology, emerging cybersecurity risks and threats, evolving industry, legal and regulatory standards and requirements, new models of care, and other changes in our business, among other things. For example, the provisions related to data interoperability, information blocking, and patient access in the Cures Act include, among other things, changes to the Office of the National Coordinator for Health Information Technology's (ONC's) Health IT Certification Program and requirements that CMS-regulated payors make relevant claims/care data and provider directory information available through standardized patient access and provider directory application programming interfaces (APIs) that connect to provider electronic health records. We have made and continue to make investments in building data interoperability capabilities, including as part of building on our integrated care capabilities as noted above, and continue to evaluate the potential impact of the CMS and ONC final rules. Any failure to adequately comply with these rules may adversely impact our Medicare business, our ability to scale our integrated care business and our ability to compete with certain smaller and/or non-traditional providers taking advantage of an asymmetrical environment with respect to data and/or regulatory requirements given our status as an ESRD service provider. There can be no assurances that the implementation of planned enhancements to our systems, such as our implementation of these data interoperability provisions or our other efforts that are currently ongoing to upgrade and better integrate our clinical systems, will be successful or that we will ultimately realize anticipated benefits from investments in new or existing information systems. In addition, we may from time to time obtain significant portions of our systems-related support, technology or other services from independent third parties, which may make our operations vulnerable if such third parties fail to perform adequately.

Failure to successfully implement, operate and maintain effective and efficient information systems with adequate technological capabilities, deficiencies or defects in the systems and related technology, or our failure to efficiently and effectively consolidate our information systems to eliminate redundant or obsolete applications, could result in competitive

disadvantages, which could have a material adverse effect on our business, financial condition and results of operations. For additional information on the risks we face in a highly competitive market, see the risk factor under the heading, *"If we are unable to compete successfully, including, without limitation, implementing our growth strategy and/or retaining patients and physicians willing to serve as medical directors, it could materially adversely affect our business, results of operations, financial condition and cash flows."* If the information we rely upon to run our business was found to be inaccurate or unreliable or if we or third parties on which we rely fail to adequately maintain information systems and data integrity effectively, whether due to software deficiencies, human coding or implementation error or otherwise, we could experience difficulty meeting clinical outcome goals, face regulatory problems, including sanctions and penalties, incur increases in operating expenses or suffer other adverse consequences, any of which could be material. Moreover, failure to adequately protect and maintain the integrity of our information systems (including our networks) and data, or information systems and data hosted by third parties upon which we rely, could subject us to severe consequences as described in the risk factor under the heading *"Privacy and information security laws are complex, and if we fail to comply with applicable laws, regulations and standards, including with respect to third-party service providers that utilize sensitive personal information on our behalf, or if we fail to properly maintain the integrity of our data, protect our proprietary rights to our systems or defend against cybersecurity attacks, we may be subject to government or private actions due to privacy and security breaches or suffer losses to our data and information technology assets, any of which could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation."*

Our billing system, among others, is critical to our billing operations. If there are defects in the billing system, or billing systems or services of third parties upon which we rely, we may experience difficulties in our ability to successfully bill and collect for services rendered, including, without limitation, a delay in collections, a reduction in the amounts collected, increased risk of retractions from and refunds to commercial and government payors, an increase in our provision for uncollectible accounts receivable and noncompliance with reimbursement laws and related requirements, any or all of which could materially adversely affect our results of operations.

In the clinical environment, a failure of our clinical systems, or the systems of our third-party service providers, to operate effectively could have a material adverse effect on our business, the clinical care provided to patients, results of operations, financial condition and cash flows. For example, in connection with claims for which at least part of the government's payments to us is based on clinical performance or patient outcomes or co-morbidities, if relevant clinical systems fail to accurately capture the data we report to CMS or we otherwise have data integrity issues with respect to the reported information, this could impact our payments from government payors as well as our ability to retain funds paid to us based on the inaccurate information.

Additionally, we expect the highly competitive environment in which we operate to become increasingly more competitive as the market evolves and new technologies are introduced. This dynamic environment requires continuous investment in new technologies and clinical applications. Machine learning and artificial intelligence are increasingly driving innovations in technology, and parts of our operations may employ robotics. If these technologies or applications fail to operate as anticipated or do not perform as specified, including due to potential design defects and defects in the development of algorithms or other technologies, human error or otherwise, our clinical operations, business and reputation may be harmed. If we are unable to successfully maintain, enhance or operate our information systems, including through the implementation of such technologies or applications in our clinical operations and laboratory, we may be, among other things, unable to efficiently adapt to evolving laws and requirements, unable to remain competitive with others who successfully implement and advance this technology, subject to increased risk under existing laws, regulations and requirements that apply to our business, and our patients' safety may be adversely impacted, any of which could have a material adverse impact on our business, results of operations and financial condition and could materially harm our reputation. For additional detail, see the discussion in the risk factor under the heading *"Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation."*

General Risk Factors

The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes and our ability to maintain compliance with debt covenants depends on many factors beyond our control.

We have a substantial amount of indebtedness outstanding and we may incur substantial additional indebtedness in the future, including indebtedness incurred to finance repurchases of our common stock pursuant to our share repurchase authorization discussed under "Stock Repurchases" in Part II, Item 7, *"Management's Discussion and Analysis of Financial Condition and Results of Operations."* As described in Note 13 to the consolidated financial statements included in this report,

we are party to a senior secured credit agreement (the Credit Agreement), which consists of a secured term loan A facility, a secured term loan B-1 facility and a secured revolving line of credit in the aggregate principal amount of \$1 billion. Our long-term indebtedness also includes \$3.250 billion aggregate principal amount of senior notes.

If we are unable to generate sufficient cash to service our indebtedness and for other intended purposes, it could, for example:

- make it difficult for us to make payments on our debt;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a substantial portion of our cash flows from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and investments, repurchases of stock at the levels intended or announced, or at all, and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate;
- expose us to interest rate volatility that could adversely affect our business, results of operations, financial condition and cash flows, and our ability to service our indebtedness;
- place us at a competitive disadvantage compared to our competitors that have less debt; and
- limit our ability to borrow additional funds, or to refinance existing debt on favorable terms when otherwise available or at all.

Our senior secured credit facilities bear, and other indebtedness we may incur in the future may bear, interest at a variable rate. As a result, at any given time interest rates on the senior secured credit facilities and any other variable rate debt could be higher or lower than current levels. If interest rates increase, our debt service obligations on our variable rate indebtedness will increase even though the amount borrowed remains the same, and therefore net income and associated cash flows, including cash available for servicing our indebtedness, will correspondingly decrease.

Our indebtedness levels and the required payments on such indebtedness may also be impacted by expected reforms related to LIBOR. The variable interest rates payable under our senior secured credit facilities are linked to LIBOR as the benchmark for establishing such rates. The LIBOR benchmark has been the subject of recent national, international and other regulatory guidance and reform proposals. The reforms may cause LIBOR to perform differently from the past and LIBOR may ultimately cease to exist after 2023. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of, among other entities, large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index that measures the cost of borrowing cash overnight, backed by U.S. Treasury securities (SOFR). Whether or not SOFR or any other potential alternative reference rate attains market traction as a LIBOR replacement rate remains in question. Our senior secured credit facilities include mechanics to facilitate the adoption by us and our lenders of an alternative benchmark rate for use in place of LIBOR; however, no assurance can be made that we and our lenders will agree on such an alternative rate and, even if agreed upon, such alternative rate may not perform in a manner similar to LIBOR and may result in interest rates that are higher or lower than those that would have resulted had LIBOR remained in effect.

Our ability to make payments on our indebtedness, to fund planned capital expenditures and expansion efforts, including, without limitation, any strategic acquisitions we may make in the future, to repurchase our stock at the levels intended or announced and to meet our other liquidity needs, will depend on our ability to generate cash. This depends not only on the success of our business but is also subject to economic, financial, competitive, regulatory and other factors that are beyond our control. We cannot provide assurances that our business will generate sufficient cash flows from operations in the future or that future borrowings will be available to us in amounts sufficient to enable us to service our indebtedness or to fund our working capital and other liquidity needs, including those described above. If we are unable to generate sufficient funds to service our outstanding indebtedness or to meet our working capital or other liquidity needs, including those described above, we would be required to refinance, restructure, or otherwise amend some or all of such indebtedness, sell assets, change or reduce our intended or announced uses or strategy for capital deployment, including, without limitation, for stock repurchases, reduce capital expenditures, planned expansions or other strategic initiatives, or raise additional cash through the sale of our equity or equity-related securities. We cannot make any assurances that any such refinancing, restructurings, amendments, sales of assets, or issuances of equity or equity-related securities can be accomplished or, if accomplished, will be on favorable terms or would raise sufficient funds to meet these obligations or our other liquidity needs.

In addition, we may continue to incur indebtedness in the future, and the amount of that additional indebtedness may be substantial. Although the Credit Agreement includes covenants that could limit our indebtedness, we currently have, and expect to continue to have, the ability to incur substantial additional debt. The risks described in this risk factor could intensify as new

debt is added to current debt levels or if we incur any new debt obligations that subject us to restrictive covenants that limit our financial and operational flexibility. Any breach or failure to comply with any of these covenants could result in a default under our indebtedness.

Any failure to pay any of our indebtedness when due or any other default under our credit facilities or our other indebtedness could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could trigger cross default or cross acceleration provisions in our other debt instruments, thereby permitting the holders of that other indebtedness to demand immediate repayment or cease to make future extensions of credit, and, in the case of secured indebtedness, to take possession of and sell the collateral securing such indebtedness to satisfy our obligations.

The borrowings under our senior secured credit facilities and senior indentures are guaranteed by certain of our domestic subsidiaries, and borrowings under our senior secured credit facilities are secured by substantially all of our and certain of our domestic subsidiaries' assets. Such guarantees and the fact that we have pledged such assets may make it more difficult and expensive for us to make, or under certain circumstances could effectively prevent us from making, additional secured and unsecured borrowings.

We could be subject to adverse changes in tax laws, regulations and interpretations or challenges to our tax positions.

We are subject to tax laws and regulations of the U.S. federal, state and local governments as well as various foreign jurisdictions. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. As the tax rates vary among jurisdictions, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable or favorable change in our overall tax provision.

Changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. There can be no assurance that changes in tax laws or regulations, both within the U.S. and the other jurisdictions in which we operate, will not materially and adversely affect our effective tax rate, tax payments, results of operations, financial condition and cash flows. For example, changes to the political environment related to the most recent U.S. election cycle increase the likelihood that changes in taxation and related regulations could have a material adverse impact on our results of operations and financial condition. Similarly, changes in tax laws and regulations that impact our patients, business partners and counterparties or the economy generally may also impact our results of operations, financial condition and cash flows.

In addition, tax laws and regulations are complex and subject to varying interpretations, and any significant failure to comply with applicable tax laws and regulations in all relevant jurisdictions could give rise to material penalties and liabilities. We are regularly subject to audits by various tax authorities. For example, our current audits include an audit by the Internal Revenue Service for the years 2014–2017, and it is possible that the final determination of this and any other tax audits and any related litigation could be materially different from our historical income tax provisions and accruals. Any changes in enacted tax laws, rules or regulatory or judicial interpretations; any adverse development or outcome in connection with tax audits in any jurisdiction; or any change in the pronouncements relating to accounting for income taxes could materially and adversely impact our effective tax rate, tax payments, results of operations, financial condition and cash flows.

We may be subject to liability claims for damages and other expenses that are not covered by insurance or exceed our existing insurance coverage that could have a material adverse effect on our business, results of operations, financial condition, cash flows and could materially harm our reputation.

Our operations and how we manage our business may subject us, as well as our officers and directors to whom we owe certain defense and indemnity obligations, to litigation and liability. Our business, profitability and growth prospects could suffer if we face negative publicity or we pay damages or defense costs in connection with a claim that is outside the scope or limits of coverage of any applicable insurance coverage, including, without limitation, claims related to adverse patient events, cybersecurity incidents, contractual disputes, antitrust and competition laws and regulations, professional and general liability and directors' and officers' duties. In addition, we have received notices of claims from commercial payors and other third parties, as well as subpoenas and CIDs from the federal government, related to our business practices, including, without limitation, our historical billing practices and the historical billing practices of acquired businesses. Although the ultimate outcome of these claims cannot be predicted, an adverse result with respect to one or more of these claims could have a material adverse effect on our business, results of operations, financial condition and cash flows, and could materially harm our reputation. We maintain insurance coverage for those risks we deem are appropriate to insure against and make determinations about whether to self-insure as to other risks or layers of coverage. However, a successful claim, including, without limitation, a professional liability, malpractice or negligence claim or a claim related to a cybersecurity incident, which is in excess of any applicable insurance coverage, that is outside the scope or limits of any applicable insurance coverage, or that is subject to our self-insurance retentions, could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.

In addition, if our costs of insurance and claims increase, then our earnings could decline. Market rates for insurance premiums and deductibles have been steadily increasing. Our business, results of operations, financial condition and cash flows could be materially and adversely affected by any of the following:

- the collapse or insolvency of our insurance carriers;
- further increases in premiums and deductibles;
- increases in the number of liability claims against us or the cost of settling or trying cases related to those claims;
- obtaining insurance with exclusions for things such as communicable diseases; or
- an inability to obtain one or more types of insurance on acceptable terms, if at all.

If we fail to successfully maintain an effective internal control over financial reporting, the integrity of our financial reporting could be compromised, which could have a material adverse effect on our ability to accurately report our financial results, the market's perception of our business and our stock price.

The integration of acquisitions and addition of new business lines into our internal control over financial reporting has required and will continue to require significant time and resources from our management and other personnel and has increased, and is expected to continue to increase our compliance costs. Failure to maintain an effective internal control environment could have a material adverse effect on our ability to accurately report our financial results, the market's perception of our business and our stock price. In addition, we could be required to restate our financial results in the event of a significant failure of our internal control over financial reporting or in the event of inappropriate application of accounting principles.

Deterioration in economic conditions, disruptions in the financial markets or the effects of natural or other disasters, political instability, public health crises or adverse weather events such as hurricanes, earthquakes, fires or flooding could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Deterioration in economic conditions, whether in connection with the COVID-19 pandemic or otherwise, could have a material adverse effect on our business, results of operations, financial condition and cash flows. Among other things, the potential decline in federal and state revenues that may result from such conditions may create additional pressures to contain or reduce reimbursements for our services from Medicare, Medicaid and other government sponsored programs. Increases in job losses in the U.S. as a result of adverse economic conditions, including economic deterioration due to the ongoing COVID-19 pandemic, could result in a smaller percentage of our patients being covered by an employer group health plan and a larger percentage being covered by lower paying Medicare and Medicaid programs. Employers may also select more restrictive commercial plans with lower reimbursement rates. To the extent that payors are negatively impacted by a decline in the economy, we may experience further pressure on commercial rates, a slowdown in collections and a reduction in the amounts we expect to collect. In addition, uncertainty in the financial markets could adversely affect the variable interest rates payable under our credit facilities or could make it more difficult to obtain or renew such facilities or to obtain other forms of financing in the future, if at all. For additional information regarding the risks presented by the COVID-19 pandemic, see the discussion in the risk factor under the heading "*We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us.*" For additional information regarding the risks related to our indebtedness, see the discussion in the risk factor under the heading "*The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes and our ability to maintain compliance with debt covenants depends on many factors beyond our control.*"

Moreover, as of December 31, 2020, we had approximately \$6.919 billion of goodwill recorded on our consolidated balance sheet. We account for impairments of goodwill in accordance with the provisions of applicable accounting guidance, and record impairment charges when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value. We use a variety of factors to assess changes in the financial condition, future prospects and other circumstances concerning our businesses and to estimate their fair value when applicable. These assessments and the related valuations can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Should our revenues and financial results be materially, unfavorably impacted due to, among other things, a worsening of the economic and employment conditions in the United States that negatively impacts reimbursement rates or the availability of insurance coverage for our patients, we may incur future charges to recognize impairment in the carrying amount of our goodwill and other intangible assets, which could have a material adverse effect on our business, results of operation and financial condition.

Further, some of our operations, including our clinical laboratory, dialysis centers and other facilities, may be adversely impacted by the effects of natural or other disasters, political instability, public health crises such as global pandemics or epidemics, including the COVID-19 pandemic, or adverse weather events such as hurricanes, earthquakes, fires or flooding. Each of these effects and risks may be further intensified by the increasing impact of climate change on a global scale. In addition, these risks are particularly heightened for our patients in part because individuals with chronic illness may be more susceptible to the adverse effects of epidemics or other public health crises and also because any natural or other disaster, political instability or adverse weather event that disrupts or limits the operation of any of our centers or other facilities or services may delay or otherwise impact the critical services we provide to dialysis patients. Further, any such event or other occurrence that results in a failure of the fitness of our clinical laboratory, dialysis centers and related operations and/or other facilities or otherwise adversely impacts the safety of our teammates or patients at any of those locations could lead us to face adverse consequences, including, without limitation, the potential loss of data, including PHI or PII, compliance or regulatory investigations, any of which could materially impact our business, results of operation and financial condition, and could materially harm our reputation. For example, our clinical laboratory is located in Florida, a state that has in the past experienced and may in the future experience hurricanes. Natural or other disasters or adverse weather events could significantly damage or destroy our facilities, disrupt operations, increase our costs to maintain operations and require substantial expenditures and recovery time to fully resume operations. In addition, as the effects of climate change progressively surface, such as through potential increases in the frequency and intensity of natural or other disasters or adverse weather events or through laws or regulations adopted in response, we may face increased costs associated with operating our clinics, including, without limitation, with respect to supplies of water or energy costs.

Our presence in markets outside the U.S. may increase our exposure to these and similar risks related to natural disasters, public health crises, political instability, climate change or other catastrophic events outside our control. For additional information regarding the risks related to our international business, see the discussion in the risk factor under the heading "*Expansion of our operations to and offering our services in markets outside of the U.S. subjects us to political, economic, legal, operational and other risks that could have a material adverse effect on our business, results of operations, financial condition, cash flows and reputation.*"

Any or all of these factors, as well as other consequences of these events, none of which we can currently predict, could have a material adverse effect on our business, results of operations, financial condition and cash flows or materially harm our reputation.

Provisions in our organizational documents, our compensation programs and policies and certain requirements under Delaware law may deter changes of control and may make it more difficult for our stockholders to change the composition of our Board of Directors and take other corporate actions that our stockholders would otherwise determine to be in their best interests.

Our organizational documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in our management, or limit the ability of our stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting our stockholders from acting by written consent, advance notice requirements for director nominations and stockholder proposals and granting our Board of Directors the authority to issue preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

Most of our outstanding employee stock-based compensation awards include a provision accelerating the vesting of the awards in the event of a change of control. These and any other change of control provisions may affect the price an acquirer would be willing to pay for our Company.

We are also subject to Section 203 of the Delaware General Corporation Law that, subject to exceptions, prohibits us from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder.

The provisions described above may discourage, delay or prevent an acquisition of our Company at a price that our stockholders may find attractive. These provisions could also make it more difficult for our stockholders to elect directors and take other corporate actions and could limit the price that investors might be willing to pay for shares of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our corporate headquarters are located in Denver, Colorado, consisting of one owned 240,000 square foot building and one leased 345,900 square foot location. Our headquarters are occupied by teammates engaged in management, finance, marketing, strategy, legal, compliance and other administrative functions. We lease five business offices located in California, Pennsylvania, Tennessee and Washington, as well as own one business office in Washington for our U.S. dialysis business. Our laboratory is based in Florida where we operate our lab services out of one leased building. We also lease other administrative offices in the U.S. and worldwide.

For our U.S. dialysis business we own the land and buildings for six outpatient dialysis centers. We also own 21 properties for development, including operating outpatient dialysis centers and properties we hold for sale. In addition, we lease a total of four owned properties to third-party tenants. Our remaining outpatient dialysis centers are located on premises that we lease.

The majority of our leases for our U.S. dialysis business cover periods from five years to 20 years and typically contain renewal options of five years to ten years at the fair rental value at the time of renewal. Our leases are generally subject to periodic consumer price index increases, or contain fixed escalation clauses. Our outpatient dialysis centers range in size from approximately 1,000 to 33,000 square feet, with an average size of approximately 7,800 square feet. Our international leases generally range from one to ten years.

Some of our outpatient dialysis centers are operating at or near capacity. However, we believe that we have adequate capacity within most of our existing dialysis centers to accommodate additional patient volume through increased hours and/or days of operation, or, if additional space is available within an existing facility, by adding dialysis stations. We can usually relocate existing centers to larger facilities or open new centers if existing centers reach capacity. With respect to relocating centers or building new centers, we believe that we can generally lease space at economically reasonable rates in the areas planned for each of these centers, although there can be no assurances in this regard. Expansion of existing centers or relocation of our dialysis centers is subject to review for compliance with conditions relating to participation in the Medicare ESRD program, among other things. In states that require a certificate of need or center license, additional approvals would generally be necessary for expansion or relocation.

Item 3. Legal Proceedings.

The information required by this Part I, Item 3 is incorporated herein by reference to the information set forth under the caption “Contingencies” in Note 16 to the consolidated financial statements included in this report.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is traded on the New York Stock Exchange under the symbol DVA. The closing price of our common stock on January 29, 2021 was \$117.37 per share. According to Computershare, our registrar and transfer agent, as of January 29, 2021, there were 7,594 holders of record of our common stock. This figure does not include the indeterminate number of beneficial holders whose shares are held of record by brokerage firms and clearing agencies.

Our initial public offering was in 1994, and we have not declared or paid cash dividends to holders of our common stock since going public. We have no current plans to pay cash dividends and there are certain limitations on our ability to pay dividends under the terms of our senior secured credit facilities. See “*Liquidity and capital resources*” under Item 7. “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and the notes to the consolidated financial statements.

Stock Repurchases

The following table summarizes our repurchases of our common stock during the fourth quarter of 2020:

| Period | Total number of shares purchased | Average price paid per share | Total number of shares purchased as part of publicly announced plans or programs | Approximate dollar value of shares that may yet be purchased under the plans or programs |
|--|----------------------------------|------------------------------|--|--|
| (dollars and shares in thousands, except per share data) | | | | |
| October 1-31, 2020 | 1,828 | \$ 87.96 | 1,828 | \$ 515,926 |
| November 1-30, 2020 | 1,149 | 105.54 | 1,149 | \$ 394,628 |
| December 1-31, 2020 | 1,216 | 111.91 | 1,216 | \$ 1,929,955 |
| Total | <u>4,193</u> | <u>\$ 99.73</u> | <u>4,193</u> | |

The following table summarizes our repurchases of our common stock during 2020:

| Period | Total number of shares purchased | Average price paid per share | Total number of shares purchased as part of publicly announced plans or programs | Approximate dollar value of shares that may yet be purchased under the plans or programs |
|--|----------------------------------|------------------------------|--|--|
| (dollars and shares in thousands, except per share data) | | | | |
| January 1 - March 31, 2020 | 4,052 | \$ 74.81 | 4,052 | \$ 1,400,356 |
| April 1 - June 30, 2020 | — | — | — | \$ 1,400,356 |
| July 1 - September 30, 2020 ⁽¹⁾ | 8,232 | 88.13 | 8,232 | \$ 676,709 |
| October 1 - December 31, 2020 | 4,193 | 99.73 | 4,193 | \$ 1,929,955 |
| Total | <u>16,477</u> | <u>\$ 87.80</u> | <u>16,477</u> | |

(1) The total number of shares purchased and the aggregate amount paid for shares repurchased include shares repurchased pursuant to our modified Dutch auction tender offer at a clearing price of \$88.00 per share plus related fees and expenses of \$2.5 million.

Effective as of the close of business on November 4, 2019, the Board terminated all remaining prior share repurchase authorizations available to us and approved a new share repurchase authorization of \$2.0 billion.

Effective on December 10, 2020, the Board terminated all remaining prior share repurchase authorizations available to us under the aforementioned November 4, 2019 authorization and approved a new share repurchase authorization of \$2.0 billion. We are authorized to make purchases from time to time in the open market or in privately negotiated transactions, including without limitation, through accelerated share repurchase transactions, derivative transactions, tender offers, Rule 10b5-1 plans or any combination of the foregoing, depending upon market conditions and other considerations.

As of February 10, 2021, we have a total of \$1.807 billion available under the current repurchase authorization for additional share repurchases. Although this share repurchase authorization does not have an expiration date, we remain subject to share repurchase limitations, including under the terms of our senior secured credit facilities.

Item 6. Selected Financial Data.

The following financial and operating data should be read in conjunction with Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements filed as part of this report. The following table presents selected consolidated financial and operating data for the periods indicated:

| | Year ended December 31, | | | | |
|---|--|---------------|---------------|---------------|---------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| | (dollars and shares in thousands, except per share data) | | | | |
| Income statement data: | | | | | |
| Total revenues ⁽¹⁾ | \$ 11,550,604 | \$ 11,388,479 | \$ 11,404,851 | \$ 10,876,634 | \$ 10,707,467 |
| Operating expenses and charges ⁽²⁾ | 9,855,968 | 9,745,162 | 9,879,027 | 9,063,879 | 8,677,757 |
| Operating income | 1,694,636 | 1,643,317 | 1,525,824 | 1,812,755 | 2,029,710 |
| Debt expense | (304,111) | (443,824) | (487,435) | (430,634) | (414,116) |
| Debt prepayment, refinancing and redemption charges | (89,022) | (33,402) | — | — | — |
| Other income, net | 16,759 | 29,348 | 10,089 | 17,665 | 7,511 |
| Income from continuing operations before income taxes | 1,318,262 | 1,195,439 | 1,048,478 | 1,399,786 | 1,623,105 |
| Income tax expense ⁽³⁾ | 313,932 | 279,628 | 258,400 | 323,859 | 431,761 |
| Net income from continuing operations | 1,004,330 | 915,811 | 790,078 | 1,075,927 | 1,191,344 |
| Net (loss) income from discontinued operations, net of tax ⁽⁴⁾ | (9,653) | 105,483 | (457,038) | (245,372) | (158,262) |
| Net income | 994,677 | 1,021,294 | 333,040 | 830,555 | 1,033,082 |
| Less: Net income attributable to noncontrolling interests | (221,035) | (210,313) | (173,646) | (166,937) | (153,208) |
| Net income attributable to DaVita Inc. | \$ 773,642 | \$ 810,981 | \$ 159,394 | \$ 663,618 | \$ 879,874 |
| Earnings per share attributable to DaVita Inc.: | | | | | |
| Basic income from continuing operations ⁽⁵⁾ | \$ 6.54 | \$ 4.61 | \$ 3.66 | \$ 4.78 | \$ 5.12 |
| Diluted income from continuing operations ⁽⁵⁾ | \$ 6.39 | \$ 4.60 | \$ 3.62 | \$ 4.71 | \$ 5.04 |
| Weighted average shares for earnings per share⁽⁵⁾: | | | | | |
| Basic shares | 119,797 | 153,181 | 170,786 | 188,626 | 201,641 |
| Diluted shares | 122,623 | 153,812 | 172,365 | 191,349 | 204,905 |
| Balance sheet data (as of period end): | | | | | |
| Working capital | \$ 672,581 | \$ 1,318,072 | \$ 3,532,998 | \$ 5,703,181 | \$ 1,283,784 |
| Total assets | \$ 16,988,516 | \$ 17,311,394 | \$ 19,110,252 | \$ 18,974,536 | \$ 18,755,776 |
| Long-term debt | \$ 7,917,263 | \$ 7,977,526 | \$ 8,172,847 | \$ 9,158,018 | \$ 8,944,676 |
| Total DaVita Inc. shareholders' equity ⁽⁵⁾ | \$ 1,383,566 | \$ 2,133,409 | \$ 3,703,442 | \$ 4,690,029 | \$ 4,648,047 |

- (1) On January 1, 2018, we adopted *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. See Notes 1 and 2 of the consolidated financial statements for further discussion of our adoption of Topic 606.
- (2) The following table summarizes losses (gains) on changes in ownership interest, net, accruals for legal matters, impairment charges, restructuring charges and gain on settlement included in operating expenses and charges:

| | Year ended December 31, | | | | |
|--|-------------------------|------------|-------------|--------------|--------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| | (dollars in thousands) | | | | |
| Certain operating expenses and charges: | | | | | |
| Loss (gain) on changes in ownership interests, net | \$ 16,252 | | \$ (51,888) | \$ (6,273) | \$ (374,374) |
| Accruals for legal matters | \$ 35,000 | | | | \$ 15,770 |
| Impairment charges | | \$ 124,892 | \$ 27,969 | \$ 336,223 | \$ 43,408 |
| Restructuring charges | | | \$ 11,366 | \$ 2,700 | |
| Gain on settlement | | | | \$ (529,504) | |

- (3) Tax expense for 2017 included a net tax benefit of \$251,510 related to U.S. tax legislation passed in December 2017.
- (4) On June 19, 2019, we completed the sale of our DMG business to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. Accordingly, DMG's results of operations are reported as net income (loss) from discontinued operations, net of

tax for all periods presented and its assets and liabilities were classified as held for sale for the periods reported prior to close of the transaction.

(5) The following table summarizes our common stock activity:

| | Year ended December 31, | | | | |
|---------------------|-----------------------------------|--------------|--------------|------------|--------------|
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| | (dollars and shares in thousands) | | | | |
| Share repurchases: | | | | | |
| Shares | 16,477 | 41,020 | 16,844 | 12,967 | 16,649 |
| Amounts paid | \$ 1,446,767 | \$ 2,402,475 | \$ 1,153,511 | \$ 810,949 | \$ 1,072,377 |
| Shares issued: | | | | | |
| Stock purchase plan | 222 | 315 | 398 | 360 | 438 |
| Stock award plans | 345 | 161 | 371 | 514 | 1,011 |

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-looking statements

This Annual Report on Form 10-K, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, contains statements that are forward-looking statements within the meaning of the federal securities laws and as such are intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. These forward-looking statements could include, among other things, DaVita's response to and the expected future impacts of the novel coronavirus (COVID-19), including statements about our balance sheet and liquidity, our expenses and expense offsets, revenues, billings and collections, potential need, ability or willingness to use any funds under government relief programs, availability or cost of supplies, treatment volumes, mix expectation, such as the percentage or number of patients under commercial insurance, the availability and administration of COVID-19 vaccines, and overall impact on our patients and teammates, as well as other statements regarding our future operations, financial condition and prospects, expenses, strategic initiatives, government and commercial payment rates, expectations related to value-based care and Medicare Advantage plan enrollment and our ongoing stock repurchase program. All statements in this report, other than statements of historical fact, are forward-looking statements. Without limiting the foregoing, statements including the words "expect," "intend," "will," "could," "plan," "anticipate," "believe," "forecast," "guidance," "outlook," "goals," and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on DaVita's current expectations and are based solely on information available as of the date of this report. DaVita undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of changed circumstances, new information, future events or otherwise, except as may be required by law. Actual future events and results could differ materially from any forward-looking statements due to numerous factors that involve substantial known and unknown risks and uncertainties. These risks and uncertainties include, among other things:

- the continuing impact of the dynamic and evolving COVID-19 pandemic, including, without limitation, on our patients, teammates, physician partners, suppliers, business, operations, reputation, financial condition and results of operations; the government's response to the COVID-19 pandemic; the availability, acceptance, impact and efficacy of COVID-19 treatments, therapies and vaccines; further spread or resurgence of the virus, including as a result of the emergence of new strains of the virus; the continuing impact of the pandemic on our revenue and non-acquired growth due to lower treatment volumes; the consequences of an extended economic downturn resulting from the impacts of COVID-19, such as a potential negative impact on our commercial mix, which may persist even after the pandemic subsides; and continuing COVID-19-related costs, such as costs to procure equipment and clinical supplies and higher salary and wage expense. The aforementioned risks and uncertainties may also have the effect of heightening many of the other risks and uncertainties discussed below;
- the concentration of profits generated by higher-paying commercial payor plans for which there is continued downward pressure on average realized payment rates, and a reduction in the number or percentage of our patients under such plans, including, without limitation, as a result of restrictions or prohibitions on the use and/or availability of charitable premium assistance, which may result in the loss of revenues or patients, or our making incorrect assumptions about how our patients will respond to any change in financial assistance from charitable organizations;
- noncompliance by us or our business associates with any privacy or security laws or any security breach by us or a third party involving the misappropriation, loss or other unauthorized use or disclosure of confidential information;
- the extent to which the ongoing implementation of healthcare reform, or changes in or new legislation, regulations or guidance, enforcement thereof or related litigation result in a reduction in coverage or reimbursement rates for our services, a reduction in the number of patients enrolled in higher-paying commercial plans or that are enrolled in or select Medicare Advantage plans or other material impacts to our business; or our making incorrect assumptions about how our patients will respond to any such developments;
- a reduction in government payment rates under the Medicare End Stage Renal Disease program or other government-based programs and the impact of the Medicare Advantage benchmark structure;
- risks arising from potential changes in laws, regulations or requirements applicable to us, such as potential and proposed federal and/or state legislation, regulation, ballot, executive action or other initiatives, including those related to healthcare and/or labor matters, such as AB 290 in California;
- the impact of the political environment and related developments on the current healthcare marketplace and on our business, including with respect to the future of the Affordable Care Act, the exchanges and many other core aspects

of the current healthcare marketplace, as well as the composition of the U.S. Supreme Court and the new presidential administration and congressional majority;

- our ability to successfully implement our strategies with respect to home-based dialysis, value-based care and/or integrated kidney care, including maintaining our existing business and further developing our capabilities in a complex and highly regulated environment;*
- changes in pharmaceutical practice patterns, reimbursement and payment policies and processes, or pharmaceutical pricing, including with respect to hypoxia inducible factors;*
- legal and compliance risks, such as our continued compliance with complex government regulations;*
- continued increased competition from dialysis providers and others, and other potential marketplace changes;*
- our ability to maintain contracts with physician medical directors, changing affiliation models for physicians, and the emergence of new models of care introduced by the government or private sector that may erode our patient base and reimbursement rates, such as accountable care organizations, independent practice associations and integrated delivery systems;*
- our ability to complete acquisitions, mergers or dispositions that we might announce or be considering, on terms favorable to us or at all, or to integrate and successfully operate any business we may acquire or have acquired, or to successfully expand our operations and services in markets outside the United States, or to businesses outside of dialysis;*
- the variability of our cash flows, including without limitation any extended billing or collections cycles; the risk that we may not be able to generate or access sufficient cash in the future to service our indebtedness or to fund our other liquidity needs; and the risk that we may not be able to refinance our indebtedness as it becomes due, on terms favorable to us or at all;*
- factors that may impact our ability to repurchase stock under our stock repurchase program and the timing of any such stock repurchases, as well as our use of a considerable amount of available funds to repurchase stock;*
- risks arising from the use of accounting estimates, judgments and interpretations in our financial statements;*
- impairment of our goodwill, investments or other assets; and*
- uncertainties associated with the other risk factors set forth in Part I, Item 1A. of this Annual Report on Form 10-K, and the other risks and uncertainties discussed in any subsequent reports that we file or furnish with the SEC from time to time.*

The following should be read in conjunction with our consolidated financial statements.

Company overview

Our principal business is to provide dialysis and related lab services to patients in the United States, which we refer to as our U.S. dialysis business. We also operate various ancillary services and strategic initiatives including our international operations, which we collectively refer to as our ancillary services, as well as our corporate administrative support. Our U.S. dialysis business is a leading provider of kidney dialysis services in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD) or end stage kidney disease (ESKD).

On June 19, 2019, we completed the sale of our DaVita Medical Group (DMG) business to Collaborative Care Holdings, LLC, a subsidiary of UnitedHealth Group Inc. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented and DMG is not included below in this Management's Discussion and Analysis.

Notwithstanding the challenges of responding to the novel coronavirus pandemic (COVID-19), our year-over-year overall financial performance in 2020 benefited from increased revenue, which was primarily due to higher average revenue per treatment in our U.S. dialysis business as well as acquired growth in our international business. This was partially offset by increases in labor costs (both operating and overhead), lower margin on calcimimetics, increases in advocacy costs, and increased costs driven by the emergence of COVID-19, including increased costs related to compensation and medical supplies.

Drivers of our financial performance in 2020 included the following:

- improved key clinical outcomes in our U.S. dialysis business, including our recognition as an industry leader for the eighth consecutive year in CMS' Quality Incentive Program and for the last seven years under the CMS Five-Star Quality Rating system;
- revenue growth of 0.9% in U.S. dialysis, 5.3% in U.S. ancillary services, and 11.0% in international operations;
- a net increase of 63 U.S. and 62 international dialysis centers, including entering a new country, the United Kingdom;
- operating cash flows of \$1.979 billion from continuing operations;
- repurchase of 16,477,378 shares of our common stock for aggregate consideration of \$1.447 billion, and reduction of our share count by 12.6% year-over-year;
- refinancing transactions, including the redemption of our 5.125% and 5.0% senior notes, the issuance of our new 4.625% and 3.75% senior notes and the repricing of our Term Loan B-1 resulting in lower debt expense; and
- impact of COVID-19 as further discussed in Part I. Item 1 "*Business*" and under the heading "*COVID-19 and its impact on our business*" below.

In 2021, we expect that COVID-19 will continue to impact our business and financial performance, as described in further detail below, though the magnitude of these impacts remains difficult to predict and subject to significant uncertainty due to a number of factors, including, among others, the severity and duration of the pandemic; further spread or resurgence of the virus, including as a result of the emergence of new strains of the virus; its impact on the CKD patient population and our patient population; the availability, acceptance, impact and efficacy of COVID-19 treatments, therapies and vaccines; the pandemics' continuing impact on the U.S. and global economies and unemployment; the responses of our competitors to the pandemic and related changes in the marketplace; and the timing, scope and effectiveness of federal, state and local government responses. The continued impacts and disruptions to our business as a result of the COVID-19 pandemic could have a material adverse impact on our patients, teammates, physician partners, suppliers, business, operations, reputation, financial condition, results of operations, cash flows and/or liquidity. On treatment volume, we continue to face pressure primarily driven by the impact of COVID-19 on mortality rates for dialysis patients. This pressure is also influenced by slowing industry growth and competitive activity. On reimbursement rate, we expect modest growth in aggregate, primarily due to the expected net market basket update for Medicare treatments as well as an increase in Medicare Advantage enrollment due to the 21st Century Cures Act, partially offset by the scheduled resumption of Medicare sequestration in 2021. On cost, we continue to expect inflationary pressure on wage rates and other costs, partially offset by continued savings on pharmaceutical costs. We expect to incur significantly less advocacy costs in 2021 than we experienced in 2020. We also expect to continue making investments to expand our ability to offer home-based dialysis service options and further advance our integrated care and value-based care initiatives in 2021. Finally, the timing and scope of any potential changes to the regulatory landscape remain uncertain, particularly in light of the ongoing COVID-19 pandemic and the incoming new federal administration, and as such, considerable uncertainty exists surrounding the continued development of the various governmental laws, regulations and other requirements that impact our business.

The discussion below includes analysis of our financial condition and results of operations for the years ended December 31, 2020 compared to December 31, 2019. Our Annual Report on Form 10-K for the year ended December 31, 2019, includes a discussion and analysis of our financial condition and results of operations for the year ended December 31, 2018, in its Part II Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

References to the "Notes" in the discussion below refer to the notes to the Company's consolidated financial statements included in this Annual Report on Form 10-K at Item 15, "*Exhibits, Financial Statement Schedules*" as referred from Part II Item 8, "*Financial Statements and Supplementary Data*."

COVID-19 and its impact on our business

As noted above and described in further detail in Part I Item 1, "*Business*," we continue to closely monitor the impact on our business of the pandemic and the resulting economic environment, including the impact on our patients, teammates, physician partners, suppliers, vendors and business partners. We have dedicated and continue to dedicate substantial resources in response to COVID-19, to help safely maintain continuity of care for our patients throughout this crisis, whether in the hospital, outpatient or home setting, and to help protect our caregivers. Our COVID-19 response has included, among other things, the implementation of additional protocols and operational initiatives related to infection control and clinical best practices, redistribution of resources across geographies and increased investment in and utilization of telehealth capabilities. We also have maintained business process continuity during the pandemic by enabling most back office teammates to work remotely and implemented guidance early in the pandemic to help mitigate health and safety risks to our teammates imposed by COVID-19. Our response protocol generally has allowed us to maintain continuity of care for our patients and we carefully monitor the efficacy of these protocols and their impact on our operations and strategic initiatives as the pandemic continues.

Due in part to the protocols and initiatives described above, we incurred significant costs related to COVID-19 in 2020, and we expect to continue to incur extended and significant additional costs in connection with our response to COVID-19. For example, we have had, and expect to continue to have, increased costs associated with a high demand for our skilled clinical personnel. Additionally, the steps we have taken designed to help safely maintain continuity of care for our patients and help protect our caregivers, such as our policies to implement dedicated care shifts for patients with confirmed or suspected COVID-19 and other enhanced clinical practices, have increased, and are expected to continue to increase, our expenses and use of personal protective equipment (PPE). Our response to COVID-19 also has resulted in higher salary and wage expense, and we have provided, and may provide in the future, substantial financial support associated with relief reimbursement to our teammates. Furthermore, the effort and cost needed to procure certain of our equipment and clinical supplies, including PPE, have increased, and we expect that these increased costs will continue while the pandemic persists. However, our COVID-19 response reduced certain other expenses in 2020, such as those related to teammate travel, though it remains uncertain how much of these reductions, if any, will persist after the pandemic subsides.

We have experienced and expect to continue to experience a negative impact on revenue and non-acquired growth from COVID-19 due to lower treatment volumes, including from the negative impact on our patient census that is the result of changes in rates of mortality. Because ESRD patients may be older and generally have comorbidities, several of which are risk factors for COVID-19, we believe the mortality rate of infected patients is, and will continue to be, higher in the dialysis population than in the general population, and COVID-19 also could impact the CKD population differently. Over the longer term, we believe that changes in mortality in both the CKD and ESRD populations due to COVID-19 will depend primarily on the infection rate, case fatality rate, the age and health status of affected patients, the access to and efficacy of vaccinations as well as willingness to be vaccinated. We expect that these changes are likely to continue to negatively impact our revenue and non-acquired growth even as the pandemic subsides. However, determining the extent to which these impacts should be directly attributable to COVID-19 is difficult due to testing and reporting limitations, and other factors that may drive treatment volumes and new admissions over time, such as the number of transplants or deferred admissions. The magnitude of these cumulative impacts has been substantial, and depending on the ultimate severity and duration of the pandemic, could be material.

In addition, the COVID-19 pandemic and efforts to contain the virus have led to global economic deterioration and rapid and sharp increases in unemployment levels, which ultimately could result in a materially reduced share of our patients being covered by commercial insurance plans, with more patients being covered by lower-paying government insurance programs or being uninsured. These effects may persist after the pandemic subsides as, among other things, our patients could experience permanent changes in their insurance coverage as a result of changes to their employment status. In the event such a material reduction occurs in the share of our patients covered by commercial insurance plans, it would have a material adverse impact on our business, results of operations, financial condition and cash flows. The extent of these effects will be dependent upon, among other things, the extent and duration of the increased unemployment levels for our patient population, economic deterioration and potential recession; the timing and scope of federal, state and local governmental responses to the ongoing pandemic; and patients' ability to retain existing insurance and their individual choices with respect to their coverage. Despite

the broader economic conditions in the U.S. in 2020, our commercial mix in 2020 was relatively flat as compared to our commercial mix in 2019, which we believe was largely due to the fact that older, higher-risk patients who tend to disproportionately have government health insurance coverage, have been more adversely impacted by COVID-19 to date, but the ultimate impact of COVID-19 on our commercial mix will depend on future developments that are highly uncertain and difficult to predict.

The government response to COVID-19 has been wide-ranging and will continue to develop over time, particularly in light of the new federal administration. As a result, we may not be able to accurately predict the nature, timing or extent of the impact of such changes on the markets in which we conduct business or on the other participants that operate in those markets, or any potential changes to the extensive set of federal, state and local laws, regulations and requirements that govern our business. We have worked with certain government agencies to respond to the COVID-19 pandemic, and in certain cases have sought waivers of regulatory requirements. We also are working to help make COVID-19 vaccines available to our patients and teammates, including through coordination with state and federal governments on direct vaccine distribution so that we can administer vaccines to our patients and teammates. These vaccines are currently available under emergency use authorizations, and there can be no assurance that our patients and caregivers will choose to receive a COVID-19 vaccine or that the vaccines will prove to be as safe and effective as currently understood by the scientific community. In addition, we may encounter difficulties with the availability and storage of the vaccines, or experience other complications related to administering the vaccines, some of which have multiple dose requirements. We operate in a complex and highly regulated environment, and the novel nature of our COVID-19 response, including, for example, with respect to regulatory waivers and our administration of the newly developed COVID-19 vaccines, may increase our exposure to legal, regulatory and clinical risks.

Furthermore, a significant initial part of the federal government response to the COVID-19 pandemic was the Coronavirus Aid, Relief, and Economic Security (CARES) Act, a \$2 trillion economic stimulus package that was signed into law on March 27, 2020. The CARES Act included a provision that suspended the 2% Medicare sequestration from May 1, 2020 through December 31, 2020, and in the year ended December 31, 2020 our revenues increased due to this suspension as further described below. The Consolidated Appropriations Act 2021, signed into law on December 27, 2020, extended the suspension of the 2% Medicare sequestration until March 31, 2021. While in effect, this legislation has increased, and will continue to increase our revenues. In addition, the CARES Act authorized \$100 billion in funding to be distributed to healthcare providers through the federal Public Health and Social Services Emergency Fund (Provider Relief Fund). While we declined approximately \$250 million of government funding received in the second quarter of 2020 from the Provider Relief Fund, certain of our competitors accepted such funds. There can be no assurance that financial or other assistance will be available from the government if we have a need for such assistance in the future.

We believe the ultimate impact of this public health crisis on the Company will depend on future developments that are highly uncertain and difficult to predict, including among other things the severity and duration of the pandemic; further spread or resurgence of the virus including as a result of the emergence of new strains of the virus; its impact on the CKD patient population and our patient population; the availability, acceptance, impact and efficacy of COVID-19 treatments, therapies and vaccines; the pandemic's continuing impact on the U.S. and global economies and unemployment; the responses of our competitors to the pandemic and related changes in the marketplace; and the timing, scope and effectiveness of federal, state and local governmental responses. At this time, we cannot reasonably estimate the ultimate impact the COVID-19 pandemic will have on us, but the adverse impact could be material.

For additional discussion of the COVID-19 pandemic and our response, including its impact on us and related risks and uncertainties, please see the discussion in Part I Item 1 "Business" under the headings, "COVID-19 and its impact on our business" and "Human Capital Management", as well as the risk factor in Part I Item 1A. Risk Factors under the heading "*We face various risks related to the dynamic and evolving novel coronavirus pandemic, any of which may have a material adverse impact on us.*"

Consolidated results of operations

The following table summarizes our revenues, operating income and adjusted operating income by line of business. See the discussion of our results for each line of business following this table:

| | Year ended December 31, | | Annual change | |
|--|-------------------------|------------------|----------------|---------------|
| | 2020 | 2019 | Amount | Percent |
| (dollars in millions) | | | | |
| Revenues: | | | | |
| U.S. dialysis | \$ 10,660 | \$ 10,563 | \$ 97 | 0.9 % |
| Other - ancillary services | 1,053 | 972 | 81 | 8.3 % |
| Elimination of intersegment revenues | (162) | (146) | (16) | (11.0)% |
| Total consolidated revenues | \$ 11,551 | \$ 11,388 | \$ 162 | 1.4 % |
| Operating income (loss): | | | | |
| U.S. dialysis | \$ 1,918 | \$ 1,925 | \$ (7) | (0.4)% |
| Other - Ancillary services | (76) | (189) | 113 | 59.8 % |
| Corporate administrative support | (147) | (92) | (54) | (58.7)% |
| Operating income | \$ 1,695 | \$ 1,643 | \$ 51 | 3.1 % |
| Adjusted operating income (loss):⁽¹⁾ | | | | |
| U.S. dialysis | \$ 1,918 | \$ 1,925 | \$ (7) | (0.4)% |
| Other - Ancillary services | (60) | (64) | 4 | 6.3 % |
| Corporate administrative support | (112) | (92) | (19) | (20.7)% |
| Adjusted operating income | \$ 1,746 | \$ 1,768 | \$ (22) | (1.2)% |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

(1) For a reconciliation of adjusted operating income (loss) by reportable segment, see the "Reconciliations of non-GAAP measures" section below.

U.S. dialysis business

Our U.S. dialysis business is a leading provider of kidney dialysis services, operating 2,816 outpatient dialysis centers and serving a total of approximately 204,200 patients. We also provide hospital inpatient dialysis services in approximately 900 hospitals. We estimate that we have approximately a 36% share of the U.S. dialysis market based upon the number of patients we serve.

Approximately 91% of our 2020 consolidated revenues were derived directly from our U.S. dialysis business. The principal drivers of our U.S. dialysis revenues include :

- our number of treatments, which is primarily a function of the number of chronic patients requiring approximately three in-center treatments per week as well as, to a lesser extent, the number of treatments for home-based dialysis and hospital inpatient dialysis; and
- our average dialysis patient service revenue per treatment, including the mix of patients with commercial plans and government programs as primary payor.

Within our U.S. dialysis business, our home-based dialysis and hospital inpatient dialysis services are operationally integrated with our outpatient dialysis centers and related laboratory services. Our outpatient, home-based, and hospital inpatient dialysis services comprise approximately 77%, 17% and 6% of our U.S. dialysis revenues, respectively.

In the U.S., government dialysis-related payment rates are principally determined by federal Medicare and state Medicaid policy. For 2020, approximately 68% of our total U.S. dialysis patient services revenues were generated from government-based programs for services to approximately 90% of our total U.S. patients. These government-based programs are principally Medicare and Medicare Advantage, Medicaid and managed Medicaid plans, and other government plans, representing approximately 57%, 7% and 4% of our U.S. dialysis patient services revenues, respectively.

Dialysis payment rates from commercial payors vary and a major portion of our commercial rates are set at contracted amounts with payors and are subject to intense negotiation pressure. On average, dialysis-related payment rates from contracted commercial payors are significantly higher than Medicare, Medicaid and other government program payment rates, and therefore the percentage of commercial patients in relation to total patients represents a significant driver of our total average dialysis patient service revenue per treatment. Commercial payors (including hospital dialysis services) represent approximately 32% of U.S. dialysis patient services revenues.

For discussion of government reimbursement, the Medicare ESRD bundled payment system, Medicare Advantage and commercial reimbursement, see the discussion in Part I. Item 1. Business under the heading “U.S. dialysis business – Sources of revenue-concentrations and risks.” For a discussion of operational, clinical and financial risks and uncertainties that we face in connection with the Medicare ESRD bundled payment system, see the risk factor in Part I. Item 1A. Risk Factors under the heading “Our business is subject to a complex set of governmental laws, regulations and other requirements and any failure to adhere to those requirements, or any changes in those requirements, could have a material adverse effect on our business, results of operations, financial condition and cash flows, could materially harm our stock price, and in some circumstances, could materially harm our reputation” For a discussion of operational, clinical and financial risks and uncertainties that we face in connection with commercial payors, see the risk factors in Item 1A. Risk Factors under the headings “We continuously have ongoing negotiations with commercial payors, and if the average rates that commercial payors pay us decline significantly, if patients in commercial plans are subject to restriction in plan designs or if we are unable to maintain contracts with payors with competitive terms, including, without limitation, reimbursement rates, scope and duration of coverage and in-network benefits, it would have a material adverse effect on our business, results of operations, financial condition and cash flows”; and “If the number of patients with higher-paying commercial insurance declines, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.”

Effective January 1, 2018, both oral and intravenous forms of calcimimetics became the financial responsibility of our U.S. dialysis business for our Medicare patients and are reimbursed under Medicare Part B. Since the effective date through December 31, 2020, the oral and intravenous forms of calcimimetics were separately reimbursed through a transitional drug add-on payment adjustment (TDAPA) and not as part of the ESRD PPS bundled payment. These separate reimbursement payments for calcimimetics were subject to change on an annual basis. During the initial TDAPA period, Medicare payments were based on a pass-through rate of the average sales price plus approximately 6% before sequestration (or 4% adjusted for sequestration), and in 2020 they were based on a pass-through rate of the average sales price plus 0%, before sequestration. As expected, as of January 1, 2021, calcimimetics was added to the ESRD PPS bundled payment. We therefore expect our operating income from calcimimetics to be more stable in the future as compared to the past three years under the TDAPA model.

Approximately 4% and 6% of our total U.S. dialysis patient services revenues for the years 2020 and 2019, respectively, are associated with the administration of separately-billable physician-prescribed pharmaceuticals, of which approximately 3% and 4% relate to the administration of calcimimetics, respectively.

We anticipate that we will continue to experience increases in our operating costs in 2021 that may outpace any net Medicare rate increases that we may receive, which could significantly impact our operating results. In particular, we expect to continue experiencing increases in operating costs that are subject to inflation, such as labor and supply costs, including increases in maintenance costs, regardless of whether there is a compensating inflation-based increase in Medicare payment rates or in payments under the ESRD bundled payment rate system. We also continue to expect to incur additional COVID-19-related costs while the pandemic continues. In addition, we expect to continue to incur capital expenditures to improve, renovate and maintain our facilities, equipment and information technology to meet evolving regulatory requirements and otherwise.

U.S. dialysis patient care costs are those costs directly associated with operating and supporting our dialysis centers, home-based dialysis programs and hospital inpatient dialysis programs, and consist principally of labor, benefits, pharmaceuticals, medical supplies and other operating costs of the dialysis centers.

The principal drivers of our U.S. dialysis patient care costs include:

- clinical hours per treatment, labor rates and benefit costs;
- vendor pricing and utilization levels of pharmaceuticals;
- business infrastructure costs, which include the operating costs of our dialysis centers; and
- certain professional fees.

Other cost categories that can present significant variability include employee benefit costs, insurance costs and medical supply costs. In addition, proposed ballot initiatives or referendums, legislation, regulations or policy changes could cause us to incur substantial costs to prepare for, or implement changes required. Any such changes could result in, among other things, increases in our labor costs or limitations on the amount of revenue that we can retain. For additional information on risks associated with potential and proposed ballot initiatives, referendums, legislation, regulations or policy changes, see the risk factor in Item 1A. Risk Factors under the heading, "Changes in federal and state healthcare legislation or regulations could have a material adverse effect on our business, results of operations, financial condition and cash flows."

Our average clinical hours per treatment decreased in 2020 compared to 2019. We are always striving for improved productivity levels, however, changes in things such as federal and state policies or regulatory billing requirements can lead to increased labor costs. In 2020, the demand for skilled clinical personnel increased due to the demand of the pandemic on these resources, intensifying these competitive pressures; however, we managed to increase our overall clinical teammate retention in 2020. In 2020 and 2019, we experienced an increase in our clinical labor rates of approximately 3.0% and 2.0%, respectively, consistent with general industry trends. We also continue to experience increases in the infrastructure and operating costs of our dialysis centers, primarily due to the number of new dialysis centers opened, and general increases in rent, utilities and repairs and maintenance. In 2020, we continued to implement certain cost control initiatives to help manage our overall operating costs, including labor productivity, and we expect to continue these initiatives in 2021.

Our U.S. dialysis general and administrative expenses represented 9.0% and 8.1% of our U.S. dialysis revenues in 2020 and 2019, respectively. Increases in general and administrative expenses over the last several years were primarily related to strengthening our dialysis business and related compliance and operational processes, responding to certain legal and compliance matters, professional fees associated with enhancing our information technology systems and more recent advocacy costs in 2020 related to countering union policy efforts. We expect that these levels of general and administrative expenses will be impacted by lower advocacy costs in 2021 compared to 2020, offset by continued investment in developing our capabilities and executing on our strategic priorities, among other things.

U.S. dialysis results of operations

Revenues:

| | Year ended December 31, | | Annual change | |
|---|-------------------------|------------|---------------|---------|
| | 2020 | 2019 | Amount | Percent |
| (dollars in millions, except per treatment data) | | | | |
| Total revenues | \$ 10,660 | \$ 10,563 | \$ 97 | 0.9 % |
| Dialysis treatments | 30,314,619 | 30,172,699 | 141,920 | 0.5 % |
| Average treatments per day | 96,667 | 96,398 | 269 | 0.3 % |
| Treatment days | 313.6 | 313.0 | 0.6 | 0.2 % |
| Average patient service revenue per treatment | \$ 350.31 | \$ 349.02 | \$ 1.29 | 0.4 % |
| Normalized non-acquired treatment growth ⁽¹⁾ | 1.0% | 2.2% | | (1.2)% |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

- (1) Normalized non-acquired treatment growth reflects year over year growth in treatment volume, adjusted to exclude acquisitions and other similar transactions, and further adjusted to normalize for the number and mix of treatment days in a given period versus the prior period.

U.S. dialysis revenues in 2020 increased primarily due to an increase in dialysis treatments and an increase in our average patient service revenue per treatment. The increase in our U.S. dialysis treatments was driven by approximately one additional treatment day in 2020 compared to 2019 and an increase in acquired and non-acquired treatments, partially offset by the deconsolidation of two dialysis partnerships, as described below under the heading "Equity investment income". Treatments were negatively impacted by higher mortality than experienced historically as well as a decline in new admissions. We believe the increased mortality rate is largely attributable to the impact of COVID-19 on our patient population. Our U.S. dialysis revenues were positively impacted by an increase in our average patient service revenue per treatment driven by favorable changes in government rate, including an increase in Medicare rates due to a base rate increase in 2020 and the temporary suspension of Medicare sequestration as well as an increase in hospital inpatient dialysis services revenue per treatment, partially offset by a decline in calcimimetics reimbursement.

Operating expenses and charges:

| | Year ended December 31, | | Annual change | |
|---|--|-----------|---------------|---------|
| | 2020 | 2019 | Amount | Percent |
| | (dollars in millions, except per treatment data) | | | |
| Patient care costs | \$ 7,222 | \$ 7,219 | \$ 3 | — % |
| General and administrative ⁽¹⁾ | 958 | 857 | 101 | 11.8 % |
| Depreciation and amortization | 595 | 583 | 11 | 1.9 % |
| Equity investment income | (33) | (22) | (11) | (50.0)% |
| Total operating expenses and charges | \$ 8,742 | \$ 8,638 | \$ 104 | 1.2 % |
| Patient care costs per treatment | \$ 238.24 | \$ 239.27 | \$ (1.03) | (0.4)% |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

- (1) General and administrative expenses for the year ended December 31, 2020 included advocacy costs of approximately \$67 million incurred to counter union policy efforts, including a California ballot initiative.

Patient care costs. U.S. dialysis patient care costs are those costs directly associated with operating and supporting our dialysis centers and consist principally of compensation expenses including labor and benefits, pharmaceuticals, medical supplies and other operating costs of the dialysis centers.

U.S. dialysis patient care costs per treatment decreased primarily due to decreases in pharmaceutical unit costs, as well as decreased travel expenses due to COVID-19. These decreases were partially offset by an increase in labor costs and COVID-19-related costs, including compensation, medical supplies and teammate relief reimbursement and benefit program expenses.

General and administrative expenses. U.S. dialysis general and administrative expenses in 2020 increased primarily due to an increase in advocacy costs incurred to counter union policy efforts, including those related to a California ballot initiative. These increases were also driven by contributions to our charitable foundation, labor costs and COVID-19-related costs, including compensation expenses. These increases were partially offset by a decrease in travel expenses due to COVID-19 and a decrease in long-term incentive compensation expense.

Depreciation and amortization. Depreciation and amortization expense is directly impacted by the number of dialysis centers we develop and acquire. U.S. dialysis depreciation and amortization expense increased primarily due to growth in the number of dialysis centers we operate.

Equity investment income. U.S. dialysis equity investment income increased primarily due to the deconsolidation of two of our near 50%-owned dialysis partnerships at year-end 2019, based on a reassessment of relative rights and powers over these partnerships. Our portion of these partnerships' earnings are now recognized in equity investment income.

Operating income and adjusted operating income

| | Year ended December 31, | | Annual change | |
|--|-------------------------|----------|---------------|---------|
| | 2020 | 2019 | Amount | Percent |
| | (dollars in millions) | | | |
| Operating income | \$ 1,918 | \$ 1,925 | \$ (7) | (0.4)% |
| Adjusted operating income ⁽¹⁾ | \$ 1,918 | \$ 1,925 | \$ (7) | (0.4)% |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

- (1) For a reconciliation of adjusted operating income by reportable segment, see the "Reconciliations of non-GAAP measures" section below.

U.S. dialysis operating income and adjusted operating income in 2020 decreased compared to 2019 primarily due to a decrease in calcimimetics margin, increases in labor costs, advocacy costs and charitable contributions; and an increase in COVID-19-related expenses, including compensation, medical supplies, and reimbursement and benefit program expenses, as described above. These decreases to operating income were partially offset by volume growth from approximately one additional treatment day in the year and an increase in our average dialysis patient service revenue per treatment, as described above, as well as decreases in pharmaceutical unit costs, travel expenses and long-term incentive compensation expense.

Other - Ancillary services

Our other operations include ancillary services that are primarily aligned with our core business of providing dialysis services to our network of patients. As of December 31, 2020, these consisted primarily of integrated care (DaVita IKC), ESRD seamless care organizations (ESCOs), clinical research programs (DaVita Clinical Research), and physician services, as well as our international operations. These ancillary services, including our international operations, generated revenues of approximately \$1.053 billion in 2020, representing approximately 9% of our consolidated revenues. As further described in the risk factor in Item 1A. Risk Factors under the heading, "Our ancillary services and strategic initiatives, including, without limitation, our international operations, that we operate or invest in now or in the future may generate losses and may ultimately be unsuccessful. In the event that one or more of these activities is unsuccessful, our business, results of operations, financial condition and cash flows may be negatively impacted and we may have to write off our investment and incur other exit costs," if any of our ancillary services or strategic initiatives, such as our international operations, are unsuccessful, it could have a negative impact on our business, results of operations, financial condition and cash flows, and we may determine to exit that line of business, which could result in significant termination costs. In addition, we have in the past and may in the future incur material write-offs or impairments of our investments, including goodwill, in one or more of these ancillary services.

We expect to add additional service offerings to our business and pursue additional strategic initiatives in the future as circumstances warrant, which could include, among other things, healthcare services not related to dialysis.

As of December 31, 2020, our international dialysis operations provided dialysis and administrative services through a total of 321 outpatient dialysis centers located in ten countries outside of the U.S. For 2020, total revenues generated from our international operations were approximately 5% of our consolidated revenues.

Ancillary services results of operations

| | Year ended December 31, | | Annual change | |
|--|-------------------------|----------|---------------|-----------|
| | 2020 | 2019 | Amount | Percent |
| (dollars in millions) | | | | |
| Revenues: | | | | |
| U.S. ancillary | \$ 489 | \$ 464 | \$ 25 | 5.4 % |
| International | 564 | 508 | 56 | 11.0 % |
| Total ancillary services revenues | \$ 1,053 | \$ 972 | \$ 81 | 8.3 % |
| Operating (loss) income: | | | | |
| U.S. ancillary | \$ (99) | \$ (66) | \$ (33) | (50.0)% |
| International ⁽¹⁾ | 23 | (123) | 146 | 118.7 % |
| Total ancillary services loss | \$ (76) | \$ (189) | \$ 113 | 59.8 % |
| Adjusted operating (loss) income⁽²⁾: | | | | |
| U.S. ancillary | \$ (83) | \$ (66) | \$ (17) | (25.8)% |
| International ⁽¹⁾ | 23 | 2 | 21 | 1,050.0 % |
| Total adjusted operating loss: | \$ (60) | \$ (64) | \$ 4 | 6.3 % |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

- (1) The reported operating income (loss) and adjusted operating income for the years ended December 31, 2020 and December 31, 2019, include approximately \$3 million and \$2 million, respectively, of foreign currency losses.
- (2) For a reconciliation of adjusted operating (loss) income by reportable segment, see the "Reconciliations of non-GAAP measures" section below.

Revenues:

Our U.S. ancillary services revenues in 2020 increased due to an increase in revenues at our integrated care business, primarily due to revenue increases in our special needs plans, as well as an increase in revenues in our ESCO and physician services businesses. These increases were partially offset by a decrease in revenue in our clinical research programs, as well as due to the sale of Lifeline, as described below. Our international revenues increased primarily as a result of acquired treatment growth as we continue to expand our international business.

Charges impacting operating income:

Loss on changes in ownership interests, net. We sold 100% of the stock of Lifeline, our vascular access business, effective May 1, 2020 and recognized a loss of approximately \$16 million on this transaction.

Goodwill impairment charges. During 2019, we recognized goodwill impairment charges of \$125 million in our international reporting units. See further discussion of these impairment charges and our reporting units that remain at risk of goodwill impairment in Note 10 to the consolidated financial statements.

Operating loss and adjusted operating loss:

Our U.S. ancillary services operating loss in 2020 was negatively impacted by the loss on sale of Lifeline, as described above, and both U.S. ancillary operating loss and adjusted operating loss were negatively impacted by an increase in medical costs due to COVID-19 in our integrated care business and a decrease in revenue in our clinical research programs, partially offset by increases in revenues in our integrated care and ESCO businesses. International operating results and adjusted operating results increased in 2020 compared to 2019. International operating results in 2019 were negatively impacted by goodwill impairment charges, as described above, and both international operating results and adjusted operating results benefited in 2020 primarily from acquisition-related growth and the reduction of certain other periodic expenses, partially offset by increased medical supplies costs and higher mortality due to COVID-19.

Corporate administrative support

Corporate administrative support consists primarily of labor, benefits and long-term incentive compensation expense, as well as professional fees for departments which provide support to all of our various operating lines of business. In 2020, corporate support also included an accrual for legal matters. Corporate administrative support expenses are included in general and administrative expenses on our consolidated income statement.

Accruals for legal matters. During 2020, we recorded a net charge for legal matters of \$35 million.

Corporate administrative support expenses increased \$54 million in 2020 primarily driven by accruals for legal matters, as described above. In addition, both corporate administrative support and adjusted corporate administrative support expenses increased in 2020 due to an increase in severance accruals recorded in the second quarter of 2020 associated with our senior executive leadership transition and an increase in long-term compensation expense.

Corporate-level charges

| | Year ended December 31, | | Annual change | |
|---|-------------------------|--------|---------------|---------|
| | 2020 | 2019 | Amount | Percent |
| | (dollars in millions) | | | |
| Debt expense | \$ 304 | \$ 444 | \$ (140) | (31.5)% |
| Debt prepayment, refinancing and redemption charges | \$ 89 | \$ 33 | \$ 56 | 169.7 % |
| Other income, net | \$ 17 | \$ 29 | \$ (13) | (44.8)% |
| Effective income tax rate | 23.8 % | 23.4 % | | 0.4 % |
| Effective income tax rate from continuing operations attributable to DaVita Inc. ⁽¹⁾ | 28.6 % | 28.3 % | | 0.3 % |
| Net income attributable to noncontrolling interests | \$ 221 | \$ 210 | \$ 11 | 5.2 % |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

(1) For a reconciliation of our effective income tax rate from continuing operations attributable to DaVita Inc., see the "Reconciliations of non-GAAP measures" section below.

Debt expense

Debt expense decreased primarily due to a decrease in our outstanding debt balances and a decrease in the overall weighted average effective interest rate on our debt in 2020. Our overall weighted average effective interest rate in 2020 was 3.59% compared to 5.01% in 2019. See Note 13 to the consolidated financial statements for further information on the components of our debt and changes in them since 2019.

Debt prepayment, refinancing and redemption charges

Debt prepayment, refinancing and redemption charges were \$89 million in 2020 as a result of the redemption in full of both our \$1.75 billion aggregate principal amount outstanding of 5.125% senior notes and our \$1.50 billion aggregate principal amount outstanding of 5.0% senior notes. These 2020 charges represented debt redemption premium charges and deferred financing cost write-offs associated with our prior senior note debt that was paid in full. These charges recognized in 2020 also included \$3 million of refinancing charges comprised partially of fees incurred on the repricing of our Term Loan B and partially of deferred financing costs written off for the portion of this debt considered extinguished and reborrowed. In 2019, we incurred debt prepayment, refinancing and redemption charges of \$33 million as a result of the repayment of all principal balances outstanding under our prior senior secured credit facilities and the redemption of our \$1.25 billion aggregate principal amount outstanding of 5.75% senior notes. See further discussion of our 2020 debt prepayment, refinancing and redemption charges in Note 13 to the consolidated financial statements.

Other income

Other income consists primarily of interest income on cash and cash equivalents and short- and long-term investments, realized and unrealized gains and losses recognized on investments, and foreign currency transaction gains and losses. Other income decreased in 2020 primarily due to a decrease in interest income on our holdings of cash and cash equivalents in 2020 and a decrease in foreign currency transaction gains.

Provision for income taxes

The effective income tax rate and effective income tax rate from continuing operations attributable to DaVita Inc. increased in 2020 primarily due to an increase in nondeductible advocacy costs and the impact of a discrete benefit included in the 2019 tax rate from a reduction in the blended state rate. This increase was partially offset by a reduction in accruals associated with uncertain tax positions in 2020.

Net income attributable to noncontrolling interests

The increase in income attributable to noncontrolling interests in 2020 compared to 2019 was due to improved earnings at certain U.S. dialysis partnerships, including, among other things, reimbursements we made to certain of our U.S. dialysis partnerships for certain COVID-19-related expenses, partially offset by the deconsolidation of two dialysis partnerships at year-end 2019.

Accounts receivable

Our consolidated accounts receivable balances at December 31, 2020 and December 31, 2019, were \$1.824 billion and \$1.796 billion, respectively, representing approximately 59 days and 58 days of revenue (DSO), respectively, net of allowances for uncollectible accounts. The increase in consolidated DSO was primarily due to an increase of one day of DSO in our U.S. dialysis business primarily due to held claims for COVID-19-related cohort arrangement billings as well as claims from centers impacted by hurricanes in the fourth quarter of 2020. Our DSO calculation is based on the current quarter's average revenues per day. There were no significant changes during 2020 from 2019 in the amount of unreserved accounts receivable over one year old or the amounts pending approval from third-party payors.

As of December 31, 2020 and 2019, our net patient services accounts receivable balances that are more than six months old represents approximately 17% and 18%, respectively of our total net accounts receivable balances outstanding. Substantially all revenue realized is from government and commercial payors, as discussed above. There were no significant unreserved balances over one year old. Less than 1% of our revenues are classified as patient pay.

Amounts pending approval from third-party payors associated with Medicare bad debt claims as of December 31, 2020 and 2019, other than the standard monthly billing, consisted of approximately \$154 million and \$138 million, respectively, and are classified as other receivables. A significant portion of our Medicare bad debt claims are typically paid to us before the Medicare fiscal intermediary audits the claims but are subject to subsequent adjustment based upon the actual results of those audits. Such audits typically occur one to four years after the claims are filed.

Liquidity and capital resources

The following table summarizes our major sources and uses of cash, cash equivalents and restricted cash:

| | Year ended December 31, | | Annual change | |
|---|-------------------------|---------------------|-------------------|-----------------|
| | 2020 | 2019 ⁽¹⁾ | Amount | Percent |
| (dollars in millions) | | | | |
| Net cash provided by operating activities: | | | | |
| Net income | \$ 995 | \$ 1,021 | \$ (27) | (2.6)% |
| Non-cash items in net income | 1,089 | 964 | 124 | 12.9 % |
| Other working capital changes | (78) | 111 | (190) | (171.2)% |
| Other | (26) | (24) | (1) | (4.2)% |
| | <u>\$ 1,979</u> | <u>\$ 2,072</u> | <u>\$ (93)</u> | <u>(4.5)%</u> |
| Net cash (used in) provided by investing activities: | | | | |
| Capital expenditures: | | | | |
| Routine maintenance/IT/other | \$ (399) | \$ (375) | \$ (24) | (6.4)% |
| Development and relocations | (275) | (391) | 116 | 29.7 % |
| Acquisition expenditures | (182) | (101) | (81) | (80.2)% |
| Proceeds from sale of self-developed properties | 93 | 58 | 36 | 62.1 % |
| DMG net sale proceeds received, net of DMG cash sold | (47) | 3,825 | (3,872) | (101.2)% |
| Other | (15) | (20) | 5 | 25.0 % |
| | <u>\$ (825)</u> | <u>\$ 2,995</u> | <u>\$ (3,821)</u> | <u>(127.6)%</u> |
| Net cash used in financing activities: | | | | |
| Debt (payments) issuances, net | \$ (64) | \$ (1,995) | \$ 1,931 | 96.8 % |
| Deferred financing and debt redemption costs | (106) | (85) | (21) | (24.7)% |
| Distributions to noncontrolling interests | (253) | (233) | (20) | (8.6)% |
| Contributions from noncontrolling interests | 43 | 57 | (14) | (24.6)% |
| Stock award exercises and other share issuances | (1) | 11 | (12) | (109.1)% |
| Share repurchases | (1,458) | (2,384) | 925 | 38.8 % |
| Other | (8) | (68) | 60 | 88.2 % |
| | <u>\$ (1,847)</u> | <u>\$ (4,696)</u> | <u>\$ 2,850</u> | <u>60.7 %</u> |
| Total number of shares repurchased | 16,477,378 | 41,020,232 | (24,542,854) | (59.8)% |
| Free cash flow from continuing operations ⁽²⁾ | \$ 1,188 | \$ 1,127 | \$ 61 | 5.4 % |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

(1) Represents consolidated cash flow activity, including cash flows related to discontinued operations.

(2) For a reconciliation of our free cash flow from continuing operations, see the "Reconciliations of Non-GAAP measures" section below.

Consolidated cash flows

Consolidated cash flows from operating activities for 2020 were \$1,979 million, all of which was from continuing operations, compared with consolidated operating cash flows for the same period in 2019 of \$2,072 million, of which \$1,973 million was from continuing operations. The increase in cash flow from continuing operations was primarily driven by a decrease in cash interest paid partially offset by COVID-19-related expenses in 2020, and increases in labor and advocacy costs, as well as an increase in DSO of approximately one day in 2020 compared to 2019.

Cash flows from investing activities in 2020 decreased \$3,821 million compared to 2019 primarily due to the net cash proceeds received from the DMG sale, which closed in June 2019, as well as an increase in acquisition expenditures partially offset by a decrease in capital expenditures. We developed 31 fewer centers and acquired 51 additional centers in 2020 compared to 2019. See below for additional information regarding the growth in our dialysis centers.

Cash flows from financing activities improved \$2,850 million in 2020 compared to 2019. Significant sources of cash during 2020 included issuances of \$1,500 million in aggregate principal amount of 3.75% senior notes due 2031 in August 2020 and \$1,750 million in aggregate principal amount of 4.625% senior notes due 2030 in June 2020, as well as a net draw of \$75 million on our revolving line of credit. Significant uses of cash during 2020 included the subsequent redemptions in full of \$1,500 million in aggregate principal amount of 5.0% senior notes due 2025 in August 2020 and \$1,750 million in aggregate principal amount of 5.125% senior notes due 2024 in July 2020. Other net payments during 2020 primarily consisted of regularly scheduled mandatory principal payments under our senior secured credit facilities totaling approximately \$55 million on Term Loan A and \$27 million on Term Loan B-1 and additional required principal payments under other debt arrangements. In addition, we incurred bond issuance costs of approximately \$38 million, debt redemption premium charges related to the redemption of our senior notes due in 2024 and 2025 of approximately \$67 million and costs of repricing our Term Loan B of approximately \$3 million. See further discussion in Note 13 to the consolidated financial statements related to debt financing activities. By comparison, in 2019 debt payments primarily consisted of principal prepayments totaling \$5,142 million on our term debt under our prior senior secured credit facility funded primarily by the net proceeds from the DMG sale and the redemption of all of our outstanding 5.75% senior notes due in 2022 for an aggregate cash payment consisting of principal and redemption premium of \$1,262 million, partially offset by funding of our term debt of \$4,500 million under our new senior credit facility. Cash flows used for share repurchases also decreased in 2020 as compared to 2019. See below for further information on our share repurchases.

Dialysis center capacity and growth

We are typically able to increase our capacity by extending hours at our existing dialysis centers, expanding our existing dialysis centers, relocating our dialysis centers, developing new dialysis centers and by acquiring dialysis centers. The development of a typical new outpatient dialysis center generally requires approximately \$2.4 million for leasehold improvements and other capital expenditures. Based on our experience, a new outpatient dialysis center typically opens within a year after the property lease is signed, normally achieves operating profitability in the second year after Medicare certification, and normally reaches maturity within three to five years. Acquiring an existing outpatient dialysis center requires a substantially greater initial investment, but profitability and cash flows are generally accelerated and more predictable. To a limited extent, we enter into agreements to provide management and administrative services to outpatient dialysis centers in which we own a noncontrolling interest or which are wholly-owned by third parties in return for management fees.

The table below shows the growth in our dialysis operations by number of dialysis centers owned or operated:

| | U.S. | | International | |
|--|-------|-------|---------------|------|
| | 2020 | 2019 | 2020 | 2019 |
| Number of centers operated at beginning of year | 2,753 | 2,664 | 259 | 241 |
| Acquired centers | 8 | 7 | 66 | 16 |
| Developed centers | 81 | 115 | 5 | 2 |
| Net change in non-owned managed or administered centers ⁽¹⁾ | — | (1) | (6) | 1 |
| Sold and closed centers ⁽²⁾ | (6) | (10) | — | (1) |
| Closed centers ⁽³⁾ | (20) | (22) | (3) | — |
| Number of centers operated at end of year | 2,816 | 2,753 | 321 | 259 |

(1) Represents dialysis centers which we manage or provide administrative services to but in which we own a noncontrolling equity interest or which are wholly-owned by third parties, including our Asia Pacific joint venture centers.

(2) Represents dialysis centers that were sold and/or closed for which the majority of patients were not retained.

(3) Represents dialysis centers that were closed for which the majority of patients were retained and transferred to one of our other existing outpatient dialysis centers.

Stock repurchases

The following table summarizes our common stock repurchases during the years ended December 31, 2020 and 2019:

| | Year ended December 31, | |
|--|-------------------------|----------|
| | 2020 | 2019 |
| (dollars in millions and shares in thousands, except per share data) | | |
| Open market repurchases | | |
| Shares | 8,495 | 19,218 |
| Amounts paid | \$ 742 | \$ 1,168 |
| Average paid per share | \$ 87.32 | \$ 60.79 |
| Tender offers⁽¹⁾ | | |
| Shares | 7,982 | 21,802 |
| Amounts paid | \$ 705 | \$ 1,234 |
| Average paid per share | \$ 88.32 | \$ 56.61 |
| Total | | |
| Shares | 16,477 | 41,020 |
| Amounts paid | \$ 1,447 | \$ 2,402 |
| Average paid per share | \$ 87.80 | \$ 58.57 |

(1) The aggregate amounts paid for shares repurchased pursuant to our 2020 and 2019 tender offers for our shares during the years ended December 31, 2020 and 2019, include their clearing prices of \$88.00 and \$56.50 per share, respectively, plus related fees and expenses of \$2.5 million and \$2.3 million, respectively.

Subsequent to December 31, 2020, we have repurchased 1,063,000 shares of our common stock for \$123 million at an average cost of \$115.98 per share from January 1, 2021 through February 10, 2021. We retired all shares of common stock held in treasury effective December 31, 2020 and December 31, 2019.

See further discussion of our share repurchase activity and authorizations in Note 19 to the consolidated financial statements.

Available liquidity

As of December 31, 2020, our cash balance was \$325 million and we held approximately \$20 million in short-term investments. At that time we also had \$925 million available and \$75 million drawn on our \$1.0 billion revolving line of credit under our senior secured credit facilities. Credit available under this revolving line of credit is reduced by the amount of any letters of credit outstanding under this facility, but we had no such letters of credit outstanding as of December 31, 2020. As of December 31, 2020 we also separately had approximately \$65 million in letters of credit outstanding under a separate bilateral secured letter of credit facility.

See Note 13 to the consolidated financial statements for components of our long-term debt and their interest rates.

The COVID-19 pandemic and efforts to prevent its spread have dramatically reduced global economic activity and driven increased volatility in the financial markets. We have maintained business process continuity during the COVID-19 pandemic by enabling most back office teammates to work remotely, and as of the date of this report, we have not experienced a material deterioration in our liquidity position as a result of the COVID-19 crisis. In addition, we elected not to accept approximately \$250 million in funds available to us through the CARES Act Provider Relief Fund and returned the funds we received in May 2020. There can be no assurance that we will be able to continue to forgo financial or other assistance available under the CARES Act or similar subsequent legislation or that similar assistance will be available from the government if we have a need for such assistance in the future. The ultimate impact of the pandemic will depend on future developments that are highly uncertain and difficult to predict.

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our senior secured credit facilities and our access to the capital markets, will be sufficient to fund our scheduled debt service under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. Our primary recurrent sources of liquidity are cash from operations and cash from borrowings, which are subject to general, economic, financial, competitive, regulatory and other factors that are beyond our control, as described in Item 1A Risk Factors under the

heading "The level of our current and future debt could have an adverse impact on our business, and our ability to generate cash to service our indebtedness and for other intended purposes and our ability to maintain compliance with debt covenants depends on many factors beyond our control."

Reconciliations of non-GAAP measures

The following tables provide reconciliations of adjusted operating income (loss) to operating income (loss) as presented on a U.S. generally accepted accounting principles (GAAP) basis for our U.S. dialysis reportable segment as well as for our U.S. ancillary services, our international business, and for our total ancillary services which combines them and is disclosed as our other segments category. These non-GAAP or "adjusted" measures are presented because management believes these measures are useful adjuncts to, but not alternatives for, our GAAP results.

Specifically, management uses adjusted operating income (loss) to compare and evaluate our performance period over period and relative to competitors, to analyze the underlying trends in our business, to establish operational budgets and forecasts and for incentive compensation purposes. We believe this non-GAAP measure is also useful to investors and analysts in evaluating our performance over time and relative to competitors, as well as in analyzing the underlying trends in our business. We also believe this presentation enhances a user's understanding of our normal operating income by excluding certain items which we do not believe are indicative of our ordinary results of operations.

In addition, our effective income tax rate on income from continuing operations attributable to DaVita Inc. excludes noncontrolling owners' income, which primarily relates to non-tax paying entities. We believe this adjusted effective income tax rate is useful to management, investors and analysts in evaluating our performance and establishing expectations for income taxes incurred on our ordinary results attributable to DaVita Inc.

Finally, our free cash flow from continuing operations represents net cash provided by operating activities from continuing operations less distributions to noncontrolling interests and all capital expenditures (including development capital expenditures, routine maintenance and information technology), plus contributions from noncontrolling interests and proceeds from the sale of self-developed properties. Management uses this measure to assess our ability to fund acquisitions and meet our debt service obligations and we believe this measure is equally useful to investors and analysts as an adjunct to cash flows from operating activities from continuing operations and other measures under GAAP.

It is important to bear in mind that these non-GAAP "adjusted" measures are not measures of financial performance under GAAP and should not be considered in isolation from, nor as substitutes for, their most comparable GAAP measures.

| | Year ended December 31, 2020 | | | | | |
|---|------------------------------|--------------------|---------------|----------------|--------------------------|-----------------|
| | U.S. dialysis | Ancillary services | | | Corporate administration | Consolidated |
| | | U.S. | International | Total | | |
| | (dollars in millions) | | | | | |
| Operating income (loss) | \$ 1,918 | \$ (99) | \$ 23 | \$ (76) | \$ (147) | \$ 1,695 |
| Loss on changes in ownership interests, net | | 16 | | 16 | | 16 |
| Accruals for legal matters | | | | | 35 | 35 |
| Adjusted operating income (loss) | <u>\$ 1,918</u> | <u>\$ (83)</u> | <u>\$ 23</u> | <u>\$ (60)</u> | <u>\$ (112)</u> | <u>\$ 1,746</u> |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

| | Year ended December 31, 2019 | | | | | |
|----------------------------------|------------------------------|--------------------|---------------|----------------|--------------------------|-----------------|
| | U.S. dialysis | Ancillary services | | | Corporate administration | Consolidated |
| | | U.S. | International | Total | | |
| | (dollars in millions) | | | | | |
| Operating income (loss) | \$ 1,925 | \$ (66) | \$ (123) | \$ (189) | \$ (92) | \$ 1,643 |
| Goodwill impairment | | | 125 | 125 | | 125 |
| Adjusted operating income (loss) | <u>\$ 1,925</u> | <u>\$ (66)</u> | <u>\$ 2</u> | <u>\$ (64)</u> | <u>\$ (92)</u> | <u>\$ 1,768</u> |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

| | Year ended December 31, | |
|--|-------------------------|---------------|
| | 2020 | 2019 |
| | (dollars in millions) | |
| Income from continuing operations before income taxes | \$ 1,318 | \$ 1,195 |
| Less: Noncontrolling owners' income primarily attributable to non-tax paying entities | (222) | (210) |
| Income from continuing operations before income taxes attributable to DaVita Inc. | <u>\$ 1,097</u> | <u>\$ 986</u> |
| Income tax expense for continuing operations | \$ 314 | \$ 280 |
| Less: Income tax attributable to noncontrolling interests | (1) | (1) |
| Income tax expense from continuing operations attributable to DaVita Inc. | <u>\$ 313</u> | <u>\$ 279</u> |
| Effective income tax rate on income from continuing operations attributable to DaVita Inc. | <u>28.6 %</u> | <u>28.3 %</u> |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

| | Year ended December 31, | |
|--|-------------------------|-----------------|
| | 2020 | 2019 |
| | (dollars in millions) | |
| Net cash provided by continuing operating activities | \$ 1,979 | \$ 1,973 |
| Less: Distributions to noncontrolling interests | (253) | (233) |
| Plus: Contributions from noncontrolling interests | 43 | 57 |
| Cash provided by continuing operating activities attributable to DaVita Inc. | 1,769 | 1,797 |
| Less: Expenditures for routine maintenance and information technology | (399) | (355) |
| Less: Expenditures for development | (275) | (373) |
| Plus: Proceeds from sale of self-developed properties | 93 | 58 |
| Free cash flow from continuing operations | <u>\$ 1,188</u> | <u>\$ 1,127</u> |

Certain columns or rows may not sum or recalculate due to the presentation of rounded numbers.

Off-balance sheet arrangements and aggregate contractual obligations

In addition to the debt obligations and operating lease liabilities reflected on our balance sheet, we have commitments associated with letters of credit, as well as certain working capital funding obligations associated with our equity investments in nonconsolidated dialysis ventures that we manage and some we manage that are wholly-owned by third parties.

We also have potential obligations to purchase the noncontrolling interests held by third parties in many of our majority-owned dialysis partnerships and other nonconsolidated entities. These obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods as outlined in each specific put provision. For additional information see Note 17 to the consolidated financial statements.

The following is a summary of these contractual obligations and commitments as of December 31, 2020:

| | 2021 | 2022-2023 | 2024-2025 | Thereafter | Total |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| (dollars in millions) | | | | | |
| Scheduled payments under contractual obligations: | | | | | |
| Long-term debt ⁽¹⁾ : | | | | | |
| Principal payments | \$ 147 | \$ 349 | \$ 1,512 | \$ 5,882 | \$ 7,890 |
| Interest payments on credit facilities and senior notes | 219 | 429 | 389 | 704 | 1,741 |
| Financing leases ⁽²⁾ | 22 | 48 | 54 | 150 | 274 |
| Operating leases, including imputed interest ⁽²⁾ | 480 | 969 | 774 | 1,438 | 3,661 |
| | <u>\$ 868</u> | <u>\$ 1,795</u> | <u>\$ 2,729</u> | <u>\$ 8,174</u> | <u>\$ 13,566</u> |
| Potential cash requirements under other commitments: | | | | | |
| Letters of credit | \$ 65 | \$ — | \$ — | \$ — | \$ 65 |
| Noncontrolling interests subject to put provisions | 1,023 | 145 | 97 | 65 | 1,330 |
| Non-owned and minority owned put provisions | 110 | 6 | — | — | 116 |
| Operating capital advances | 1 | 2 | 2 | 4 | 9 |
| Purchase commitments | 542 | 721 | 92 | — | 1,355 |
| | <u>\$ 1,741</u> | <u>\$ 874</u> | <u>\$ 191</u> | <u>\$ 69</u> | <u>\$ 2,875</u> |

(1) See Note 13 to the consolidated financial statements for components of our long-term debt and related interest rates.

(2) See Note 14 to the consolidated financial statements for components of our leases and related interest rates.

In 2017, we entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of the agreement, the Company will purchase EPO from Amgen in amounts necessary to meet no less than 90% of its requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract. The actual amount of EPO that we will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that we serve.

The purchase commitments in the table above represent our agreements with various suppliers to purchase set amounts of dialysis equipment, parts, and supplies. If we fail to meet the minimum purchase commitments under these contracts during any year, it is required to pay the difference to the supplier.

Settlements of approximately \$88 million of existing income tax liabilities for unrecognized tax benefits, including interest, penalties and other long-term tax liabilities, are excluded from the table above as reasonably reliable estimates of their timing cannot be made.

Contingencies

The information in Note 16 to the consolidated financial statements included in this report is incorporated by reference in response to this item.

Critical accounting policies, estimates and judgments

Our consolidated financial statements and accompanying notes are prepared in accordance with United States generally accepted accounting principles. These accounting principles require us to make estimates, judgments and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and noncontrolling interests subject to put provisions (redeemable equity interests). All significant estimates, judgments and assumptions are developed based on the best information available to us at the time made and are regularly reviewed and updated when necessary. Actual results will generally differ from these estimates, and such differences may be material. Changes in estimates are reflected in our financial statements in the period of change based upon on-going actual experience trends or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Certain accounting estimates, including those concerning revenue recognition and accounts receivable, impairments of goodwill, accounting for income taxes, fair value estimates, and loss contingencies are considered to be critical to evaluating and understanding our financial results because they involve inherently uncertain matters and their application requires the most difficult and complex judgments and estimates. For additional information, see Part II Item 15, "Exhibits, Financial Statement Schedules" – Note 1 – "Organization and summary of significant accounting policies" as referred from Part II Item 8, "Financial Statements and Supplementary Data."

U.S. dialysis revenue recognition and accounts receivable. There are significant estimating risks associated with the amount of U.S. dialysis revenue that we recognize in a given reporting period. Payment rates are often subject to significant uncertainties related to wide variations in the coverage terms of the commercial healthcare plans under which we receive payments. In addition, ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage, and other payor issues complicate the billing and collection process. Net revenue recognition and allowances for uncollectible billings require the use of estimates of the amounts that will ultimately be realized considering, among other items, retroactive adjustments that may be associated with regulatory reviews, audits, billing reviews and other matters.

Revenues associated with Medicare and Medicaid programs are recognized based on (a) the payment rates that are established by statute or regulation for the portion of the payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, the estimated amounts that will ultimately be collectible from other government programs providing secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient. Our dialysis related reimbursements from Medicare are subject to certain variations under Medicare's single bundled payment rate system whereby our reimbursements can be adjusted for certain patient characteristics and other variable factors. Our revenue recognition depends upon our ability to effectively capture, document and bill for Medicare's base payment rate and these other factors. In addition, as a result of the potential range of variations that can occur in our dialysis-related reimbursements from Medicare under the single bundled payment rate system, our revenue recognition is subject to a greater degree of estimating risk.

Commercial healthcare plans, including contracted managed-care payors, are billed at our usual and customary rates; however, revenue is recognized based on estimated net realizable revenue for the services provided. Net realizable revenue is estimated based on contractual terms for the patients covered under commercial healthcare plans with which we have formal agreements, non-contracted commercial healthcare plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in our billing and collection processes that can result in denied claims for payments, the estimated timing of collections, changes in our expectations of the amounts that we expect to collect and regulatory compliance matters. Determining applicable primary and secondary coverage for our approximately 204,200 U.S. dialysis patients at any point in time, together with the changes in patient coverages that occur each month, requires complex, resource-intensive processes. Collections, refunds and payor retractions typically continue to occur for up to three years or longer after services are provided.

We generally expect the range of our U.S. dialysis revenue estimating risk to be within 1% of revenue, which can represent as much as approximately 5% of our U.S. dialysis business's adjusted operating income. Changes in estimates are reflected in the then-current financial statements based on on-going actual experience trends, or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies. Changes in revenue estimates for prior periods are separately disclosed and reported if material to the current reporting period and longer term trend analyses, and have not been significant.

Revenues for laboratory services, which are integrally related to our dialysis services, are recognized in the period services are provided at the estimated net realizable amounts to be received.

Impairments of goodwill. We account for impairments of goodwill in accordance with the provisions of applicable accounting guidance. Goodwill is not amortized, but is assessed for impairment when changes in circumstances warrant and at least annually. An impairment charge is recorded when and to the extent a reporting unit's carrying amount is determined to exceed its estimated fair value.

Changes in circumstance that may trigger a goodwill impairment assessment for one of our business units can include, among others, changes in the legal environment, addressable market, business strategy, development or business plans, reimbursement structure, operating performance, future prospects, relationships with partners, and/or market value indications for the subject business. We use a variety of factors to assess changes in the financial condition, future prospects and other circumstances concerning the subject businesses and to estimate their fair value when applicable. Any change in the factors, assessments or assumptions involved could affect a determination of whether and when to assess goodwill for impairment as well as the outcome of such an assessment. These assessments and the related valuations can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Accounting for income taxes. Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. We are subject to income taxes in the United States and numerous state and foreign jurisdictions, and changes in tax laws or regulations may be proposed or enacted that could adversely affect our overall tax liability. The actual impact of any such laws or regulations could be materially different from our current estimates.

Significant judgments and estimates are required in determining our consolidated income tax expense. Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets within the jurisdictions from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, results of recent operations, and assumptions about the amount of future federal, state, and foreign pre-tax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require significant judgments and are consistent with the plans and estimates we use to manage the underlying businesses. To the extent that recovery is not likely, a valuation allowance is established. The allowance is regularly reviewed and updated for changes in circumstances that would cause a change in judgment about the realizability of the related deferred tax assets.

Fair value estimates. The FASB defines fair value generally as the amount at which an asset (or liability) could be bought (or assumed) or sold (or settled) in a current transaction between willing parties, that is, other than in a forced or liquidation sale. It also defines fair value more specifically for most purposes as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

We rely on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities and noncontrolling interests subject to put provisions (redeemable equity interests). These purposes can include purchase accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, and other long-lived assets; recurrent revaluation of investments in debt and equity securities, contingent earn-out obligations, interest rate cap agreements, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, among others. The criticality of a particular fair value estimate to our consolidated financial statements depends upon the nature and size of the item being measured, the extent of uncertainties involved and the nature and magnitude or potential effect of assumptions and judgments required. Critical fair value estimates can involve significant uncertainties and require significant judgment on various matters, some of which could be subject to reasonable disagreement.

Loss contingencies. As discussed in Notes 1 and 16 to the consolidated financial statements, we operate in a highly regulated industry and are party to various lawsuits, claims, qui tam suits, governmental investigations and audits (including, without limitation, investigations or other actions resulting from its obligation to self-report suspected violations of law), contract disputes and other legal proceedings. Assessments of such matters can involve a series of complex judgments about future events and can rely heavily on estimates and assumptions. We record accruals for loss contingencies on such matters to the extent that we determine an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. See Note 16 to the consolidated financial statements included in this report for further discussion.

Significant new accounting standards

See Note 1 to the consolidated financial statements included in this report for information regarding certain recent financial accounting standards that have been issued by the FASB.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Interest rate sensitivity

The tables below provide information about our financial instruments that are sensitive to changes in interest rates. The first table below presents principal repayments and current weighted average interest rates on our debt obligations as of December 31, 2020. The variable rates presented reflect the weighted average LIBOR rates in effect for all debt tranches plus interest rate margins in effect as of December 31, 2020. The Term Loan A interest rate margin in effect at December 31, 2020, was 1.50%. At December 31, 2020, the Term Loan B-1 interest rate margin in effect was 1.75%. At December 31, 2020, we had an outstanding balance on our revolving line of credit bearing interest at an Alternate Base Rate (the Prime Rate) plus 0.50%. On January 6, 2021 our revolving line of credit rate was converted to a LIBOR-based rate of LIBOR plus 1.50%. The interest rates in effect on our Term Loan A and revolving line of credit are subject to adjustment depending upon changes in our leverage ratio.

| | Expected maturity date | | | | | | Total | Average interest rate | Fair value ⁽¹⁾ |
|-----------------|------------------------|--------|--------|----------|-------|------------|----------|-----------------------|---------------------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | | | |
| | (dollars in millions) | | | | | | | | |
| Long term debt: | | | | | | | | | |
| Fixed rate | \$ 31 | \$ 34 | \$ 48 | \$ 29 | \$ 33 | \$ 3,448 | \$ 3,623 | 4.32 % | \$ 3,481 |
| Variable rate | \$ 138 | \$ 136 | \$ 179 | \$ 1,468 | \$ 36 | \$ 2,584 | \$ 4,541 | 2.05 % | \$ 4,518 |

(1) Represents the fair value of our long-term debt excluding financing leases.

| | Notional amount | Contract maturity date | | | | | Receive variable | Fair value |
|---------------------|-----------------|------------------------|------|------|----------|------|------------------|------------|
| | | 2021 | 2022 | 2023 | 2024 | 2025 | | |
| | | (dollars in millions) | | | | | | |
| 2019 cap agreements | \$ 3,500 | \$ — | \$ — | \$ — | \$ 3,500 | \$ — | LIBOR above 2.0% | \$ 2.7 |

For a further discussion of our debt, see Note 13 to our consolidated financial statements at Part II Item 15, "Exhibits, Financial Statement Schedules" – Note 13 – "Long-term debt" as referred from Part II Item 8, "Financial Statements and Supplementary Data."

We believe that our cash flow from operations and other sources of liquidity, including from amounts available under our current credit facilities and our access to the capital markets, will be sufficient to fund our scheduled debt service under the terms of our debt agreements and other obligations for the foreseeable future, including the next 12 months. Our primary recurrent sources of liquidity are cash from operations and cash from borrowings.

One means of assessing exposure to debt-related interest rate changes is a duration-based analysis that measures the potential loss in net income resulting from a hypothetical increase in interest rates of 100 basis points across all variable rate maturities (referred to as a parallel shift in the yield curve). Under this model, with all else constant, it is estimated that such an increase would have reduced net income by approximately \$34.8 million, \$32.4 million, and \$37.8 million, net of tax, for the years ended December 31, 2020, 2019, and 2018, respectively.

Exchange rate sensitivity

While our business is predominantly conducted in the U.S., we have developing operations in ten other countries as well. For financial reporting purposes, the U.S. dollar is our reporting currency. However, the functional currencies of our operating businesses in other countries are typically those of the countries in which they operate. Therefore, changes in the rate of exchange between the U.S. dollar and the local currencies in which our international operations are conducted affect our results of operations and financial position as reported in our consolidated financial statements.

We have consolidated the balance sheets of our non-U.S. dollar denominated operations into U.S. dollars at the exchange rates prevailing at the balance sheet dates and have translated their revenues and expense at average exchange rates during each period. Additionally, our individual subsidiaries are exposed to transactional risks mainly resulting from intercompany transactions between and among subsidiaries with different functional currencies. This exposes the subsidiaries to fluctuations in the rate of exchange between the invoicing or obligation currencies and the currency in which their local operations are conducted.

We evaluate our exposure to foreign exchange risk through the judgment of our international and corporate management teams. Through 2020, our international operations have remained fairly small relative to the size of our consolidated financial statements, constituting approximately 9% of our consolidated assets as of December 31, 2020, with no single country constituting more than 3% of consolidated assets, and approximately 5% of our consolidated revenues for the year ended December 31, 2020. In addition, our foreign currency translation (losses) gains were approximately (0.4)%, (1)%, and (3)% of our consolidated operating income for the years ended December 31, 2020, 2019 and 2018.

Given the relatively small size of our international operations, management does not consider our exposure to foreign exchange risk to be significant to the consolidated enterprise. As such, through December 31, 2020, we have not engaged in transactions to hedge the exposure of our international transactions or net investments to foreign currency risk.

Item 8. Financial Statements and Supplementary Data.

See the Index to Financial Statements and Index to Financial Statement Schedules included at Item 15, "*Exhibits, Financial Statement Schedules.*"

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Management has established and maintains disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that it files or submits pursuant to the Securities Exchange Act of 1934 (Exchange Act) as amended is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") as appropriate to allow for timely decisions regarding required disclosures.

At the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our CEO and CFO, of the effectiveness of the design and operation of the Company's disclosure controls and procedures in accordance with the Exchange Act requirements as of December 31, 2020. Based upon that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were effective as required by the Exchange Act as of such date for our Exchange Act reports, including this report. Management recognizes that these controls and procedures can provide only reasonable assurance of desired outcomes, and that estimates and judgments are still inherent in the process of maintaining effective controls and procedures.

There was no change in the Company's internal control over financial reporting that was identified during the evaluation that occurred during the fourth fiscal quarter of 2020 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

We intend to disclose any amendments or waivers to the Code of Ethics applicable to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions, on our website located at <http://www.davita.com>. In 2002, we adopted a Corporate Governance Code of Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, and to all of our financial accounting and legal professionals who are directly or indirectly involved in the preparation, reporting and fair presentation of our financial statements and Exchange Act reports. The Code of Ethics is posted on our website, located at <http://www.davita.com>. We also maintain a Corporate Code of Conduct that applies to all of our employees, officers and directors, which is posted on our website.

Under our Corporate Governance Guidelines all Board Committees including the Audit Committee, Nominating and Governance Committee and the Compensation Committee, which are comprised solely of independent directors as defined within the listing standards of the New York Stock Exchange, have written charters that outline the committee's purpose, goals, membership requirements and responsibilities. These charters are regularly reviewed and updated as necessary by our Board of Directors. All Board Committee charters as well as the Corporate Governance Guidelines are posted on our website located at <http://www.davita.com>.

The other information required to be disclosed by this item will appear in, and is incorporated by reference from, the sections entitled "Proposal 1 Election of Directors", "Corporate Governance", and "Security Ownership of Certain Beneficial Owners and Management" to be included in our definitive proxy statement relating to our 2021 annual stockholder meeting.

Item 11. Executive Compensation.

The information required by this item will appear in, and is incorporated by reference from, the sections entitled "Executive Compensation", "Pay Ratio Disclosure", "Compensation of Directors" and "Compensation Committee Interlocks and Insider Participation" included in our definitive proxy statement relating to our 2021 annual stockholder meeting. The information required by Item 407(e)(5) of Regulation S-K will appear in and is incorporated by reference from the section entitled "Compensation Committee Report" to be included in our definitive proxy statement relating to our 2021 annual stockholder meeting; however, this information shall not be deemed to be filed.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table provides information about our common stock that may be issued upon the exercise of stock-settled stock appreciation rights, restricted stock units and other rights under all of our existing equity compensation plans as of December 31, 2020, which consist of our 2020 Incentive Award Plan, 2011 Incentive Award Plan and our Employee Stock Purchase Plan. The material terms of these plans are described in Note 18 to the consolidated financial statements.

| Plan category (shares in thousands) | Number of shares to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ | Weighted average exercise price of outstanding options, warrants and rights ⁽²⁾ | Number of shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) | Total of shares reflected in columns (a) and (c) |
|--|--|--|---|--|
| | (a) | (b) | (c) | (d) |
| Equity compensation plans approved by shareholders | 12,167 | \$ 63.64 | 14,263 | 26,430 |
| Equity compensation plans not requiring shareholder approval | — | — | — | — |
| Total | 12,167 | \$ 63.64 | 14,263 | 26,430 |

1. Includes 1,092 shares of common stock reserved for issuance in connection with performance share units at the maximum number of shares issuable thereunder.
2. This weighted average excludes full value awards such as restricted stock units and performance share units.

Other information required to be disclosed by Item 12 will appear in, and is incorporated by reference from, the section entitled "Security Ownership of Certain Beneficial Owners and Management" to be included in our definitive proxy statement relating to our 2021 annual stockholder meeting.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “*Certain Relationships and Related Transactions*” and the section entitled “*Corporate Governance*” to be included in our definitive proxy statement relating to our 2021 annual stockholder meeting.

Item 14. Principal Accounting Fees and Services.

The information required by this item will appear in, and is incorporated by reference from, the section entitled “*Proposal 2 Ratification of the Appointment of our Independent Registered Public Accounting Firm*” to be included in our definitive proxy statement relating to our 2021 annual stockholder meeting.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this Report:

(1) Index to Financial Statements:

| | <u>Page</u> |
|---|-------------|
| Management's Report on Internal Control Over Financial Reporting | F-1 |
| Report of Independent Registered Public Accounting Firm | F-2 |
| Report of Independent Registered Public Accounting Firm | F-5 |
| Consolidated Statements of Income for the years ended December 31, 2020, 2019, and 2018 | F-6 |
| Consolidated Statements of Comprehensive Income for the years ended December 31, 2020, 2019, and 2018 | F-7 |
| Consolidated Balance Sheets as of December 31, 2020, and 2019 | F-8 |
| Consolidated Statements of Cash Flow for the years ended December 31, 2020, 2019, and 2018 | F-9 |
| Consolidated Statements of Equity for the years ended December 31, 2020, 2019, and 2018 | F-10 |
| Notes to Consolidated Financial Statements | F-12 |

(2) Index to Financial Statement Schedules:

| | |
|---|-----|
| Schedule II—Valuation and Qualifying Accounts | S-3 |
|---|-----|

(3) Exhibits

The information required by this Item is set forth in the Exhibit Index that precedes the signature pages of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary.

None.

DAVITA INC.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and which includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

During the last fiscal year, the Company conducted an evaluation, under the oversight of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's internal control over financial reporting. This evaluation was completed based on the criteria established in the report titled "*Internal Control—Integrated Framework (2013)*" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based upon our evaluation under the COSO framework, we have concluded that the Company's internal control over financial reporting was effective as of December 31, 2020.

The Company's independent registered public accounting firm, KPMG LLP, has issued an attestation report on the Company's internal control over financial reporting, which report is included in this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
DaVita Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of DaVita Inc. and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2020, and the related notes and financial statement Schedule II – Valuation and Qualifying Accounts (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 12, 2021 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 14 to the consolidated financial statements, the Company has changed its method of accounting for leases as of January 1, 2019 due to the adoption of the Financial Accounting Standards Board's Accounting Standards Codification Topic 842 *Leases*.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

U.S. dialysis patient service revenue recognition

As discussed in Notes 1 and 2 to the consolidated financial statements, the Company recognized \$10,619 million in U.S. dialysis patient service revenue for the year ended December 31, 2020. There are uncertainties associated with estimating U.S. dialysis patient service revenue, which generally take several years to resolve. As these estimates are refined over time, both positive and negative adjustments are recognized in the current period.

We identified the evaluation of the recognition of the transaction price the Company expects to collect as a result of satisfying its performance obligations related to U.S. dialysis patient service revenue as a critical audit matter because it involves estimation that requires complex auditor judgment. The key assumptions and inputs used to estimate the transaction price relate to ongoing insurance coverage changes, differing interpretations of contract coverage, determination of applicable primary and secondary coverage, coordination of benefits, and varying patient characteristics impacting Medicare reimbursements. Changes to the key assumptions and inputs used in the application of the methodology may have a significant effect on the Company's determination of the estimate.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's U.S. dialysis patient service revenue recognition process, including controls related to the application of the methodology used to estimate the transaction price, and the key assumptions and inputs. We evaluated the Company's key assumptions and inputs to estimate the transaction price the Company expects to collect as a result of satisfying its performance obligations by comparing key assumptions to historical collection experience, trends of refunds and payor payment adjustments, delays in the Company's billing and collection process and regulatory compliance matters. Additionally, we compared U.S. dialysis patient service revenue related to the transaction price estimates recognized in prior periods to actual cash collections related to performance obligations satisfied in prior periods to analyze the Company's ability to estimate the transaction price the Company expects to collect as a result of satisfying its performance obligations. We developed an estimate of U.S. dialysis patient service revenue based on actual and expected cash collections and compared to U.S. dialysis patient service revenue recorded by the Company for the year-ended December 31, 2020.

Evaluation of the goodwill impairment analyses for the Germany kidney care reporting unit

As discussed in Note 10 to the consolidated financial statements, the Company performed annual and other impairment assessments for their reporting units throughout 2020. As a result of these assessments, the Company has not recognized any goodwill impairment charges in the current year. The goodwill balance for the Germany kidney care reporting unit as of December 31, 2020 was \$323 million.

We have identified the evaluation of the goodwill impairment analyses for the Germany kidney care reporting unit as a critical audit matter. The evaluations involved assessing the key assumptions used in estimating the fair value of the reporting unit, including non-acquired patient growth rate, projected number of treatments, projected revenue growth rate, discount rates, and revenue and clinical earnings before interest, taxes, depreciation, and amortization (EBITDA) multiples. Evaluation of these key assumptions involved a high degree of subjectivity and auditor judgment as changes to these assumptions could have a significant impact on any goodwill impairment charges recognized.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's goodwill impairment assessment process, including controls over the development of key assumptions as described above. We assessed the Company's ability to forecast by comparing prior year actual results of the reporting unit to previously forecasted amounts for the reporting unit. We evaluated the Company's non-acquired patient growth rate, projected number of treatments, and projected revenue growth rate, for the reporting unit by comparing the projections to the Company's underlying business strategies and operating plans for the reporting unit, and other industry and market data. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the projected revenue growth rate for the reporting unit by comparing projected rates with comparable companies
- evaluating the discount rate for the reporting unit, by comparing the inputs used to develop the discount rate to publicly available market data for comparable companies to assess whether the inputs used in the development of the discount rate are reasonable
- evaluating the revenue and clinical EBITDA multiples utilized in the Company's valuation of the reporting unit by comparing the multiples selected to a range of multiples from comparable transactions.

Evaluation of legal proceedings and regulatory matters

As discussed in Notes 1 and 16 to the consolidated financial statements, the Company operates in a highly regulated industry and is a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations and audits (including, without limitation, investigations or other actions resulting from its obligation to self-report suspected violations of law) and other legal proceedings. The Company records accruals for certain legal proceedings and regulatory matters to the extent an unfavorable outcome is probable and the amount of the loss can be reasonably estimated.

We identified the evaluation of legal proceedings and regulatory matters as a critical audit matter. Due to the nature of the legal proceedings and regulatory matters, a high degree of subjectivity was required in evaluating the completeness of the Company's population of legal proceedings and regulatory matters. Additionally, complex auditor judgment was required in evaluating the Company's probability of outcome assessment, and related disclosures.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's legal proceedings and regulatory matters process. This includes controls over the Company's determination of the completeness of the population of legal proceedings and regulatory matters, as well as controls over the Company's probability of outcome assessment, and related disclosures. We tested existing legal proceedings and regulatory matters by reading certain written correspondence received from outside parties as well as reading certain written responses provided to outside parties. We read letters received directly from the Company's external and internal legal counsel that described certain legal proceedings and regulatory matters. We involved forensic professionals with specialized skills and knowledge who inspected the Company's compliance case log. Additionally, we assessed the completeness of the population of legal proceedings and regulatory matters and related disclosures by 1) inquiring of certain key executives and directors and 2) evaluating information received through procedures described above and through publicly available information about the Company, its competitors, and the industry.

/s/ KPMG LLP

We have served as the Company's auditor since 2000.

Seattle, Washington
February 12, 2021

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
DaVita Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited DaVita Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2020, and the related notes and financial statement Schedule II – Valuation and Qualifying Accounts (collectively, the consolidated financial statements), and our report dated February 12, 2021 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Seattle, Washington
February 12, 2021

DAVITA INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars and shares in thousands, except per share data)

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| Dialysis patient service revenues before provision | \$ 11,039,709 | \$ 10,918,421 | \$ 10,709,981 |
| Provision for uncollectible accounts | (13,458) | (21,715) | (49,587) |
| Dialysis patient service revenues | 11,026,251 | 10,896,706 | 10,660,394 |
| Other revenues | 524,353 | 491,773 | 744,457 |
| Total revenues | 11,550,604 | 11,388,479 | 11,404,851 |
| Operating expenses and charges: | | | |
| Patient care costs | 7,988,613 | 7,914,485 | 8,195,513 |
| General and administrative | 1,247,584 | 1,103,312 | 1,135,454 |
| Depreciation and amortization | 630,435 | 615,152 | 591,035 |
| Provision for uncollectible accounts | — | — | (7,300) |
| Equity investment (income) loss | (26,916) | (12,679) | 4,484 |
| Other asset impairments | — | — | 17,338 |
| Goodwill impairment charges | — | 124,892 | 3,106 |
| Loss (gain) on changes in ownership interest, net | 16,252 | — | (60,603) |
| Total operating expenses and charges | 9,855,968 | 9,745,162 | 9,879,027 |
| Operating income | 1,694,636 | 1,643,317 | 1,525,824 |
| Debt expense | (304,111) | (443,824) | (487,435) |
| Debt prepayment, refinancing and redemption charges | (89,022) | (33,402) | — |
| Other income, net | 16,759 | 29,348 | 10,089 |
| Income from continuing operations before income taxes | 1,318,262 | 1,195,439 | 1,048,478 |
| Income tax expense | 313,932 | 279,628 | 258,400 |
| Net income from continuing operations | 1,004,330 | 915,811 | 790,078 |
| Net (loss) income from discontinued operations, net of tax | (9,653) | 105,483 | (457,038) |
| Net income | 994,677 | 1,021,294 | 333,040 |
| Less: Net income attributable to noncontrolling interests | (221,035) | (210,313) | (173,646) |
| Net income attributable to DaVita Inc. | \$ 773,642 | \$ 810,981 | \$ 159,394 |
| Earnings per share attributable to DaVita Inc.: | | | |
| Basic net income from continuing operations | \$ 6.54 | \$ 4.61 | \$ 3.66 |
| Basic net income | \$ 6.46 | \$ 5.29 | \$ 0.93 |
| Diluted net income from continuing operations | \$ 6.39 | \$ 4.60 | \$ 3.62 |
| Diluted net income | \$ 6.31 | \$ 5.27 | \$ 0.92 |
| Weighted average shares for earnings per share: | | | |
| Basic shares | 119,797 | 153,181 | 170,786 |
| Diluted shares | 122,623 | 153,812 | 172,365 |
| Amounts attributable to DaVita Inc.: | | | |
| Net income from continuing operations | \$ 783,295 | \$ 706,832 | \$ 624,321 |
| Net (loss) income from discontinued operations | (9,653) | 104,149 | (464,927) |
| Net income attributable to DaVita Inc. | \$ 773,642 | \$ 810,981 | \$ 159,394 |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(dollars in thousands)

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Net income | \$ 994,677 | \$ 1,021,294 | \$ 333,040 |
| Other comprehensive (loss) income, net of tax: | | | |
| Unrealized (losses) gains on interest rate cap agreements: | | | |
| Unrealized (losses) gains | (16,346) | 1,151 | (133) |
| Reclassification into net income | 5,313 | 6,377 | 6,286 |
| Unrealized losses on foreign currency translation | (7,623) | (20,102) | (45,944) |
| Other comprehensive loss | (18,656) | (12,574) | (39,791) |
| Total comprehensive income | 976,021 | 1,008,720 | 293,249 |
| Less: Comprehensive income attributable to noncontrolling interests | (221,035) | (210,313) | (173,646) |
| Comprehensive income attributable to DaVita Inc. | <u>\$ 754,986</u> | <u>\$ 798,407</u> | <u>\$ 119,603</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED BALANCE SHEETS
(dollars and shares in thousands, except per share data)

| | December 31, 2020 | December 31, 2019 |
|--|----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 324,958 | \$ 1,102,372 |
| Restricted cash and equivalents | 176,832 | 106,346 |
| Short-term investments | 20,101 | 11,572 |
| Accounts receivable | 1,824,282 | 1,795,598 |
| Inventories | 111,625 | 97,949 |
| Other receivables | 544,376 | 489,695 |
| Prepaid and other current assets | 76,387 | 66,866 |
| Income tax receivable | 70,163 | 19,772 |
| Total current assets | 3,148,724 | 3,690,170 |
| Property and equipment, net of accumulated depreciation | 3,521,824 | 3,473,384 |
| Operating lease right-of-use assets | 2,863,089 | 2,830,047 |
| Intangible assets, net of accumulated amortization | 166,585 | 135,684 |
| Equity method and other investments | 257,491 | 241,983 |
| Long-term investments | 32,193 | 36,519 |
| Other long-term assets | 79,501 | 115,972 |
| Goodwill | 6,919,109 | 6,787,635 |
| | <u>\$ 16,988,516</u> | <u>\$ 17,311,394</u> |
| LIABILITIES AND EQUITY | | |
| Accounts payable | \$ 434,253 | \$ 403,840 |
| Other liabilities | 810,529 | 756,174 |
| Accrued compensation and benefits | 685,555 | 695,052 |
| Current portion of operating lease liabilities | 369,497 | 343,912 |
| Current portion of long-term debt | 168,541 | 130,708 |
| Income tax payable | 7,768 | 42,412 |
| Total current liabilities | 2,476,143 | 2,372,098 |
| Long-term operating lease liabilities | 2,738,670 | 2,723,800 |
| Long-term debt | 7,917,263 | 7,977,526 |
| Other long-term liabilities | 150,060 | 160,809 |
| Deferred income taxes | 809,600 | 577,543 |
| Total liabilities | 14,091,736 | 13,811,776 |
| Commitments and contingencies | | |
| Noncontrolling interests subject to put provisions | 1,330,028 | 1,180,376 |
| Equity: | | |
| Preferred stock (\$0.001 par value, 5,000 shares authorized; none issued) | | |
| Common stock (\$0.001 par value, 450,000 shares authorized; 109,933 and 125,843 shares issued and outstanding at December 31, 2020 and 2019, respectively) | 110 | 126 |
| Additional paid-in capital | 597,073 | 749,043 |
| Retained earnings | 852,537 | 1,431,738 |
| Accumulated other comprehensive loss | (66,154) | (47,498) |
| Total DaVita Inc. shareholders' equity | 1,383,566 | 2,133,409 |
| Noncontrolling interests not subject to put provisions | 183,186 | 185,833 |
| Total equity | 1,566,752 | 2,319,242 |
| | <u>\$ 16,988,516</u> | <u>\$ 17,311,394</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF CASH FLOW
(dollars in thousands)

| | Year ended December 31, | | |
|--|-------------------------|---------------------|--------------------|
| | 2020 | 2019 | 2018 |
| Cash flows from operating activities: | | | |
| Net income | \$ 994,677 | \$ 1,021,294 | \$ 333,040 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 630,435 | 615,152 | 591,035 |
| Impairment charges | — | 124,892 | 61,981 |
| Valuation adjustment on disposal group | — | — | 316,840 |
| Debt prepayment, refinancing and redemption charges | 86,957 | 33,402 | — |
| Stock-based compensation expense | 91,458 | 67,850 | 73,061 |
| Deferred income taxes | 240,848 | 41,723 | 273,660 |
| Equity investment income, net | 13,830 | 8,582 | 26,449 |
| Loss (gain) on sales of business interests, net | 24,248 | 23,022 | (85,699) |
| Other non-cash charges, net | 747 | 49,579 | 82,374 |
| Changes in operating assets and liabilities, net of effect of acquisitions and divestitures: | | | |
| Accounts receivable | (21,087) | (79,957) | (81,176) |
| Inventories | (12,349) | 10,158 | 73,505 |
| Other receivables and other current assets | (79,277) | 2,790 | 236,995 |
| Other long-term assets | (6,123) | 6,965 | 3,497 |
| Accounts payable | 37,200 | (84,539) | (35,959) |
| Accrued compensation and benefits | (20,931) | (14,697) | 84,165 |
| Other current liabilities | 105,637 | 181,940 | (157,462) |
| Income taxes | (87,391) | 95,645 | (23,635) |
| Other long-term liabilities | (19,851) | (31,446) | (1,031) |
| Net cash provided by operating activities | <u>1,979,028</u> | <u>2,072,355</u> | <u>1,771,640</u> |
| Cash flows from investing activities: | | | |
| Additions of property and equipment | (674,541) | (766,546) | (987,138) |
| Acquisitions | (182,013) | (100,861) | (183,156) |
| Proceeds from asset and business sales | 50,139 | 3,877,392 | 150,205 |
| Purchase of debt investments held-to-maturity | (150,701) | (101,462) | (5,963) |
| Purchase of other debt and equity investments | (3,757) | (5,458) | (8,448) |
| Proceeds from debt investments held-to-maturity | 151,213 | 95,376 | 34,862 |
| Proceeds from sale of other debt and equity investments | 3,491 | 3,676 | 9,526 |
| Purchase of equity method investments | (22,341) | (9,366) | (19,177) |
| Distributions from equity method investments | 3,139 | 2,589 | 3,646 |
| Net cash (used in) provided by investing activities | <u>(825,371)</u> | <u>2,995,340</u> | <u>(1,005,643)</u> |
| Cash flows from financing activities: | | | |
| Borrowings | 4,046,775 | 38,525,850 | 59,934,750 |
| Payments on long-term debt | (4,110,304) | (40,520,722) | (59,234,946) |
| Deferred financing and debt redemption costs | (105,848) | (85,319) | (5,027) |
| Purchase of treasury stock | (1,458,442) | (2,383,816) | (1,161,511) |
| Distributions to noncontrolling interests | (253,118) | (233,123) | (196,441) |
| Net (payments) receipts related to stock purchases and awards | (975) | 11,382 | 13,577 |
| Contributions from noncontrolling interests | 42,966 | 57,317 | 52,311 |
| Proceeds from sales of additional noncontrolling interest | — | — | 15 |
| Purchases of noncontrolling interests | (7,831) | (68,019) | (28,082) |
| Net cash used in financing activities | <u>(1,846,777)</u> | <u>(4,696,450)</u> | <u>(625,354)</u> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (13,808) | (1,760) | (3,350) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | <u>(706,928)</u> | <u>369,485</u> | <u>137,293</u> |
| Less: Net (decrease) increase in cash, cash equivalents and restricted cash from discontinued operations | — | (423,813) | 240,793 |
| Net (decrease) increase in cash, cash equivalents and restricted cash from continuing operations | <u>(706,928)</u> | <u>793,298</u> | <u>(103,500)</u> |
| Cash, cash equivalents and restricted cash of continuing operations at beginning of the year | 1,208,718 | 415,420 | 518,920 |
| Cash, cash equivalents and restricted cash of continuing operations at end of the year | <u>\$ 501,790</u> | <u>\$ 1,208,718</u> | <u>\$ 415,420</u> |

See notes to consolidated financial statements.

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY
(dollars and shares in thousands)

| | DaVita Inc. Shareholders' Equity | | | | | | | | | |
|---|---|--------------|--------|----------------------------|-------------------|----------------|-------------|---|--------------|---|
| | Non-controlling interests subject to put provisions | Common stock | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | Total | Non-controlling interests not subject to put provisions |
| | | Shares | Amount | | | Shares | Amount | | | |
| Balance at December 31, 2017 | \$ 1,011,360 | 182,462 | \$ 182 | \$ 1,042,899 | \$ 3,633,713 | — | \$ — | \$ 13,235 | \$ 4,690,029 | \$ 196,037 |
| Cumulative effect of change in accounting principle | | | | | 8,368 | | | (8,368) | — | |
| Comprehensive income: | | | | | | | | | | |
| Net income | 105,531 | | | | 159,394 | | | | 159,394 | 68,115 |
| Other comprehensive income | | | | | | | | (39,791) | (39,791) | |
| Stock purchase plan | | 398 | — | 17,398 | | | | | 17,398 | |
| Stock award plan | | 371 | 1 | (5,335) | | | | | (5,334) | |
| Stock-settled stock-based compensation expense | | | | 73,081 | | | | | 73,081 | |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (119,173) | | | | | | | | | (77,268) |
| Contributions | 32,918 | | | | | | | | | 19,393 |
| Acquisitions and divestitures | 79,078 | | | 3,546 | | | | | 3,546 | 318 |
| Partial purchases | (8,546) | | | (17,897) | | | | | (17,897) | (1,639) |
| Fair value remeasurements | 23,473 | | | (23,473) | | | | | (23,473) | |
| Purchase of treasury stock | | | | | | (16,844) | (1,153,511) | | (1,153,511) | |
| Retirement of treasury stock | | (16,844) | (17) | (95,213) | (1,058,281) | 16,844 | 1,153,511 | | — | |
| Balance at December 31, 2018 | \$ 1,124,641 | 166,387 | \$ 166 | \$ 995,006 | \$ 2,743,194 | — | \$ — | \$ (34,924) | \$ 3,703,442 | \$ 204,956 |
| Cumulative effect of change in accounting principle | (38) | | | | 39,876 | | | | 39,876 | (6) |
| Comprehensive income: | | | | | | | | | | |
| Net income | 143,413 | | | | 810,981 | | | | 810,981 | 66,900 |
| Other comprehensive income | | | | | | | | (12,574) | (12,574) | |
| Stock purchase plan | | 315 | 1 | 16,569 | | | | | 16,570 | |
| Stock award plan | | 161 | — | (3,290) | | | | | (3,290) | |
| Stock-settled stock-based compensation expense | | | | 67,549 | | | | | 67,549 | |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (155,011) | | | | | | | | | (78,112) |
| Contributions | 35,572 | | | | | | | | | 21,745 |
| Acquisitions and divestitures | (6,332) | | | | | | | | | (10,170) |
| Partial purchases | (11,394) | | | (37,145) | | | | | (37,145) | (19,480) |
| Fair value remeasurements | 49,525 | | | (49,525) | | | | | (49,525) | |
| Purchase of treasury stock | | | | | | (41,020) | (2,402,475) | | (2,402,475) | |
| Retirement of treasury stock | | (41,020) | (41) | (240,121) | (2,162,313) | 41,020 | 2,402,475 | | — | |
| Balance at December 31, 2019 | \$ 1,180,376 | 125,843 | \$ 126 | \$ 749,043 | \$ 1,431,738 | — | \$ — | \$ (47,498) | \$ 2,133,409 | \$ 185,833 |

DAVITA INC.
CONSOLIDATED STATEMENTS OF EQUITY - continued
(dollars and shares in thousands)

| DaVita Inc. Shareholders' Equity | | | | | | | | | | |
|--|---|--------------|--------|----------------------------|-------------------|----------------|-------------|---|--------------|---|
| | Non-controlling interests subject to put provisions | Common stock | | Additional paid-in capital | Retained earnings | Treasury stock | | Accumulated other comprehensive income (loss) | Total | Non-controlling interests not subject to put provisions |
| | | Shares | Amount | | | Shares | Amount | | | |
| Balance at December 31, 2019 | \$ 1,180,376 | 125,843 | \$ 126 | \$ 749,043 | \$ 1,431,738 | — | \$ — | \$ (47,498) | \$ 2,133,409 | \$ 185,833 |
| Comprehensive income: | | | | | | | | | | |
| Net income | 141,879 | | | | 773,642 | | | | 773,642 | 79,156 |
| Other comprehensive income | | | | | | | | (18,656) | (18,656) | |
| Stock purchase plan | | 222 | — | 17,148 | | | | | 17,148 | |
| Stock award plans | | 345 | — | (17,801) | | | | | (17,801) | |
| Stock-settled stock-based compensation expense | | | | 90,007 | | | | | 90,007 | |
| Changes in noncontrolling interest from: | | | | | | | | | | |
| Distributions | (163,175) | | | | | | | | | (89,943) |
| Contributions | 30,154 | | | | | | | | | 12,812 |
| Acquisitions and divestitures | (3,215) | | | | | | | | | (248) |
| Partial purchases | (7,771) | | | 4,364 | | | | | 4,364 | (4,424) |
| Fair value remeasurements | 151,780 | | | (151,780) | | | | | (151,780) | |
| Purchase of treasury stock | | | | | | (16,477) | (1,446,767) | | (1,446,767) | |
| Retirement of treasury stock | | (16,477) | (16) | (93,908) | (1,352,843) | 16,477 | 1,446,767 | | — | |
| Balance at December 31, 2020 | \$ 1,330,028 | 109,933 | \$ 110 | \$ 597,073 | \$ 852,537 | — | \$ — | \$ (66,154) | \$ 1,383,566 | \$ 183,186 |

See notes to consolidated financial statements.

1. Organization and summary of significant accounting policies

Organization

The Company's operations are comprised of its dialysis and related lab services to patients in the United States (its U.S. dialysis business), its ancillary services and strategic initiatives including its international operations (collectively, its ancillary services), and its corporate administrative support.

The Company's largest line of business is its U.S. dialysis business, which operates kidney dialysis centers in the U.S. for patients suffering from chronic kidney failure, also known as end stage renal disease (ESRD). As of December 31, 2020, the Company operated or provided administrative services through a network of 2,816 U.S. outpatient dialysis centers in 46 states and the District of Columbia, serving a total of approximately 204,200 patients. In addition, as of December 31, 2020, the Company operated or provided administrative services to a total of 321 outpatient dialysis centers serving approximately 36,200 patients located in ten countries outside of the U.S.

On June 19, 2019, the Company completed the sale of its DaVita Medical Group (DMG) business to Collaborative Care Holdings, LLC (Optum), a subsidiary of UnitedHealth Group Inc. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented in these consolidated financial statements. For financial information about the DMG business, see Note 22.

The Company's U.S. dialysis business qualifies as a separately reportable segment and the Company's ancillary services, including its international operations, have been combined and disclosed in the other segments category.

Basis of presentation

These consolidated financial statements are prepared in accordance with United States generally accepted accounting principles (U.S. GAAP). The financial statements include DaVita Inc. and its subsidiaries, partnerships and other entities in which it maintains a majority voting or other controlling financial interest (collectively, the Company). All significant intercompany transactions and balances have been eliminated. Equity investments in investees over which the Company only has significant influence are recorded on the equity method, while investments in other equity securities are recorded at fair value or on the adjusted cost method, as applicable. For the Company's international subsidiaries, local currencies are considered their functional currencies. Translation adjustments result from translating the financial statements of the Company's international subsidiaries from their functional currencies into the Company's reporting currency (the U.S. dollar, or USD). Prior year classifications have been conformed to the current year presentation.

The Company has evaluated subsequent events through the date these consolidated financial statements were issued and has included all necessary adjustments and disclosures.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, contingencies and noncontrolling interests subject to put provisions. Although actual results in subsequent periods will differ from these estimates, such estimates are developed based on the best information available to management and management's best judgments at the time. All significant assumptions and estimates underlying the amounts reported in the financial statements and accompanying notes are regularly reviewed and updated when necessary. Changes in estimates are reflected in the financial statements based upon on-going actual experience trends or subsequent settlements and realizations depending on the nature and predictability of the estimates and contingencies.

The most significant assumptions and estimates underlying these consolidated financial statements and accompanying notes involve revenue recognition and accounts receivable, impairments of goodwill, accounting for income taxes, fair value estimates and loss contingencies. Specific estimating risks and contingencies are further addressed within these notes to the consolidated financial statements.

Revenues

On January 1, 2018, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 606 *Revenue from Contracts with Customers* (Topic 606) using the cumulative effect method for those contracts that were not substantially completed as of January 1, 2018. Results for reporting periods beginning on and after January 1, 2018 are presented under Topic 606.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The adoption of this new standard primarily changed the Company's presentation of revenues, provision for uncollectible accounts and allowance for doubtful accounts. Topic 606 requires revenue to be recognized based on the Company's estimate of the transaction price the Company expects to collect as a result of satisfying its performance obligations. Accordingly, for performance obligations satisfied after the adoption of Topic 606, the Company no longer separately presents a provision for uncollectible accounts on the consolidated income statement and no longer presents the related allowance for doubtful accounts on the consolidated balance sheet. However, as a result of the Company's election to apply Topic 606 only to contracts not substantially completed as of January 1, 2018, the Company continued to maintain an allowance for doubtful accounts related to performance obligations satisfied prior to the adoption of Topic 606. Net collections or write-offs of accounts receivable generated prior to January 1, 2018, beyond amounts previously reserved thereon, are presented in the provision for uncollectible accounts on the consolidated income statement in accordance with Topic 605.

Dialysis patient service revenues

Revenues are recognized based on the Company's estimate of the transaction price the Company expects to collect as a result of satisfying its performance obligations. Dialysis patient service revenues are recognized in the period services are provided based on these estimates. Revenues consist primarily of payments from government and commercial health plans for dialysis services provided to patients. A usual and customary fee schedule is maintained for the Company's dialysis treatments and related lab services; however, actual collectible revenue is normally recognized at a discount from the fee schedule.

Revenues associated with Medicare and Medicaid programs are estimated based on: (a) the payment rates that are established by statute or regulation for the portion of payment rates paid by the government payor (e.g., 80% for Medicare patients) and (b) for the portion not paid by the primary government payor, estimates of the amounts ultimately collectible from other government programs providing secondary coverage (e.g., Medicaid secondary coverage), the patient's commercial health plan secondary coverage, or the patient.

Under Medicare's bundled payment rate system, services covered by Medicare are subject to estimating risk, whereby reimbursements from Medicare can vary significantly depending upon certain patient characteristics and other variable factors. Even with the bundled payment rate system, Medicare payments for bad debt claims as established by cost reports require evidence of collection efforts. As a result, billing and collection of Medicare bad debt claims can be delayed significantly and final payment is subject to audit. The Company's revenue recognition is estimated based on its judgment regarding its ability to collect, which depends upon its ability to effectively capture, document and bill for Medicare's base payment rate as well as these other variable factors.

Medicaid payments, when Medicaid coverage is secondary, can also be difficult to estimate. For many states, Medicaid payment terms and methods differ from Medicare, and may prevent accurate estimation of individual payment amounts prior to billing.

Revenues associated with commercial health plans are estimated based on contractual terms for the patients under healthcare plans with which the Company has formal agreements, non-contracted health plan coverage terms if known, estimated secondary collections, historical collection experience, historical trends of refunds and payor payment adjustments (retractions), inefficiencies in the Company's billing and collection processes that can result in denied claims for payments, delays in collections due to payor payment inefficiencies, and regulatory compliance matters.

Commercial revenue recognition also involves significant estimating risks. With many larger commercial insurers, the Company has several different contracts and payment arrangements, and these contracts often include only a subset of the Company's centers. In certain circumstances, it may not be possible to determine which contract, if any, should be applied prior to billing. In addition, for services provided by non-contracted centers, final collection may require specific negotiation of a payment amount, typically at a significant discount from the Company's usual and customary rates.

Other revenues

Other revenues consist of fees for management and administrative support services provided to outpatient dialysis businesses that the Company does not own or in which the Company owns a noncontrolling interest as well as revenues associated with the Company's non-dialysis ancillary services and strategic initiatives. Revenues associated with dialysis management services, integrated care services, clinical research programs, physician services, and ESRD seamless care organizations are estimated in the period services are provided. Revenues associated with pharmacy services until that business was closed in 2018 were estimated as prescriptions were filled and shipped to patients. Revenues associated with direct primary care until that business was sold in 2018 were estimated over the membership period.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Other income

Other income includes interest income on cash and cash equivalents and short- and long-term investments, realized and unrealized gains and losses recognized on investments, and foreign currency transaction gains and losses.

Cash and cash equivalents

Cash equivalents are short-term highly liquid investments readily convertible to known amounts of cash that typically mature within three months or less at date of purchase.

Restricted cash and equivalents

Restricted cash and cash equivalents include funds held in trust to satisfy insurer and state regulatory requirements related to wholly-owned captive insurance companies that bear professional and general liability and workers' compensation risks for the Company as well as funds held in escrow for certain legal settlements pending finalization.

Investments in debt and equity securities

The Company classifies certain debt securities as held-to-maturity and records them at amortized cost based on the Company's intentions and strategies concerning those investments. Equity securities that have readily determinable fair values or redemption values are recorded at estimated fair value with changes in fair value recognized in current earnings within "Other income, net". These debt and equity investments are classified as "short-term investments" or "long-term investments" on the Company's consolidated balance sheet. See Note 5 for further details.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or net realizable value and consist principally of pharmaceuticals and dialysis-related supplies. Rebates related to inventory purchases are recorded when earned and are based on certain qualification requirements which are dependent on a variety of factors including future pricing levels from the manufacturer and related data submission.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and amortization and is further reduced by any impairments. Maintenance and repairs are charged to expense as incurred. Disposition gains and losses are included in current operating expenses. Property and equipment assets are reviewed for possible impairment whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Leases

The Company leases substantially all of its U.S. dialysis facilities. The majority of the Company's facilities are leased under non-cancellable operating leases which contain renewal options. These renewal options are included in the Company's determination of the right-of-use assets and related lease liabilities when renewal is considered reasonably certain at the commencement date. Certain of the Company's leases are subject to periodic consumer price increases or contain fixed escalation clauses.

The Company categorizes leases with contractual terms longer than twelve months as either operating or finance leases. Finance leases are generally those leases that allow the Company to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. The Company has elected the practical expedient to not separate lease components from non-lease components for its financing and operating leases. The Company has also elected the short-term lease recognition exemption and does not recognize right-of-use assets or lease liabilities for leases with a term of less than 12 months.

Financing and operating right-of-use assets are recognized based on the net present value of lease payments over the lease term plus expected renewals as of the commencement date. Since most of the Company's leases do not provide an implicit rate of return, the Company uses its incremental borrowing rate based on information available at the commencement date or remeasurement date in determining the present value of lease payments.

Assets acquired under finance leases are recorded on the balance sheet within property and equipment, net and liabilities for finance lease obligations are recorded within long-term debt. Finance lease assets are amortized to depreciation expense on a straight-line basis over the shorter of their estimated useful lives or the expected lease term.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Rights to use assets under operating leases are recorded on the balance sheet as operating lease right-of-use assets and liabilities for operating lease obligations are recorded as operating lease liabilities. Reductions in the carrying amount of operating lease right-of-use assets are recorded to rent expense over the lease term.

Amortizable intangibles

Amortizable intangible assets include noncompetition agreements, hospital service contracts, and customer relationships arising from other service contracts, each of which have finite useful lives. Amortization expense is computed using the straight-line method over the useful lives of the assets estimated as follows: non-competition agreements and hospital acute service contracts over the contract term, and customer relationships from other service contracts over the remaining contract term plus expected renewal periods. Amortizable intangible assets are reviewed for possible impairment whenever significant events or changes in circumstances indicate that an impairment may have occurred.

Indefinite-lived intangibles

Indefinite-lived intangible assets include international licenses and accreditations that allow the Company to be reimbursed for providing dialysis services to patients, each of which has an indefinite useful life. Indefinite-lived intangibles are not amortized, but are assessed for impairment at least annually and whenever significant events or changes in circumstances indicate that an impairment may have occurred. Costs to renew indefinite-lived intangible assets are expensed as incurred.

Equity method and other investments

Equity investments that do not have readily determinable fair values are carried on the equity method if the Company maintains significant influence over the investee. Equity investments without readily determinable fair values for which the Company does not maintain significant influence over the investee are carried either at estimated fair value or on the adjusted cost method, as determined on an investment-specific basis. The adjusted cost method represents the Company's cost for an investment, net of any other-than-temporary impairments, as adjusted for any subsequent observation of the investment's fair value. These equity method and adjusted cost method investments are classified as "Equity method and other investments" on the Company's consolidated balance sheet. See Note 9 for further details.

Equity method and other investments are assessed for other-than-temporary impairment when significant events or changes in circumstances indicate that an other-than-temporary impairment may have occurred. An other-than-temporary impairment charge is recorded when the fair value of an investment has fallen below its carrying amount and the shortfall is expected to be indefinitely or permanently unrecoverable.

Goodwill

Goodwill represents the difference between the fair value of businesses acquired and the fair value of the identifiable tangible and intangible net assets acquired. Goodwill is not amortized, but is assessed by individual reporting unit for impairment as circumstances warrant and at least annually. An impairment charge is recognized when and to the extent a reporting unit's carrying amount is determined to exceed its fair value. The Company operates multiple reporting units. See Note 10 for further details.

Self-insurance

The Company predominantly self-insures its professional and general liability and workers' compensation risks through its wholly-owned captive insurance companies, with excess or reinsurance coverage for additional protection. The Company is also predominantly self-insured with respect to employee medical and other health benefits. The Company records insurance liabilities for the professional and general liability, workers' compensation, and employee health benefit risks that it retains and estimates its liability for those risks using third party actuarial calculations that are based upon historical claims experience and expectations for future claims.

Income taxes

Federal and state income taxes are computed at currently enacted tax rates less tax credits using the asset and liability method. Deferred taxes are adjusted both for items that do not currently have tax consequences and for the cumulative effect of any changes in tax rates from those previously used to determine deferred tax assets or liabilities. Tax provisions include amounts that are currently payable, changes in deferred tax assets and liabilities that arise because of temporary differences between the timing of when items of income and expense are recognized for financial reporting and income tax purposes, changes in the recognition of tax positions and any changes in the valuation allowance caused by a change in judgment about

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

the realizability of the related deferred tax assets. A valuation allowance is established when necessary to reduce deferred tax assets to amounts expected to be realized.

The Company uses a recognition threshold of more-likely-than-not and a measurement attribute on all tax positions taken or expected to be taken in a tax return in order to be recognized in the financial statements. Once the recognition threshold is met, the tax position is then measured to determine the actual amount of benefit to recognize in the financial statements.

Stock-based compensation

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards, unless the stock awards are based on non-market based performance metrics, in which case expense is adjusted for the ultimate number of shares expected to be issued as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on their estimated fair values as of the end of each reporting period. The expense for all stock-based awards is recognized net of expected forfeitures.

Interest rate cap agreements

The Company often carries a combination of current or forward interest rate caps on portions of its variable rate debt as a means of hedging its exposure to changes in LIBOR interest rates as part of its overall interest rate risk management strategy. These interest rate caps are not held for trading or speculative purposes and are designated as qualifying cash flow hedges. See Note 13 for further details.

Noncontrolling interests

Noncontrolling interests represent third-party equity ownership interests in entities which are consolidated by the Company for financial statement reporting purposes. As of December 31, 2020, third parties held noncontrolling equity interests in 688 consolidated legal entities.

Fair value estimates

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are determined based on the principal or most advantageous market for the item being measured, assume that buyers and sellers are independent, willing and able to transact, and knowledgeable, with access to all information customarily available in such a transaction, and are based on assumptions that market participants would use in pricing the item, not assumptions specific to the reporting entity.

The Company relies on fair value measurements and estimates for purposes that require the recording, reassessment, or adjustment of the carrying amounts of certain assets, liabilities, and noncontrolling interests subject to put provisions (redeemable equity interests classified as temporary equity). These purposes can include the accounting for business combination transactions; impairment assessments for goodwill, other intangible assets, or other long-lived assets; recurrent revaluation of investments in debt and equity securities, contingent earn-out obligations, interest rate cap agreements, and noncontrolling interests subject to put provisions; and the accounting for equity method and other investments and stock-based compensation, as applicable. The Company has also classified its assets, liabilities and temporary equity into the appropriate fair value hierarchy levels as defined by the FASB. See Note 24 for further details.

New accounting standards

New standards recently adopted

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The amendments in this ASU amend the impairment model to utilize an expected loss methodology in place of the incurred loss methodology for financial instruments and off-balance sheet credit exposures. The amendment requires entities to consider a broader range of information to estimate expected credit losses, which may result in earlier recognition of losses. The amendments in this ASU became effective for the Company beginning on January 1, 2020 and were applied using a modified retrospective basis. The adoption of ASU No. 2016-13 did not have a material impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The applicable amendments in this ASU remove requirements for disclosures concerning transfers between fair value measurement levels 1, 2 and 3 and disclosures concerning

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

valuation processes for level 3 fair value measurements. The applicable amendments in this ASU also add a requirement to separately disclose the changes in unrealized gains and losses included in other comprehensive income for the reporting period for level 3 items measured at fair value on a recurring basis, and require disclosure of the range and weighted average of significant unobservable inputs used to develop level 3 fair value measurements. The amendments in this ASU became effective for the Company beginning on January 1, 2020 and were applied on a prospective basis. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles-Goodwill and Other-Internal Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. ASU No. 2018-15 aligns the requirements for capitalizing implementation costs incurred in a cloud computing arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The Company adopted this ASU as of January 1, 2020, using the prospective transition approach, which allows the Company to change the accounting method without restating prior periods or booking cumulative adjustments. The adoption of ASU No. 2018-15 did not have a material impact on the Company's consolidated financial statements.

New standards not yet adopted

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. ASU 2019-12 attempts to simplify aspects of accounting for franchise taxes and enacted changes in tax laws or rates, and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. ASU 2019-12 is effective for public business entities for fiscal years beginning after December 15, 2020, including interim periods within that fiscal year. Early adoption is permitted for all entities. The Company has evaluated the impact of this standard on its consolidated financial statements, including accounting policies, processes, and systems, and does not expect the impact to be material.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. ASU No. 2020-04 provides optional expedients and exceptions for applying U.S. GAAP to contract modifications and hedging relationships, subject to meeting certain criteria, that reference LIBOR or another rate that is expected to be discontinued. The amendments in this ASU were effective beginning on March 12, 2020, and the Company may elect to apply the amendments prospectively through December 31, 2022. The Company is currently assessing the effect this guidance may have on its consolidated financial statements.

2. Revenue recognition and accounts receivable

The Company's revenues by segment and primary payor source were as follows:

| | Year ended December 31, 2020 | | |
|---------------------------------------|------------------------------|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,048,043 | \$ | \$ 6,048,043 |
| Medicaid and Managed Medicaid | 744,862 | | 744,862 |
| Other government | 455,897 | 380,584 | 836,481 |
| Commercial | 3,370,562 | 170,394 | 3,540,956 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 419,662 | 419,662 |
| Medicaid and Managed Medicaid | | 1,227 | 1,227 |
| Commercial | | 33,246 | 33,246 |
| Other ⁽¹⁾ | 40,571 | 47,585 | 88,156 |
| Eliminations of intersegment revenues | (145,286) | (16,743) | (162,029) |
| Total | \$ 10,514,649 | \$ 1,035,955 | \$ 11,550,604 |

(1) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

| | Year ended December 31, 2019 | | |
|---------------------------------------|------------------------------|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,129,697 | \$ | \$ 6,129,697 |
| Medicaid and Managed Medicaid | 669,089 | | 669,089 |
| Other government | 446,010 | 352,765 | 798,775 |
| Commercial | 3,286,089 | 144,256 | 3,430,345 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 264,538 | 264,538 |
| Medicaid and Managed Medicaid | | 606 | 606 |
| Commercial | | 130,823 | 130,823 |
| Other ⁽¹⁾ | 32,021 | 78,940 | 110,961 |
| Eliminations of intersegment revenues | (132,325) | (14,030) | (146,355) |
| Total | \$ 10,430,581 | \$ 957,898 | \$ 11,388,479 |

(1) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

| | Year ended December 31, 2018 | | |
|---------------------------------------|------------------------------|----------------------------|----------------------|
| | U.S. dialysis | Other - Ancillary services | Consolidated |
| Patient service revenues: | | | |
| Medicare and Medicare Advantage | \$ 6,063,891 | \$ | \$ 6,063,891 |
| Medicaid and Managed Medicaid | 628,766 | | 628,766 |
| Other government | 446,999 | 335,594 | 782,593 |
| Commercial | 3,176,413 | 101,681 | 3,278,094 |
| Other revenues: | | | |
| Medicare and Medicare Advantage | | 492,812 | 492,812 |
| Medicaid and Managed Medicaid | | 44,246 | 44,246 |
| Commercial | | 90,890 | 90,890 |
| Other ⁽¹⁾ | 19,880 | 130,865 | 150,745 |
| Eliminations of intersegment revenues | (92,950) | (34,236) | (127,186) |
| Total | \$ 10,242,999 | \$ 1,161,852 | \$ 11,404,851 |

(1) Other consists of management service fees earned in the respective Company line of business as well as other revenue from the Company's ancillary services.

The Company had no allowance for doubtful accounts related to performance obligations satisfied in years prior to January 1, 2018 as of December 31, 2020 and such allowance was \$8,328 as of December 31, 2019.

As described in Note 1, there are significant risks associated with estimating revenue, many of which take several years to resolve. These estimates are subject to ongoing insurance coverage changes, geographic coverage differences, differing interpretations of contract coverage and other payor issues, as well as patient issues including determining applicable primary and secondary coverage, changes in patient coverage and coordination of benefits. As these estimates are refined over time, both positive and negative adjustments to revenue are recognized in the current period. As a result of these changes in estimates, no additional revenue was recognized during the year ended December 31, 2020 associated with performance obligations satisfied prior to January 1, 2018 and additional revenue of \$37,274 was recognized during the year ended December 31, 2019 associated with performance obligations satisfied in years prior to January 1, 2018.

There is no single commercial payor that accounted for more than 10% of total consolidated accounts receivable or consolidated revenues at or for the years ended December 31, 2020 or 2019.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Net dialysis services accounts receivable and other receivables from Medicare, including Medicare Advantage plans, and Medicaid, including managed Medicaid plans, were approximately \$1,101,837 and \$1,038,248 as of December 31, 2020 and 2019, respectively. Approximately 17% and 18% of the Company's net patient services accounts receivable balances as of December 31, 2020 and 2019, respectively, were more than six months old. There were no significant balances over one year old at December 31, 2020. The Company's accounts receivable are principally due from Medicare and Medicaid programs and commercial insurance plans.

3. Earnings per share

Basic earnings per share is calculated by dividing net income attributable to the Company by the weighted average number of common shares outstanding, reduced for 2018 by the weighted average shares held in escrow that under certain circumstances may have been returned to the Company. Weighted average common shares outstanding include restricted stock unit awards that are no longer subject to forfeiture because the recipients have satisfied either their explicit vesting terms or retirement eligibility requirements.

Diluted earnings per share includes the dilutive effect of outstanding stock-settled stock appreciation rights and unvested stock units (under the treasury stock method) and, for 2018, the weighted average contingently returnable shares held in escrow that were outstanding during the period.

The reconciliations of the numerators and denominators used to calculate basic and diluted earnings per share were as follows:

| | Year ended December 31, | | |
|---|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Net income (loss) attributable to DaVita Inc.: | | | |
| Continuing operations | \$ 783,295 | \$ 706,832 | \$ 624,321 |
| Discontinued operations | (9,653) | 104,149 | (464,927) |
| Net income attributable to DaVita Inc. | <u>\$ 773,642</u> | <u>\$ 810,981</u> | <u>\$ 159,394</u> |
| Weighted average shares outstanding: | | | |
| During the period | 119,797 | 153,181 | 171,886 |
| Contingently returnable ⁽¹⁾ | — | — | (1,100) |
| Basic shares | <u>119,797</u> | <u>153,181</u> | <u>170,786</u> |
| Contingently returnable ⁽¹⁾ | — | — | 1,100 |
| Assumed incremental from stock plans | 2,826 | 631 | 479 |
| Diluted shares | <u>122,623</u> | <u>153,812</u> | <u>172,365</u> |
| Basic net income (loss) attributable to DaVita Inc.: | | | |
| Continuing operations per share | \$ 6.54 | \$ 4.61 | \$ 3.66 |
| Discontinued operations per share | (0.08) | 0.68 | (2.73) |
| Basic net income per share attributable to DaVita Inc. | <u>\$ 6.46</u> | <u>\$ 5.29</u> | <u>\$ 0.93</u> |
| Diluted net income (loss) attributable to DaVita Inc.: | | | |
| Continuing operations per share | \$ 6.39 | \$ 4.60 | \$ 3.62 |
| Discontinued operations per share | (0.08) | 0.67 | (2.70) |
| Diluted net income per share attributable to DaVita Inc. | <u>\$ 6.31</u> | <u>\$ 5.27</u> | <u>\$ 0.92</u> |
| Anti-dilutive stock-settled awards excluded from calculation ⁽²⁾ | <u>2,301</u> | <u>5,936</u> | <u>5,295</u> |

(1) Shares previously held in escrow for the DaVita HealthCare Partners merger.

(2) Shares associated with stock awards excluded from the diluted denominator calculation because they were anti-dilutive under the treasury stock method.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

4. Restricted cash and equivalents

The Company had restricted cash and cash equivalents of \$176,832 and \$106,346 at December 31, 2020 and 2019, respectively. Approximately \$92,286 of the balance at December 31, 2020 represents restricted cash equivalents held in trust to satisfy insurer and state regulatory requirements related to the wholly-owned captive insurance companies that bear professional and general liability and workers' compensation risks for the Company and \$70,000 represents cash held in escrow to fund a previously announced legal settlement pending finalization. The remaining restricted cash and cash equivalents held at December 31, 2020 primarily represents cash pledged to third parties in connection with one of the Company's ancillary services.

5. Short-term and long-term investments

The Company's short-term and long-term investments, consisting of debt instruments classified as held-to-maturity and equity investments with readily determinable fair values or redemption values, were as follows:

| | December 31, 2020 | | | December 31, 2019 | | |
|---|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| | Debt securities | Equity securities | Total | Debt securities | Equity securities | Total |
| Certificates of deposit and other time deposits | \$ 8,217 | \$ — | \$ 8,217 | \$ 8,140 | \$ — | \$ 8,140 |
| Investments in mutual funds and common stock | — | 44,077 | 44,077 | — | 39,951 | 39,951 |
| | <u>\$ 8,217</u> | <u>\$ 44,077</u> | <u>\$ 52,294</u> | <u>\$ 8,140</u> | <u>\$ 39,951</u> | <u>\$ 48,091</u> |
| Short-term investments | \$ 8,217 | \$ 11,884 | \$ 20,101 | \$ 8,140 | \$ 3,432 | \$ 11,572 |
| Long-term investments | — | 32,193 | 32,193 | — | 36,519 | 36,519 |
| | <u>\$ 8,217</u> | <u>\$ 44,077</u> | <u>\$ 52,294</u> | <u>\$ 8,140</u> | <u>\$ 39,951</u> | <u>\$ 48,091</u> |

Debt securities: The Company's short-term debt investments are principally bank certificates of deposit with contractual maturities longer than three months but shorter than one year. These debt securities are accounted for as held-to-maturity and recorded at amortized cost, which approximated their fair values at December 31, 2020 and 2019.

Equity securities: The Company's equity investments in mutual funds and common stock are held within a trust to fund existing obligations associated with several of the Company's non-qualified deferred compensation plans. During 2020, the Company recognized pre-tax net gains of \$3,818 in other income associated with changes in the fair value of these equity securities, comprised of pre-tax realized gains of \$1,941 and a net increase in unrealized gains of \$1,877. During 2019, the Company recognized pre-tax net gains of \$4,383 in other income associated with changes in the fair value of these equity securities, comprised of pre-tax realized gains of \$1,459 and a net increase in unrealized gains of \$2,924.

6. Other receivables

Other receivables were comprised of the following:

| | December 31, | |
|--|-------------------|-------------------|
| | 2020 | 2019 |
| Supplier rebates and non-trade receivables | \$ 390,508 | \$ 351,650 |
| Medicare bad debt claims | 153,868 | 138,045 |
| | <u>\$ 544,376</u> | <u>\$ 489,695</u> |

7. Property and equipment

Property and equipment were comprised of the following:

| | December 31, | |
|--|---------------------|---------------------|
| | 2020 | 2019 |
| Land | \$ 37,924 | \$ 36,480 |
| Buildings | 400,616 | 392,256 |
| Leasehold improvements | 3,865,729 | 3,545,224 |
| Equipment and information systems, including internally developed software | 3,081,298 | 2,880,645 |
| New center and capital asset projects in progress | 616,686 | 588,345 |
| | 8,002,253 | 7,442,950 |
| Less accumulated depreciation | (4,480,429) | (3,969,566) |
| | <u>\$ 3,521,824</u> | <u>\$ 3,473,384</u> |

Depreciation and amortization expenses are computed using the straight-line method over the useful lives of the assets estimated as follows: buildings, 25 years to 40 years; leasehold improvements, the shorter of ten years or the expected lease term; and equipment and information systems, principally three years to 15 years. Depreciation expense on property and equipment was \$616,626, \$600,905, and \$574,799 for 2020, 2019 and 2018, respectively.

Interest on debt incurred during the development of new centers and other capital asset projects is capitalized as a component of the asset cost based on the respective in-process capital asset balances. Interest capitalized was \$17,944, \$27,322 and \$25,978 for 2020, 2019 and 2018, respectively.

During 2018, the Company recognized asset impairment charges of \$17,338 related to the restructuring of its pharmacy business.

8. Intangible assets

Intangible assets other than goodwill were comprised of the following:

| | December 31, | |
|----------------------------------|-------------------|-------------------|
| | 2020 | 2019 |
| Indefinite-lived licenses | \$ 100,138 | \$ 90,209 |
| Noncompetition agreements | 84,022 | 103,510 |
| Customer relationships and other | 52,566 | 23,887 |
| | 236,726 | 217,606 |
| Less accumulated amortization | (70,141) | (81,922) |
| | <u>\$ 166,585</u> | <u>\$ 135,684</u> |

Noncompetition agreements are generally amortized over three years to 10 years and customer relationships are principally amortized over 10 years to 20 years. Amortization expense from amortizable intangible assets was \$13,809, \$14,247, and \$16,236 for 2020, 2019 and 2018, respectively.

For the years ended December 31, 2020, 2019 and 2018, the Company recognized no impairment charges on any intangible assets other than the goodwill impairment charges discussed in Note 10.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Scheduled amortization expenses from amortizable intangible assets as of December 31, 2020 were as follows:

| | Noncompetition agreements | Customer relationships and other |
|--------------|------------------------------|-------------------------------------|
| 2021 | \$ 10,274 | \$ 3,143 |
| 2022 | 6,680 | 3,139 |
| 2023 | 3,883 | 3,102 |
| 2024 | 1,714 | 2,851 |
| 2025 | 585 | 2,660 |
| Thereafter | 168 | 28,248 |
| Total | \$ 23,304 | \$ 43,143 |

9. Equity method and other investments

The Company maintains equity method and other minor investments in the private securities of certain other healthcare and healthcare-related businesses, comprised as follows:

| | December 31, | |
|--|-------------------|-------------------|
| | 2020 | 2019 |
| APAC joint venture | \$ 120,787 | \$ 116,924 |
| Other equity method partnerships | 107,599 | 114,611 |
| Adjusted cost method and other investments | 29,105 | 10,448 |
| | \$ 257,491 | \$ 241,983 |

During 2020, 2019 and 2018, the Company recognized equity investment income (loss) of \$26,916, \$12,679 and \$(4,484), respectively, from its equity method investments in nonconsolidated businesses.

The Company's largest equity method investment is its ownership interest in DaVita Care Pte. Ltd. (the APAC joint venture, or APAC JV). The Company holds a 75% voting and economic interest in the APAC JV and an unrelated noncontrolling investor holds the other 25% voting and economic interest in the joint venture. During 2019 the continuing third party noncontrolling investor made its final subscribed capital contribution to the joint venture and the other previous third party noncontrolling investor elected to exit the joint venture. The governance structure and voting rights established for the APAC JV, which remain unchanged since its formation on August 1, 2016, provide that certain key decisions affecting the joint venture's operations are not subject to the unilateral discretion of the Company but rather are under the joint control of the Company and the APAC JV's unrelated noncontrolling investor. As a result, the Company does not consolidate the APAC JV.

Prior to the transactions described above, the Company held a 60% voting interest and a 73.3% economic interest in the APAC JV, while the other two noncontrolling investors collectively held a 40% voting interest and a 26.7% economic interest in the APAC JV.

The Company's other equity method investments include 22 legal entities over which the Company has significant influence but in which it does not maintain a controlling financial interest. Almost all of these are U.S. dialysis partnerships in the form of limited liability companies. The Company's ownership interests in these partnerships vary, but typically range from 30% to 50%.

There were no significant impairments or other valuation adjustments on the Company's adjusted cost method and other investments during 2020, 2019 or 2018.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

10. Goodwill

Changes in the carrying value of goodwill by reportable segment were as follows:

| | U.S. dialysis | Other - Ancillary services | Consolidated |
|--|---------------|----------------------------|--------------|
| Balance at December 31, 2018 | \$ 6,275,004 | \$ 566,956 | \$ 6,841,960 |
| Acquisitions | 18,089 | 72,137 | 90,226 |
| Impairment charges | — | (124,892) | (124,892) |
| Foreign currency and other adjustments | (5,993) | (13,666) | (19,659) |
| Balance at December 31, 2019 | \$ 6,287,100 | \$ 500,535 | \$ 6,787,635 |
| Acquisitions | 24,377 | 105,680 | 130,057 |
| Divestitures | (1,549) | (6,744) | (8,293) |
| Foreign currency and other adjustments | — | 9,710 | 9,710 |
| Balance at December 31, 2020 | \$ 6,309,928 | \$ 609,181 | \$ 6,919,109 |
| Balance at December 31, 2020: | | | |
| Goodwill | \$ 6,309,928 | \$ 745,732 | \$ 7,055,660 |
| Accumulated impairment charges | — | (136,551) | (136,551) |
| | \$ 6,309,928 | \$ 609,181 | \$ 6,919,109 |

As dialysis treatments are an essential, life-sustaining service for patients who depend on them, the Company's operations have continued and are currently expected to continue throughout the novel coronavirus (COVID-19) pandemic. However, the ultimate impact of the dynamic and evolving COVID-19 pandemic on the Company will depend on future developments that are highly uncertain and difficult to predict, including among other things the severity and duration of the pandemic, further spread or resurgence of the virus, including as a result of the emergence of the new strains of the virus, its impact on the chronic kidney disease (CKD) patient population and the Company's patient population, the availability, acceptance, impact and efficacy of COVID-19 treatments, therapies and vaccines, the pandemic's continuing impact on the U.S. and global economies and unemployment, the responses of the Company's competitors to the pandemic and related changes in the marketplaces, and the timing, scope and effectiveness of governmental responses. While the Company does not currently expect a material adverse impact to its business as a result of this public health crisis, there can be no assurance that the COVID-19 pandemic will not have a material adverse impact on one or more of the Company's businesses.

Each of the Company's operating segments described in Note 25 to these consolidated financial statements represents an individual reporting unit for goodwill impairment assessment purposes.

Within the U.S. dialysis operating segment, the Company considers each of its dialysis centers to constitute an individual business for which discrete financial information is available. However, since these dialysis centers have similar operating and economic characteristics, and the allocation of resources and significant investment decisions concerning these businesses are highly centralized and the benefits broadly distributed, the Company has aggregated these centers and deemed them to constitute a single reporting unit.

The Company has applied a similar aggregation to the physician practices in its physician services reporting units, to the dialysis centers and other health operations within each international reporting unit, and to the vascular access service centers in its former vascular access services reporting unit. For the Company's other operating segments, discrete business components below the operating segment level constitute individual reporting units.

When performing quantitative goodwill impairment assessments, the Company estimates fair value using either appraisals developed with an independent third party valuation firm which consider both discounted cash flow estimates for the subject business and observed market multiples for similar businesses, or offer prices received for the subject business that would be acceptable to the Company.

During the year ended December 31, 2019, the Company recognized goodwill impairment charges of \$119,476 in its Germany kidney care business. These charges resulted primarily from a decline in then current and expected future patient census and an increase in then current and expected future costs, including due to wage increases expected to result from legislation announced at that time. The changes in the Company's expectations were informed by developments in the business in response to evolving market conditions, including changes in the Company's expected timing and ability to mitigate them,

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

and based on in-depth operating and strategic reviews completed by the Company's new Germany management team. During the year ended December 31, 2019 the Company also recognized a goodwill impairment charge of \$5,416 in its German other health operations.

Based on its most recent assessments, the Company determined that further changes in expected patient census, increases in operating costs, reductions in reimbursement rates, changes in actual or expected growth rates, or other significant adverse changes in expected future cash flows or valuation assumptions could result in goodwill impairment charges in the future for the following reporting unit, which remains at risk of goodwill impairment as of December 31, 2020:

| Reporting unit | Goodwill balance | Carrying amount coverage ⁽¹⁾ | Sensitivities | |
|---------------------|------------------|---|---------------------------------|------------------------------|
| | | | Operating income ⁽²⁾ | Discount rate ⁽³⁾ |
| Germany kidney care | \$ 322,736 | 2.3 % | (1.5)% | (10.1)% |

- (1) Excess of estimated fair value of the reporting unit over its carrying amount as of the latest assessment date.
(2) Potential impact on estimated fair value of a sustained, long-term reduction of 3% in operating income as of the latest assessment date.
(3) Potential impact on estimated fair value of an increase in discount rates of 100 basis points as of the latest assessment date.

Except as described above, none of the Company's other reporting units were considered at risk of significant goodwill impairment as of December 31, 2020. Since the dates of the Company's last annual goodwill impairment assessments, there have been certain developments, events, changes in operating performance and other changes in key circumstances that have affected the Company's businesses. However, these have not caused management to believe it is more likely than not that the fair values of any of the Company's reporting units would be less than their respective carrying amounts as of December 31, 2020.

11. Other liabilities

Other liabilities were comprised of the following:

| | December 31, | |
|---------------------------------------|-------------------|-------------------|
| | 2020 | 2019 |
| Payor refunds and retractions | \$ 371,183 | \$ 377,044 |
| Insurance and self-insurance accruals | 54,438 | 58,941 |
| Accrued interest | 30,066 | 54,899 |
| Accrued non-income tax liabilities | 39,075 | 36,285 |
| Other | 315,767 | 229,005 |
| | <u>\$ 810,529</u> | <u>\$ 756,174</u> |

12. Income taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Income before income taxes from continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------|-------------------------|---------------------|---------------------|
| | 2020 | 2019 | 2018 |
| Domestic | \$ 1,287,976 | \$ 1,307,299 | \$ 1,083,578 |
| International | 30,286 | (111,860) | (35,100) |
| | <u>\$ 1,318,262</u> | <u>\$ 1,195,439</u> | <u>\$ 1,048,478</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Income tax expense for continuing operations consisted of the following:

| | Year ended December 31, | | |
|---------------------------|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Current: | | | |
| Federal | \$ 47,171 | \$ 208,339 | \$ 140,064 |
| State | 21,442 | 58,026 | 32,990 |
| International | 17,481 | 15,545 | 7,557 |
| Total current income tax | 86,094 | 281,910 | 180,611 |
| Deferred: | | | |
| Federal | 198,623 | 44,263 | 52,034 |
| State | 27,206 | (25,836) | 21,096 |
| International | 2,009 | (20,709) | 4,659 |
| Total deferred income tax | 227,838 | (2,282) | 77,789 |
| | <u>\$ 313,932</u> | <u>\$ 279,628</u> | <u>\$ 258,400</u> |

Income taxes are allocated between continuing and discontinued operations as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Continuing operations | \$ 313,932 | \$ 279,628 | \$ 258,400 |
| Discontinued operations | 1,657 | 40,689 | 99,768 |
| | <u>\$ 315,589</u> | <u>\$ 320,317</u> | <u>\$ 358,168</u> |

The reconciliation between the Company's effective tax rate from continuing operations and the U.S. federal income tax rate is as follows:

| | Year ended December 31, | | |
|--|-------------------------|---------------|---------------|
| | 2020 | 2019 | 2018 |
| Federal income tax rate | 21.0 % | 21.0 % | 21.0 % |
| State income taxes, net of federal benefit | 3.4 | 2.3 | 4.1 |
| Change in International valuation allowance | 1.5 | 1.3 | 0.9 |
| Political advocacy costs | 1.7 | 0.2 | 2.3 |
| Nondeductible executive compensation | 1.2 | 0.8 | 0.7 |
| Unrecognized tax benefits | 0.4 | 2.4 | 0.2 |
| Other | (0.6) | 0.3 | — |
| Impact of noncontrolling interests primarily attributable to non-tax paying entities | (4.8) | (4.9) | (4.6) |
| Effective tax rate | <u>23.8 %</u> | <u>23.4 %</u> | <u>24.6 %</u> |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Deferred tax assets and liabilities arising from temporary differences for continuing operations were as follows:

| | December 31, | |
|----------------------------------|--------------|--------------|
| | 2020 | 2019 |
| Receivables | \$ 9,324 | \$ 19,095 |
| Accrued liabilities | 64,982 | 64,458 |
| Operating lease liabilities | 584,656 | 580,110 |
| Net operating loss carryforwards | 167,398 | 139,690 |
| Other | 62,110 | 55,108 |
| Deferred tax assets | 888,470 | 858,461 |
| Valuation allowance | (114,824) | (91,925) |
| Net deferred tax assets | 773,646 | 766,536 |
| Intangible assets | (634,736) | (563,914) |
| Property and equipment | (274,742) | (162,628) |
| Operating lease assets | (532,082) | (527,056) |
| Investments in partnerships | (101,996) | (64,960) |
| Other | (39,690) | (25,521) |
| Deferred tax liabilities | (1,583,246) | (1,344,079) |
| Net deferred tax liabilities | \$ (809,600) | \$ (577,543) |

At December 31, 2020, the Company had federal net operating loss carryforwards of approximately \$99,657 that expire through 2036, although a substantial amount expire by 2029. The Company also had state net operating loss carryforwards of \$488,070, some of which have an indefinite life, although a substantial amount expire by 2040 and international net operating loss carryforwards of \$296,451, some of which will begin to expire in 2021 though the majority have an indefinite life. The Company has a state capital loss carryover of \$297,748, the majority of which expires in 2024. The utilization of a portion of these losses may be limited in future years based on the profitability of certain entities. A valuation allowance is recorded to account for the unrealizable balances in the table above. The net increase of \$22,899 in the valuation allowance is primarily due to newly created net operating loss carryforwards in state and foreign jurisdictions that the Company does not anticipate being able to utilize.

The Company's foreign earnings continue to be indefinitely reinvested as of December 31, 2020. As a result of the passage of the Tax Cuts and Jobs Act (2017 Tax Act), the Company does not expect such earnings to be taxable if remitted.

Unrecognized tax benefits

A reconciliation of the beginning and ending liability for unrecognized tax benefits that do not meet the more-likely-than-not threshold is as follows:

| | Year ended December 31, | |
|---|-------------------------|-----------|
| | 2020 | 2019 |
| Beginning balance | \$ 68,214 | \$ 40,382 |
| Additions for tax positions related to current year | 2,293 | 3,378 |
| Additions for tax positions related to prior years | 258 | 24,722 |
| Reductions related to lapse of applicable statute | (133) | (268) |
| Reductions related to settlements with taxing authorities | (430) | — |
| Ending balance | \$ 70,202 | \$ 68,214 |

As of December 31, 2020, the Company's total liability for unrecognized tax benefits relating to tax positions that do not meet the more-likely-than-not threshold is \$70,202, of which \$66,607 would impact the Company's effective tax rate if recognized. This balance represents an increase of \$1,988 from the December 31, 2019 balance of \$68,214.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. At December 31, 2020 and 2019, the Company had approximately \$17,864 and \$14,428, respectively, accrued for interest and penalties related to unrecognized tax benefits, net of federal tax benefit.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The Company and its subsidiaries file U.S. federal and state income tax returns and various foreign income tax returns. The Company is no longer subject to U.S. federal and state examinations by tax authorities for years before 2014 and 2009, respectively. In addition to being under audit in various state and local tax jurisdictions, the Company's federal tax returns are under audit by the Internal Revenue Service for the years 2014-2017.

13. Long-term debt

Long-term debt was comprised of the following:

| | December 31, | | Maturity date | As of December 31, 2020 | |
|--|---------------------|---------------------|---------------|-------------------------|-------------------------------------|
| | 2020 | 2019 | | Interest rate | Estimated fair value ⁽¹⁾ |
| Senior Secured Credit Facilities: | | | | | |
| Term Loan A | \$ 1,684,375 | \$ 1,739,063 | 8/12/2024 | LIBOR + 1.50% | \$ 1,675,953 |
| Term Loan B-1 | 2,715,694 | — | 8/12/2026 | LIBOR + 1.75% | 2,702,115 |
| Term Loan B | — | 2,743,125 | 8/12/2026 | | |
| Revolving line of credit ⁽²⁾ | 75,000 | — | 8/12/2024 | ABR + 0.50% | \$ 75,000 |
| Senior Notes: | | | | | |
| 4.625% Senior Notes | 1,750,000 | — | 6/1/2030 | 4.625 % | \$ 1,859,375 |
| 3.75% Senior Notes | 1,500,000 | — | 2/15/2031 | 3.75 % | \$ 1,522,500 |
| 5.125% Senior Notes | — | 1,750,000 | 7/15/2024 | | |
| 5.0% Senior Notes | — | 1,500,000 | 5/1/2025 | | |
| Acquisition obligations and other notes payable ⁽³⁾ | 164,160 | 180,352 | 2021-2036 | 4.88 % | \$ 164,160 |
| Financing lease obligations ⁽⁴⁾ | 274,292 | 268,534 | 2021-2038 | 5.1 % | |
| Total debt principal outstanding | 8,163,521 | 8,181,074 | | | |
| Discount and deferred financing costs ⁽⁵⁾ | (77,717) | (72,840) | | | |
| | 8,085,804 | 8,108,234 | | | |
| Less current portion | (168,541) | (130,708) | | | |
| | <u>\$ 7,917,263</u> | <u>\$ 7,977,526</u> | | | |

- (1) For the Company's senior secured credit facilities and senior notes, fair value estimates are based upon bid and ask quotes, typically a level 2 input. For acquisition obligations and other notes payable, the carrying values presented here approximate their estimated fair values, based on estimates of their present values using level 2 interest rate inputs.
- (2) The Company's interest rate for its revolving line of credit as of December 31, 2020 was based on an Alternate Base Rate (ABR or Prime Rate) plus 0.50%, or 3.75%. Effective January 6, 2021 this was converted to a LIBOR-based rate of LIBOR plus 1.50%.
- (3) The interest rate presented for acquisition obligations and other notes payable is their weighted average interest rate based on the current fixed and LIBOR interest rate components in effect as of December 31, 2020.
- (4) Financing lease obligations are measured at their approximate present values at inception. The interest rate presented is the weighted average discount rate embedded in financing leases outstanding. The term of one ground lease runs to 2070, in addition to the other lease maturity dates presented in the table above.
- (5) As of December 31, 2020, the carrying amount of the Company's senior secured credit facilities includes a discount of \$5,461 and deferred financing costs of \$35,825 and the carrying amount of the Company's senior notes includes deferred financing costs of \$36,431. As of December 31, 2019, the carrying amount of the Company's senior secured credit facilities included a discount of \$6,457 and deferred financing costs of \$45,444, and the carrying amount of the Company's senior notes included deferred financing costs of \$20,939.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Scheduled maturities of long-term debt at December 31, 2020 were as follows:

| | | |
|------------|----|-----------|
| 2021 | \$ | 168,541 |
| 2022 | \$ | 169,782 |
| 2023 | \$ | 227,062 |
| 2024 | \$ | 1,496,892 |
| 2025 | \$ | 69,440 |
| Thereafter | \$ | 6,031,804 |

On February 13, 2020, the Company entered into an amendment (the Repricing Amendment) to refinance and reprice its senior secured Term Loan B with a senior secured Term Loan B-1 that bears interest at a rate equal to LIBOR plus an applicable margin of 1.75% and matures on August 12, 2026. The Repricing Amendment did not change the interest rate on the Term Loan A or the revolving line of credit. No additional debt was incurred, nor any additional proceeds received, by the Company in connection with the Repricing Amendment. The majority of the Company's Term Loan B debt was considered modified in this transaction. As a result, the Company recognized debt refinancing charges of \$2,948 in the year ended December 31, 2020 comprised partially of fees incurred on this transaction and partially of deferred financing costs written off for the portion of debt considered extinguished and reborrowed. For the portion of the Term Loan B debt that was considered extinguished and reborrowed in this refinancing, the Company recognized \$68,842 in constructive financing cash outflows and financing cash inflows on the statement of cash flows, even though no funds were actually paid or received. Another \$55,895 of the debt considered extinguished in this refinancing represented a non-cash financing activity.

During the year ended December 31, 2020, the Company made regularly scheduled mandatory principal payments under its senior secured credit facilities totaling \$54,688 on Term Loan A and \$27,431 on Term Loan B-1.

On June 9, 2020, the Company issued \$1,750,000 aggregate principal amount of 4.625% senior notes due 2030 (the 4.625% Senior Notes) in a private offering pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended. The 4.625% Senior Notes pay interest on June 1 and December 1 of each year beginning December 1, 2020. The 4.625% Senior Notes are unsecured senior obligations and rank equally in right of payment with the Company's existing and future unsecured senior indebtedness. The 4.625% Senior Notes are guaranteed by each of the Company's domestic subsidiaries that guarantee its senior secured credit facilities. The Company may redeem up to 40% of the aggregate principal amount of the 4.625% Senior Notes at any time prior to June 1, 2023 at 104.625% of the aggregate principal amount from the proceeds of one or more equity offerings, plus accrued and unpaid interest. In addition, the Company may redeem the 4.625% Senior Notes at any time prior to June 1, 2025 at a make-whole redemption price plus accrued and unpaid interest or, on and after such date, at certain redemption prices specified in the indenture governing these notes plus accrued and unpaid interest. The 4.625% Senior Notes contain restrictive covenants that limit the ability of the Company and its guarantors to, among other things, create certain liens, enter into certain sale/leaseback transactions, or merge, consolidate or sell all or substantially all of their assets. The 4.625% Senior Notes and related subsidiary guarantees do not have any registration or similar rights and are not expected to be registered for exchange on public markets. During the year ended December 31, 2020, the Company incurred \$20,386 in fees, discounts and other professional expenses associated with this transaction that were capitalized and will amortize over the term of the 4.625% Senior Notes.

On July 15, 2020, the Company used the net proceeds from these 4.625% Senior Notes, together with cash on hand, to redeem in full all \$1,750,000 aggregate principal amount outstanding of its 5.125% Senior Notes plus accrued interest and redemption premium. The Company incurred debt redemption premium charges of \$29,890 and deferred financing cost write-offs of \$9,764 in connection with this redemption.

On August 11, 2020, the Company issued \$1,500,000 aggregate principal amount of 3.75% senior notes due 2031 (the 3.75% Senior Notes) in a private offering pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended. The 3.75% Senior Notes pay interest on February 15 and August 15 of each year beginning February 15, 2021. The 3.75% Senior Notes are unsecured senior obligations and rank equally in right of payment with the Company's existing and future unsecured senior indebtedness. The 3.75% Senior Notes are guaranteed by each of the Company's domestic subsidiaries that guarantee its senior secured credit facilities. The Company may redeem up to 40% of the aggregate principal amount of the 3.75% Senior Notes at any time prior to August 15, 2023 at 103.75% of the aggregate principal amount from the proceeds of one or more equity offerings, plus accrued and unpaid interest. In addition, the Company may redeem the 3.75% Senior Notes at any time prior to February 15, 2026 at a make-whole redemption price plus accrued and unpaid interest or, on and after such date, at certain redemption prices specified in the indenture governing these notes plus accrued and unpaid interest. The 3.75% Senior Notes contain restrictive covenants that limit the ability of the Company and its guarantors to, among other things, create

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

certain liens, enter into certain sale/leaseback transactions, or merge, consolidate or sell all or substantially all of their assets. The 3.75% Senior Notes and related subsidiary guarantees do not have any registration or similar rights and are not expected to be registered for exchange on public markets. During the year ended December 31, 2020, the Company incurred \$17,936 in fees, discounts and other professional expenses associated with this transaction that were capitalized and will amortize over the term of the 3.75% Senior Notes.

On August 21, 2020, the Company used the net proceeds from these 3.75% Senior Notes, together with cash on hand, to redeem in full all \$1,500,000 aggregate principal amount outstanding of its 5.0% Senior Notes plus accrued interest and redemption premium. The Company incurred debt redemption premium charges of \$37,500 and deferred financing cost write-offs of \$8,866 in connection with this redemption.

The Company's 2015 interest rate cap agreements expired on June 30, 2020, at which time the Company's 2019 cap agreements became effective. As of December 31, 2020, the Company maintains several interest rate cap agreements that have the economic effect of capping the Company's maximum exposure to LIBOR variable interest rate changes on specific portions of the Company's floating rate debt, including all of the Term Loan B-1 and a portion of the Term Loan A. The remaining \$900,069 outstanding principal balance of the Term Loan A and the \$75,000 outstanding balance of the revolving line of credit are subject to LIBOR-based interest rate volatility. The cap agreements are designated as cash flow hedges and, as a result, changes in their fair values are reported in other comprehensive income. The amortization of the original cap premium is recognized as a component of debt expense on the interest method over the terms of the cap agreements. These cap agreements do not contain credit-risk contingent features.

The following table summarizes the Company's interest rate cap agreements outstanding as of December 31, 2020 and December 31, 2019, which are classified in "Other long-term assets" on its consolidated balance sheet:

| | Notional amount | LIBOR maximum rate | Effective date | Expiration date | Year ended | | December 31, | |
|---------------------|-----------------|--------------------|----------------|-----------------|-------------------|-------------------|--------------|-----------|
| | | | | | December 31, 2020 | | 2020 | 2019 |
| | | | | | Debt expense | Recorded OCI loss | Fair value | |
| 2019 cap agreements | \$ 3,500,000 | 2.00% | 6/30/2020 | 6/30/2024 | \$ 2,755 | \$ (21,781) | \$ 2,671 | \$ 24,452 |
| 2015 cap agreements | \$ 3,500,000 | 3.50% | 6/29/2018 | 6/30/2020 | \$ 4,326 | \$ — | \$ — | \$ — |

The following table summarizes the effects of the Company's interest rate cap agreements for the years ended December 31, 2020, 2019 and 2018:

| Derivatives designated as cash flow hedges | Amount of unrealized (losses) gains in OCI on interest rate cap agreements | | | Location of losses | Reclassification from accumulated other comprehensive income into net income | | |
|--|--|-----------------|-----------------|--------------------|--|-----------------|-----------------|
| | Year ended December 31, | | | | Year ended December 31, | | |
| | 2020 | 2019 | 2018 | | 2020 | 2019 | 2018 |
| Interest rate cap agreements | \$ (21,781) | \$ 1,566 | \$ (181) | Debt expense | \$ 7,081 | \$ 8,591 | \$ 8,466 |
| Related income tax | 5,435 | (415) | 48 | Related income tax | (1,768) | (2,214) | (2,180) |
| Total | \$ (16,346) | \$ 1,151 | \$ (133) | | \$ 5,313 | \$ 6,377 | \$ 6,286 |

See Note 20 for further details on amounts recorded and reclassified from accumulated other comprehensive (loss) income.

The Company's weighted average effective interest rate on its senior secured credit facilities at the end of 2020 was 2.03%, based upon the current margins in effect for the Term Loan A, Term Loan B-1 and revolving line of credit as of December 31, 2020.

The Company's weighted average effective interest rate on all debt, including the effect of interest rate caps and amortization of debt discount, was 3.59% for the year ended December 31, 2020 and 3.06% as of December 31, 2020.

As of December 31, 2020, the Company's interest rates were fixed on approximately 44.4% of its total debt.

As of December 31, 2020, the Company had \$925,000 available and \$75,000 drawn on its \$1,000,000 revolving line of credit under its senior secured credit facilities. Credit available under this revolver is reduced by the amount of any letters of credit outstanding under this facility, but there were no such letters of credit outstanding as of December 31, 2020. The

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Company also had approximately \$64,636 of outstanding letters of credit under a separate bilateral secured letter of credit facility as of December 31, 2020.

Debt expense

Debt expense consisted of interest expense of \$282,932, \$419,639 and \$461,897 and the amortization and accretion of debt discounts and premiums, amortization of deferred financing costs and the amortization of interest rate cap agreements of \$21,179, \$24,185 and \$25,538 for 2020, 2019 and 2018, respectively. These interest expense amounts are net of capitalized interest.

14. Leases

The Company leases substantially all of its U.S. dialysis facilities. The majority of the Company's facilities are leased under non-cancellable operating leases which range in terms from five years to 20 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal. Certain of the Company's leases are subject to periodic consumer price increases or contain fixed escalation clauses. See Note 1 for further information on how the Company accounts for leases.

As of December 31, 2020 and December 31, 2019, assets recorded under finance leases were \$275,389 and \$247,246, respectively, and accumulated amortization associated with finance leases was \$49,345 and \$27,193, respectively, included in property and equipment, net, on the Company's consolidated balance sheet.

In certain markets, the Company acquires and develops dialysis centers. Upon completion, the Company sells the center to a third party and leases the space back with the intent of operating the center on a long term basis. Both the sale and leaseback terms are generally market terms. The lease terms are consistent with the Company's other operating leases with the majority of the leases under non-cancellable operating leases ranging in terms from five years to 20 years and which contain renewal options of five years to ten years at the fair rental value at the time of renewal.

The Company adopted Topic 842, *Leases* beginning on January 1, 2019 through a modified retrospective approach for leases existing at the adoption date with a cumulative effect adjustment. Consequently, financial information was not updated for dates and periods before January 1, 2019.

The components of lease expense were as follows:

| Lease cost | Year ended December 31, | |
|---------------------------------------|-------------------------|------------|
| | 2020 | 2019 |
| Operating lease cost ⁽¹⁾ : | | |
| Fixed lease expense | \$ 541,090 | \$ 526,352 |
| Variable lease expense | 122,729 | 119,740 |
| Financing lease cost: | | |
| Amortization of leased assets | 24,720 | 23,724 |
| Interest on lease liabilities | 14,421 | 14,932 |
| Net lease cost | \$ 702,960 | \$ 684,748 |

(1) Includes short-term lease expense and sublease income, which are immaterial.

Other information related to leases was as follows:

| Lease term and discount rate | Year ended December 31, | |
|--|-------------------------|-------|
| | 2020 | 2019 |
| Weighted average remaining lease term (years): | | |
| Operating leases | 8.7 | 9.0 |
| Finance leases | 10.5 | 10.2 |
| Weighted average discount rate: | | |
| Operating leases | 3.8 % | 4.1 % |
| Finance leases | 5.1 % | 5.4 % |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

| Other information | Year ended December 31, | |
|---|--------------------------------|-------------|
| | 2020 | 2019 |
| Gains on sale leasebacks, net | \$ 34,301 | \$ 20,833 |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows for operating leases | \$ 661,318 | \$ 637,655 |
| Operating cash flows for finance leases | \$ 20,981 | \$ 22,257 |
| Financing cash flows for finance leases | \$ 24,780 | \$ 25,692 |
| Net operating lease assets obtained in exchange for new or modified operating lease liabilities | \$ 401,559 | \$ 432,074 |

Future minimum lease payments under non-cancellable leases as of December 31, 2020 are as follows:

| | Operating leases | Finance leases |
|-------------------------------------|-------------------------|-----------------------|
| 2021 | \$ 480,439 | \$ 35,039 |
| 2022 | 504,789 | 35,124 |
| 2023 | 464,023 | 35,645 |
| 2024 | 412,419 | 35,669 |
| 2025 | 361,447 | 35,539 |
| Thereafter | 1,437,965 | 174,907 |
| Total future minimum lease payments | 3,661,082 | 351,923 |
| Less portion representing interest | (552,915) | (77,631) |
| Present value of lease liabilities | \$ 3,108,167 | \$ 274,292 |

Rent expense under all operating leases for 2020, 2019, and 2018 was \$663,819, \$646,092 and \$596,117, respectively. Rent expense is recorded on a straight-line basis over the term of the lease, including leases that contain fixed escalation clauses or include abatement provisions. Leasehold improvement incentives are deferred and amortized to rent expense over the term of the lease. Finance lease obligations are included in long-term debt. See Note 13 for further details on long-term debt.

15. Employee benefit plans

The Company has a 401(k) retirement savings plan for substantially all of its U.S. employees which has been established pursuant to applicable provisions of the Internal Revenue Code (IRC). The plan allows for employees to contribute a percentage of their base annual salaries on a tax-deferred basis not to exceed IRC limitations. The Company maintains a 401(k) matching program under which the Company matches 50% of the employee's contribution up to 6% of the employee's salary, subject to certain limitations. The matching contributions are subject to certain eligibility and vesting conditions. For the years ended December 31, 2020, 2019 and 2018, the Company accrued matching contributions totaling approximately \$70,180, \$64,988 and \$67,807, respectively. Prior to 2018, the Company did not provide matching contributions for its 401(k) savings plan.

The Company also maintains a voluntary compensation deferral plan, the Deferred Compensation Plan, as well as other legacy deferral plans. The Deferred Compensation Plan is non-qualified and permits certain employees whose annualized base salary equals or exceeds a minimum annual threshold amount as set by the Company to elect to defer all or a portion of their annual bonus payment and up to 50% of their base salary into a deferral account maintained by the Company. Total contributions to this plan in 2020, 2019 and 2018 were \$3,637, \$1,751 and \$3,090, respectively. Deferred amounts are generally paid out in cash at the participant's election either in the first or second year following retirement or in a specified future period at least three to four years after the deferral election was effective. During 2020, 2019 and 2018 the Company distributed \$3,139, \$2,730 and \$4,652, respectively, to participants from its deferred compensation plans. Participants are credited with their proportional amount of annual earnings from the plans. The assets of these plans are held in rabbi trusts subject to the claims of the Company's general creditors in the event of its bankruptcy. As of December 31, 2020 and 2019, the total fair value of assets held in these plans' trusts was \$43,844 and \$39,527, respectively. The assets of these plans are recorded at fair value with changes in fair value recorded in "Other income, net". Any fair value changes to the corresponding liability balance are recorded as compensation expense. See Note 5 for further details.

16. Contingencies

The majority of the Company's revenues are from government programs and may be subject to adjustment as a result of: (i) examination by government agencies or contractors, for which the resolution of any matters raised may take extended periods of time to finalize; (ii) differing interpretations of government regulations by different Medicare contractors or regulatory authorities; (iii) differing opinions regarding a patient's medical diagnosis or the medical necessity of services provided; and (iv) retroactive applications or interpretations of governmental requirements. In addition, the Company's revenues from commercial payors may be subject to adjustment as a result of potential claims for refunds, as a result of government actions or as a result of other claims by commercial payors.

The Company operates in a highly regulated industry and is a party to various lawsuits, demands, claims, *qui tam* suits, governmental investigations (which frequently arise from *qui tam* suits) and audits (including, without limitation, investigations or other actions resulting from its obligation to self-report suspected violations of law) and other legal proceedings, including, without limitation, those described below. The Company records accruals for certain legal proceedings and regulatory matters to the extent that the Company determines an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. As of December 31, 2020 and December 31, 2019, the Company's total recorded accruals with respect to legal proceedings and regulatory matters, net of anticipated third party recoveries, were immaterial. While these accruals reflect the Company's best estimate of the probable loss for those matters as of the dates of those accruals, the recorded amounts may differ materially from the actual amount of the losses for those matters, and any anticipated third party recoveries for any such losses may not ultimately be recoverable. Additionally, in some cases, no estimate of the possible loss or range of loss in excess of amounts accrued, if any, can be made because of the inherently unpredictable nature of legal proceedings and regulatory matters, which also may be impacted by various factors, including, without limitation, that they may involve indeterminate claims for monetary damages or may involve fines, penalties or non-monetary remedies; present novel legal theories or legal uncertainties; involve disputed facts; represent a shift in regulatory policy; are in the early stages of the proceedings; or may result in a change of business practices. Further, there may be various levels of judicial review available to the Company in connection with any such proceeding.

The following is a description of certain lawsuits, claims, governmental investigations and audits and other legal proceedings to which the Company is subject.

Certain Governmental Inquiries and Related Proceedings

2016 U.S. Attorney Texas Investigation: In February 2016, DaVita Rx, LLC (DaVita Rx), a wholly-owned subsidiary of the Company, received a Civil Investigative Demand (CID) from the U.S. Attorney's Office, Northern District of Texas. The government is conducting a federal False Claims Act (FCA) investigation concerning allegations that DaVita Rx presented or caused to be presented false claims for payment to the government for prescription medications, as well as an investigation into the Company's relationships with pharmaceutical manufacturers. The government's investigation covers the period from January 1, 2006 through December 31, 2018. In December 2017, the Company finalized and executed a settlement agreement that resolved certain of the issues in the government's investigation and that included total monetary consideration of \$63,700, as previously disclosed, of which \$41,500 was an incremental cash payment and \$22,200 was for amounts previously refunded, and all of which was previously accrued. The government's investigation is ongoing with respect to issues related to DaVita Rx's historic relationships with certain pharmaceutical manufacturers, and in July 2018 the OIG served the Company with a subpoena seeking additional documents and information relating to those relationships. The Company is continuing to cooperate with the government in this investigation.

2017 U.S. Attorney Colorado Investigation: In November 2017, the U.S. Attorney's Office, District of Colorado informed the Company of an investigation it was conducting into possible federal healthcare offenses involving DaVita Kidney Care, as well as several of the Company's wholly-owned subsidiaries. In addition to DaVita Kidney Care, the matter currently includes an investigation into DaVita Rx, DaVita Laboratory Services, Inc. (DaVita Labs), and RMS Lifeline Inc. (Lifeline). In each of August 2018 and May 2019, the Company received a CID pursuant to the FCA from the U.S. Attorney's Office relating to this investigation. In May 2020, the Company sold its interest in Lifeline, but the Company retained certain liabilities of the Lifeline business, including those related to this investigation. The Company is continuing to cooperate with the government in this investigation.

2018 U.S. Attorney Florida Investigation: In March 2018, DaVita Labs received two CIDs from the U.S. Attorney's Office, Middle District of Florida that were identical in nature but directed to the two different labs. According to the face of the CIDs, the U.S. Attorney's Office is conducting an investigation as to whether the Company's subsidiary submitted claims for blood, urine, and fecal testing, where there were insufficient test validation or stability studies to ensure accurate results, in violation of the FCA. In October 2018, DaVita Labs received a subpoena from the OIG in connection with this matter

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

requesting certain patient records linked to clinical laboratory tests. On September 30, 2019, the U.S. Attorney's Office notified the U.S. District Court, Middle District of Florida, of its decision not to elect to intervene at this time in the matter of *U.S. ex rel. Lorne Holland, et al. v. DaVita Healthcare Partners, Inc. et al.* The court then unsealed the complaint, which alleges violations of the FCA, by order dated the same day. In January 2020, the private party relators served the Company and DaVita Labs with an amended complaint. On February 24, 2020, the Company and DaVita Labs filed a motion to dismiss the amended complaint. On June 25, 2020, the court denied the motion to dismiss. The Company and DaVita Labs answered the complaint on July 23, 2020. The Company and DaVita Labs dispute these allegations and intend to defend this action accordingly.

2020 U.S. Attorney New Jersey Investigation: In March 2020, the U.S. Attorney's Office, District of New Jersey served the Company with a subpoena and a CID relating to an investigation being conducted by that office and the U.S. Attorney's Office, Eastern District of Pennsylvania. The subpoena and CID request information on several topics, including certain of the Company's joint venture arrangements with physicians and physician groups, medical director agreements, and compliance with its five-year Corporate Integrity Agreement, the term of which expired October 22, 2019. The Company is cooperating with the government in this investigation.

2020 California Department of Insurance Investigation: In April 2020, the California Department of Insurance (CDI) sent the Company an Investigative Subpoena relating to an investigation being conducted by that office. CDI issued a superseding subpoena in September 2020. The subpoena, as revised, requests information on a number of topics, including but not limited to the Company's communications with patients about insurance plans and financial assistance from the American Kidney Fund (AKF), analyses of the potential impact of patients' decisions to change insurance providers, and documents relating to donations or contributions to the AKF. The Company is cooperating with CDI in this investigation.

2020 Department of Justice Investigation: In October 2020, the Company received a CID from the Department of Justice pursuant to a False Claims Act investigation concerning allegations that DaVita Medical Group (DMG) may have submitted undocumented or unsupported diagnosis codes in connection with Medicare Advantage beneficiaries. The CID covers the period from January 1, 2015 through June 19, 2019, the date the Company completed the divestiture of DMG to Collaborative Care Holdings, LLC. The Company is cooperating with the government in this investigation.

* * *

Although the Company cannot predict whether or when proceedings might be initiated or when these matters may be resolved (other than as may be described above), it is not unusual for inquiries such as these to continue for a considerable period of time through the various phases of document and witness requests and on-going discussions with regulators and to develop over the course of time. In addition to the inquiries and proceedings specifically identified above, the Company frequently is subject to other inquiries by state or federal government agencies, many of which relate to *qui tam* complaints filed by relators. Negative findings or terms and conditions that the Company might agree to accept as part of a negotiated resolution of pending or future government inquiries or relator proceedings could result in, among other things, substantial financial penalties or awards against the Company, substantial payments made by the Company, harm to the Company's reputation, required changes to the Company's business practices, exclusion from future participation in the Medicare, Medicaid and other federal health care programs and, if criminal proceedings were initiated against the Company, members of its board of directors or management, possible criminal penalties, any of which could have a material adverse effect on the Company.

Shareholder and Derivative Claims

Peace Officers' Annuity and Benefit Fund of Georgia Securities Class Action Civil Suit: On February 1, 2017, the Peace Officers' Annuity and Benefit Fund of Georgia filed a putative federal securities class action complaint in the U.S. District Court for the District of Colorado against the Company and certain executives. The complaint covers the time period of August 2015 to October 2016 and alleges, generally, that the Company and its executives violated federal securities laws concerning the Company's financial results and revenue derived from patients who received charitable premium assistance from an industry-funded non-profit organization. The complaint further alleges that the process by which patients obtained commercial insurance and received charitable premium assistance was improper and "created a false impression of DaVita's business and operational status and future growth prospects." In November 2017, the court appointed the lead plaintiff and an amended complaint was filed on January 12, 2018. On March 27, 2018, the Company and various individual defendants filed a motion to dismiss. On March 28, 2019, the court denied the motion to dismiss. The Company answered the complaint on May 28, 2019. On January 31, 2020, the plaintiffs filed a motion for class certification and the Company filed its opposition on June 29, 2020.

While the Company continues to dispute the allegations, in July 2020, it reached an agreement in principle to resolve this matter without admitting to any liability. Settlement of this matter on the agreed terms is expected to be covered primarily with insurance proceeds, with the Company contributing an amount that would not have a material impact on the Company's consolidated financial position, results of operations or cash flows. A motion for preliminary approval of the settlement was granted by the court on October 27, 2020. The settlement is subject to, among other things, final approval by the court.

In re DaVita Inc. Stockholder Derivative Litigation: On August 15, 2017, the U.S. District Court for the District of Delaware consolidated three previously disclosed shareholder derivative lawsuits: the Blackburn Shareholder action filed on February 10, 2017, the Gabilondo Shareholder action filed on May 30, 2017, and the City of Warren Police and Fire Retirement System Shareholder action filed on June 9, 2017. The complaint covers the time period from 2015 to present and alleges, generally, breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, corporate waste, and misrepresentations and/or failures to disclose certain information in violation of the federal securities laws in connection with an alleged practice to direct patients with government-subsidized health insurance into private health insurance plans to maximize the Company's profits. An amended complaint was filed in September 2017, and on December 18, 2017, the Company filed a motion to dismiss and a motion to stay proceedings in the alternative. On April 25, 2019, the court denied the Company's motion to dismiss. The Company answered the complaint on May 28, 2019.

While the defendants continue to dispute the allegations, in July 2020, an agreement in principle was reached to resolve this matter without admitting to any liability. The Company's Board of Directors (Board) approved the settlement on October 20, 2020. The court granted a motion for final approval of the settlement on January 27, 2021 and approved the settlement on January 29, 2021. As part of the settlement, the Company agreed to certain corporate governance policies, but will not make any financial contribution towards the settlement.

Other Proceedings

In addition to the foregoing, from time to time the Company is subject to other lawsuits, demands, claims, governmental investigations and audits and legal proceedings that arise due to the nature of its business, including, without limitation, contractual disputes, such as with payors, suppliers and others, employee-related matters and professional and general liability claims. From time to time, the Company also initiates litigation or other legal proceedings as a plaintiff arising out of contracts or other matters.

* * *

Other than as may be described above, the Company cannot predict the ultimate outcomes of the various legal proceedings and regulatory matters to which the Company is or may be subject from time to time, including those described in this Note 16 to these consolidated financial statements, or the timing of their resolution or the ultimate losses or impact of developments in those matters, which could have a material adverse effect on the Company's revenues, earnings and cash flows. Further, any legal proceedings or regulatory matters involving the Company, whether meritorious or not, are time consuming, and often require management's attention and result in significant legal expense, and may result in the diversion of significant operational resources, or otherwise harm the Company's business, results of operations, financial condition, cash flows or reputation.

17. Noncontrolling interests subject to put provisions and other commitments

Noncontrolling interests subject to put provisions

The Company has potential obligations to purchase the equity interests held by third parties in many of its majority-owned dialysis partnerships and other nonconsolidated entities. These noncontrolling interests subject to put provisions constitute redeemable equity interests and are therefore classified as temporary equity and carried at estimated fair value on the Company's balance sheet.

Specifically, these obligations are in the form of put provisions that are exercisable at the third-party owners' discretion within specified periods outlined in each specific put provision. If these put provisions were exercised, the Company would be required to purchase the third-party owners' equity interests, generally at the appraised fair market value of the equity interests or in certain cases at a predetermined multiple of earnings or cash flows attributable to the equity interests put to the Company, intended to approximate fair value. The methodology the Company uses to estimate the fair values of noncontrolling interests subject to put provisions assumes the higher of either a liquidation value of net assets or an average multiple of earnings, based on historical earnings, patient mix and other performance indicators that can affect future results, as well as other factors. The estimated fair values of noncontrolling interests subject to put provisions are a critical accounting estimate that involves significant judgments and assumptions and may not be indicative of the actual values at which the noncontrolling interests may ultimately be settled, which could vary significantly from the Company's current estimates. The estimated fair values of noncontrolling interests subject to put provisions can fluctuate and the implicit multiple of earnings at which these noncontrolling interests obligations may be settled will vary significantly depending upon market conditions including potential purchasers' access to the capital markets, which can impact the level of competition for dialysis and non-dialysis related businesses, the economic performance of these businesses and the restricted marketability of the third-party owners' equity interests. The amount of noncontrolling interests subject to put provisions that employ a contractually predetermined multiple of earnings rather than fair value is immaterial.

The Company also has certain potential commitments to provide working capital funding, if necessary, to certain nonconsolidated dialysis businesses that the Company manages and in which the Company owns a noncontrolling equity interest or which are wholly-owned by third parties of approximately \$8,663.

Certain consolidated dialysis partnerships are originally contractually scheduled to dissolve after terms ranging from ten years to 50 years. While noncontrolling interests in these limited life entities qualify as mandatorily redeemable financial instruments, they are subject to a classification and measurement scope exception from the accounting guidance generally applicable to other mandatorily redeemable financial instruments. Future distributions upon dissolution of these entities would be valued below the related noncontrolling interest carrying balances in the consolidated balance sheet.

Other commitments

In 2017, the Company entered into a Sourcing and Supply Agreement with Amgen USA Inc. (Amgen) that expires on December 31, 2022. Under the terms of the agreement, the Company will purchase EPO from Amgen in amounts necessary to meet no less than 90% of its requirements for erythropoiesis-stimulating agents (ESAs) through the expiration of the contract. The actual amount of EPO that the Company will purchase will depend upon the amount of EPO administered during dialysis as prescribed by physicians and the overall number of patients that the Company serves.

The Company has agreements with various suppliers to purchase established amounts of dialysis equipment, parts, and supplies. As of December 31, 2020, the remaining minimum purchase commitments under these arrangements were approximately \$542,061, \$540,715, \$179,869, and \$92,075 for the years 2021, 2022, 2023, and 2024, respectively. If the Company fails to meet the minimum purchase commitments under these contracts during any year, it is required to pay the difference to the supplier.

Other than the letters of credit disclosed in Note 13 to these consolidated financial statements, and the arrangements as described above, the Company has no off balance sheet financing arrangements as of December 31, 2020.

18. Long-term incentive compensation

Long-term incentive compensation

Long-term incentive program (LTIP) compensation includes both stock-based awards (principally stock-settled stock appreciation rights, restricted stock units and performance stock units) as well as long-term performance-based cash awards.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Long-term incentive compensation expense, which is primarily general and administrative in nature, is attributed to the Company's U.S. dialysis business, its corporate administrative support, and its ancillary services.

The Company's stock-based compensation expense for stock-settled awards is measured at the estimated fair value of awards on the date of grant and recognized on a cumulative straight-line basis over the vesting terms of the awards, unless the stock awards are based on non-market-based performance metrics, in which case expense is adjusted for the ultimate number of shares expected to be issued as of the end of each reporting period. Stock-based compensation expense for cash-settled awards is based on their estimated fair values as of the end of each reporting period. The expense for all LTIP awards is recognized net of expected forfeitures.

Stock-based compensation to be settled in shares is recorded to the Company's shareholders' contributed capital, while stock-based compensation to be settled in cash is recorded as a liability. Shares issued upon exercise or, when applicable, vesting of stock awards, are issued from authorized but unissued shares.

Long-term incentive compensation plans

On June 11, 2020, the Company's stockholders approved the DaVita Inc. 2020 Incentive Award Plan (the 2020 Plan). Prior to June 11, 2020 stock-based awards were granted under the DaVita Healthcare Partners Inc. 2011 Incentive Award Plan (the 2011 Plan). The 2011 Plan was terminated with respect to any new awards upon stockholder approval of the 2020 Plan. At the time the 2020 Plan was approved there were 8,730 shares of common stock available for issuance under the 2020 Plan, consisting of 5,000 newly authorized shares and 3,730 shares that were available for issuance under the 2011 Plan as of the effective date of the 2020 Plan and which became available for grant under the 2020 Plan, pursuant to the terms of the 2020 Plan.

The 2020 Plan is the Company's current omnibus equity compensation plan and provides for grants of stock-based awards to employees, directors and other individuals providing services to the Company, except that incentive stock options may only be awarded to employees. The 2020 Plan provides for the grant of stock appreciation rights, nonqualified stock options, incentive stock options, restricted stock units, restricted stock, performance stock awards, dividend equivalents, stock payments, deferred stock unit awards, deferred stock awards and performance cash awards. The 2020 Plan mandates a maximum award term of 10 years for stock appreciation rights and stock options and stipulates that awards of these types be granted with a base or exercise price per share of not less than the fair market value of the Company's common stock on the date of grant. Shares available under the 2020 Plan are also stated on a full value share basis rather than on an option-equivalent basis. The 2020 Plan therefore provides that shares available for issuance under the plan are reduced by one share available for every four shares underlying stock appreciation rights and stock options, and are reduced by one share available for every one share underlying stock-based awards other than stock appreciation rights and stock options. At December 31, 2020, there were 8,074 shares available for future grants under the 2020 Plan. The Company's stock units awarded under the 2020 Plan generally vest over 36 months to 48 months from the date of grant. As of December 31, 2020, no stock appreciation rights have been awarded under the 2020 Plan.

The 2011 Plan was the Company's prior omnibus equity compensation plan and authorized the Company to award stock options, stock appreciation rights, restricted stock units, restricted stock, and other stock-based or performance-based awards. The 2011 Plan mandated a maximum award term of five years and stipulated that stock appreciation rights and stock options be granted with prices not less than fair market value on the date of grant. The 2011 Plan also required that full value share awards such as restricted stock units reduce shares available under the 2011 Plan at a ratio of 3.5:1. The Company's stock appreciation rights and stock units awarded under the 2011 Plan generally vest over 36 months to 48 months from the date of grant.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

A combined summary of the status of the Company's stock-settled awards under both the 2020 Plan and 2011 Plan, including base shares for stock-settled stock appreciation rights (SSARs) and stock-settled stock unit awards is as follows:

| | Year ended December 31, 2020 | | | | |
|--|------------------------------|---------------------------------|---|-----------------|---|
| | Stock appreciation rights | | | Stock units | |
| | Awards | Weighted average exercise price | Weighted average remaining contractual life | Awards | Weighted average remaining contractual life |
| Outstanding at beginning of year | 6,953 | \$ 64.10 | | 3,160 | |
| Granted | 2,765 | \$ 68.58 | | 1,027 | |
| Added by performance factor | | | | 19 | |
| Exercised/Vested | (894) | \$ 72.13 | | (351) | |
| Expired | (494) | \$ 83.61 | | — | |
| Canceled | (246) | \$ 61.36 | | (318) | |
| Outstanding at end of period | <u>8,084</u> | <u>\$ 63.64</u> | <u>3.0</u> | <u>3,537</u> | <u>1.8</u> |
| Exercisable at end of period | <u>987</u> | <u>\$ 69.56</u> | <u>1.0</u> | <u>—</u> | <u>—</u> |
| Weighted-average fair value of grants: | | | | | |
| 2020 | \$ 26.70 | | | \$ 77.83 | |
| 2019 | <u>\$ 14.04</u> | | | <u>\$ 50.58</u> | |
| 2018 | <u>\$ 16.24</u> | | | <u>\$ 66.23</u> | |

| Range of SSARs base prices | Awards Outstanding | Weighted average exercise price | Awards exercisable | Weighted average exercise price |
|----------------------------|--------------------|---------------------------------|--------------------|---------------------------------|
| \$50.01–\$60.00 | 2,263 | \$ 52.53 | 2 | \$ 57.88 |
| \$60.01–\$70.00 | 5,165 | \$ 66.99 | 610 | \$ 65.95 |
| \$70.01–\$80.00 | 656 | \$ 75.60 | 375 | \$ 75.50 |
| Total | <u>8,084</u> | <u>\$ 63.64</u> | <u>987</u> | <u>\$ 69.56</u> |

For the years ended December 31, 2020, 2019, and 2018, the aggregate intrinsic value of stock-based awards exercised was \$49,258, \$11,475 and \$31,045, respectively. At December 31, 2020, the aggregate intrinsic value of stock-based awards outstanding was \$853,803 and the aggregate intrinsic value of stock awards exercisable was \$47,208.

Estimated fair value of stock-based compensation awards

The Company has estimated the grant-date fair value of stock-settled stock appreciation rights awards using the Black-Scholes-Merton valuation model and stock-settled stock unit awards at intrinsic value on the date of grant, except for portions of the Company's performance stock unit awards for which a Monte Carlo simulation was used to estimate the grant-date fair value. The following assumptions were used in estimating these values and determining the related stock-based compensation expense attributable to the current period:

Expected term of the awards: The expected term of awards granted represents the period of time that they are expected to remain outstanding from the date of grant. The Company determines the expected term of its stock awards based on its historical experience with similar awards, considering the Company's historical exercise and post-vesting termination patterns.

Expected volatility: Expected volatility represents the volatility anticipated over the expected term of the award. The Company determines the expected volatility for its awards based on the volatility of the price of its common stock over the most recent retrospective period commensurate with the expected term of the award, considering the volatilities expected by peer companies in near industries.

Expected dividend yield: The Company has not paid dividends on its common stock and does not currently expect to pay dividends during the term of stock awards granted.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Risk-free interest rate: The Company bases the expected risk-free interest rate on the implied yield currently available on stripped interest coupons of U.S. Treasury issues with a remaining term equivalent to the expected term of the award.

A summary of the weighted average valuation inputs described above used for estimating the grant-date fair value of SSAR awards granted in the periods indicated is as follows:

| | Year ended December 31, | | |
|-------------------------|-------------------------|--------|--------|
| | 2020 | 2019 | 2018 |
| Expected term | 4.8 | 4.0 | 4.2 |
| Expected volatility | 28.2 % | 29.5 % | 23.8 % |
| Expected dividend yield | — % | — % | — % |
| Risk-free interest rate | 1.5 % | 2.2 % | 2.9 % |

The Company estimates expected forfeitures based upon historical experience with separate groups of employees that have exhibited similar forfeiture behavior in the past. Stock-based compensation expense is recorded only for awards that are expected to vest.

On November 4, 2019, the independent members of the Company's Board of Directors (Board) approved an award of 2,500 premium-priced stock-settled stock appreciation rights (Premium-Priced Award) to the Company's Chief Executive Officer (CEO), which award was subject to stockholder approval of a related amendment to the 2011 Plan. Stockholders approved such amendment to the 2011 Plan on January 23, 2020, authorizing the grant to the Company's CEO. Since stockholder approval occurred in 2020, this award was treated as granted in 2020 for accounting purposes.

The base price of the Premium-Priced Award was \$67.80 per share, which was a 20% premium to the clearing price of the Company's modified Dutch auction tender offer for its shares in 2019 (2019 Tender Offer). The award vests 50% on each of November 4, 2022 and November 4, 2023 and expires on November 4, 2024. The award includes a requirement that the CEO hold any shares acquired upon exercise of this award, net of shares used to cover related taxes, until November 4, 2024 (that is, for the full term of the award), subject to lapse of the holding period upon a change in control of the Company or due to the CEO's death or termination due to disability.

Employee stock purchase plan

The Employee Stock Purchase Plan entitles qualifying employees to purchase up to \$25 of the Company's common stock during each calendar year. The amounts used to purchase stock are accumulated through payroll withholdings or through optional lump sum payments made in advance of the first day of the purchase right period. This compensatory plan allows employees to purchase stock for the lesser of 100% of its fair market value on the first day of the purchase right period or 85% of its fair market value on the last day of the purchase right period. Purchase right periods begin on January 1 and July 1, and end on December 31. Contributions used to purchase the Company's common stock under this plan for the 2020, 2019 and 2018 purchase periods were \$17,148, \$16,569 and \$17,398, respectively. Shares purchased pursuant to the plan's 2020, 2019 and 2018 purchase periods were 222, 315 and 398, respectively. At December 31, 2020, there were 6,189 shares remaining available for future grants under this plan.

The fair value of participants' purchase rights was estimated as of the beginning dates of the purchase right periods using the Black-Scholes-Merton valuation model with the following weighted average assumptions for purchase right periods in 2020, 2019 and 2018, respectively: expected volatility of 40.4%, 28.8% and 24.2%; risk-free interest rates of 1.0%, 2.6% and 1.9%, and no dividends. Using these assumptions, the weighted average estimated per share fair value of each purchase right was \$22.06, \$13.80 and \$17.45 for 2020, 2019 and 2018, respectively.

Long-term incentive compensation expense and proceeds

For the years ended December 31, 2020, 2019 and 2018, the Company recognized \$99,643, \$118,513 and \$85,759, respectively, in total LTIP expense, of which \$91,458, \$63,705 and \$73,582, respectively, was stock-based compensation expense for stock appreciation rights, stock units and discounted employee stock purchase plan purchases, which are primarily included in general and administrative expenses. The estimated tax benefits recorded for stock-based compensation in 2020, 2019 and 2018 were \$11,775, \$9,186 and \$13,591, respectively. As of December 31, 2020, there was \$189,713 of total estimated but unrecognized stock-based compensation expense under the Company's equity compensation and employee stock purchase plans. The Company expects to recognize this expense over a weighted average remaining period of 1.4 years. The Company no longer has outstanding long-term performance-based cash awards in its principal U.S. dialysis business as the performance and accrual period for these awards ended December 31, 2019 with a final payout of \$66,302 in 2020.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

During the year ended December 31, 2018, the Company adopted a retirement policy (Rule of 65 policy). The Rule of 65 policy generally provides that Section 16 officers that are a minimum age of 55 with five years of continuous service with the Company receive certain benefits with respect to their outstanding equity awards upon a qualifying retirement if the sum of their age plus years of service is greater than or equal to 65. These benefits generally include accelerated vesting of restricted stock unit awards, continued vesting of stock-settled stock appreciation rights and performance stock unit awards and an exercise window for stock-settled stock appreciation rights from the original vest date through the original expiration date regardless of continued employment, with pro rata vesting for a Rule of 65 retirement within one year of the award grant date. The adoption of the Rule of 65 policy resulted in a \$14,704 modification charge and a net acceleration of expense of \$9,727 during the year ended December 31, 2018 that is included in the expense amounts reported above.

For the years ended December 31, 2020, 2019 and 2018, the Company received \$8,957, \$2,251 and \$7,988, respectively, in actual tax benefits upon the exercise or vesting of stock awards. Since the Company issues stock-settled stock appreciation rights rather than stock options, there were no cash proceeds from stock option exercises.

19. Shareholders' equity

Stock repurchases

The following table summarizes the Company's repurchases of its common stock during the years ended December 31, 2020, 2019 and 2018:

| | 2020 | | 2019 | | 2018 |
|-------------------------------------|--------------|----|-----------|----|-----------|
| Open market repurchases | | | | | |
| Shares | 8,495 | | 19,218 | | 16,844 |
| Amounts paid | \$ 741,850 | \$ | 1,168,321 | \$ | 1,153,511 |
| Average paid per share | \$ 87.32 | \$ | 60.79 | \$ | 68.48 |
| Tender offers ⁽¹⁾ | | | | | |
| Shares | 7,982 | | 21,802 | | |
| Amounts paid | \$ 704,917 | \$ | 1,234,154 | | |
| Average paid per share | \$ 88.32 | \$ | 56.61 | | |
| Total | | | | | |
| Shares | 16,477 | | 41,020 | | 16,844 |
| Amounts paid | \$ 1,446,767 | \$ | 2,402,475 | \$ | 1,153,511 |
| Average paid per share | \$ 87.80 | \$ | 58.57 | \$ | 68.48 |

(1) The aggregate amounts paid for shares repurchased pursuant to the Company's 2020 and 2019 tender offers for its shares during the years ended December 31, 2020 and 2019, include their clearing prices of \$88.00 and \$56.50 per share, respectively, plus related fees and expenses of \$2,529 and \$2,343, respectively.

Subsequent to December 31, 2020 through February 10, 2021, the Company has repurchased 1,063 shares of its common stock for \$123,282 at an average cost of \$115.98 per share.

Effective as of the close of business on November 4, 2019, the Board terminated all remaining prior share repurchase authorizations available to the Company and approved a new share repurchase authorization of \$2,000,000.

Effective on December 10, 2020, the Board terminated all remaining prior share repurchase authorizations available to the Company under the aforementioned November 4, 2019 authorization and approved a new share repurchase authorization of \$2,000,000. The Company is authorized to make purchases from time to time in the open market or in privately negotiated transactions, including without limitation, through accelerated share repurchase transactions, derivative transactions, tender offers, Rule 10b5-1 plans or any combination of the foregoing, depending upon market conditions and other considerations.

As of February 10, 2021, the Company has a total of \$1,806,674 available under the current repurchase authorization for additional share repurchases. Although this share repurchase authorization does not have an expiration date, the Company

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

remains subject to share repurchase limitations, including under the terms of the current senior secured credit facilities and the indentures governing the Company's senior notes.

The Company retired all shares held in its treasury effective as of December 31, 2020 and December 31, 2019.

Charter documents & Delaware law

The Company's charter documents include provisions that may deter hostile takeovers, delay or prevent changes of control or changes in management, or limit the ability of stockholders to approve transactions that they may otherwise determine to be in their best interests. These include provisions prohibiting stockholders from acting by written consent, requiring 90 days advance notice for director nominations and stockholder proposals and granting the Company's Board of Directors the authority to issue up to 5,000 shares of preferred stock and to determine the rights and preferences of the preferred stock without the need for further stockholder approval.

The Company is also subject to Section 203 of the Delaware General Corporation Law which, subject to exceptions, prohibits the Company from engaging in any business combinations with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder. The provisions described above may discourage, delay or prevent an acquisition of the Company at a price that stockholders may find attractive.

Changes in DaVita Inc.'s ownership interests in consolidated subsidiaries

The effects of changes in DaVita Inc.'s ownership interests in consolidated subsidiaries on the Company's consolidated equity were as follows:

| | Year ended December 31, | | |
|---|-------------------------|------------|------------|
| | 2020 | 2019 | 2018 |
| Net income attributable to DaVita Inc. | \$ 773,642 | \$ 810,981 | \$ 159,394 |
| Changes in paid-in capital for: | | | |
| Purchases of noncontrolling interests | 4,364 | (37,145) | (17,897) |
| Sales of noncontrolling interest | — | — | 79 |
| Net transfers in noncontrolling interests | 4,364 | (37,145) | (17,818) |
| Net income attributable to DaVita Inc. net of transfers in noncontrolling interests | \$ 778,006 | \$ 773,836 | \$ 141,576 |

The Company acquired additional ownership interests in several existing majority-owned partnerships for \$7,831, \$68,019, and \$28,082 in 2020, 2019, and 2018, respectively.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

20. Accumulated other comprehensive (loss) income

Charges and credits to other comprehensive (loss) income have been as follows:

| | Interest rate cap agreements | Investment securities | Foreign currency translation adjustments | Accumulated other comprehensive (loss) income |
|--|---------------------------------|--------------------------|--|---|
| Balance at December 31, 2017 | \$ (12,408) | \$ 5,662 | \$ 19,981 | \$ 13,235 |
| Cumulative effect of change in accounting principle ⁽¹⁾ | (2,706) | (5,662) | — | (8,368) |
| Unrealized losses | (181) | — | (45,944) | (46,125) |
| Related income tax | 48 | — | — | 48 |
| | (133) | — | (45,944) | (46,077) |
| Reclassification of income (loss) into net income | 8,466 | — | — | 8,466 |
| Related income tax | (2,180) | — | — | (2,180) |
| | 6,286 | — | — | 6,286 |
| Balance at December 31, 2018 | \$ (8,961) | \$ — | \$ (25,963) | \$ (34,924) |
| Unrealized gains (losses) | 1,566 | — | (20,102) | (18,536) |
| Related income tax | (415) | — | — | (415) |
| | 1,151 | — | (20,102) | (18,951) |
| Reclassification of income into net income | 8,591 | — | — | 8,591 |
| Related income tax | (2,214) | — | — | (2,214) |
| | 6,377 | — | — | 6,377 |
| Balance at December 31, 2019 | \$ (1,433) | \$ — | \$ (46,065) | \$ (47,498) |
| Unrealized losses | (21,781) | — | (7,080) | (28,861) |
| Related income tax | 5,435 | — | (543) | 4,892 |
| | (16,346) | — | (7,623) | (23,969) |
| Reclassification of income into net income | 7,081 | — | — | 7,081 |
| Related income tax | (1,768) | — | — | (1,768) |
| | 5,313 | — | — | 5,313 |
| Balance at December 31, 2020 | \$ (12,466) | \$ — | \$ (53,688) | \$ (66,154) |

(1) Reflects the cumulative effect of a change in accounting principle for ASUs 2016-01 and 2018-03 on classification and measurement of financial instruments and ASU 2018-02 on remeasurement and reclassification of deferred tax effects in accumulated other comprehensive income associated with the 2017 Tax Act.

The reclassification of net cap realized losses into income are recorded as debt expense in the corresponding consolidated statements of income. See Note 13 for further details.

21. Acquisitions and divestitures

Routine acquisitions

During 2020, the Company acquired eight dialysis centers in the U.S. and 66 dialysis centers outside the U.S. for a total of \$182,013 in net cash, earn-outs of \$14,042 and deferred purchase price and liabilities assumed of \$20,415. The Company also recognized a non-cash gain of \$1,821. During 2019, the Company acquired seven dialysis centers in the U.S. and 16 dialysis centers outside the U.S. for a total of \$98,836 in net cash, earn-outs of \$23,536, and deferred purchase price and liabilities assumed of \$4,326. During 2018, the Company acquired 18 dialysis centers in the U.S. and 28 dialysis centers outside the U.S. for a total of \$176,161 in net cash, earn-outs of \$1,246 and deferred purchase price of \$34,394. In one of these 2018 transactions the Company acquired a controlling interest in a previously nonconsolidated U.S. dialysis partnership for which the Company recognized a non-cash gain of \$28,152 on its prior interest upon consolidation. The assets and liabilities for all acquisitions were recorded at their estimated fair values at the dates of the acquisitions and are included in the Company's financial statements, as are their operating results, from the designated effective dates of the acquisitions.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The initial purchase price allocations for these transactions have been recorded at estimated fair values based on information available to management and will be finalized when certain information arranged to be obtained has been received. For several of the 2020 acquisitions, certain income tax amounts are pending final evaluation and quantification of any pre-acquisition tax contingencies. In addition, valuation of intangibles, leases and certain other working capital items relating to several of these acquisitions are pending final quantification.

The following table summarizes the assets acquired and liabilities assumed in these transactions and recognized at their acquisition dates at estimated fair values, as well as the estimated fair value of noncontrolling interests assumed in these transactions:

| | Year ended December 31, | | |
|--|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| Current assets | \$ 23,607 | \$ 6,713 | \$ 23,686 |
| Property and equipment | 37,457 | 4,842 | 11,421 |
| Customer relationships | 34,625 | — | — |
| Noncompetition agreements and other long-term assets | 10,168 | 1,980 | 3,079 |
| Indefinite-lived licenses | 22,136 | 31,858 | 23,656 |
| Goodwill | 130,057 | 90,226 | 278,348 |
| Deferred income taxes | (3,962) | — | — |
| Liabilities assumed | (34,068) | (7,159) | (19,946) |
| Noncontrolling interests assumed | (1,729) | (1,762) | (80,291) |
| | <u>\$ 218,291</u> | <u>\$ 126,698</u> | <u>\$ 239,953</u> |

The following summarizes weighted-average estimated useful lives of amortizable intangible assets acquired during 2020, 2019 and 2018, as well as goodwill deductible for tax purposes associated with these acquisitions:

| | Year ended December 31, | | |
|--|-------------------------|-----------|------------|
| | 2020 | 2019 | 2018 |
| Weighted-average estimated useful lives: | | | |
| Customer relationships | 18 | | |
| Noncompetition agreements | 5 | 6 | 6 |
| Goodwill deductible for tax purposes | \$ 94,318 | \$ 88,517 | \$ 165,013 |

Pro forma financial information (unaudited)

The following summary, prepared on a pro forma basis, combines the results of operations as if all acquisitions within continuing operations in 2020 and 2019 had been consummated as of the beginning of 2019, including the impact of certain adjustments such as amortization of intangibles, interest expense on acquisition financing and income tax effects.

| | Year ended December 31, | |
|---|-------------------------|---------------|
| | 2020 | 2019 |
| | (unaudited) | |
| Pro forma total revenues | \$ 11,636,416 | \$ 11,570,086 |
| Pro forma net income from continuing operations attributable to DaVita Inc. | \$ 789,473 | \$ 718,928 |
| Pro forma basic net income per share from continuing operations attributable to DaVita Inc. | \$ 6.59 | \$ 4.69 |
| Pro forma diluted net income per share from continuing operations attributable to DaVita Inc. | \$ 6.44 | \$ 4.67 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Sale of RMS Lifeline

The Company divested its vascular access business, RMS Lifeline, Inc., effective May 1, 2020 and recognized a loss on sale of approximately \$16,252.

Contingent earn-out obligations

The Company has several contingent earn-out obligations associated with acquisitions that could result in the Company paying the former owners of acquired companies a total of up to approximately \$42,378 if certain performance targets or quality margins are met over the next one year to five years.

Contingent earn-out obligations are remeasured to fair value at each reporting date until the contingencies are resolved with changes in the liability due to the remeasurement recognized in earnings. See Note 24 for further details. As of December 31, 2020, the Company estimated the fair value of these contingent earn-out obligations to be \$30,248, of which a total of \$13,025 is included in other current liabilities, and the remaining \$17,223 is included in other long-term liabilities in the Company's consolidated balance sheet.

The following is a reconciliation of changes in contingent earn-out liabilities for the years ended December 31, 2020 and 2019:

| | Year ended December 31, | |
|-------------------------------|-------------------------|------------------|
| | 2020 | 2019 |
| Beginning balance | \$ 24,586 | \$ 2,608 |
| Acquisitions | 14,042 | 23,536 |
| Foreign currency translation | (3,688) | (905) |
| Fair value remeasurements | (2,630) | 121 |
| Payments or other settlements | (2,062) | (774) |
| Ending balance | <u>\$ 30,248</u> | <u>\$ 24,586</u> |

22. Discontinued operations previously held for sale

DaVita Medical Group (DMG)

On June 19, 2019, the Company completed the sale of its DMG business to Optum, a subsidiary of UnitedHealth Group Inc., for an aggregate purchase price of \$4,340,000, prior to certain closing and post-closing adjustments specified in the related equity purchase agreement dated as of December 5, 2017, as amended as of September 20, 2018 and as of December 11, 2018 (as amended, the equity purchase agreement).

The Company recorded a preliminary estimated pre-tax net loss of approximately \$23,022 on the sale of its DMG business in 2019. This preliminary net loss was based on initial estimates of the Company's expected aggregate proceeds from the sale, net of transaction costs and obligations, as well as the estimated values of DMG net assets sold as of the closing date. Those estimated net proceeds included \$4,465,476 in cash received from Optum at closing, or \$3,824,509 net of cash and restricted cash included in the DMG net assets sold.

At close of the DMG sale, the Company's ultimate net sale proceeds remained subject to resolution of certain post-closing purchase price adjustments described in the equity purchase agreement. In the fourth quarter of 2020, the Company and Optum reached agreement on the final purchase price for the DMG sale, which resulted in an additional payment by the Company to Optum of \$47,000 and an additional loss on sale of \$17,976. In the first quarter of 2020, the Company recognized \$9,980 in additional tax benefits under the Coronavirus Aid, Relief and Economic Security Act related to its period of DMG ownership, which were also recognized as an adjustment to the Company's loss on sale of the DMG business.

Under the equity purchase agreement, the Company also has certain continuing indemnification obligations that could require payments to the buyer relating to the Company's previous ownership and operation of the DMG business. Potential payments under these provisions, if any, remain subject to continuing uncertainties and the amounts of such payments could be significant to the Company.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The following table presents the financial results of discontinued operations related to DMG:

| | Year ended December 31, | | |
|--|-------------------------|-------------------|---------------------|
| | 2020 | 2019 | 2018 |
| Net revenues | \$ — | \$ 2,713,059 | \$ 4,963,792 |
| Expenses | — | 2,543,865 | 4,962,686 |
| Goodwill and other asset impairment charges | — | — | 41,537 |
| Valuation adjustment on disposal group | — | — | 316,840 |
| Income (loss) from discontinued operations before taxes | — | 169,194 | (357,271) |
| Loss on sale of discontinued operations before taxes | (7,996) | (23,022) | — |
| Income tax expense | 1,657 | 40,689 | 99,768 |
| Net (loss) income from discontinued operations, net of tax | <u>\$ (9,653)</u> | <u>\$ 105,483</u> | <u>\$ (457,038)</u> |

The following table presents cash flows of discontinued operations related to DMG:

| | Year ended December 31, | | |
|--|-------------------------|-------------|-------------|
| | 2020 | 2019 | 2018 |
| Net cash provided by operating activities from discontinued operations | \$ — | \$ 99,634 | \$ 290,684 |
| Net cash used in investing activities from discontinued operations | \$ — | \$ (43,442) | \$ (57,382) |

DMG acquisitions

During the period from January 1, 2019 to June 18, 2019 immediately prior to the sale, the DMG business acquired two medical businesses for a total of \$2,025 in net cash and deferred purchase price of \$212. During 2018, the DMG business acquired other medical businesses for a total of \$6,995 in net cash and deferred purchase price of \$1,142.

23. Variable interest entities

The Company manages or maintains an ownership interest in certain legal entities subject to the consolidation guidance applicable to variable interest entities (VIEs). Almost all of these legal entities are either U.S. dialysis partnerships encumbered by guaranteed debt, U.S. dialysis limited partnerships, or other legal entities subject to nominee ownership arrangements.

Under U.S. GAAP, VIEs typically include entities for which (i) the entity's equity is not sufficient to finance its activities without additional subordinated financial support; (ii) the equity holders as a group lack the power to direct the activities that most significantly influence the entity's economic performance, the obligation to absorb the entity's expected losses, or the right to receive the entity's expected returns; or (iii) the voting rights of some investors are not proportional to their obligations to absorb the entity's losses.

The substantial majority of VIEs the Company is associated with are U.S. dialysis partnerships which the Company manages and in which it maintains a controlling majority ownership interest. These U.S. dialysis partnerships are considered VIEs either because they are (i) encumbered by debt guaranteed proportionately by the partners that is considered necessary to finance the partnership's activities, or (ii) in the form of limited partnerships for which the limited partners are not considered to have substantive kick-out or participating rights. The Company consolidates virtually all such U.S. dialysis partnerships.

The Company also relies on the operating activities of certain legal entities in which it does not maintain a controlling ownership interest but over which it has indirect influence and of which it is considered the primary beneficiary. These entities are typically subject to nominee ownership and transfer restriction agreements that effectively transfer the majority of the economic risks and rewards of their ownership to the Company. The Company's management, restriction and other agreements concerning such nominee-owned entities typically include both financial terms and protective and participating rights to the entities' operating, strategic and non-clinical governance decisions which transfer substantial powers over and economic responsibility for these entities to the Company. The Company consolidates all of the nominee-owned entities with which it is most closely associated.

At December 31, 2020, these consolidated financial statements include total assets of VIEs above of \$310,190 and total liabilities and noncontrolling interests of these VIEs to third parties of \$216,632.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The Company also sponsors certain non-qualified deferred compensation plans whose trusts qualify as VIEs and the Company consolidates these plans as their primary beneficiary. The assets of these plans are recorded in short-term or long-term investments with related liabilities recorded in accrued compensation and benefits and other long-term liabilities. See Note 15 for disclosures concerning the assets of these consolidated non-qualified deferred compensation plans.

24. Fair values of financial instruments

The Company measures the fair value of certain assets, liabilities, and noncontrolling interests subject to put provisions (redeemable equity interests classified as temporary equity) based upon certain valuation techniques that include observable or unobservable inputs and assumptions that market participants would use in pricing these assets, liabilities, temporary equity and commitments. The Company has also classified assets, liabilities and temporary equity that are measured at fair value on a recurring basis into the appropriate fair value hierarchy levels as defined by the FASB.

The following table summarizes the Company's assets, liabilities and temporary equity measured at fair value on a recurring basis as of December 31, 2020 and 2019:

| | Total | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|--|--------------|---|---|--|
| December 31, 2020 | | | | |
| Assets | | | | |
| Investments in equity securities | \$ 44,077 | \$ 44,077 | \$ — | \$ — |
| Interest rate cap agreements | \$ 2,671 | \$ — | \$ 2,671 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 30,248 | \$ — | \$ — | \$ 30,248 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,330,028 | \$ — | \$ — | \$ 1,330,028 |
| December 31, 2019 | | | | |
| Assets | | | | |
| Investments in equity securities | \$ 39,951 | \$ 39,951 | \$ — | \$ — |
| Interest rate cap agreements | \$ 24,452 | \$ — | \$ 24,452 | \$ — |
| Liabilities | | | | |
| Contingent earn-out obligations | \$ 24,586 | \$ — | \$ — | \$ 24,586 |
| Temporary equity | | | | |
| Noncontrolling interests subject to put provisions | \$ 1,180,376 | \$ — | \$ — | \$ 1,180,376 |

For reconciliations of changes in contingent earn-out obligations and noncontrolling interests subject to put provisions during the year ended at December 31, 2020 and 2019, see Note 21 and the consolidated statement of equity, respectively.

Investments in equity securities represent investments in various open-ended registered investment companies (mutual funds) and common stock and are recorded at fair value estimated based on reported market prices or redemption prices, as applicable. See Note 5 for further discussion.

Interest rate cap agreements are recorded at fair value estimated from valuation models utilizing the income approach and commonly accepted valuation techniques that use inputs from closing prices for similar assets and liabilities in active markets as well as other relevant observable market inputs at quoted intervals such as current interest rates, forward yield curves, implied volatility and credit default swap pricing. The Company does not believe the ultimate amount that could be realized upon settlement of these interest rate cap agreements would be materially different from the fair value estimates currently reported. See Note 13 for further discussion.

The estimated fair value measurements of contingent earn-out obligations are primarily based on unobservable inputs, including projected earnings before interest, taxes, depreciation, and amortization (EBITDA) and revenue. The estimated fair value of these contingent earn-out obligations is remeasured as of each reporting date and could fluctuate based upon any significant changes in key assumptions, such as changes in the Company credit risk adjusted rate that is used to discount obligations to present value. See Note 21 for further discussion.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The estimated fair value of noncontrolling interests subject to put provisions is based principally on the higher of either estimated liquidation value of net assets or a multiple of earnings for each subject dialysis partnership, based on historical earnings, revenue mix, and other performance indicators that can affect future results. The multiples used for these valuations are derived from observed ownership transactions for dialysis businesses between unrelated parties in the U.S. in recent years, and the specific valuation multiple applied to each dialysis partnership is principally determined by its recent and expected revenue mix and contribution margin. As of December 31, 2020, an increase or decrease in the weighted average multiple used in these valuations of one times EBITDA would change the estimated fair value of these noncontrolling interests by approximately \$160,000. See Note 17 for a discussion of the Company's methodology for estimating the fair values of noncontrolling interests subject to put obligations.

The Company's fair value estimates for its senior secured credit facilities and senior notes are based upon quoted bid and ask prices for these instruments, typically a level 2 input. See Note 13 for further discussion of the Company's debt.

Other financial instruments consist primarily of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, accounts payable, other accrued liabilities, lease liabilities and debt. The balances of financial instruments other than debt and lease liabilities are presented in the consolidated financial statements at December 31, 2020 and 2019 at their approximate fair values due to the short-term nature of their settlements.

25. Segment reporting

The Company's operations are comprised of its U.S. dialysis and related lab services business (its U.S. dialysis business), its various ancillary services and strategic initiatives, including its international operations (collectively, its ancillary services), and its corporate administrative support. See Note 1 "*Organization*" for a summary description of the Company's businesses.

On June 19, 2019, the Company completed the sale of its DMG business to Optum. As a result of this transaction, DMG's results of operations have been reported as discontinued operations for all periods presented.

The Company's operating segments have been defined based on the separate financial information that is regularly produced and reviewed by the Company's chief operating decision maker in making decisions about allocating resources to and assessing the financial performance of the Company's various operating lines of business. The chief operating decision maker for the Company is its Chief Executive Officer.

The Company's separate operating segments include its U.S. dialysis and related lab services business, each of its ancillary services and strategic initiatives, its kidney care operations in each foreign sovereign jurisdiction, its other health operations in each foreign sovereign jurisdiction, and its equity method investment in the APAC joint venture. The U.S. dialysis and related lab services business qualifies as a separately reportable segment, and all other ancillary services and strategic initiatives operating segments, including the international operating segments, have been combined and disclosed in the other segments category.

The Company's operating segment financial information included in this report is prepared on the internal management reporting basis that the chief operating decision maker uses to allocate resources and assess the financial performance of the Company's operating segments. For internal management reporting, segment operations include direct segment operating expenses but generally exclude corporate administrative support costs, which consist primarily of indirect labor, benefits and long-term incentive compensation expenses of certain departments which provide support to all of the Company's various operating lines of business, except to the extent that such costs are charged to and borne by certain ancillary services and strategic initiatives via internal management fees. These corporate administrative support costs are reduced by internal management fees received from the Company's ancillary lines of business.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

The following is a summary of segment revenues, segment operating margin (loss), and a reconciliation of segment operating margin to consolidated income from continuing operations before income taxes:

| | Year ended December 31, | | |
|--|-------------------------|----------------------|----------------------|
| | 2020 | 2019 | 2018 |
| Segment revenues: | | | |
| U.S. dialysis | | | |
| Patient service revenues: | | | |
| External sources | \$ 10,488,731 | \$ 10,421,401 | \$ 10,274,046 |
| Intersegment revenues | 144,091 | 131,199 | 92,950 |
| U.S. dialysis revenues before provision | 10,632,822 | 10,552,600 | 10,366,996 |
| Provision for uncollectible accounts | (13,458) | (21,715) | (50,927) |
| U.S. dialysis patient service revenues | 10,619,364 | 10,530,885 | 10,316,069 |
| Other revenues ⁽¹⁾ | | | |
| External sources | 39,376 | 30,895 | 19,880 |
| Intersegment revenues | 1,195 | 1,126 | — |
| Total U.S. dialysis revenues | <u>\$ 10,659,935</u> | <u>\$ 10,562,906</u> | <u>\$ 10,335,949</u> |
| Other - Ancillary services | | | |
| Net patient service revenues | 550,978 | 497,021 | 437,275 |
| Other external sources | 484,977 | 460,877 | 724,577 |
| Intersegment revenues | 16,743 | 14,030 | 34,236 |
| Total ancillary services | <u>1,052,698</u> | <u>971,928</u> | <u>1,196,088</u> |
| Total net segment revenues | 11,712,633 | 11,534,834 | 11,532,037 |
| Elimination of intersegment revenues | (162,029) | (146,355) | (127,186) |
| Consolidated revenues | <u>\$ 11,550,604</u> | <u>\$ 11,388,479</u> | <u>\$ 11,404,851</u> |
| Segment operating margin (loss): | | | |
| U.S. dialysis | \$ 1,917,604 | \$ 1,924,826 | \$ 1,709,721 |
| Other - Ancillary services ⁽²⁾ | (76,261) | (189,174) | (93,789) |
| Total segment margin | <u>1,841,343</u> | <u>1,735,652</u> | <u>1,615,932</u> |
| Reconciliation of segment operating margin to consolidated income from continuing operations before income taxes: | | | |
| Corporate administrative support | (146,707) | (92,335) | (90,108) |
| Consolidated operating income | 1,694,636 | 1,643,317 | 1,525,824 |
| Debt expense | (304,111) | (443,824) | (487,435) |
| Debt prepayment, refinancing and redemption charges | (89,022) | (33,402) | — |
| Other income | 16,759 | 29,348 | 10,089 |
| Income from continuing operations before income taxes | <u>\$ 1,318,262</u> | <u>\$ 1,195,439</u> | <u>\$ 1,048,478</u> |

(1) Includes management fee revenues from providing management and administrative services to dialysis ventures in which the Company owns a noncontrolling interest or which are wholly-owned by third parties.

(2) Includes equity investment income of \$5,866, \$9,366, and \$24,866 in 2020, 2019 and 2018, respectively.

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

Depreciation and amortization expense by reportable segment was as follows:

| | Year ended December 31, | | |
|----------------------------|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| U.S. dialysis | \$ 594,552 | \$ 583,454 | \$ 558,810 |
| Other - Ancillary services | 35,883 | 31,698 | 32,225 |
| | <u>\$ 630,435</u> | <u>\$ 615,152</u> | <u>\$ 591,035</u> |

Summary of assets by reportable segment was as follows:

| | Year ended December 31, | |
|---|-------------------------|----------------------|
| | 2020 | 2019 |
| Segment assets | | |
| U.S. dialysis ⁽¹⁾ | \$ 15,344,647 | \$ 15,778,880 |
| Other - Ancillary services ⁽²⁾ | 1,643,869 | 1,532,514 |
| Consolidated assets | <u>\$ 16,988,516</u> | <u>\$ 17,311,394</u> |

(1) Includes equity method and other investments of \$122,974 and \$124,188 in 2020 and 2019, respectively.

(2) Includes equity method and other investments of \$134,517 and 117,795 in 2020 and 2019, respectively and includes approximately \$181,137 and \$154,572 in 2020 and 2019, respectively, of net property and equipment related to the Company's international operations.

Expenditures for property and equipment by reportable segment were as follows:

| | Year ended December 31, | | |
|-------------------------------|-------------------------|-------------------|-------------------|
| | 2020 | 2019 | 2018 |
| U.S. dialysis | 646,870 | \$ 681,339 | \$ 856,108 |
| Other - Ancillary services | 27,671 | 46,741 | 45,806 |
| DMG - Discontinued operations | — | 38,466 | 85,224 |
| | <u>\$ 674,541</u> | <u>\$ 766,546</u> | <u>\$ 987,138</u> |

26. Supplemental cash flow information

The table below provides supplemental cash flow information:

| | Year ended December 31, | | |
|---|-------------------------|------------|------------|
| | 2020 | 2019 | 2018 |
| Cash paid: | | | |
| Income taxes, net | \$ 154,850 | \$ 157,983 | \$ 92,526 |
| Interest | \$ 326,165 | \$ 473,176 | \$ 488,974 |
| Non-cash investing and financing activities: | | | |
| Fixed assets under financing lease obligations | \$ 22,042 | \$ 18,953 | \$ 8,828 |

DAVITA INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - (continued)
(dollars and shares in thousands, except per share data)

27. Selected quarterly financial data (unaudited)

| | December 31, | September 30, | June 30, | March 31, |
|--|-------------------|-------------------|-------------------|-------------------|
| 2020 | | | | |
| Total revenues | \$ 2,905,322 | \$ 2,924,066 | \$ 2,879,979 | \$ 2,841,237 |
| Operating income | \$ 381,671 | \$ 437,669 | \$ 409,920 | \$ 465,376 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 193,406 | \$ 158,674 | \$ 201,602 | \$ 229,613 |
| Net (loss) income from discontinued operations | (19,633) | — | — | 9,980 |
| Net income | <u>\$ 173,773</u> | <u>\$ 158,674</u> | <u>\$ 201,602</u> | <u>\$ 239,593</u> |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 1.73 | \$ 1.31 | \$ 1.65 | \$ 1.84 |
| Basic net (loss) income from discontinued operations | (0.17) | — | — | 0.08 |
| Basic net income | <u>\$ 1.56</u> | <u>\$ 1.31</u> | <u>\$ 1.65</u> | <u>\$ 1.92</u> |
| Diluted net income from continuing operations | \$ 1.67 | \$ 1.28 | \$ 1.62 | \$ 1.81 |
| Diluted net (loss) income from discontinued operations | (0.17) | — | — | 0.08 |
| Diluted net income | <u>\$ 1.50</u> | <u>\$ 1.28</u> | <u>\$ 1.62</u> | <u>\$ 1.89</u> |
| 2019 | | | | |
| Total revenues | \$ 2,898,584 | \$ 2,904,078 | \$ 2,842,705 | \$ 2,743,112 |
| Operating income | \$ 462,588 | \$ 378,336 | \$ 461,886 | \$ 340,507 |
| Attributable to DaVita Inc.: | | | | |
| Net income from continuing operations ⁽¹⁾ | \$ 242,242 | \$ 150,113 | \$ 194,223 | \$ 120,254 |
| Net (loss) income from discontinued operations | 2,629 | (6,843) | 79,328 | 29,035 |
| Net income | <u>\$ 244,871</u> | <u>\$ 143,270</u> | <u>\$ 273,551</u> | <u>\$ 149,289</u> |
| Per share attributable to DaVita Inc.: | | | | |
| Basic net income from continuing operations | \$ 1.87 | \$ 1.00 | \$ 1.17 | \$ 0.72 |
| Basic net income (loss) from discontinued operations | 0.02 | (0.05) | 0.47 | 0.18 |
| Basic net income | <u>\$ 1.89</u> | <u>\$ 0.95</u> | <u>\$ 1.64</u> | <u>\$ 0.90</u> |
| Diluted net income from continuing operations | \$ 1.86 | \$ 0.99 | \$ 1.16 | \$ 0.72 |
| Diluted net income (loss) from discontinued operations | 0.02 | (0.04) | 0.48 | 0.18 |
| Diluted net income | <u>\$ 1.88</u> | <u>\$ 0.95</u> | <u>\$ 1.64</u> | <u>\$ 0.90</u> |

(1) The following table summarizes impairment charges, loss on changes in ownership interest, and a legal settlement included in operating expenses and charges in 2020 and 2019 by quarter:

| | Quarter ended | | | | Quarter ended | | | |
|--|----------------------|-----------------------|------------------|-------------------|----------------------|-----------------------|------------------|-------------------|
| | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 | December 31, 2019 | September 30, 2019 | June 30, 2019 | March 31, 2019 |
| Certain operating expenses and charges: | | | | | | | | |
| Impairment charges | | | | | | \$ 83,855 | | \$ 41,037 |
| Loss on changes in ownership interest, net | | | \$ 16,252 | | | | | |
| Accruals for legal matters | | | \$ 35,000 | | | | | |

EXHIBIT INDEX

- [2.1](#) Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita Inc., Collaborative Care Holdings, LLC, and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated.(2)
- [2.2](#) Amendment No. 1 dated as of September 20, 2018, to that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., a Delaware corporation, Collaborative Care Holdings, LLC, a Delaware limited liability company and a wholly owned subsidiary of Optum, Inc., and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated, a Delaware corporation.(22)
- [2.3](#) Second Amendment to Equity Purchase Agreement by and between DaVita, Inc., a Delaware corporation, and Collaborative Care Holdings, LLC, a Delaware limited liability company, dated as of December 11, 2018, amending that certain Equity Purchase Agreement, dated as of December 5, 2017, by and among DaVita, Inc., Collaborative Care Holdings, LLC, and solely with respect to Section 9.3 and Section 9.18 thereto, UnitedHealth Group Incorporated (as previously amended).(11)
- [3.1](#) Restated Certificate of Incorporation of DaVita Inc., as filed with the Secretary of State of Delaware on November 1, 2016.(1)
- [3.2](#) Amended and Restated Bylaws for DaVita Inc. dated as of December 10, 2020.(33)
- [4.1](#) Indenture for the 4.625% Senior Notes due 2030, dated as of June 9, 2020, by and among DaVita Inc., the subsidiary guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as Trustee.(20)
- [4.2](#) Form of 4.625% Senior Notes due 2030 and related Guarantee (included in Exhibit 4.1).(20)
- [4.3](#) Indenture for the 3.750% Senior Notes due 2031, dated August 11, 2020, by and among DaVita Inc., the subsidiary guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as Trustee.(17)
- [4.4](#) Form of 3.750% Senior Notes due 2031 and related Guarantee (included in Exhibit 4.3).(17)
- [4.5](#) Description of Securities.(28)
- [10.1](#) Sourcing and Supply Agreement between DaVita Inc. and Amgen USA Inc. effective as of January 6, 2017.(5)**
- [10.2](#) Credit Agreement, dated August 12, 2019, by and among DaVita Inc., certain subsidiary guarantors party thereto, the lenders party thereto, Credit Agricole Corporate and Investment Bank, JPMorgan Chase Bank, N.A. and MUFG Bank Ltd., as co-syndication agents, Bank of America, N.A., Barclays Bank PLC, Credit Suisse Loan Funding LLC, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc. and Suntrust Bank, as co-documentation agents, and Wells Fargo Bank, National Association, as administrative agent, collateral agent and swingline lender.(24)
- [10.3](#) First Amendment, dated as of February 13, 2020, to that certain Credit Agreement, dated as of August 12, 2019, by and among DaVita Inc., certain subsidiary guarantors party thereto, the lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent, collateral agent and swingline lender.(28)
- [10.4](#) Employment Agreement, effective July 25, 2008, between DaVita Inc. and Kent J. Thiry.(12)*
- [10.5](#) Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and Kent J. Thiry.(3)*
- [10.6](#) Amendment Number Two to Employment Agreement, effective August 20, 2018, by and between DaVita Inc. and Kent J. Thiry. (23)*

- [10.7](#) Executive Chairman Agreement between Kent J. Thiry and DaVita, Inc., dated as of April 29, 2019.(13)*
- [10.8](#) Restricted Stock Units Agreement, effective as of May 15, 2019, by and between DaVita Inc. and Kent Thiry.(25)*
- [10.9](#) Performance Stock Units Agreement, effective as of May 15, 2019, by and between DaVita Inc. and Kent Thiry.(25)*
- [10.10](#) Employment Agreement, dated as of April 29, 2019, by and between Javier J. Rodriguez and DaVita Inc.(13)*
- [10.11](#) Stock Appreciation Rights Agreement, effective November 4, 2019, by and between Javier J. Rodriguez and DaVita Inc.(27)*
- [10.12](#) Employment Agreement, effective February 21, 2017, by and between DaVita Inc. and Joel Ackerman.(8)*
- [10.13](#) Employment Agreement, effective April 27, 2016, by and between DaVita HealthCare Partners Inc. and Kathleen A. Waters.(5)*
- [10.14](#) Employment Agreement, effective September 22, 2005, by and between DaVita Inc. and James Hilger.(7)*
- [10.15](#) Amendment to Mr. Hilger’s Employment Agreement, effective December 12, 2008.(15)*
- [10.16](#) Second Amendment to Mr. Hilger’s Employment Agreement, effective December 27, 2012.(18)*
- [10.17](#) Third Amendment to Employment Agreement, effective December 31, 2014, by and between DaVita Inc. and James Hilger.(3)*
- [10.18](#) Transition Agreement, dated as of July 31, 2018, by and between DaVita Inc. and James Hilger.(21)*
- [10.19](#) Employment Agreement, effective April 29, 2015, by and between DaVita HealthCare Partners Inc. and Michael Staffieri.(28)*
- [10.20](#) Amendment to Stock Appreciation Rights Agreements, effective June 11, 2020, by and between DaVita Inc. and William L. Roper, M.D.(30)*
- [10.21](#) Transition Agreement, dated October 1, 2020, by and between DaVita Inc. and LeAnne Zumwalt.(32)*
- [10.22](#) Form of Indemnity Agreement.(10)*
- [10.23](#) Form of Indemnity Agreement.(6)*
- [10.24](#) DaVita Deferred Compensation Plan.(8)*
- [10.25](#) DaVita Voluntary Deferral Plan.(4)*
- [10.26](#) Deferred Bonus Plan (Prosperity Plan).(14)*
- [10.27](#) Amendment No. 1 to Deferred Bonus Plan (Prosperity Plan).(15)*
- [10.28](#) Amended and Restated Employee Stock Purchase Plan.(26)*
- [10.29](#) DaVita Inc. Severance Plan for Directors and Above.(3)*

| | |
|-----------------------|--|
| 10.30 | DaVita Inc. Non-Employee Director Compensation Policy.(16)* |
| 10.31 | Amended and Restated DaVita Inc. 2011 Incentive Award Plan.(9)* |
| 10.32 | Amendment No. 1 to the Amended and Restated DaVita Inc. 2011 Incentive Award Plan.(27)* |
| 10.33 | DaVita Inc. 2020 Incentive Award Plan.(29)* |
| 10.34 | DaVita Inc. Rule of 65 Policy, adopted on August 19, 2018.(23)* |
| 10.35 | Form of Stock Appreciation Rights Agreement-Board members (DaVita Inc. 2011 Incentive Award Plan).(21)* |
| 10.36 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(18)* |
| 10.37 | Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(19)* |
| 10.38 | Form of Long-Term Incentive Program Award Agreement (For 162(m) designated teammates) (DaVita Inc. 2011 Incentive Award Plan).(18)* |
| 10.39 | Form of Long-Term Incentive Program Award Agreement (DaVita Inc. 2011 Incentive Award Plan).(18)* |
| 10.40 | Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.41 | Form of Performance Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.42 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.43 | Form of Restricted Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.44 | Form of Performance Stock Units Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.45 | Form of Stock Appreciation Rights Agreement-Executives (DaVita Inc. 2011 Incentive Award Plan).(25)* |
| 10.46 | Form of Stock Appreciation Rights Agreement (DaVita Inc. 2020 Incentive Award Plan).(31)* |
| 10.47 | Form of Performance-Based Restricted Stock Unit Agreement (DaVita Inc. 2020 Incentive Award Plan).(31)* |
| 10.48 | Form of Restricted Stock Unit Agreement (DaVita Inc. 2020 Incentive Award Plan).(31)* |
| 21.1 | List of our subsidiaries.ü |
| 23.1 | Consent of KPMG LLP, independent registered public accounting firm.ü |
| 24.1 | Powers of Attorney with respect to DaVita. (Included on Page S-1). |
| 31.1 | Certification of the Chief Executive Officer, dated February 12, 2021, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.ü |
| 31.2 | Certification of the Chief Financial Officer, dated February 12, 2021, pursuant to Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.ü |

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|----------------------|---|
| 32.1 | Certification of the Chief Executive Officer, dated February 12, 2021, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.ü |
| 32.2 | Certification of the Chief Financial Officer, dated February 12, 2021, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.ü |
| 101.INS | XBRL Instance Document - the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.ü |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document.ü |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document.ü |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document.ü |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document.ü |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document.ü |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).ü |

ü Included in this filing.

* Management contract or executive compensation plan or arrangement.

** Portions of this exhibit are subject to a request for confidential treatment and have been redacted and filed separately with the SEC.

- (1) Filed on November 2, 2016 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016.
- (2) Filed on December 6, 2017 as an exhibit to the Company's Current Report on Form 8-K.
- (3) Filed on February 22, 2019 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2018.
- (4) Filed on November 8, 2005 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
- (5) Filed on May 2, 2017 as an exhibit to the Company's Quarterly Report on 10-Q for the quarter ended March 31, 2017.
- (6) Filed on March 3, 2005 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2004.
- (7) Filed on August 7, 2006 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ending June 30, 2006.
- (8) Filed on February 24, 2017 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2016.
- (9) Filed on April 28, 2014 as Appendix A to the Company's Definitive Proxy Statement on Schedule 14A.
- (10) Filed on December 20, 2006 as an exhibit to the Company's Current Report on Form 8-K.
- (11) Filed on December 17, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (12) Filed on July 31, 2008 as an exhibit to the Company's Current Report on Form 8-K.
- (13) Filed on April 29, 2019 as an exhibit to the Company's Current Report on Form 8-K.
- (14) Filed on February 29, 2008 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2007.
- (15) Filed on February 27, 2009 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2008.
- (16) Filed on May 5, 2020 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.
- (17) Filed on August 11, 2020 as an exhibit to the Company's Current Report on Form 8-K.
- (18) Filed on March 1, 2013 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

- (19) Filed on August 4, 2011 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.
- (20) Filed on June 9, 2020 as an exhibit to the Company's Current Report on Form 8-K.
- (21) Filed on August 1, 2018 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018.
- (22) Filed on September 24, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (23) Filed on August 23, 2018 as an exhibit to the Company's Current Report on Form 8-K.
- (24) Filed on August 14, 2019 as an exhibit to the Company's Current Report on Form 8-K.
- (25) Filed on July 22, 2019 as an exhibit to the Company's Tender Offer Statement on Schedule TO-I.
- (26) Filed on May 10, 2016 as an appendix to the Company's Proxy Statement on DEF 14A.
- (27) Filed on December 6, 2019 as an appendix to the Company's Proxy Statement on DEF 14A.
- (28) Filed on February 21, 2020 as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2019.
- (29) Filed on April 27, 2020 as an appendix to the Company's Proxy Statement on DEF 14A.
- (30) Filed on July 30, 2020 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020.
- (31) Filed on August 17, 2020 as an exhibit to the Company's Tender Offer Statement on Schedule TO-I.
- (32) Filed on October 29, 2020 as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020.
- (33) Filed on December 10, 2020 as an exhibit to the Company's Current Report on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, we have duly caused this Annual Report on Form 10-K to be signed on our behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, on February 12, 2021.

DAVITA INC.

By: _____ /s/ JAVIER J. RODRIGUEZ
Javier J. Rodriguez
Chief Executive Officer

KNOW ALL MEN BY THESE PRESENT, that each person whose signature appears below constitutes and appoints Javier J. Rodriguez, Joel Ackerman, and Kathleen Waters, and each of them his or her true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| Signature | Title | Date |
|--|--|-------------------|
| /s/ JAVIER J. RODRIGUEZ Javier J. Rodriguez | Chief Executive Officer and Director (Principal Executive Officer) | February 12, 2021 |
| /s/ JOEL ACKERMAN Joel Ackerman | Chief Financial Officer and Treasurer (Principal Financial Officer) | February 12, 2021 |
| /s/ JOHN D. WINSTEL John D. Winstel | Chief Accounting Officer (Principal Accounting Officer) | February 12, 2021 |
| /s/ PAMELA M. ARWAY Pamela M. Arway | Director | February 12, 2021 |
| /s/ CHARLES G. BERG Charles G. Berg | Director | February 12, 2021 |
| /s/ BARBARA J. DESOER Barbara J. Desoer | Director | February 12, 2021 |
| /s/ PAUL J. DIAZ Paul J. Diaz | Director | February 12, 2021 |
| /s/ SHAWN M. GUERTIN Shawn M. Guertin | Director | February 12, 2021 |
| /s/ JOHN M. NEHRA John M. Nehra | Director | February 12, 2021 |
| /s/ PAULA A. PRICE Paula A. Price | Director | February 12, 2021 |
| /s/ PHYLLIS R. YALE Phyllis R. Yale | Director | February 12, 2021 |

DAVITA INC.
SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

| Description | Balance at beginning of year | Acquisitions | Amounts charged to income | Amounts written off | Balance at end of year |
|---------------------------------------|---------------------------------|--------------|---------------------------------|------------------------|---------------------------|
| (dollars in thousands) | | | | | |
| Allowance for uncollectible accounts: | | | | | |
| Year ended December 31, 2020 | \$ 8,328 | \$ — | \$ 13,458 | \$ 21,786 | \$ — |
| Year ended December 31, 2019 | \$ 52,924 | \$ — | \$ 21,715 | \$ 66,311 | \$ 8,328 |
| Year ended December 31, 2018 | \$ 218,399 | \$ — | \$ 42,287 | \$ 207,762 | \$ 52,924 |

SUBSIDIARIES OF THE COMPANY

as of December 31, 2020

| Name | Jurisdiction of Organization |
|------------------------------------|-------------------------------------|
| Aberdeen Dialysis, LLC | Delaware |
| Adair Dialysis, LLC | Delaware |
| Alenes Dialysis, LLC | Delaware |
| American Fork Dialysis, LLC | Delaware |
| American Medical Insurance, Inc. | Arizona |
| Animas Dialysis, LLC | Delaware |
| Arcadia Gardens Dialysis, LLC | Delaware |
| Arrowhead Dialysis, LLC | Delaware |
| Attell Dialysis, LLC | Delaware |
| Austin Dialysis Centers, L.P. | Delaware |
| Bainbridge Dialysis, LLC | Delaware |
| Bannon Dialysis, LLC | Delaware |
| Barnell Dialysis, LLC | Delaware |
| Barrons Dialysis, LLC | Delaware |
| Barton Dialysis, LLC | Delaware |
| Basin Dialysis, LLC | Delaware |
| Bastrop Dialysis, LLC | Delaware |
| Beck Dialysis, LLC | Delaware |
| Bellevue Dialysis, LLC | Delaware |
| Bemity Dialysis, LLC | Delaware |
| Beverly Hills Dialysis Partnership | California |
| Birch Dialysis, LLC | Ohio |
| Bladon Dialysis, LLC | Delaware |
| Blanco Dialysis, LLC | Delaware |
| Bliss Dialysis, LLC | Delaware |
| Bluegrass Dialysis, LLC | Delaware |
| Bohama Dialysis, LLC | Delaware |
| Bothwell Dialysis, LLC | Delaware |
| Bottle Dialysis, LLC | Delaware |
| Bowan Dialysis, LLC | Delaware |
| Braddock Dialysis, LLC | Delaware |
| Bretton Dialysis, LLC | Delaware |
| Bridges Dialysis, LLC | Delaware |
| Brimfield Dialysis, LLC | Delaware |
| Brook Dialysis, LLC | Delaware |
| Brownsville Kidney Center, Ltd. | Texas |
| Brownwood Dialysis, LLC | Delaware |
| Bruno Dialysis, LLC | Delaware |
| Buckhorn Dialysis, LLC | Delaware |
| Buford Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---|-------------------------------------|
| Bullards Dialysis, LLC | Delaware |
| Bullock Dialysis, LLC | Delaware |
| Canyon Dialysis, LLC | Delaware |
| Canyon Springs Dialysis, LLC | Delaware |
| Capes Dialysis, LLC | Delaware |
| Capital Dialysis Partnership | California |
| Capron Dialysis, LLC | Delaware |
| Carlton Dialysis, LLC | U.S. Virgin Islands |
| Carroll County Dialysis Facility Limited Partnership | Maryland |
| Carroll County Dialysis Facility, Inc. | Maryland |
| Cascades Dialysis, LLC | Delaware |
| Caverns Dialysis, LLC | Delaware |
| Cedar Dialysis, LLC | Delaware |
| Centennial LV, LLC | Delaware |
| Central Carolina Dialysis Centers, LLC | Delaware |
| Central Georgia Dialysis, LLC | Delaware |
| Central Iowa Dialysis Partners, LLC | Delaware |
| Central Kentucky Dialysis Centers, LLC | Delaware |
| Cerito Dialysis Partners, LLC | Delaware |
| Channel Dialysis, LLC | Delaware |
| Chantry Dialysis, LLC | Delaware |
| Cheraw Dialysis, LLC | Delaware |
| Chipeta Dialysis, LLC | Delaware |
| Churchill Dialysis, LLC | Delaware |
| Cimarron Dialysis, LLC | Delaware |
| Cinco Rios Dialysis, LLC | Delaware |
| Clark Dialysis, LLC | Delaware |
| Clayton Dialysis, LLC | Delaware |
| Clinica Central do Bonfim S.A. | Portugal |
| Clinica Médica DaVita Bandeirantes Serviços de Nefrologia Ltda. | Brazil |
| Clinton Township Dialysis, LLC | Delaware |
| Clyfee Dialysis, LLC | Delaware |
| Coast Dialysis, LLC | Delaware |
| Cobbles Dialysis, LLC | Delaware |
| Columbus-RNA-DaVita, LLC | Delaware |
| Commerce Township Dialysis Center, LLC | Delaware |
| Conconully Dialysis, LLC | Delaware |
| Continental Dialysis Center of Springfield-Fairfax, Inc. | Virginia |
| Continental Dialysis Centers, Inc. | Virginia |
| Coral Dialysis, LLC | Delaware |
| Couer Dialysis, LLC | Delaware |
| Court Dialysis, LLC | Delaware |
| Cowell Dialysis, LLC | Delaware |
| Cowesett Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Crossings Dialysis, LLC | Delaware |
| Crystals Dialysis, LLC | Delaware |
| Cuivre Dialysis, LLC | Delaware |
| Culbert Dialysis, LLC | Delaware |
| Curecanti Dialysis, LLC | Delaware |
| Dallas-Fort Worth Nephrology, L.P. | Delaware |
| Damon Dialysis, LLC | Delaware |
| DaVita - Riverside II, LLC | Delaware |
| DaVita - Riverside, LLC | Delaware |
| DaVita - West, LLC | Delaware |
| DaVita Águas Claras Serviços de Nefrologia Ltda. | Brazil |
| DaVita APAC Holding B.V. | Netherlands |
| DaVita Bauru Serviços de Nefrologia Ltda. | Brazil |
| DaVita Brasil Participações e Serviços de Nefrologia Ltda. | Brazil |
| DaVita Care (Saudi Arabia) | Saudi Arabia |
| DaVita Ceilândia Serviços de Nefrologia Ltda. | Brazil |
| DaVita Dakota Dialysis Center, LLC | Delaware |
| DaVita Deutschland AG | Germany |
| DaVita Deutschland Beteiligungs GmbH & Co. KG | Germany |
| DaVita EL Paso East, L.P. | Delaware |
| DaVita Germany GmbH | Germany |
| DaVita HealthCare Brasil Serviços Médicos Ltda. | Brazil |
| DaVita International Limited | United Kingdom |
| DaVita Kidney Care Contracting, LLC | Delaware |
| DaVita Nefromed Serviços de Nefrologia Ltda. | Brazil |
| DaVita Nephron Care Serviços de Nefrologia Ltda. | Brazil |
| DaVita of New York, Inc. | New York |
| DaVita Rien Serviços de Nefrologia Ltda. | Brazil |
| DaVita S.A.S. | Colombia |
| DaVita Serviços de Nefrologia Asa Sul Ltda. | Brazil |
| DaVita Serviços de Nefrologia Boa Vista Ltda. | Brazil |
| DaVita Serviços de Nefrologia Campo Grande Ltda. | Brazil |
| DaVita Serviços de Nefrologia Cuiabá Ltda. | Brazil |
| DaVita Serviços de Nefrologia de Araraquara Ltda. | Brazil |
| DaVita Serviços de Nefrologia Guarulhos Ltda. | Brazil |
| DaVita Serviços de Nefrologia Pacini Ltda. | Brazil |
| DaVita Serviços de Nefrologia Santos Dumont Ltda. | Brazil |
| DaVita Serviços de Nefrologia Sumaré Ltda. | Brazil |
| DaVita Serviços de Nefrologia Taubaté Ltda. | Brazil |
| DaVita Sp. z o.o. | Poland |
| DaVita Sud-Niedersachsen GmbH | Germany |
| DaVita Transrim Serviços de Nefrologia Ltda. | Brazil |
| DaVita UK Limited | United Kingdom |
| DaVita UTR Serviços de Nefrologia Ltda. | Brazil |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| DaVita VillageHealth, Inc. | Delaware |
| DC Healthcare International, Inc. | Delaware |
| DeSoto Dialysis, LLC | Delaware |
| Dialysis Holdings, Inc. | Delaware |
| Dialysis of Des Moines, LLC | Delaware |
| Dialysis of Northern Illinois, LLC | Delaware |
| Dierks Dialysis, LLC | Delaware |
| Dighton Dialysis, LLC | Delaware |
| Dolores Dialysis, LLC | Delaware |
| Dome Dialysis, LLC | Delaware |
| Doves Dialysis, LLC | Delaware |
| Downriver Centers, Inc. | Michigan |
| DV Care Netherlands B.V. | Netherlands |
| DV Care Netherlands C.V. | Netherlands |
| DVA Healthcare - Southwest Ohio, LLC | Tennessee |
| DVA Healthcare of Maryland, LLC | Maryland |
| DVA Healthcare of Massachusetts, Inc. | Massachusetts |
| DVA Healthcare of New London, LLC | Tennessee |
| DVA Healthcare of Norwich, LLC | Tennessee |
| DVA Healthcare of Pennsylvania, LLC | Pennsylvania |
| DVA Healthcare of Tuscaloosa, LLC | Tennessee |
| DVA Healthcare Renal Care, Inc. | Nevada |
| DVA Holdings Pte. Ltd. | Singapore |
| DVA Laboratory Services, Inc. | Florida |
| DVA of New York, Inc. | New York |
| DVA Renal Healthcare, Inc. | Tennessee |
| Dworsher Dialysis, LLC | Delaware |
| East End Dialysis Center, Inc. | Virginia |
| East Ft. Lauderdale, LLC | Delaware |
| Ebrea Dialysis, LLC | Delaware |
| Edisto Dialysis, LLC | Delaware |
| Elandon Dialysis, LLC | Delaware |
| Eldrist Dialysis, LLC | Delaware |
| Elk Grove Dialysis Center, LLC | Delaware |
| Empire State DC, Inc. | New York |
| Etowah Dialysis, LLC | Delaware |
| Ettleton Dialysis, LLC | Delaware |
| Eufaula Dialysis, LLC | Delaware |
| EURODIAL - Centro de Nefrologia e Dialise de Leiria S.A. | Portugal |
| Falcon, LLC | Delaware |
| Fanthorp Dialysis, LLC | Delaware |
| Federal Way Assurance, Inc. | Colorado |
| Ferne Dialysis, LLC | Delaware |
| Fields Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---|-------------------------------------|
| Five Star Dialysis, LLC | Delaware |
| Fjords Dialysis, LLC | Delaware |
| Flagler Dialysis, LLC | Delaware |
| Flamingo Park Kidney Center, Inc. | Florida |
| Forester Dialysis, LLC | Delaware |
| Freehold Artificial Kidney Center, L.L.C. | New Jersey |
| Fremont Dialysis, LLC | Delaware |
| Frontier Dialysis, LLC | Delaware |
| Fullerton Dialysis Center, LLC | Delaware |
| Ganois Dialysis, LLC | Delaware |
| Garner Dialysis, LLC | Delaware |
| Garrett Dialysis, LLC | Delaware |
| Gaviota Dialysis, LLC | Delaware |
| GDC International, LLC | Delaware |
| Gebhard Dialysis, LLC | Delaware |
| Genesis KC Development, LLC | Delaware |
| Geyser Dialysis, LLC | Delaware |
| Gilwards Dialysis, LLC | Delaware |
| GiveLife Dialysis, LLC | Delaware |
| Glassland Dialysis, LLC | Delaware |
| Glosser Dialysis, LLC | Delaware |
| Goliad Dialysis, LLC | Delaware |
| Gordina Dialysis, LLC | Delaware |
| Great Dialysis, LLC | Delaware |
| Greater Las Vegas Dialysis, LLC | Delaware |
| Greater Los Angeles Dialysis Centers, LLC | Delaware |
| Green Country Dialysis, LLC | Delaware |
| Green Desert Dialysis, LLC | Delaware |
| Griffin Dialysis, LLC | Delaware |
| Hanford Dialysis, LLC | Delaware |
| Harmony Dialysis, LLC | Delaware |
| Hart Dialysis, LLC | Delaware |
| Hawn Dialysis, LLC | Delaware |
| Hazelton Dialysis, LLC | Delaware |
| Helmer Dialysis, LLC | Delaware |
| Hewett Dialysis, LLC | Delaware |
| Heyburn Dialysis, LLC | Delaware |
| Hilgards Dialysis, LLC | Delaware |
| Hochatown Dialysis, LLC | Delaware |
| Holten Dialysis, LLC | Delaware |
| Home Kidney Care, LLC | Delaware |
| Honey Dialysis, LLC | Delaware |
| Honeyman Dialysis, LLC | Delaware |
| Houston Kidney Center/Total Renal Care Integrated Service Network Limited Partnership | Delaware |

| Name | Jurisdiction of Organization |
|---|-------------------------------------|
| Hummer Dialysis, LLC | Delaware |
| Hunter Dialysis, LLC | Delaware |
| Huntington Artificial Kidney Center, Ltd. | New York |
| Huntington Park Dialysis, LLC | Delaware |
| Hyattsville Dialysis, LLC | Delaware |
| Hyde Dialysis, LLC | Delaware |
| IDC -International Dialysis Centers, Lda | Portugal |
| Iroquois Dialysis, LLC | Delaware |
| ISD Corpus Christi, LLC | Delaware |
| ISD I Holding Company, Inc. | Delaware |
| ISD II Holding Company, Inc. | Delaware |
| ISD Kendallville, LLC | Delaware |
| ISD Las Vegas, LLC | Delaware |
| ISD Lees Summit, LLC | Delaware |
| ISD Renal, Inc. | Delaware |
| ISD Spring Valley, LLC | Delaware |
| ISD Summit Renal Care, LLC | Ohio |
| Jacinto Dialysis, LLC | Delaware |
| Jenness Dialysis, LLC | Delaware |
| Kamiah Dialysis, LLC | Delaware |
| Kanika Dialysis, LLC | Delaware |
| Kavett Dialysis, LLC | Delaware |
| Kearn Dialysis, LLC | Delaware |
| Kenai Dialysis, LLC | Delaware |
| Kershaw Dialysis, LLC | Delaware |
| Kidney HOME Center, LLC | Delaware |
| Kimball Dialysis, LLC | Delaware |
| Kingston Dialysis, LLC | Delaware |
| Kinnick Dialysis, LLC | Delaware |
| Kinter Dialysis, LLC | Delaware |
| Kiowa Dialysis, LLC | Delaware |
| Knickerbocker Dialysis, Inc. | New York |
| Knotts Dialysis, LLC | Delaware |
| Kobuk Dialysis, LLC | Delaware |
| Lakeshore Dialysis, LLC | Delaware |
| Landing Dialysis, LLC | Delaware |
| Landor Dialysis, LLC | Delaware |
| Lassen Dialysis, LLC | Delaware |
| Leasburg Dialysis, LLC | Delaware |
| Leawood Dialysis, LLC | Delaware |
| Legare Development LLC | Delaware |
| Liberty RC, Inc. | New York |
| Lincoln Park Dialysis Services, Inc. | Illinois |
| Lincolnton Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---------------------------------------|-------------------------------------|
| Livingston Dialysis, LLC | Delaware |
| Llano Dialysis, LLC | Delaware |
| Lofield Dialysis, LLC | Delaware |
| Logoley Dialysis, LLC | Delaware |
| Lone Dialysis, LLC | Delaware |
| Long Beach Dialysis Center, LLC | Delaware |
| Lord Baltimore Dialysis, LLC | Delaware |
| Lory Dialysis, LLC | Delaware |
| Loup Dialysis, LLC | Delaware |
| Lourdes Dialysis, LLC | Delaware |
| Lyndale Dialysis, LLC | Delaware |
| Madigan Dialysis, LLC | Delaware |
| Magney Dialysis, LLC | Delaware |
| Makonee Dialysis, LLC | Delaware |
| Mammoth Dialysis, LLC | Delaware |
| Manzano Dialysis, LLC | Delaware |
| Maple Grove Dialysis, LLC | Delaware |
| Marlton Dialysis Center, LLC | Delaware |
| Marseille Dialysis, LLC | Delaware |
| Mashero Dialysis, LLC | Delaware |
| Mason-Dixon Dialysis Facilities, Inc. | Maryland |
| Mazonia Dialysis, LLC | Delaware |
| Mellen Dialysis, LLC | Delaware |
| Melnea Dialysis, LLC | Delaware |
| Memorial Dialysis Center, L.P. | Delaware |
| Mendocino Dialysis, LLC | Delaware |
| Meridian Dialysis, LLC | Delaware |
| Mermet Dialysis, LLC | Delaware |
| Middlesex Dialysis Center, LLC | Delaware |
| Milltown Dialysis, LLC | Delaware |
| Minam Dialysis, LLC | Delaware |
| Minneopa Dialysis, LLC | Delaware |
| Monad Dialysis, LLC | Delaware |
| Monett Dialysis, LLC | Delaware |
| Morro Dialysis, LLC | Delaware |
| Mountain West Dialysis Services, LLC | Delaware |
| Mulgee Dialysis, LLC | Delaware |
| MVZ DaVita Alzey GmbH | Germany |
| MVZ DaVita Aurich GmbH | Germany |
| MVZ DaVita Bad Aibling GmbH | Germany |
| MVZ DaVita Bad Duben GmbH | Germany |
| MVZ DaVita Dillenburg GmbH | Germany |
| MVZ DaVita Dinkelsbuhl GmbH | Germany |
| MVZ DaVita Dormagen GmbH | Germany |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| MVZ DaVita Duisburg GmbH | Germany |
| MVZ DaVita Elsterland GmbH | Germany |
| MVZ DaVita Emden GmbH | Germany |
| MVZ DaVita Falkensee GmbH | Germany |
| MVZ DaVita Geilenkirchen GmbH | Germany |
| MVZ DaVita Gera GmbH | Germany |
| MVZ DaVita Iserlohn GmbH | Germany |
| MVZ DaVita Neuss GmbH | Germany |
| MVZ DaVita Nierenzentrum Aachen Alsdorf GmbH | Germany |
| MVZ DaVita Nierenzentrum Berlin-Britz GmbH | Germany |
| MVZ DaVita Nierenzentrum Hamm-Ahlen GmbH | Germany |
| MVZ DaVita Prenzlau-Pasewalk GmbH | Germany |
| MVZ DaVita Rhein-Ahr GmbH | Germany |
| MVZ DaVita Rhein-Ruhr GmbH | Germany |
| MVZ DaVita Viersen GmbH | Germany |
| Myrtle Dialysis, LLC | Delaware |
| Nansen Dialysis, LLC | Delaware |
| Natomas Dialysis, LLC | Delaware |
| Nauvue Dialysis, LLC | Delaware |
| Navarro Dialysis, LLC | Delaware |
| Neoporte Dialysis, LLC | Delaware |
| Nephrology Practice Solutions, LLC | Delaware |
| Neptune Artificial Kidney Center, L.L.C. | New Jersey |
| New Bay Dialysis, LLC | Delaware |
| New Springs Dialysis, LLC | Delaware |
| Norte Dialysis, LLC | Delaware |
| North Austin Dialysis, LLC | Delaware |
| Oasis Dialysis, LLC | Delaware |
| Odiome Dialysis, LLC | Delaware |
| Ohio River Dialysis, LLC | Delaware |
| Okanogan Dialysis, LLC | Delaware |
| Olive Dialysis, LLC | Delaware |
| Orange Dialysis, LLC | California |
| Ordust Dialysis, LLC | Delaware |
| Osage Dialysis, LLC | Delaware |
| Owens Dialysis, LLC | Delaware |
| Owyhee Dialysis, LLC | Delaware |
| Palo Dialysis, LLC | Delaware |
| Palomar Dialysis, LLC | Delaware |
| Panther Dialysis, LLC | Delaware |
| Patient Pathways, LLC | Delaware |
| Patuk Dialysis, LLC | Delaware |
| Peaks Dialysis, LLC | Delaware |
| Pearl Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|---|-------------------------------------|
| Pendster Dialysis, LLC | Delaware |
| Percha Dialysis, LLC | Delaware |
| Pershing Dialysis, LLC | Delaware |
| Pfeiffer Dialysis, LLC | Delaware |
| Philadelphia-Camden Integrated Kidney Care, LLC | Delaware |
| Physicians Choice Dialysis Of Alabama, LLC | Delaware |
| Physicians Choice Dialysis, LLC | Delaware |
| Physicians Dialysis Acquisitions, Inc. | Delaware |
| Physicians Dialysis of Lancaster, LLC | Pennsylvania |
| Physicians Dialysis Ventures, LLC | Delaware |
| Physicians Management, LLC | Delaware |
| Pible Dialysis, LLC | Delaware |
| Pinewoods Dialysis, LLC | Delaware |
| Pittsburgh Dialysis Partners, LLC | Delaware |
| Piute Dialysis, LLC | Delaware |
| Plaine Dialysis, LLC | Delaware |
| Platte Dialysis, LLC | Delaware |
| Pluribus Dialise - Benfica, S.A. | Portugal |
| Pluribus Dialise - Cascais, S.A. | Portugal |
| Pluribus Dialise - Sacavem, S.A. | Portugal |
| Pluribus Dialise, S.A. | Portugal |
| Poinsett Dialysis, LLC | Delaware |
| Pokagon Dialysis, LLC | Delaware |
| Portola Dialysis, LLC | Delaware |
| Prineville Dialysis, LLC | Delaware |
| Pronomed Clínica Médica Ltda. | Brazil |
| Pyramid Dialysis, LLC | Delaware |
| Ramsey Dialysis, LLC | Delaware |
| Randolph Dialysis, LLC | Delaware |
| Rayburn Dialysis, LLC | Delaware |
| Red Willow Dialysis, LLC | Delaware |
| Redcliff Dialysis, LLC | Delaware |
| Refuge Dialysis, LLC | Delaware |
| Renal Center of Beaumont, LLC | Delaware |
| Renal Center of Fort Dodge, LLC | Delaware |
| Renal Center of Lewisville, LLC | Delaware |
| Renal Center of Morristown, LLC | Delaware |
| Renal Center of Newton, LLC | Delaware |
| Renal Center of North Denton, L.L.L.P. | Delaware |
| Renal Center of Port Arthur, LLC | Delaware |
| Renal Center of Sewell, LLC | Delaware |
| Renal Center of the Hills, LLC | Delaware |
| Renal Center of Tyler, L.P.L.L.L.P. | Delaware |
| Renal Center of West Beaumont, LLC | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Renal Center of Westwood, LLC | Delaware |
| Renal Life Link, Inc. | Delaware |
| Renal Services (UK) Limited | United Kingdom |
| Renal Treatment Centers - California, Inc. | Delaware |
| Renal Treatment Centers - Illinois, Inc. | Delaware |
| Renal Treatment Centers - Mid-Atlantic, Inc. | Delaware |
| Renal Treatment Centers - Northeast, Inc. | Delaware |
| Renal Treatment Centers - Southeast, LP | Delaware |
| Renal Treatment Centers - West, Inc. | Delaware |
| Renal Treatment Centers, Inc. | Delaware |
| Renal Ventures Management, LLC | Delaware |
| RenalServ LLC | Delaware |
| Riddle Dialysis, LLC | Delaware |
| Ringwood Dialysis, LLC | Delaware |
| Rio Dialysis, LLC | Delaware |
| River Valley Dialysis, LLC | Delaware |
| RNA - DaVita Dialysis, LLC | Delaware |
| Rochester Dialysis Center, LLC | Delaware |
| Rocky Mountain Dialysis Services, LLC | Delaware |
| Rollins Dialysis, LLC | Delaware |
| Roose Dialysis, LLC | Delaware |
| Roushe Dialysis, LLC | Delaware |
| Routt Dialysis, LLC | Delaware |
| Royale Dialysis, LLC | Delaware |
| Rusk Dialysis, LLC | Delaware |
| Russell Dialysis, LLC | Delaware |
| Rutland Dialysis, LLC | Delaware |
| RV Academy, LLC | Delaware |
| Saddleback Dialysis, LLC | Delaware |
| Sahara Dialysis, LLC | Delaware |
| SAKDC-DaVita Dialysis Partners, L.P. | Delaware |
| San Marcos Dialysis, LLC | Delaware |
| Sands Dialysis, LLC | Delaware |
| Santiam Dialysis, LLC | Delaware |
| Sapelo Dialysis, LLC | Delaware |
| Saunders Dialysis, LLC | Delaware |
| Seabay Dialysis, LLC | Delaware |
| Secour Dialysis, LLC | Delaware |
| Sensiba Dialysis, LLC | Delaware |
| Shadow Dialysis, LLC | Delaware |
| Shayano Dialysis, LLC | Delaware |
| Shelling Dialysis, LLC | Delaware |
| Sherman Dialysis, LLC | Delaware |
| Shetek Dialysis, LLC | Delaware |

| Name | Jurisdiction of Organization |
|--|-------------------------------------|
| Shining Star Dialysis, Inc. | New Jersey |
| Siena Dialysis Center, LLC | Delaware |
| Silverwood Dialysis, LLC | Delaware |
| Simeon Dialysis, LLC | Delaware |
| Skagit Dialysis, LLC | Delaware |
| Soledad Dialysis Center, LLC | Delaware |
| Somerville Dialysis Center, LLC | Delaware |
| South Central Florida Dialysis Partners, LLC | Delaware |
| South Florida Integrated Kidney Care, LLC | Delaware |
| South Fork Dialysis, LLC | Delaware |
| Southern Hills Dialysis Center, LLC | Delaware |
| Southwest Atlanta Dialysis Centers, LLC | Delaware |
| Sprague Dialysis, LLC | Delaware |
| Springpond Dialysis, LLC | Delaware |
| Star Dialysis, LLC | Delaware |
| Stevenson Dialysis, LLC | Delaware |
| Stewart Dialysis, LLC | Delaware |
| Stines Dialysis, LLC | Delaware |
| Storrie Dialysis, LLC | Delaware |
| Sugarloaf Dialysis, LLC | Delaware |
| Sun City Dialysis Center, L.L.C. | Delaware |
| Sun City West Dialysis Center, LLC | Delaware |
| Sunapee Dialysis, LLC | Delaware |
| Sunset Dialysis, LLC | Delaware |
| Talimena Dialysis, LLC | Delaware |
| Targhee Dialysis, LLC | Delaware |
| Tarley Dialysis, LLC | Delaware |
| Tenack Dialysis, LLC | Delaware |
| Tennessee Valley Dialysis Center, LLC | Delaware |
| Terre Dialysis, LLC | Delaware |
| The Woodlands Dialysis Center, LP | Delaware |
| Tortugas Dialysis, LLC | Delaware |
| Total Renal Care Of North Carolina, LLC | Delaware |
| Total Renal Care Texas Limited Partnership | Delaware |
| Total Renal Care, Inc. | California |
| Total Renal Laboratories, Inc. | Florida |
| Total Renal Research, Inc. | Delaware |
| Toulouse Dialysis, LLC | Delaware |
| Townsend Dialysis, LLC | Delaware |
| Transmountain Dialysis, L.P. | Delaware |
| TRC - Indiana, LLC | Indiana |
| TRC - Petersburg, LLC | Delaware |
| TRC EL Paso Limited Partnership | Delaware |
| TRC of New York, Inc. | New York |

| Name | Jurisdiction of Organization |
|---------------------------------------|-------------------------------------|
| TRC West, Inc. | Delaware |
| TRC-Georgetown Regional Dialysis, LLC | District Of Columbia |
| Tross Dialysis, LLC | Delaware |
| Tugman Dialysis, LLC | Delaware |
| Tumalo Dialysis, LLC | Delaware |
| Tunnel Dialysis, LLC | Delaware |
| Turlock Dialysis Center, LLC | Delaware |
| Tustin Dialysis Center, LLC | Delaware |
| Twain Dialysis, LLC | Delaware |
| Tyler Dialysis, LLC | Delaware |
| Ukiah Dialysis, LLC | Delaware |
| Unicoi Dialysis, LLC | Delaware |
| University Dialysis Center, LLC | Delaware |
| Upper Valley Dialysis, L.P. | Delaware |
| USC-DaVita Dialysis Center, LLC | California |
| Valley Springs Dialysis, LLC | Delaware |
| Vancleer Dialysis, LLC | Delaware |
| Victory Dialysis, LLC | Delaware |
| VillageHealth DM, LLC | Delaware |
| Villanueva Dialysis, LLC | Delaware |
| Vively Health, LLC | Delaware |
| Vogel Dialysis, LLC | Delaware |
| Volo Dialysis, LLC | Delaware |
| Waddell Dialysis, LLC | Delaware |
| Walker Dialysis, LLC | Delaware |
| Walton Dialysis, LLC | Delaware |
| Watkins Dialysis, LLC | Delaware |
| Weldon Dialysis, LLC | California |
| West Elk Grove Dialysis, LLC | Delaware |
| West Sacramento Dialysis, LLC | Delaware |
| Weston Dialysis Center, LLC | Delaware |
| Whitney Dialysis, LLC | Delaware |
| Willowbrook Dialysis Center, L.P. | Delaware |
| Winds Dialysis, LLC | Delaware |
| Wood Dialysis, LLC | Delaware |
| Woodford Dialysis, LLC | Delaware |
| Wyandotte Central Dialysis, LLC | Delaware |
| Ybor City Dialysis, LLC | Delaware |
| Yucaipa Dialysis, LLC | Delaware |
| Zara Dialysis, LLC | Delaware |
| Zephyrhills Dialysis Center, LLC | Delaware |

Consent of Independent Registered Public Accounting Firm

The Board of Directors
DaVita Inc.:

We consent to the incorporation by reference in the registration statements on Form S-8 (No. 333-240022, No. 333-239191, No. 333-213119, No. 333-190434, No. 333-169467, No. 333-158220, No. 333-144097, No. 333-86550, and No. 333-30736), and on Form S-4 (No. 333-182572) of DaVita Inc. of our reports dated February 12, 2021 with respect to the consolidated balance sheets of DaVita Inc. as of December 31, 2020 and 2019, the related consolidated statements of income, comprehensive income, equity, and cash flow for each of the years in the three-year period ended December 31, 2020, and the related notes and financial statement Schedule II – Valuation and Qualifying Accounts, and the effectiveness of internal control over financial reporting as of December 31, 2020, which reports appear in the December 31, 2020 annual report on Form 10-K of DaVita Inc. Our report refers to changes in the method of accounting for leases.

/s/ KPMG LLP

Seattle, Washington
February 12, 2021

SECTION 302 CERTIFICATION

I, Javier J. Rodriguez, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JAVIER J. RODRIGUEZ

Javier J. Rodriguez
Chief Executive Officer

Date: February 12, 2021

SECTION 302 CERTIFICATION

I, Joel Ackerman, certify that:

1. I have reviewed this annual report on Form 10-K of DaVita Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Joel Ackerman

Joel Ackerman
Chief Financial Officer and Treasurer

Date: February 12, 2021

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Javier J. Rodriguez, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JAVIER J. RODRIGUEZ

Javier J. Rodriguez
Chief Executive Officer

February 12, 2021

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of DaVita Inc. (the "Company") on Form 10-K for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), I, Joel Ackerman, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Periodic Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Joel Ackerman

Joel Ackerman
Chief Financial Officer and Treasurer

February 12, 2021

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Appendix 11

Ancillary and Support Agreements and Vendors

Kennewick Dialysis

Existing Ancillary and Support Agreements and Vendors

| Agreement | Vendor |
|----------------------------------|--|
| Extensive Facility Maintenance | CBRE |
| Patient Transfer | Trios Medical Center |
| Janitorial | Quality Cleaning |
| Waste Disposal | Waste Management |
| Medical Waste Disposal | Stericycle |
| Information Management | Iron Mountain |
| Mutual Emergency Backup Dialysis | Mid Columbia Kidney Center Chinook Kidney Center |
| Emergency PD Support | Mid Columbia Kidney Center |
| Laboratory Services | DaVita Laboratory Services |
| Stat Laboratory Services | Good Shepherd Medical Center |
| Stat Laboratory Services | Good Shepherd Medical Center |
| Home Training Supplies | NA |
| DME Supplies | Norco Medical |
| Student Training | Charter College |
| Student Training | Charter College |
| Renal Network | Northwest Renal Network (Network 16) |
| Transplant Agreements | Virginia Mason, University of Washington, Swedish, Sacred Heart |
| Pest Control | Terminix |

Appendix 12

Patient Transfer Agreement

**FOR COMPANY USE ONLY.
Center #02401; Amends AIMS
CID #970093**

**FIRST AMENDMENT TO
PATIENT TRANSFER AGREEMENT**

THIS FIRST AMENDMENT is made and entered as of the last date of execution (“First Amendment Effective Date”), by and between **Total Renal Care, Inc.**, a California corporation (the “Company”) and **Kadlec Regional Medical Center**, a Washington corporation (“Hospital”).

WITNESSETH:

WHEREAS, Company and Hospital entered into a Patient Transfer Agreement (the “Agreement”), whereby the transfer of patients between Hospital and the free-standing dialysis clinic owned and operated by Company Kennewick Dialysis (#2401) arrangement has been established;

WHEREAS, the parties wish to amend and modify certain provisions of the Agreement as allowed for in Section 10 of the Agreement, as provided below;

NOW, THEREFORE, for and in consideration of the premises, from and after the First Amendment Effective Date (as such term is defined above), the parties agree as follows:

The parties wish to add the following Facilities to the Agreement in the following Sections:

1. In the preamble, second paragraph, add the following facilities as an additional Transferring Facility:

Mid Columbia Kidney Center (#130)
6825 Burden Blvd., Suite A
Pasco, WA 99301-9584

Chinook Kidney Center (#2402)
1315 Aaron Drive, Bldg. C1
Richland, WA 99352-4678

2. Section 14 regarding Notices, add the following address under “If to Company”:

Total Renal Care, Inc.
c/o: DaVita Healthcare Partners, Inc.
6825 Burden Blvd., Suite A
Pasco, WA 99301-9584

Total Renal Care, Inc.
c/o: DaVita Healthcare Partners, Inc.
Chinook Kidney Center (#2402)
1315 Aaron Drive, Bldg. C1
Richland, WA 99352-4678

3. In all other respects, the parties do hereby ratify and reaffirm the provisions of the Agreement, which shall continue in full force and effect, except as amended hereby.

4. All capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date(s) written below.

THE COMPANY:

THE HOSPITAL:

TOTAL RENAL CARE, INC.

KADLEC REGIONAL MEDICAL CENTER

DocuSigned by:
By: David D. Natali
Name: David D. Natali
Title: Regional Operations Director
Date: January 8, 2015

By: Lane Savitch
Name: Lane Savitch
Title: President
Date: 12/23/14

APPROVED AS TO FORM ONLY:

DAVITA HEALTHCARE PARTNERS INC.

DocuSigned by:
By: Perri Melnick
Name: Perri Lyn Melnick
Title: Group General Counsel

Certificate of Completion

| | |
|--|--------------------------|
| Envelope Number: F04216DF0E034D488A3432A0DFF90740 | Status: Completed |
| Subject: Please DocuSign this document: WA-PTAmend-Kennewick#2401&Kadlec (partialsigned).pdf | |
| Source Envelope: | |
| Document Pages: 2 | Signatures: 2 |
| Certificate Pages: 5 | Initials: 0 |
| AutoNav: Enabled | Envelope Originator: |
| Envelopeld Stamping: Enabled | Ingrid Cortez |
| | 2000 16th Street |
| | Denver, CO 80202 |
| | ingrid.cortez@davita.com |
| | IP Address: 66.170.92.15 |

Record Tracking

| | | |
|--|---|--------------------|
| Status: Original 1/6/2015 1:14:22 PM MT | Holder: Ingrid Cortez ingrid.cortez@davita.com | Location: DocuSign |
|--|---|--------------------|

Signer Events

David D. Natali
david.natali@davita.com
Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:
David D. Natali
248EAFD19153412...

Timestamp

Sent: 1/6/2015 1:18:14 PM MT
Viewed: 1/8/2015 4:47:31 PM MT
Signed: 1/8/2015 4:48:25 PM MT

Using IP Address: 50.181.225.25

Electronic Record and Signature Disclosure:
Accepted: 1/8/2015 4:47:31 PM MT
ID: 911415e9-eaf8-440a-95cf-e9491ed6da3c

Perri Melnick
perri.melnick@davita.com
DaVita
Security Level: Email, Account Authentication (None)

DocuSigned by:
Perri Melnick
6F82D7D73E0C45A...

Sent: 1/8/2015 4:48:26 PM MT
Viewed: 1/8/2015 8:45:20 PM MT
Signed: 1/8/2015 8:45:40 PM MT

Using IP Address: 70.196.194.149

Electronic Record and Signature Disclosure:
Accepted: 12/16/2014 10:57:39 AM MT
ID: c32967c1-9b8c-4f20-a4e1-5c1b05776495

| In Person Signer Events | Signature | Timestamp |
|------------------------------|-----------|-----------|
| Editor Delivery Events | Status | Timestamp |
| Agent Delivery Events | Status | Timestamp |
| Intermediary Delivery Events | Status | Timestamp |
| Certified Delivery Events | Status | Timestamp |
| Carbon Copy Events | Status | Timestamp |

Linda O'Connell
linda.oconnell@davita.com
DaVita Healthcare Partners Inc.
Security Level: Email, Account Authentication (None)
Electronic Record and Signature Disclosure:
Not Offered
ID:

COPIED

Sent: 1/8/2015 8:45:41 PM MT
Viewed: 1/12/2015 2:37:22 PM MT

| Carbon Copy Events | Status | Timestamp |
|---|---|--|
| Stacey Grewe Stacey.Grewe@kadlecmed.org Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered ID: | <div style="border: 2px solid blue; padding: 5px; display: inline-block;"> COPIED </div> | Sent: 1/8/2015 8:45:42 PM MT Viewed: 1/9/2015 9:15:47 AM MT |

| Notary Events | Timestamp |
|---------------|-----------|
|---------------|-----------|

| Envelope Summary Events | Status | Timestamps |
|-------------------------|------------------|------------------------|
| Envelope Sent | Hashed/Encrypted | 1/8/2015 8:45:42 PM MT |
| Certified Delivered | Security Checked | 1/8/2015 8:45:42 PM MT |
| Signing Complete | Security Checked | 1/8/2015 8:45:42 PM MT |
| Completed | Security Checked | 1/8/2015 8:45:42 PM MT |

| Electronic Record and Signature Disclosure |
|--|
|--|

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, DaVita (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact DaVita:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: emily.briggs@davita.com

To advise DaVita of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at jennifer.vanhyning@davita.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from DaVita

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with DaVita

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

| | |
|----------------------------|--|
| Operating Systems: | Windows2000? or WindowsXP? |
| Browsers (for SENDERS): | Internet Explorer 6.0? or above |
| Browsers (for SIGNERS): | Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above) |
| Email: | Access to a valid email account |
| Screen Resolution: | 800 x 600 minimum |
| Enabled Security Settings: | <ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection |

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify DaVita as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by DaVita during the course of my relationship with you.

FOR COMPANY USE ONLY:
Clinic #: 2401

PATIENT TRANSFER AGREEMENT

This PATIENT TRANSFER AGREEMENT (the "Agreement") is made as of the last date of signature hereto (the "Effective Date"), by and between KADLEC REGIONAL MEDICAL CENTER (hereinafter "Hospital") and TOTAL RENAL CARE, INC., a California corporation and subsidiary of DaVita HealthCare Partners Inc. ("Company").

RECITALS

WHEREAS, the parties hereto desire to enter into this Agreement governing the transfer of patients between Hospital and the following free-standing dialysis clinic owned and operated by Company:

*Kennewick Dialysis
3208 W. 19th Avenue, Suite 101
Kennewick, WA 99337-2318*

WHEREAS, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the facilities;

WHEREAS, the parties wish to facilitate the continuity of care and the timely transfer of patients and records between the facilities; and

WHEREAS, only a patient's attending physician (not Company or the Hospital) can refer such patient to Company for dialysis treatments.

NOW THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. HOSPITAL OBLIGATIONS. In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of an attending physician, a patient of Company may be transferred to Hospital.

(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of The Joint Commission ("TJC") and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

(b) Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious or unreasonable discrimination or based upon the patient's inability to pay for services rendered by either facility.

2. COMPANY OBLIGATIONS.

(a) Upon transfer of a patient to Hospital, Company agrees:

- i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefore until signed for by a representative of Hospital;
- ii. Original medical records kept by each of the parties shall remain the property of that institution; and
- iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

(b) Company agrees to transmit with each patient at the time of transfer, or in case of an emergency, as promptly as possible thereafter, an abstract of pertinent medical and other records necessary to continue the patient's treatment without interruption and to provide identifying and other information, to include:

- i. current medical findings;
- ii. diagnosis;
- iii. rehabilitation potential;
- iv. discharge summary;
- v. a brief summary of the course of treatment followed;
- vi. nursing and dietary information;
- vii. ambulating status; and
- viii. administrative and pertinent social information.

(c) Company agrees to readmit to its facilities patients who have been transferred to Hospital for medical care as clinic capacity allows. Hospital agrees to keep the administrator or designee of Company advised of the condition of the patients that will affect the anticipated date of transfer back to Company and to provide as much notice of the transfer date as possible. Company shall assign readmission priority for its patients who have been treated at Hospital and who are ready to transfer back to Company.

3. BILLING, PAYMENT, AND FEES. Hospital and Company each shall be responsible for billing the appropriate payor for the services it provides, respectively, hereunder. Company shall not act as guarantor for any charges incurred while the patient is a patient in Hospital.

4. HIPAA. Hospital and Company agree to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"). Hospital and Company

acknowledge and agree that from time to time, HIPAA may require modification to this Agreement for compliance purposes. Hospital and Company further acknowledge and agree to comply with requests by the other party hereto related to HIPAA.

5. STATUS AS INDEPENDENT CONTRACTORS. The parties acknowledge and agree that their relationship is solely that of independent contractors. Governing bodies of Hospital and Company shall have exclusive control of the policies, management, assets, and affairs of their respective facilities. Nothing in this Agreement shall be construed as limiting the right of either to affiliate or contract with any other Hospital or facility on either a limited or general basis while this Agreement is in effect. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall be obtained from the party whose name is to be used and its legal counsel.

6. INSURANCE. Each party shall secure and maintain, or cause to be secured and maintained during the term of this Agreement, commercial general liability, property damage, and workers compensation insurance in amounts generally acceptable in the industry, and professional liability insurance providing minimum limits of liability of \$1,000,000 per occurrence and \$3,000,000 in aggregate. Each party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon execution of this Agreement, and annually thereafter upon the request of the other party. Each party shall provide the other party with not less than thirty (30) days prior written notice of any change in or cancellation of any of such insurance policies. Said insurance shall survive the termination of this Agreement.

7. INDEMNIFICATION.

(a) Hospital Indemnity. Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff regardless of whether or not it is caused in part by Company or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Company.

(b) Company Indemnity. Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense (including, without limitation, costs of investigation and reasonable attorney's fees), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff regardless of whether or not it is caused in part by hospital or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

8. DISPUTE RESOLUTION. Any dispute which may arise under this Agreement shall first be discussed directly with representatives of the departments of the parties that are directly involved. If the dispute cannot be resolved at this level, it shall be referred to administrative representatives of the parties for discussion and resolution.

(a) Informal Resolution. Should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which the written notice of such dispute is received by the other party.

(b) Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 8(a) above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 8(a) above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association ("AAA") in the State of Washington shall administer the mediation. Such mediation shall occur no later than ninety (90) days after the dispute arises. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 8(b), the parties shall be entitled to seek any and all available legal remedies.

9. TERM AND TERMINATION. This Agreement shall be effective for an initial period of one (1) year from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving at least sixty (60) days notice in writing to the other party of its intention to terminate this Agreement. If this Agreement is terminated for any reason within one (1) year of the Effective Date of this Agreement, then the parties hereto shall not enter into a similar agreement with each other for the services covered hereunder before the first anniversary of the Effective Date. Termination shall be effective at the expiration of the sixty (60) day notice period. However, if either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

10. AMENDMENT. This Agreement may be modified or amended from time to time by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties.

11. ENFORCEABILITY/SEVERABILITY. The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

12. COMPLIANCE RELATED MATTERS. The parties agree and certify that this Agreement is not intended to generate referrals for services or supplies for which payment maybe made in whole or in part under any federal health care program. The parties will comply with statutes, rules, and regulations as promulgated by federal and state regulatory agencies or legislative authorities having jurisdiction over the parties.

13. EXCLUDED PROVIDER. Each party represents that neither that party nor any entity owning or controlling that party has ever been excluded from any federal health care program including the Medicare/Medicaid program or from any state health care program. Each party further represents that it is eligible for Medicare/Medicaid participation. Each party agrees to disclose immediately any material federal, state, or local sanctions of any kind, imposed subsequent to the date of this Agreement, or any investigation which commences subsequent to the date of this Agreement, that would materially adversely impact Company's ability to perform its obligations hereunder.

14. NOTICES. All notices, requests, and other communications to any party hereto shall be in writing and shall be addressed to the receiving party's address set forth below or to any other address as a party may designate by notice hereunder, and shall either be (a) delivered by hand, (b) sent by recognized overnight courier, or (c) by certified mail, return receipt requested, postage prepaid.

If to Hospital: Kadlec Regional Medical Center
888 Swift Boulevard
Richland, WA 99352
Attention: Lane Savitch, President
Phone #: 509-942-2022

If to Company: Total Renal Care, Inc.
C/o: DaVita HealthCare
Partners Inc.
3208 W. 19th Avenue, Suite 101
Kennewick, WA 99337-2318
Attention: Facility Administrator

With copies to: Total Renal Care, Inc.
C/o: DaVita HealthCare Partners Inc.
601 Hawaii Street
El Segundo, CA 90245
Attention: Perri Melnick, Group General Counsel

DaVita HealthCare Partners Inc.
2000 16th Street
Denver, Colorado 80202
Attention: General Counsel

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

15. ASSIGNMENT. This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party, except that Company may assign this Agreement to one of its affiliates or subsidiaries without the consent of Hospital.

16. COUNTERPARTS. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of signatures sent by facsimile shall be deemed to be originals.

17. NON-DISCRIMINATION. All services provided by Hospital hereunder shall be in compliance with all federal and state laws prohibiting discrimination on the basis of race, color religion, sex national origin, handicap, or veteran status.

18. WAIVER. The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant, or condition, and the obligations of such party with respect thereto shall continue in full force and effect.

19. GOVERNING LAW. The laws of the State of Washington shall govern this Agreement.

20. HEADINGS. The headings appearing in this Agreement are for convenience and reference only, and are not intended to, and shall not, define or limit the scope of the provisions to which they relate.

21. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, either oral or written, between the parties (including, without limitation, any prior agreement between Hospital and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof.

22. APPROVAL BY DAVITA HEALTHCARE PARTNERS INC. ("DAVITA") AS TO FORM. The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita HealthCare Partners Inc. as to the form hereof.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written,

HOSPITAL

KADLEC REGIONAL MEDICAL CENTER

By: *Lane Savitch*

Name: Lane Savitch

Its: President

Date: 8/21/14

COMPANY

TOTAL RENAL CARE, INC a California Corporation

By: *David D. Natali*

Name: David D. Natali

Its: Regional Operations Director

Date: August 28, 2014

APPROVED AS TO FORM ONLY:

By: *Perri Lyn Melnick*

Name: Perri Lyn Melnick

Its: Group General Counsel

KADLEC REGIONAL
MEDICAL CENTER

DATE: August 20, 2014

TO: Total Renal Care, Inc.
c/o DaVita Healthcare Partners, Inc.

RE: Certificate of Insurance

Kadlec Regional Medical Center is **self-insured** for commercial general liability. Coverage limits under the self-insurance program are one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000) general aggregate.

Kadlec Regional Medical Center is also **self-insured** for professional liability. Coverage limits under the self-insurance program are one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000) general aggregate.

Kadlec Regional Medical Center is self-insured for Workers Compensation Coverage (certificate attached).

These coverages meet the insurance requirements in the Patient Transfer Agreement between Kadlec Regional Medical Center and Total Renal Care, Inc..

If you require additional information you may contact Kadlec Health System Risk Management at 509-942-3118.

Sincerely,



Christy Arden
Legal Analyst

Cc: Debra Langston, Director Risk Management



STATE OF WASHINGTON

Department of Labor & Industries

Certificate of Workers' Compensation Coverage

August 20, 2014

| | |
|--|---|
| WA UBI No. | 036 001 542 |
| L&I Account ID | 700,212-00 |
| Legal Business Name | KADLEC REGIONAL MEDICAL CENTER |
| Doing Business As | KADLEC REGIONAL MEDICAL CENTER |
| Workers' Comp Premium Status: | Self Insured. This business is certified to cover its own workers' comp costs. No premiums due. |
| Estimated Workers Reported (See Description Below) | N/A |
| Account Representative | (360)902-4817 |
| Licensed Contractor? | No |

What does "Estimated Workers Reported" mean?

Estimated workers reported represents the number of full time position requiring at least 480 hours of work per calendar quarter. A single 480 hour position may be filled by one person, or several part time workers.

Industrial Insurance Information

Employers report and pay premiums each quarter based on hours of employee work already performed, and are liable for premiums found later to be due. Industrial insurance accounts have no policy periods, cancellation dates, limitations of coverage or waiver of subrogation (See [RCW 51.12.050](#) and [51.16.190](#)).

Certificate of Completion

| | |
|---|--------------------------|
| Envelope Number: F649347C5F4240028741B0E2E8E31A96 | Status: Completed |
| Subject: Please DocuSign this document: Kennewick #2401-EXECUTED PTA with Kadlec Hospital.pdf | |
| Source Envelope: | |
| Document Pages: 10 | Signatures: 2 |
| Certificate Pages: 4 | Initials: 0 |
| AutoNav: Enabled | Envelope Originator: |
| Envelopeld Stamping: Enabled | Kathy Hill |
| | 2000 16th Street |
| | Denver, CO 80202 |
| | kathy.hill@davita.com |
| | IP Address: 71.80.74.104 |

Record Tracking

| | | |
|---|---|--------------------|
| Status: Original 8/28/2014 4:17:25 PM CT | Holder: Kathy Hill kathy.hill@davita.com | Location: DocuSign |
|---|---|--------------------|

Signer Events

David D. Natali
david.natali@davita.com
Security Level: Email, Account Authentication (None)
Electronic Record and Signature Disclosure:
Accepted: 8/28/2014 4:24:44 PM CT
ID: af851fd1-910e-43e8-bcc0-7feff70877ac

Signature

DocuSigned by:

530EB811227B455...
Using IP Address: 66.170.83.152

Timestamp

Sent: 8/28/2014 4:24:07 PM CT
Viewed: 8/28/2014 4:24:45 PM CT
Signed: 8/28/2014 4:24:59 PM CT

Perri Lyn Melnick
Perri.melnick@davita.com
Security Level: Email, Account Authentication (None)
Electronic Record and Signature Disclosure:
Accepted: 8/29/2014 10:50:16 AM CT
ID: 399f9bf0-22e9-4cda-9883-52e1092a804d

DocuSigned by:

BDC1387811144C6...
Using IP Address: 76.216.154.46

Sent: 8/28/2014 4:25:02 PM CT
Viewed: 8/29/2014 10:50:16 AM CT
Signed: 8/29/2014 10:50:50 AM CT

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Notary Events

Timestamp

Envelope Summary Events

Status

Timestamps

| | | |
|---------------------|------------------|--------------------------|
| Envelope Sent | Hashed/Encrypted | 8/28/2014 4:25:02 PM CT |
| Certified Delivered | Security Checked | 8/29/2014 10:50:16 AM CT |
| Signing Complete | Security Checked | 8/29/2014 10:50:50 AM CT |
| Completed | Security Checked | 8/29/2014 10:50:50 AM CT |

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, DaVita (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact DaVita:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: emily.briggs@davita.com

To advise DaVita of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at jennifer.vanhyning@davita.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from DaVita

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with DaVita

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to emily.briggs@davita.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

| | |
|----------------------------|--|
| Operating Systems: | Windows2000? or WindowsXP? |
| Browsers (for SENDERS): | Internet Explorer 6.0? or above |
| Browsers (for SIGNERS): | Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above) |
| Email: | Access to a valid email account |
| Screen Resolution: | 800 x 600 minimum |
| Enabled Security Settings: | <ul style="list-style-type: none"> •Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection |

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify DaVita as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by DaVita during the course of my relationship with you.

Appendix 13

State Regulatory Agencies

State Regulatory Agencies
January 2017

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|--|---|---|-------------------------------|----------------|-------|------------|
| ACS New Mexico Medicaid | NM Medicaid Provider Enrollment | P O Box 27460 | | Albuquerque | NM | 87125-7460 |
| Agency for Health Care Administration | Certification | 2727 Mahan Drive | Mail Stop 32 | Tallahassee | FL | 32308 |
| Agency for Health Care Administration | CLIA State | 2727 Mahan Drive | Mail Stop 32 | Tallahassee | FL | 32308 |
| AHCCCS | Provider Registration Unit | 801 East Jefferson Street | | Phoenix | AZ | 85034 |
| Alabama Department of Public Health | Survey | The RSA Tower | 201 Monroe St | Montgomery | AL | 36104-3735 |
| Alabama Medicaid Program | HP Provider Enrollment | 301 Techna Center Drive | | Montgomery | AL | 36117-6008 |
| Alachua Field Office - Region 3 | State Survey Field Office-Alachua | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Bradford | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Citrus | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Columbia | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Dixie | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Gilchrist | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Hamilton | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Hernando | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Lafayette | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Lake | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Levy | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Marion | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Putnam | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Sumter | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Suwannee | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| Alachua Field Office - Region 3 | State Survey Field Office-Union | 14101 N.W. Hwy. 441 | Suite 800 | Alachua | FL | 32615-5669 |
| AR Medicaid/HP Enterprise Services - Provider Enrollment | Provider Enrollment | PO Box 8105 | | Little Rock | AR | 72203-8105 |
| AR Medicaid/HP Enterprise Services - Provider Enrollment | Provider Enrollment | PO Box 8105 | | Little Rock | AR | 72203-8105 |
| Arizona Division of Assurance & Licensing Services | | | | Phoenix | AZ | 85007 |
| Atlanta Regional Office - Region 4 | R.O. 4 Div. of Survey and Certification Ops | 150 North 18th Avenue, Ste 450 | Ste 4T20 | Atlanta | GA | 30303-8909 |
| Boston Regional Office - Region 1 | R.O. 1 Div. of Survey and Certification Ops | 61 Forsyth Street, SW | Room 2275 | Boston | MA | 2203 |
| CA Department of Health Care Services | Provider Enrollment Division | JFK Federal Building, Government Center | | Sacramento | CA | 95899-7413 |
| Cabinet for Health Services | KY Licensing Dept | P O Box 997413 | MS 4704 | Frankfort | KY | 40621 |
| Cahaba GBA - AL (J10) | AL (J10) Provider Enrollment | Health Services Bldg. | 275 East Main Street - 5 East | Birmingham | AL | 35201-1537 |
| Cahaba GBA - GA (J10) | GA (J10) Provider Enrollment | PO Box 1537 | | Birmingham | AL | 35201-1537 |
| Cahaba GBA - TN (J10) | TN (J10) Provider Enrollment | PO Box 1537 | | Birmingham | AL | 35201-1537 |
| California Dept of Public Health | Bakersfield District Office | 4540 California Ave., Ste 200 | Licensing & Certification | Bakersfield | CA | 93309 |
| California Dept of Public Health | San Diego North District Office | 7575 Metropolitan Dr., Suite 104 | Licensing & Certification | San Diego | CA | 92108-4402 |
| California Dept of Public Health | San Bernardino District Office | 464 W 4th St., Suite 529 | Licensing & Certification | San Bernardino | CA | 92401- |
| California Dept of Public Health | Los Angeles District Office | 3400 Aerojet Ave Ste 323 | Licensing & Certification | El Monte | CA | 91731 |
| California Dept of Public Health | East Bay District Office | 850 Marina Bay Parkway, Bldg P, 1st Floor | Licensing & Certification | Richmond | CA | 94804-6403 |
| California Dept of Public Health | Fresno District Office | 285 W Bullard Ave Suite 101 | Licensing & Certification | Fresno | CA | 93704 |
| California Dept of Public Health | Chico District Office | 126 Mission Ranch Blvd | Licensing & Certification | Chico | CA | 95926 |
| California Dept of Public Health | Orange County District Office | 681 S Parker St Ste 200 | Licensing & Certification | Orange | CA | 92868 |
| California Dept of Public Health | Redwood Coast/Santa Rosa District Office | 2170 Northpoint Pkwy | Licensing & Certification | Santa Rosa | CA | 95407 |
| California Dept of Public Health | Riverside District Office | 625 E Carnegie Dr Ste 280 | Licensing & Certification | San Bernardino | CA | 92408 |
| California Dept of Public Health | Sacramento District Office | 3901 Lennane Dr Ste 210 | Licensing & Certification | Sacramento | CA | 95834 |
| California Dept of Public Health | San Francisco District Office | 150 North Hill Dr Ste 22 | Licensing & Certification | Brisbane | CA | 94005 |
| California Dept of Public Health | San Jose District Office | 100 Paseo de San Antonio Ste 235 | Licensing & Certification | San Jose | CA | 95113 |
| California Dept of Public Health | Ventura District Office | 1889 N Rice Ave Ste 200 | Licensing & Certification | Oxnard | CA | 93030 |
| CGS (J15) | (J15) Provider Enrollment | PO Box 20004 | | Nashville | TN | 37202 |
| Chicago Regional Office - Region 5 | R.O. 5 Div. of Survey and Certification Ops | 233 North Michigan Avenue | Ste 600 | Chicago | IL | 60601-5519 |
| CLIA Programs, DHH | | P.O. Box 3767 | | Baton Rouge | LA | 70821-3767 |
| Colorado Department of Public Health & Environment | | 4300 Cherry Creek Drive South | | Denver | CO | 80246-1530 |
| Colorado Medical Assistance Program | CO Medicaid Provider Enrollment | PO Box 1100 | | Denver | CO | 80201-1100 |
| CT Medicaid/HP | CT Provider Enrollment Unit | PO Box 5007 | | Hartford | CT | 6104 |
| Dallas Regional Office - Region 6 | R.O. 6 Div. of Survey and Certification Ops | 1301 Young Street | Room 827 | Dallas | TX | 75202 |

State Regulatory Agencies
January 2017

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|--|---|-----------------------------|-----------------------------------|--------------------|-------|------------|
| DC Dept of Health Regulation Administration | | 899 North Capitol Street NE | Second Floor | Washington | DC | 20002 |
| DC Medicaid/Xerox State Healthcare Solutions | DC Medicaid Provider Enrollment | 750 1st Street, NE | Ste. 1020 | Washington | DC | 20002 |
| DE Medicaid/HP Enterprise Services, LLC | DE Medicaid Provider Enrollment | PO Box 909 | | New Castle | DE | 19720 |
| Delaware Dept. of Health Services | | 1901 N Dupont Hwy | | New Castle | DE | 19720 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-Broward | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-Indian River | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-Martin | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-Okeechobee | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-Palm Beach | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Delray Beach Field Office - Region 9 & 10 | State Survey Field Office-St. Lucie | 5150 Linton Boulevard | Suite 500 | Delray Beach | FL | 33484 |
| Denver Regional Office - Region 8 | R.O. 8 Div. of Survey and Certification Ops | 1600 Broadway | Ste 700 | Denver | CO | 80202 |
| Department of Health | Division of Home Health Services | 132 Kline Plaza, Suite A | | Harrisburg | PA | 17104- |
| Department of Public Health | | Div of Health Systems Reg. | 410 Capitol Ave., MS #12FLIS | Hartford | CT | 06134-0308 |
| Dept of Health, HSQA | | 111 Israel Road SE | | Tumwater | WA | 98501 |
| Dept of Health, HSQA | | PO Box 47874 | | Olympia | WA | 98504 |
| Dept. of Health and Human Services | | 1205 Umstead Dr. | Licensure & Certification Section | Raleigh | NC | 27603 |
| Director, Division of Health Provider | Bureau of Certification/Health Regulation | SC DHEC | 301 Gervais St | Columbia | SC | 29201- |
| First Coast Service Options - FL (J9) | FL (J9) Provider Enrollment | 532 Riverside Avenue | | Jacksonville | FL | 32202-4914 |
| FL Dept of Health | Brevard County Environmental Health | 2725 Judge Fran Way | Ste A116 | Viera | FL | 32940-6605 |
| FL Dept of Health | Alachua County Environmental Health | 224 SE 24th St | | Gainesville | FL | 32641-3405 |
| FL Dept of Health in Bay County | Biomedical Waste | 597 W 11th St | | Panama City | FL | 32401 |
| FL Dept of Health in Broward County | Biomedical Waste | 780 SW 24 Street | Building OPS | Port Lauderdale | FL | 33948 |
| FL Dept of Health in Charlotte County | Biomedical Waste | 18500 Murdock Cir | Ste 203 | Green Cove Springs | FL | 32043 |
| FL Dept of Health in Clay County | Biomedical Waste | PO Box 578 | | Naples | FL | 34106-0429 |
| FL Dept of Health in Collier County | Biomedical Waste | PO Box 429 | | Miami Gardens | FL | 33056 |
| FL Dept of Health in Dade County | Biomedical Waste | 1725 167th St | | Arcadia | FL | 34266 |
| FL Dept of Health in DeSoto County | Biomedical Waste | 34 South Baldwin Avenue | | Jacksonville | FL | 32211 |
| FL Dept of Health in Duval County | Biomedical Waste-Duval | 900 University Blvd N | Ste 300, MC-45 | Jacksonville | FL | 32211 |
| FL Dept of Health in Duval County | Biomedical Waste-St. Johns | 900 University Blvd N | Ste 300, MC-45 | Jacksonville | FL | 32211 |
| FL Dept of Health in Escambia County | Biomedical Waste-Escambia | 1300 W Gregory Street | | Pensacola | FL | 32502 |
| FL Dept of Health in Escambia County | Biomedical Waste-Oakaloosa | 1300 W Gregory Street | | Pensacola | FL | 32502 |
| FL Dept of Health in Escambia County | Biomedical Waste-Santa Rosa | 1300 W Gregory Street | | Pensacola | FL | 32502 |
| FL Dept of Health in Flagler County | Biomedical Waste | PO Box 847 | | Bunnell | FL | 32110 |
| FL Dept of Health in Hernando County | Biomedical Waste | 7551 Forest Oaks Blvd | | Spring Hill | FL | 34606 |
| FL Dept of Health in Hillsborough County | Biomedical Waste | PO Box 5135 | | Tampa | FL | 33675 |
| FL Dept of Health in Indian River County | Biomedical Waste | 1900 27th Street | | Vero Beach | FL | 32960 |
| FL Dept of Health in Jackson County | Biomedical Waste | PO Box 310 | | Marianna | FL | 32447 |
| FL Dept of Health in Lake County | Biomedical Waste | 315 W Main Street | | Tavares | FL | 32778 |
| FL Dept of Health in Lee County | Biomedical Waste | 2295 Victoria Ave | | Fort Myers | FL | 33901 |
| FL Dept of Health in Leon County | Biomedical Waste | PO Box 2745 | | Tallahassee | FL | 32316 |
| FL Dept of Health in Manatee County | Biomedical Waste | 410 Sixth Ave E | | Bradenton | FL | 34208 |
| FL Dept of Health in Marion County | Biomedical Waste-Marion | PO Box 2408 | | Ocala | FL | 34478 |
| FL Dept of Health in Monroe County | Biomedical Waste | PO Box 6193 | | Key West | FL | 33040 |
| FL Dept of Health in Nassau County | Biomedical Waste | PO Box 15100 | | Fernandina Beach | FL | 32035 |
| FL Dept of Health in Orange County | Biomedical Waste | 800 N Werry Drive | Ste 1 | Orlando | FL | 32808 |
| FL Dept of Health in Osceola County | Biomedical Waste | 1 Courthouse Square | Ste 1200 | Kissimmee | FL | 34741 |
| FL Dept of Health in Palm Beach County | Biomedical Waste | PO Box 29 - Fiscal Office | | West Palm Beach | FL | 33402 |
| FL Dept of Health in Pasco County | Biomedical Waste | 11611 Denton Avenue | | Hudson | FL | 34667 |
| FL Dept of Health in Pinellas County | Biomedical Waste | 8751 Ulmerton Road | Suite 2000 | Largo | FL | 33771 |
| FL Dept of Health in Sarasota County | Biomedical Waste | 1001 Sarasota Center Blvd | | Sarasota | FL | 34240 |
| FL Dept of Health in Seminole County | Biomedical Waste | 400 W Airport Blvd | | Sanford | FL | 32773 |
| FL Dept of Health in St. Lucie County | Biomedical Waste | 5150 NW Milner Dr | | Port St. Lucie | FL | 34983 |
| FL Dept of Health in Sumter County | Biomedical Waste | PO Box 98 | | Bushnell | FL | 33513 |
| FL Dept of Health in Taylor County | Biomedical Waste | 1215 N Peacock Avenue | | Perry | FL | 32347 |

State Regulatory Agencies
January 2017

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|---|---|----------------------------------|-----------------------------------|---------------|-------|------------|
| FL Dept of Health in Volusia County | Biomedical Waste | PO Box 9190 | | Daytona Beach | FL | 32120 |
| FL Dept of Health in Washington County | Biomedical Waste | PO Box 648 | | Chipley | FL | 32428 |
| FL Medicaid/Agency for Health Care Administration | | 2727 Mahan Drive, | MS-4 | Tallahassee | FL | 32308 |
| Florida Board of Pharmacy | Pharmacy | 4052 Bald Cypress Way | Bin C-04 | Tallahassee | FL | 32399 |
| Florida Board of Pharmacy | Pharmacy | 4052 Bald Cypress Way | Bin C-04 | Tallahassee | FL | 32399 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Charlotte | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Collier | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-DeSoto | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Glades | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Hendry | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Lee | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Monroe | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| Fort Myers Field Office - Region 8 | State Survey Field Office-Sarasota | 2295 Victoria Ave. | Room 340 | Ft. Myers | FL | 33901 |
| GA Dept of Community Health | Certification | 2 Peachtree St, Suite 31.477 | Specialized Care Unit | Atlanta | GA | 30303-3167 |
| GA Dept of Community Health | Licensure | 2 Peachtree St, Suite 31.477 | Licensure & Certification Section | Atlanta | GA | 30303-3167 |
| GA Medicaid/HP Enterprise Services | GA Medicaid Provider Enrollment | 100 Crescent Center Pkwy | Ste# 1100 | Atlanta | GA | 30084 |
| Gadsden County Health Dept | Biomedical Waste | PO Box 1000 | | Quincy | FL | 32353 |
| Gulf County Health Dept | Biomedical Waste | 2475 Garrison Ave | | Port St. Joe | FL | 32456 |
| HP Enterprise Services | FL Medicaid MS Medicaid Provider Enrollment | 2671 Executive Center Circle | Ste 100 | Tallahassee | FL | 32301 |
| IA Dept. of Inspections & Appeals | Certification | 321 East 12th Street | Lucas State Office Bldg. | Des Moines | IA | 50319-0083 |
| ID Dept. of Health & Welfare | | 3232 Elder street | P.O. Box 83720 | Boise | ID | 83720-0036 |
| Idaho Dept of Health | Division of Medicaid | PO Box 70082 | | Boise | ID | 83707 |
| IL Department of Health | Certification | 525 W. Jefferson St. | Licensing & Certification | Springfield | IL | 62761- |
| IL Dept of Public Health | IL CLIA PROGRAM | 525 W Jefferson St | 4th Fl | Springfield | IL | 62761 |
| Illinois Department of Public Aid | IL Medicaid Provider Enrollment | 607 E Adams St | | Springfield | IL | 62739 |
| IME - Iowa Medicaid Enterprise | IA Medicaid Provider Enrollment | 100 Army Post Road | | Springfield | IA | 50315-6241 |
| IN Dept of Health Acute Care Services | Indiana CLIA Program | 2 N Meridian St | Room 4 A | Indianapolis | IN | 46204 |
| Indiana Dept. of Health Services | Certification | 2 N. Meridian Street, Section 4A | Licensing & Certification | Indianapolis | IN | 46204- |
| Indiana Medicaid Program | IN Medicaid Provider Enrollment | 950 North Meridian Street | Suite 1150 | Indianapolis | IN | 46204 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Baker | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Clay | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Duval | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Flagler | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Nassau | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-St. Johns | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Jacksonville Field Office - Region 4 | State Survey Field Office-Volusia | 921 N. Davis St. | Bldg A, Ste 115 | Jacksonville | FL | 32209 |
| Kansas Bureau of Health & Environment | | 1000 SW Jackson St., Suite 200 | | Topeka | KS | 66612-1274 |
| Kansas City Regional Office - Region 7 | R.O. 7 Div. of Survey and Certification Ops | 601 East 12th Street | Room 355 | Kansas City | MO | 64106 |
| Kansas Medical Assistance Program | KMAP Provider Enrollment Unit | 6700 SW Topeka Blvd | Ste. 283-J | Topeka | KS | 66601 |
| Kentucky Dept. of Health Services | | 275 East Main Street - 5 East | Mail Code 1938 | Frankfort | KY | 40621- |
| Kidney Health Care | State Kidney Program | PO Box 149347 | | Austin | TX | 78714-9347 |
| KY Medicaid Program | KY Provider Enrollment Unit | 275 E Main St | | Frankfort | KY | 40621 |
| Louisiana Medicaid-Molina Medicaid Solutions | LA Medicaid Provider Enrollment | PO Box 80159 | | Baton Rouge | LA | 70898-0159 |
| Madison County Health Department | Madison County Environmental Health | 801 SW Smith St | | Madison | FL | 32340 |
| Maryland Kidney Program | MD Medicaid Provider Enrollment | PO Box 17030 | | Baltimore | MD | 21203 |
| Massachusetts Department of Health | | 201 West Preston Street | | Baltimore | MD | 21201 |
| MassHealth | MA Medicaid Provider Enrollment | 10 West Street, 5th Floor | | Boston | MA | 2111 |
| ME Commission on Kidney Disease | | 55 Summer St. | 8th Floor | Boston | MA | 2110 |
| ME Medicaid/Molina | ME Medicaid Provider Enrollment | 189 Water St | | Augusta | ME | 4330 |
| Miami Field Office - Region 11 | State Survey Field Office-Miami-Dade | 8333 N.W. 53rd St | Suite 300 | Miami | FL | 33166 |
| Michigan Dept of Community Health | | 611 W. Ottawa St. | 1st Floor, Ottawa Building | Lansing | MI | 48933-1070 |
| Michigan Dept. of Community Health | | 320 South Walnut St. | | Lansing | MI | 48933-2014 |
| Minnesota Dept. of Human Services | MN Medicaid Provider Enrollment | 540 Cedar St | | St. Paul | MN | 55101 |

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|--|---|--|-----------------------------------|----------------|-------|------------|
| Missouri Dept of Social Services | MO Medicaid Provider Enrollment | 615 Howerton Ct | | Jefferson City | MO | 65109 |
| Montana Medicaid - Xerox | MT Medicaid FL Medicaid Provider Enrollment | PO Box 4936 | | Helena | MT | 59604 |
| MS Division of Medicaid | Provider Enrollment | 550 High St | Ste 1000 | Jackson | MS | 39201 |
| MT Dept of Public Health and Human Services | | Quality Assurance Div - License Bureau | 2401 Colonial Dr | Helena | MT | 59620-2953 |
| N.C. Medicaid Provider Enrollment | CSC | 2610 Wycliff Road | Suite 102 | Raleigh | NC | 27607-3073 |
| National Government Services - IL (J6) | IL (J6) Provider Enrollment | P.O. Box 6474 | | Indianapolis | IN | 46206-6474 |
| National Government Services - MA (JK) | MA (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| National Government Services - NH (JK) | NH (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| National Government Services - RI (JK) | RI (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| National Government Services - WI (J6) | WI (J6) Provider Enrollment | P.O. Box 6474 | | Indianapolis | IN | 46206-6474 |
| National Government Services - ME (JK) | ME (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| National Government Services MN (J6) | MN (J6) Provider Enrollment | P.O. Box 6474 | | Indianapolis | IN | 46206-6474 |
| National Government Services, Inc. - NY (JK) | NY (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| National Government Services, LLC - CT (JK) | CT (JK) Provider Enrollment | P.O. Box 7149 | | Indianapolis | IN | 46207-7149 |
| ND Dept of Human Services | Attn: Provider Enrollment | 600 E Blvd Ave | Dept 325 | Bismarck | ND | 58505 |
| ND Dept. of Health | Medicaid Provider Enrollment | 600 East Blvd. Avenue Dept. 301 | | Bismarck | ND | 58505-0200 |
| Nebraska Dept. of Health & Human Serv. | | 301 Centennial Mall South | | Lincoln | NE | 68509 |
| Nebraska Health & Human Services System | | 301 Centennial Mall South | | Lincoln | NE | 68509-5007 |
| Nevada Department of Health | Licensure Unit | 301 Centennial Mall South | | Lincoln | NE | 68509-5007 |
| Nevada Medicaid Program | Bureau of Licensure & Certification | 727 Fairview Dr | Ste E | Carson City | NV | 89701 |
| Nevada State Treasurer | NV Medicaid Provider Enrollment | P O Box 30042 | | Reno | NV | 89520-3042 |
| New Mexico Board of Pharmacy Office | New Mexico Pharmacy | 727 Fairview Dr | Ste E | Carson City | NV | 89701 |
| New Mexico Department of Health | | 5500 Oakland NE | Ste C | Albuquerque | NM | 87109 |
| New York Regional Office - Region 2 | R.O. 2Div. of Survey and Certification Ops | 2040 South Pacheco St | 2nd Floor Room 202 | Santa Fe | NM | 87505 |
| New York State Department of Health | | Hedley Park Place | 433 River Street, 6th Floor | Troy | NY | 12180- |
| NH Department of Health & Human Services | | 26 Federal Plaza | Room 37-130 | New York | NY | 10278-0063 |
| NH Medicaid/Xerox | | 150 Broadway | Suite 6E | Albany | NY | 12204 |
| NJ Dept. of Health & Senior Services | NH Medicaid Provider Enrollment | 129 Pleasant St. | Suite 200 | Concord | NH | 03301-3857 |
| NJ Medicaid/Molina | | 2 Pillsbury St., | Bldg. 5, 1st Floor | Concord | NH | 3301 |
| Noridian - AZ (JF) | NJ Medicaid Provider Enrollment | 171 Jersey St. | | Trenton | NJ | 8611 |
| Noridian - CA (JE) | AZ (JF) Provider Enrollment | P.O. Box 4804 | | Trenton | NJ | 8650 |
| Noridian - ID (JF) | CA (JE) Provider Enrollment | 900 42nd St S | | Fargo | ND | 58103 |
| Noridian - MT (JF) | ID (JF) Provider Enrollment | 901 42nd St S | | Fargo | ND | 58103 |
| Noridian - ND (JF) | MT (JF) Provider Enrollment | 903 42nd St S | | Fargo | ND | 58103 |
| Noridian - OR (JF) | ND (JF) Provider Enrollment | 904 42nd St S | | Fargo | ND | 58103 |
| Noridian - SD (JF) | NV (JE) Provider Enrollment | 905 42nd St S | | Fargo | ND | 58103 |
| Noridian - UT (JF) | NV (JE) Provider Enrollment | 906 42nd St S | | Fargo | ND | 58103 |
| Novitas (AR - JH) | OR (JF) Provider Enrollment | 900 42nd St S | | Fargo | ND | 58103 |
| Novitas (CO - JH) | SD (JF) Provider Enrollment | 900 42nd St S | | Fargo | ND | 58103 |
| Novitas (D.C. - JL) | UT (JF) Provider Enrollment | 902 42nd St S | | Fargo | ND | 58103 |
| Novitas (DE - JL) | WA (JF) Provider Enrollment | 900 42nd St S | | Fargo | ND | 58103 |
| Novitas (LA - JH) | AR (JH) Provider Enrollment | P.O. Box 3095 | | Mechanicsburg | PA | 17055-1813 |
| Novitas (MD - JL) | CO (JH) Provider Enrollment | P.O. Box 3095 | | Mechanicsburg | PA | 17055-1813 |
| Novitas (MS - JH) | DC (JL) Provider Enrollment | PO Box 3157 | | Mechanicsburg | PA | 17055-1836 |
| Novitas (NM - JH) | DE (JL) Provider Enrollment | PO Box 3157 | | Mechanicsburg | PA | 17055-1836 |
| Novitas (OK - JH) | LA (JH) Provider Enrollment | PO Box 3157 | | Mechanicsburg | PA | 17055-1836 |
| Novitas (PA - JL) | MD (JL) Provider Enrollment | P.O. Box 3095 | | Mechanicsburg | PA | 17055-1813 |
| Novitas (TX - JH) | MS (JH) Provider Enrollment | PO Box 3157 | | Mechanicsburg | PA | 17055-1813 |
| Office of Health Care Quality | NJ (JL) Provider Enrollment | P.O. Box 3095 | | Mechanicsburg | PA | 17055-1813 |
| | OK (JH) Provider Enrollment | PO Box 3157 | | Mechanicsburg | PA | 17055-1813 |
| | PA (JL) Provider Enrollment | P.O. Box 3095 | | Mechanicsburg | PA | 17055-1836 |
| | TX (JH) Provider Enrollment | Spring Grove Center | 55 Wade Avenue, Bland Bryant Bldg | Mechanicsburg | PA | 17055-1813 |
| | | | | Catonsville | MD | 21228- |

State Regulatory Agencies
January 2017

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|--|--|---|---------------------------------|----------------|-------|------------|
| Office of Health Facility | Licensure and Certification | 1 Davis Square | Suite 101 | Charleston | WV | 25301- |
| Office of Health Regulation | | IMS Dept of Health 570 E Woodrow Wilson Ave | | Jackson | MS | 39216 |
| Office of Inspector General | KENTUCKY CLIA PROGRAM | 275 East Main Street | 5E - A | Frankfort | KY | 40621 |
| Ohio Department of Health | DQA / BIOS (Certification) | 246 N High St | | Columbus | OH | 43216-2412 |
| Ohio Department of Health | Non Long Term Care Unit (Survey) | 246 N High St | | Columbus | OH | 43216-2412 |
| Ohio Department of Health | DQA / BIOS (Licensure) | 246 N High St | | Columbus | OH | 43216-2412 |
| Ohio Medicaid Program | OH Medicaid Provider Enrollment | 255 East Main Street | 2nd Floor | Columbus | OH | 43215-5222 |
| Ohio State Board of Pharmacy | Pharmacy | 77 South High St | 17th Floor | Columbus | OH | 43266 |
| Oklahoma Health Care Authority | OK Medicaid Provider Enrollment | 4545 North Lincoln Blvd | Suite 124 | Oklahoma City | OK | 73107 |
| Oregon Department of Human Services | Health Care Licensure and Certification | 800 NE Oregon Street | #21, Suite 640 | Portland | OR | 97232- |
| Oregon Health Authority | DMAP Provider Enrollment | 500 Summer St NE | E44 | Salem | OR | 97301 |
| Oregon State Public Health Division | Laboratory Compliance Program | 3150 NW 29th Avenue | Ste 100 | Hillsboro | OR | 97124 |
| Orlando Field Office - Region 7 | State Survey Field Office-Brevard | 400 W. Robinson St. | Hurston South Tower, Suite S309 | Orlando | FL | 32801 |
| Orlando Field Office - Region 7 | State Survey Field Office-Orange | 400 W. Robinson St. | Hurston South Tower, Suite S309 | Orlando | FL | 32801 |
| Orlando Field Office - Region 7 | State Survey Field Office-Osceola | 400 W. Robinson St. | Hurston South Tower, Suite S309 | Orlando | FL | 32801 |
| Orlando Field Office - Region 7 | State Survey Field Office-Seminole | 400 W. Robinson St. | Hurston South Tower, Suite S309 | Orlando | FL | 32801 |
| PA Dept of Health | Chronic Renal Disease Program | 625 Forster St | 7th Fl East | Harrisburg | PA | 17120 |
| PA Medicaid/Bureau of Fee For Service Programs | PA Medicaid Provider Enrollment | PO Box 8045 | | Harrisburg | PA | 17110 |
| Palmetto GBA - NC (J11) | NC (J11) Provider Enrollment | PO Box 100238 | | Columbia | SC | 29202-3238 |
| Palmetto GBA - SC (J11) | SC (J11) Provider Enrollment | PO Box 100238 | | Columbia | SC | 29202-3238 |
| Palmetto GBA - VA (J11) | VA (J11) Provider Enrollment | PO Box 100238 | | Columbia | SC | 29202-3238 |
| Palmetto GBA - WV (J11) | WV (J11) Provider Enrollment | PO Box 100238 | | Columbia | SC | 29202-3238 |
| Philadelphia Regional Office - Region 3 | R.O. 3 Div. of Survey and Certification Ops | 150 S. Independence Mall, West | | Philadelphia | PA | 19106-3413 |
| Program Assurance Unit, Lic. & Certification Program | | P.O. Box 64900 | | St. Paul | MN | 55164-0900 |
| Rhode Island Dept of Health | Office of Health Systems Development - CON | Three Capitol Hill | Room 410 | Providence | RI | 02908-5097 |
| Rhode Island Dept of Health | Office of Health Systems Development | Three Capitol Hill | Room 404 | Providence | RI | 02908-5097 |
| RI Medicaid/HP | MT Medicaid Provider Enrollment | PO Box 2010 | | Warwick | RI | 2887 |
| San Francisco Regional Office - Region 9 | R.O. 9 Div. of Survey and Certification Ops | 90 7th Street | Ste 5-300 | San Francisco | CA | 94103-6707 |
| Seattle Regional Office - Region 10 | R.O. 10 Div. of Survey and Certification Ops | 701 Fifth Avenue | Ste 1600 | Seattle | WA | 98104 |
| South Dakota Department of Health | Office of Licensure & Certification | 615 East 4th Street | | Pierre | SD | 57501 |
| South Dakota Dept. of Social Serv. | SD Medicaid Provider Enrollment | 700 Governors Drive | | Pierre | SD | 57501-2291 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Hardee | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Highlands | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Hillsborough | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Manatee | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Pasco | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Pinellas | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| St. Petersburg Field Office - Regions 5 & 6 | State Survey Field Office-Polk | 525 Mirror Lake Drive North | Sebring Building, Suite 410A | St. Petersburg | FL | 33701 |
| State Hygienic Laboratory | Iowa CLIA Laboratory Program | 2490 Crosspark Road | Ste E | Coralville | IA | 52241 |
| State of Louisiana Dept of Health & Hospitals | | P.O. Box 3767 | | Baton Rouge | LA | 70821-3767 |
| State of Oklahoma Health Dept. | | 1000 N. E. Tenth Street | Room 1114 | Oklahoma City | OK | 73117-1299 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Bay | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Calhoun | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Escambia | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Franklin | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Gadsden | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Gulf | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Holmes | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Jackson | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Jefferson | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Liberty | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Leon | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Madison | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Okalooosa | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |

State Regulatory Agencies
January 2017

| AGENCY NAME | AGENCY NAME 2 | ADDRESS | ADDRESS 2 | CITY | STATE | ZIP CODE |
|---|--|-----------------------------|-------------------------------|----------------|-------|------------|
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Santa Rosa | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Taylor | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Wakulla | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Walton | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tallahassee Field Office - Regions 1 & 2 | State Survey Field Office-Washington | 2727 Mahan Drive | Mail Stop 46 | Tallahassee | FL | 32308 |
| Tennessee Department of Health | Division of Health Care Facilities (Licensure) | 227 French Landing, STE 501 | 665 Mainstream Dr 2nd Fl | Nashville | TN | 37243 |
| Texas Department of State Health Services | Zone I | 8407 Wall St | | Austin | TX | 78754 |
| Texas Department of State Health Services | Zone II | 1301 South Bowen | 1301 South Bowen, Ste 200 | Arlington | TX | 76013 |
| Texas Department of State Health Services | Zone III | 2303 SE Military Dr | 2303 Military Drive, Bldg 514 | San Antonio | TX | 78223-3597 |
| Texas Department of State Health Services | Zone IV | 5425 Polk Ave | 5425 Polk Ave, Ste J | Houston | TX | 77023-1497 |
| Texas Department of State Health Services | Zone V | 1517 West Front St | 2521 West Front St | Tyler | TX | 75702 |
| TN Bureau of TennCare | TN Provider Enrollment Unit | 310 Great Circle Road | 2W | Nashville | TN | 37243 |
| Tricare North | TriCare North Provider Enrollment | P. O. Box 870141 | | Surfside Beach | SC | 29587-9741 |
| Tricare South | Provider Data Management | P.O. Box 7032 | Provider Data Management | Camden | SC | 29021-7032 |
| Tricare West | TriCare West Provider Enrollment | P.O. Box 7065 | | Camden | SC | 29021-7065 |
| TX Medicaid and Healthcare Partnership | TX Medicaid Provider Enrollment | 12357 B. Riata Trace Pkwy. | | Austin | TX | 78727-6474 |
| UT Medicaid/Bureau of Medicaid Operations | UT Medicaid Provider Enrollment | PO Box 143106 | | Salt Lake City | UT | 84114 |
| Utah Department of Health | Manager, Facility Licensing | P.O. Box 144103 | 288 North 1460 West | Salt Lake City | UT | 84114-4103 |
| Utah Department of Health | Manager, Facility Licensing | P.O. Box 144103 | 288 North 1460 West | Salt Lake City | UT | 84114-4103 |
| VA Department of Health Services | | 9960 Mayland Drive | STE 401 | Henrico | VA | 23233 |
| VA Department of Health Services | | 9960 Mayland Drive | STE 401 | Henrico | VA | 23233 |
| VA Medicaid/Xerox | Virginia Medicaid Provider Enrollment Services | PO Box 26803 | | Richmond | VA | 23261 |
| WA Health Care Authority Legal Services & Adm | State Kidney Program | PO Box 42702 | | Olympia | WA | 98504 |
| Washington State Healthcare Authority | WA Medicaid Provider Enrollment | PO Box 45562 | | Olympia | WA | 98504 |
| WI Bureau of Quality Assurance | | 1 West Wilson Street | P.O. Box 2969 | Madison | WI | 53703-3445 |
| Wisconsin Chronic Disease Program | WCDP Provider Enrollment | 313 Blettner Blvd | | Madison | WI | 53784 |
| Wisconsin Medicaid Program | Provider Enrollment Dept | 313 Blettner Blvd | | Madison | WI | 53784 |
| Wisconsin Physician Services - IA (J5) | IA (J5) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| Wisconsin Physician Services - IN (J8) | IN (J8) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| Wisconsin Physician Services - MI (J8) | MI (J8) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| Wisconsin Physician Services - NE (J5) | NE (J5) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| Wisconsin Physician Services - KS (J5) | KS (J5) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| Wisconsin Physicians Services - MO (J5) | MO (J5) Provider Enrollment | P.O. Box 8248 | | Madison | WI | 53708-8248 |
| WV Medicaid/Molina | WV Medicaid Provider Enrollment | 1600 Pennsylvania Avenue | | Charleston | WV | 25302 |
| Wyoming Department of Health | | 2020 Carey Ave. - 8th floor | | Cheyenne | WY | 82002- |

Appendix 14

Accepting Patients for Treatment
Indigent Care Policy
Involuntary Transfer Procedure
Patients Rights Policy

Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

TITLE: ACCEPTING END STAGE RENAL DISEASE PATIENTS FOR TREATMENT

PURPOSE: To establish requirements for admitting End Stage Renal Disease (ESRD) patients to a DaVita dialysis facility and to allow DaVita to obtain necessary information from the patient/personal representative and to enter the correct information into the appropriate information system prior to providing dialysis treatment to a patient at a DaVita dialysis facility.

DEFINITION(S):

Visiting patient: A patient who is visiting a facility and plans to return to his/her home facility within 30 days. A visiting patient refers to patients visiting from a non-DaVita facility to a DaVita facility as well as visiting from a DaVita facility to another DaVita facility.

Medical Evidence Report Form (CMS 2728): Required by Medicare to determine if an individual is medically entitled to Medicare under the ESRD provisions of the law and to register patients with the United States Renal Data System. The 2728 form is used as the primary source in determining the COB for patient's insurance. Physicians have a 45 day grace period to sign the 2728 form when the patients are new to dialysis. A patient is generally only required to complete the 2728 form once, not for every facility visit or transfer (Refer to *Completion of Centers for Medicare & Medicaid Services (CMS) 2728*, available on the Clinical P&P website in Vol. 3. on the VillageWeb).

Medicare Secondary Payor Form (MSP): Determines if a commercial Employer Group Health Plan (EGHP) (or other insurance carrier) will be primary payer. This form is completed online in the Registration System and must be completed for all patients who have Medicare coverage when they start treatment at DaVita.

Patient Authorization and Financial Responsibility Form (PAFR): Document that informs patients of their financial obligations regarding services provided to them by DaVita. The form must be signed and witnessed prior to the start of the first dialysis treatment. By signing the PAFR, the patient/personal representative is assigning the payment for services provided by DaVita, directly to DaVita from insurance companies. The PAFR form must be signed each year at each DaVita facility where the patient receives treatments.

Note: California facilities: For all Medi Cal patients (Medicaid program for California), a new form must be signed the first full week in January regardless of dialysis start date. Example: First date of DaVita Dialysis 12-31-2011, need PAFR for December and one for January 2012.

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Origination Date: September 2006

Revision Date: March 2008, September 2008, December 2008, April 2009, September 2009, October 2010, September 2011, September 2012, March 2013, September 2013, March 2014, September 2014, March 2015, September 2015, March 2016, December 2016

Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

Permanent patient: A patient who has selected a DaVita dialysis facility as his/her home facility.

Personal Representative: An individual who is legally appointed, designated and/or authorized pursuant to state law to: (a) make health care decisions on behalf of a patient, or (b) act on behalf of a deceased individual or a deceased individual's estate. Reference: *Personal Representatives of Patients* (available on the HIPAA website on the VillageWeb).

Transfer patient: An existing dialysis patient who is permanently relocating from any dialysis facility to a DaVita dialysis facility. Once the transfer is complete, the patient will become a "permanent patient."

POLICY:

1. DaVita will accept and dialyze patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, or disability if:
 - a. The admitting physician or Medical Director must provide the appropriate diagnosis of Acute Kidney Injury (AKI) or End Stage Renal Disease (ESRD) in the treatment orders prior to a patient's first treatment.
 - b. If the Nephrologist determines patient renal status of AKI and decides to admit, follow the policy: *Accepting Patients with Acute Kidney Injury for Treatment*.
 - c. If the Nephrologist determines patient renal status of ESRD, follow the policy outlined below for admission.
 - d. Final decision on whether or not the candidate patient will be admitted rests with the Medical Director. The Medical Director's determination is based on assessment of the facility's ability to safely dialyze the candidate patient without adversely affecting the quality and safety of all patients.
 - e. Should the patient not have an admitting physician, refer to: *Patients without an Admitting Physician* policy (available on the Team Quest website on the VillageWeb).
 - f. The patient's care can be managed in an outpatient dialysis facility according to individual modality.
 - g. The patient is under the care of a nephrologist who is credentialed in the DaVita facility.

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Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

- h. There is adequate treatment space, equipment and appropriately trained staff available to provide appropriate care to the patient.
- i. The patient (a) has been verified as Medicare or Medicaid eligible and/or has private insurance coverage issued by an Insurance Provider licensed and operating in the United States or United States Territories which has been verified, and from which an authorization for treatment has been received by DaVita as required, (b) accepts financial responsibility for care by signing the *Patient Authorization & Financial Responsibility* (PAFR) Form.
 - i. Patients who are uninsured must be authorized at the facility level with written approval by the facility's Divisional Vice President (DVP), or their designee, prior to treatment. (*Cash Payment Fee Schedule for Patients with no Insurance Coverage Policy* (available on the ROPS website on the VillageWeb).
 - ii. Patients who have an out-of-state Medicaid plan that will not pay for treatment(s) cannot be requested to pay for these services, either as primary or secondary to Medicare. Admittance to the facility must be authorized at the facility level with written approval by the facility's DVP, or their designee, prior to treatment.
 - iii. Patients who are out-of-network and have no out of network benefits must be authorized at the facility level with written approval by the facility's DVP, or their designee, prior to treatment.
2. Patients without adequate medical insurance coverage will be responsible to pay their portion of the cost prior to actual treatment.
3. All visiting patients, including patients visiting a non-contracted facility, will be responsible to sign a new PAFR Form specific to the visiting facility.
4. The facility will obtain height and weight on all visiting patients, including patients visiting a non-contracted facility. This information will be recorded in Snappy on the first treatment in the visiting facility.
5. A Purchase Order for services and treatments outside of their area is required prior to treatment for patients who have Indian Health Services coverage.
6. Any new patient who is uninsured must be approved for treatment by the facility's DVP, or their designee, prior to treatment.

Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

7. DaVita dialysis facility will transmit the required information to the corresponding Corporate Business Office (CBO) ROPS registration teammate upon notification of a new or visiting patient.
8. ROPS registration teammate will verify all insurances and obtain authorization if needed to complete the registration process.
9. Visiting patients must make payment for non-covered, and out of network services in the form of cashier's check, money order, travelers check, American Express, Visa, Discover or MasterCard prior to treatment. Please see *Money Received at Centers Policy* and *Credit Card Process Policy* (available on the ROPS website on the VillageWeb).
10. DaVita will bill using the name and number as it appears on the beneficiary Medicare card or other document confirming the patient's health care coverage through a third party, and as the patient's name is confirmed by two (2) additional forms of identification which has the patient's current legal name listed on it. Reference DaVita's *Patient Identification and Verification Policy Attachment A: Acceptable Forms of Personal Identification* (available on the eP&P site Dialysis Regulatory and Ancillary Policies & Procedures folder) for acceptable forms of personal identification. Reference DaVita's *Entering Patient's Name Policy* (available on the ROPS website on the VillageWeb) for guidance on entering patient name into DaVita systems.
11. If any information on the beneficiary Medicare card is incorrect, DaVita will advise the beneficiary to contact their local servicing Social Security Office to obtain a new Medicare card.
12. If information contained on the insurance card is incorrect, DaVita will advise the policyholder to contact their insurance company to obtain a new insurance card. All insurance cards should match the patient's identification. The patient must produce evidence that a change was initiated with the appropriate insurance carrier within 90 days of the noted discrepancy.
13. There are four (4) mandatory data elements for any patient to be registered in Registration System. These fields must be completed accurately prior to treatment. Required Registration System fields are:
 - a. First and last name;
 - b. DOB (date of birth);
 - c. Anticipated start date at DaVita; and

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Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

- d. An ICD-9/ICD-10 code(s), representing the condition (ESRD) as specified by the admitting physician (may also consult the hospital discharge/pre-discharge summary).
14. Listed below are the following documents that are required for in-center dialysis patients and home dialysis patients prior to first treatment at a DaVita Dialysis facility, unless otherwise required by applicable state regulation:
- a. Patient demographics and insurance information;
 - b. Copy of History and Physical (within the last year – must be legible);
 - c. Hepatitis and TB Testing Results: For Hepatitis and TB testing requirements, refer to policies: *Hepatitis Surveillance, Vaccination and Infection Control Measures* and *Tuberculosis Infection Control Policy* (available on the eP&P site Incenter Hemodialysis Policies & Procedures, Peritoneal Dialysis and Home Hemodialysis folders); Note: Hepatitis C testing is strongly recommended, but not required;
 - d. Copy of current hemodialysis orders for treatment;
 - e. Two (2) forms of personal identification, in addition to the patient's insurance card, verifying the patient's legal name and current legal residence, one of which is a picture ID. Reference DaVita's *Patient Identification and Verification Policy Attachment A: Acceptable Forms of Personal Identification* (available on the eP&P site Regulatory and Ancillary Policies and Procedures folder) for acceptable forms of personal identification;
 - f. All copies of patient's current insurance cards-front and back;
 - g. Initiation of CMS 2728. Once completed, within the 45-day guideline, it should include the patient's and nephrologists' signature and date. This is the official document of the patient's first date of dialysis ever, first dialysis modality, and provides transplant information, if applicable; *Patient Authorization & Financial Responsibility Form* (PAFR). Must be signed and witnessed prior to the start of the first dialysis treatment. This form allows DaVita to receive payment from insurance companies and informs the patient of the financial responsibilities regarding treatment provided to them. Without a signed PAFR Form, DaVita may not be reimbursed for services provided to the patient;
 - h. Medicare Secondary Payor Form (MSP). Determines if a commercial Employer Group Health Plan (EGHP) will be primary payor. Must be completed for all patients who have Medicare coverage when they start treatment at DaVita;
 - i. DaVita's *Notice of Privacy Practices*. Each patient/personal representative will be provided with the notice.

Facilities may elect to require documents a. through h. listed above prior to admission to a DaVita Dialysis facility.

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Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

For patients who have dialyzed before* (permanent transfers or visiting patients) the following will also be required:

- a. Copy of most recent Plan of Care including: Nursing, Dietary and Social Work Assessments;
- b. Copies of three (3) flowsheets within two (2) weeks of requested treatment(s);
- c. Monthly labs within 30 days prior to first treatment date including hematocrit, hemoglobin, URR, electrolytes.
- d. Current list of medications being administered to patient in-center and at home (recommended for patient to bring in current medications at time of first treatment);
- e. Allergies;
- f. Access Information;
- g. Hospitalization Discharge information; and
- h. Advance Directives, if patient has executed an Advance Directive and confirmed with patient as current.

*For patients displaced by disaster/emergency event, please see policy: *Facility Emergency and Disaster Plan*.

15. The following document is to be requested (but not required) for a safe transition of care for in-center dialysis patients and home dialysis patients prior to admission to a DaVita Dialysis facility:
 - a. Consultations (Hematology, GI, Cardiology).
16. Unless otherwise provided for under this policy, prior to the first treatment at the facility, all patients, including Transfer, Guest, and Permanent Patients will be given the following documents to read and sign:
 - a. Patient Rights;
 - b. Patient Responsibilities;
 - c. Patient Authorization and Financial Responsibility Form (PAFR);
 - d. Patient Standards of Conduct;
 - e. Patient Grievance Procedure;
 - f. Authorization for and Verification of Consent to Hemodialysis/Peritoneal Dialysis;
 - g. HIPAA Permission to Discuss;

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Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

- h. HIPAA Notice Acknowledgement form; and
 - i. Affidavit of Patient Identification form (Note: This form is only given if the patient or Personal Representative on behalf of the patient is not able to produce the requested two (2) forms of personal identification verifying the patient's legal name and current legal residence upon admission or within seven (7) days of admission).
17. The patient/personal representative will agree to follow the *Patient's Rights and Responsibilities, Patient's Standards of Conduct and the Patient Grievance Procedure*. (Refer to *Patient's Standards of Conduct; Patient Grievance Procedure; Patient Rights and Responsibilities* available on the eP&P site Dialysis Regulatory and Ancillary Policies & Procedures folder).
18. Visiting patients are only required to sign the *Patient's Rights and Responsibilities, Patient's Standards of Conduct and the Patient Grievance Procedure* one time for each DaVita facility they visit, as long as these forms are visibly posted at the facility, unless there are changes made to any of those forms/policies, or state specifications require otherwise.
19. If the patient, or Personal Representative on behalf of the patient, is not able to produce the requested two (2) forms of personal identification verifying the patient's legal name and current legal residence, the teammate admitting the patient should follow the procedures set forth in the *Patient Identification and Verification Policy* (available on the eP&P site Dialysis Regulatory and Ancillary Policies & Procedures folders), and any other relevant policies based on the situation at hand.
20. Any conflict with the criteria established or refusal to sign appropriate consents and authorization to bill would constitute a need for prior written authorization by the facility's DVP or designee.
21. Other than a PAFR which is always required, a permanent DaVita patient may be treated at a DaVita facility other than his /her home facility without completing the required documentation, when:
- a. The attending nephrologist has privileges at both the facilities in question (the patient's home facility and the anticipated visiting facility);
 - b. A visiting record is generated by the home facility at least one hour before the scheduled treatment;
 - c. The Facility Administrator (FA) at the visiting facility agrees to treat the patient; and

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Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-03

DaVita Inc.

- d. The visiting facility has the space and resources to treat the patient.
22. All other exceptions to this policy are subject to approval by the DVP for the region/division.
23. Clinical documentation: add all to ESRD
- a. Use ICD-9/ICD-10 code(s) as specified by admitting physician for justification in the dialysis treatment order
24. Use ICD-9/ICD-10 code(s) as specified by admitting physician for justification in all medication and laboratory orders

ATTACHMENTS:

Attachment A: Procedures for Accepting Patients for Treatment

Teammates are expected to report possible violations of this policy and procedure. You may make your report to an appropriate DaVita manager, to the Corporate Compliance Hotline (1-888-458-5848 or DaVitaComplianceHotline.com.) DaVita has a Non-Retaliation policy and will not tolerate any form of retaliation against anyone who files a Compliance report in good faith. Reports can be made anonymously or you may request confidentiality. Questions regarding this policy should be directed to policies&procedures@davita.com.

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

TITLE: PATIENT BEHAVIOR AGREEMENTS, 30 DAY DISCHARGE, INVOLUNTARY DISCHARGE OR INVOLUNTARY TRANSFER

PURPOSE: To provide guidance on Patient Behavior Agreements, 30 Day Discharge, Involuntary Discharge or Involuntary Transfer. These may become necessary when a patient does not conform to the *Patient's Standards of Conduct* and/or *Patient's Rights, Responsibilities and Facility Rules*. When a facility is considering involuntary discharge, the patient is automatically designated as "unstable" and therefore requires an assessment. The Interdisciplinary Team (IDT) must assess the patient with an intent to identify any potential action or plan that could prevent the need to discharge or transfer the patient involuntarily.

POLICY:

Disruptive, Non-Threatening Behavior:

1. If the patient's behavior is disruptive to the facility, but is non-threatening, a comprehensive patient assessment will be completed by the Interdisciplinary Team (IDT) in order to identify any potential action or plan of correction required. The assessment must focus on identifying the root causes of the disruptive behavior and result in a plan of care aimed at addressing those causes and resolving disruptive behavior. This assessment may require a change in health status to unstable.
2. At the completion of the assessment, a Patient Care Conference (PCC) is required. The IDT should meet with the patient in a conference setting. The PCC will specifically address patient behavior and any patient concerns. The PCC and assessment will be documented in the medical record.
3. If the patient's behavior continues to be disruptive to the facility, but is non-threatening to others, the patient should receive a First Letter of Concern. This letter will be written in collaboration with your Risk Manager and will provide specific details of the patient's behavior and concerns the facility has regarding the patient's behavior.

Threatening Behavior/Behavior Agreements:

4. If at any time teammates or other patients feel an immediate severe threat or safety is a concern, the police should be notified immediately via 911. (See **Immediate Severe Threat** below).

5. If a patient's behavior in the dialysis facility is threatening, either verbally or physically, the treatment that day will be terminated and the patient will be asked to leave the facility. The facility will immediately notify the Medical Director, the patient's physician, the Regional Operations Director (ROD), the ESRD Network and the Risk Manager.
6. In collaboration with the ESRD Network, the facility and Risk Manager will make a determination of whether the patient should be immediately discharged from the facility due to the nature of the threatening behavior or placed on a Behavior Agreement. The collaboration with the ESRD Network will be documented in the medical record.
7. If it is determined that a Behavior Agreement is appropriate, the Behavior Agreement will be drafted in collaboration with the Risk Manager and address the behavior exhibited. The Medical Director, patient's physician, ROD, Divisional Vice President (DVP) and ESRD Network will be notified. A PCC will be scheduled with the patient and IDT to discuss the Behavior Agreement. The Behavior Agreement will also be mailed to patient via certified mail, return receipt requested.
8. Behavior Agreements will not be used for non-adherence or for patients who choose to sign off Against Medical Advice (AMA).

30 Day Discharge, Involuntary Transfer and Involuntary Discharge:

9. Lost to Follow-Up is defined as a patient who has not dialyzed for 30 days at the facility and the dialysis facility is unable to locate the patient. In the event that a patient is considered Lost to Follow-Up and at risk for involuntary discharge, dialysis facilities are to notify their ESRD Network. Notify the Risk Manager for further guidance.
10. If the patient acts in violation of the Behavior Agreement, your Risk Manager is to be notified for further direction. The facility and Risk Manager will consult with the ESRD Network regarding 30 day discharge or involuntary discharge or transfer to another facility.
11. The patient's physician and facility Medical Director must be notified of the pending involuntary transfer or discharge and provide a signed order. This notification and order will be documented in the patient's medical record.
12. The ROD, DVP, State agency and ESRD Network must be notified of the involuntary discharge. If a 30 day notice is given, the effective date is the day the notice is written. This notification will be documented in the medical record.

13. The patient has the right to choose and to change physician and/or treatment facility provided that the new physician and/or facility can reasonably accommodate the patient. The patient is advised to confirm that the facility under consideration has been certified by Medicare.
14. Social Worker/designee will provide the patient with a list of area dialysis facilities (DaVita and non DaVita) that may be able to accept the patient, and the patient will be allowed to provide input as to facility preference. The patient will be advised to consult with his or her treating physician about alternative treatment options and to confirm the physician has privileges at selected dialysis facilities.
15. Good faith efforts should be made to place the patient at the patient's preferred facility and/or find the closest facility to the patient's residence that will accept the patient in transfer. The patient will be informed that DaVita cannot guarantee the transfer to the identified facility. The applicable patient's medical record must include evidence of those placement efforts.
16. The goal of contacting another dialysis facility is for continuity of care and the HIPAA privacy rules do not require patient consent to contact another dialysis facility. The HIPAA privacy rule does limit sharing of protected health information to medical records requested by the other provider and prohibits sharing information obtained through hearsay.

Immediate Severe Threat:

17. If it is determined that a patient will be immediately discharged due to the nature of the threatening behavior ("immediate, severe threat"), 30 day patient notice is not required. An immediate severe threat is considered to be a threat of physical harm. For example, if a patient has a gun or a knife or is making credible threats of physical harm, this would be considered an "immediate severe threat". An angry verbal outburst or verbal abuse is not considered to be an immediate severe threat.
18. In instances of an immediate severe threat, facility teammates may utilize "abbreviated" involuntary discharge or transfer procedures. These abbreviated procedures may include taking immediate protective action such as calling "911" and asking for police assistance. In this scenario, there may not be time or opportunity for re-assessment, intervention, or contact with another facility for possible transfer.
19. After the emergency is addressed and teammates and other patients are safe, teammates must notify the Medical Director, patient's physician, Risk Manager, ROD and DVP, State agency and ESRD Network of the involuntary discharge. Document this notification and the exact nature of the "immediate severe threat" in the patient's medical

record. The Risk Manager may recommend onsite security for a period of time after the discharge of the patient (mutually agreed upon by Operations and Risk Manager).

Discharge for Lack of Physician Coverage:

20. If the reason for discharge is the physician's determination to no longer care for a particular patient and there is no other physician available that is willing to accept the patient, generally the state practice boards for physicians require the patient be given some notice to avoid a charge of patient abandonment. The facility will need to follow this regulation as to reassessment, 30 day notice of discharge, attempts for placement, etc. during the physician's period of notice to the patient. The Facility Administrator/designee should follow state law requirements regarding notice.

TITLE: Patient Financial Evaluation Policy

PURPOSE:

To establish policies and procedures for the individualized determination of patient financial need for services provided by DaVita.

DEFINITIONS:

Obligation – The amount a patient must pay for dialysis and related services after all other third party payers (Medicare, Medicaid, commercial insurers, etc.) have paid DaVita, including copayments, coinsurance, deductibles, noncovered services and self-pay amounts.

PFE – Patient Financial Evaluation form (Addendum A) utilized to determine a patient's individual financial status and ability to pay the patient's Obligation.

Patient Assistance – The amount by which the patient's Obligation is reduced as a result of the PFE. Patient Assistance may be a full or partial reduction of the patient's Obligation.

Patient Assistance Scale – Sliding scale based on the Federal Poverty Guidelines used to determine the level of Patient Assistance for which the patient is eligible. (Addendum B)

Household Size – All persons residing in the same household as determined by this Policy.

Household Income – income of all persons identified in Household Size. Visitor – A patient who is at the facility for less than 30 consecutive days.

POLICY:

DaVita may provide Patient Assistance related to Patient Obligations based on an individualized determination of a patient's financial need. Any approval for Patient Assistance will be based on current facts and the agreement of the patient to maintain current coverage. Any amounts paid by an insurance company directly to the patient for services furnished by DaVita must be paid to DaVita and are not included in the patient Obligation amounts eligible for Patient Assistance.

Patients with previously approved PFEs will continue to receive Patient Assistance under the prior agreement until the first of any of the following events occurs:



TITLE: **Patient Financial Evaluation Policy**

- Current PFE expires
- Insurance coverage changes
- Patient notifies DaVita of a change in household size or income and requests an updated PFE

PROCEDURE:

A Patient Financial Evaluation (Addendum A) may be offered for patients who have a patient Obligation and have indicated some financial need to a DaVita Teammate. If the patient refuses and/or declines offer of a PFE, the Social Worker must inform the patient that he/she is responsible for the full amount of the patient Obligation.

For patients within the state of Rhode Island, if a Community Health Center, listed on Attachment C, refers a patient and notifies the center that the patient has NO insurance and a household income up to the 200% of the Federal Poverty Limits (Full Waiver level on the PFE Scale), the center will require no further documentation from that patient and the patient will qualify for a full waiver PFE.

The PFE applies equally to all patients, without regard to the source of payment. Prior to applying for Patient Assistance, the patient must make a good faith effort to obtain insurance and exhaust all coverage options that will improve the patient's insurance coverage. All patients must have a current signed PAFR on file in order to apply for a PFE; California patients must have a PAFR signed within the current calendar year.

Patient Assistance is based on household financial status and the ability to pay after all other options for third party coverage and payment has been exhausted. The Social Worker (SW) or center designee is required to document these efforts to obtain any and all third party coverage in the patient's account record.

All patients must apply for Medicaid programs and any other available state financial assistance programs prior to applying for a PFE and provide copy of denial/approval with PFE application. If an uninsured patient is not able to apply for Medicaid, the Social Worker must document the reason. Note that patients with Medicare coverage MUST seek apply for Medicaid.

This policy is not available to patients who have had lapses in insurance coverage that the patient could control or other forms of patient non-compliance with obtaining or maintaining insurance coverage, including but not limited to; the failure to pay premiums or provide documentation necessary. If a patient is being discharged from a hospital, the patient must first attempt to secure a Single Patient Agreement (SPA) prior to utilizing the PFE Policy. Should the patient fail or refuse to provide the required PFE documentation, the patient will be discharged according to the procedures outlined in the Non-Payment Discharge Policy.

Property of DaVita Inc.

Origination Date: 01/01/06

Revision Date: 01-14-08, 01-25-12, 03-30-12, 02-7-13

Review Date: 4/07/2014

Page 2 of 6

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TITLE: Patient Financial Evaluation Policy

This policy is not applicable when superseded by state law. Patients who have a Cash Pay Agreement with the center do not qualify. DaVita reserves the right to deny or revoke patient assistance at its full discretion.

An existing PFE applies to all DaVita centers, even when the patient is a Visitor. PFEs cannot be used for visiting charges only.

With regard to any state law regarding patient "share of cost" or spend-down obligations for Medicaid, the patient shall be considered to have (1) incurred expenses for medical services and (2) assumed legal responsibility for medical services expenses, as of the date that medical services having a cost or charge equal to or greater than the amount of the patient's share of cost or spend-down obligations actually were rendered to the patient. This is the date the patient Obligation is created, notwithstanding any later application of Patient Assistance to the patient Obligation amount.

The patient is required to provide proof of Household Size and Personal Income to determine eligibility for Patient Assistance to the Social Worker or designee.

Household Size - at least one of the following documents showing proof of the household size:

- Federal Tax Return – No later than previous tax year and signed.
- State Assistance Program letters which name household members.
 - Social Security Letters which name all parties in one letter.

If the patient is unable to produce the above documents and is not otherwise covered by a government health plan, the following documents may be used to support household size:

- School records that identify an address for the children stated as part of the household that matches a lease agreement or address on a utility bill in the name of the patient
- Copy of an official marriage license
- Copy of Official birth certificate
- Court records for legal guardianship
- Adoption records
- Proof of domestic partnership

*If we do not have evidence that the patient's household size is different, we will default to one person.

TITLE: **Patient Financial Evaluation Policy**

Income – The patient **must** provide at least one (1) of the following documents listed in Column A showing proof of income. If the patient is not able to provide any of the documentation listed in Column A, patient **may** provide at least two (2) of the documents listed in Column B, **or** at least three (3) of the documents listed in Column C.

*Please note, if patient is currently a financial need patient of DaVita Healthcare Partners Inc., the patient must provide an item of documentation from Column A. Additionally, any patient that is eligible for a government health plan (e.g., Medicare, Medicaid) must submit documentation from Column A.

If patient is not able to provide the **required** income verification documentation listed in Columns A, B and C, patient must provide a signed document explaining his/her situation that prevents the patient from furnishing the required documentation.. If the patient is able to provide the required income verification documentation listed in Columns A, B and C but refuses to do so, the patient is not eligible for Patient Assistance under this Policy.

OR

If patient is not able to provide the **required** income verification documentation listed in Columns A, B and C, patient may complete a W-7 Form to file for an IRS Individual Taxpayer Identification Number (ITIN). Once the patient has received an ITIN, the patient may either file a federal income tax return and submit a copy as stated in Column A or sign an affidavit explaining why the patient is not required to file a federal income tax return.

(The remainder of this page is intentionally left blank)

TITLE: Patient Financial Evaluation Policy

Income Verification

| Column A | Column B | Column C |
|--|--|--|
| <ul style="list-style-type: none"> ✓ Federal Income Tax Return from no later than the previous year ✓ W2-form or 1099 from no later than the previous year ✓ Social Security Statement of Earnings (cannot be older than the previous tax year) ✓ One (1) consecutive month of paycheck stubs (within 60 days of PFE application) ✓ Retirement Income (Annuity, Pension, Dividends Paid Out, Veteran's Benefits) ✓ Copy of Medicaid Application (including Emergency Medicaid) along with Approval/Denial Letter | <ul style="list-style-type: none"> ✓ Credit Check Report ✓ Document of Assets ✓ Bank Statements (last 3 months) ✓ Worker's Compensation income statements ✓ Unemployment Compensation Determination Letter ✓ Statement from Employer of employment and salary ✓ Documentation of Homeless Shelter Use | <ul style="list-style-type: none"> ✓ *Living Expenses (i.e. rent, utility bills, cell phone carrier bill, grocery receipts, etc) along with copies of checks paid or money order receipts paying such expenses ✓ Food Stamp Benefit Information ✓ Proof of Participation in other Government Assistance Programs ✓ Court Documentation of Bankrupt Condition ✓ Proof of Residence in Area of High Poverty ✓ Proof that family is eligible for free or reduced-fare school lunch ✓ Children's School Records ✓ Strike Benefits from Union Funds ✓ Alimony ✓ Child Support ✓ PFE from another institution ✓ Other Documents of Sources of Income <p>*Living Expenses shall not be used to offset income or determine actual expenses; rather, Living Expenses shall be used as a proxy for income that cannot otherwise be proved.</p> |

Any change in family size or insurance coverage will require a new application to be submitted. A change in insurance coverage will cause any current PFE to terminate.

The patient must sign the PFE stating that all information provided is accurate. A PFE lacking proof of income and/or family size will be denied.

TITLE: Patient Financial Evaluation Policy

Determination for awarding Patient assistance will be based on the attached Patient Assistance Scale (Addendum B).

1. Household income and household size of patient compared to a % of the federal poverty guidelines per the Patient Assistance Scale (Addendum B).
2. If the patient qualifies for 100% assistance, deeming him/her indigent, the patient will not be billed for any patient Obligations.
3. If the patient qualifies for partial Patient Assistance, he/she will be billed for the lesser of the remaining patient Obligation for the month of services or the Patient Assistance rate.
4. If the patient does not qualify for Patient Assistance, he/she will be billed for the remaining patient Obligation for the month of services.

The status of the PFE and the level of Patient Assistance which has been approved will be communicated to the patient, Social Worker and IMT.

The PFE and related documentation will be maintained in the patient's account record. The billing office designee will enter the PFE approval or denial into the patient record and patient bills will be calculated based on this information.

An approved PFE is valid for one year from the month of the submission and can retro up to twelve months, if necessary. Any payments made by the patient for Patient Obligations that are within the approval range of the PFE will not be refunded. The PFE is reviewed on an annual basis.

This policy applies equally to all patient types, including patients who are DaVita Teammates.

Teammates are expected to report possible violations of this policy and procedure. You may make your report to an appropriate DaVita manager, to the Corporate Compliance Hotline (1-888-458-5848 or DaVitaComplianceHotline.com). DaVita has a Non-Retaliation policy and will not tolerate any form of retaliation against anyone who files a Compliance report in good faith. Reports can be made anonymously or you may request confidentiality.

Dialysis Regulatory and Ancillary Policies & Procedures
Policy: 3-01-07A
DaVita Inc.

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

TITLE: PATIENT'S RIGHTS

YOUR RIGHTS AS A PATIENT:

As a DaVita patient I understand I am entitled to the following:

1. To be fully informed of my rights (including privacy rights), responsibilities and all rules governing conduct related to patient care, services and financial policies/responsibilities.
2. To be accepted for admission without regard to national origin or sponsor, race, age, sex, religion, disability, payer, sexual orientation, marital status, or other factors unrelated to the provision of appropriate medical care.
3. To be treated with (i) respect, dignity, and recognition of my individuality, choices, strengths, abilities, cultural values, religious beliefs and personal needs, to the extent possible during treatment; and (ii) sensitivity to my psychological needs and ability to cope with ESRD.
4. The right to privacy and confidentiality in all aspects of treatment. The dialysis facility will make accommodations to provide for patient privacy when patients are examined or body exposure is required, for example privacy screens or curtains.
5. To be free from abuse, neglect, exploitation, coercion, manipulation, sexual abuse, sexual assault, seclusion, or restraint (if not necessary to prevent harm to myself or others), or misappropriation of my personal property by the facility's teammates.
6. To receive adequate, safe, sanitary, and efficient dialysis treatment and respectful care by competent personnel in a comfortable environment.
7. To receive all information in a way that I can understand.
8. To receive assistance from a family member, representative or other individual in understanding, protecting and/or exercising my rights.
9. To be fully informed of all services available in the facility and charges not covered under Medicare or other health insurance, as applicable.
10. Upon request, to receive any information which the facility has available relative to financial assistance and free health care.
11. To be fully informed of my right to execute an advance directive and of DaVita's policy that properly executed and documented advance directives will be honored and carried out in DaVita facilities.
12. The right to choose and to change physician and/or treatment facility provided that the new physician and/or facility can reasonably accommodate me. I am advised to confirm that the facility under consideration has been certified by Medicare.
13. To know who my primary physician is, and to participate with my primary physician in planning my care.
14. To know the names, professional status, and experience of the staff who are providing and coordinating my care and treatment.
15. Upon request, to obtain an explanation as to the relationship, if any, of the facility to any other health care facility or educational institutions insofar as that relationship relates to my care or treatment.

Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-07A

DaVita Inc.

16. To receive a full explanation by my physician/allied health professional of the nature of my medical status and the necessity for recommended treatment/appointment(s), including the risks, side effects, expected outcomes, and other treatment/appointment options before giving consent to or refusing treatment/appointment.
17. To expect and receive appropriate assessment, management and treatment of pain as an integral component of my care.
18. To receive a full explanation of facility policies regarding patient care including, but not limited to, certain policies about infectious diseases that may require me to be dialyzed in a separate space from other patients and policies about visitors and socialization within the facility .
19. To be fully informed about all treatment modalities, including but not limited to, transplantation, home dialysis (home hemodialysis, intermittent peritoneal dialysis, continuous ambulatory peritoneal dialysis, continuous cycling peritoneal dialysis), in-facility hemodialysis, in-facility nocturnal hemodialysis, hospice, and the option of no treatment.
20. To receive resource information for dialysis modalities not offered by the facility, including information about alternative scheduling options for working patients.
21. To be advised of research studies that affect my care and give my informed, written consent to participate in such research or refuse to participate.
22. To be informed about whether the facility is participating in any teaching programs and to refuse to allow their participation in my treatment.
23. To be transferred or discharged only for medical reasons, for my own welfare or that of other patients, or for nonpayment of fees. If I am discharged for these reasons, I will be given advance written notice of 30 days unless the reason involves issues of immediate safety to other patients or teammates. These actions may result in an immediate discharge. Reasons for involuntary discharge may include failure to comply with items in the *Patient's Standards of Conduct, Responsibilities and Facility Rules*, which are provided in the Patient Registration Packet.
24. To review my medical record with supervision by the Facility Administrator or designee and at a time mutually agreed upon by me and the Facility Administrator or designee in advance.
25. To receive a copy of my medical records. All requests for medical records will be put in writing. Based on individual state requirements for accessing medical records, there may be a fee charged for copying the medical records. All records requests will be completed within 30 days of the request.
26. To receive necessary services or referrals as outlined in my individualized plan of care.
27. To know my medical records and the information contained will be considered private and confidential and only released in compliance with state and federal law.
28. To freely express comments, complaints or grievances verbally or in writing personally, anonymously, or through a representative of my choosing. My comments, complaints and grievances may be expressed to facility teammates, administration, DaVita's Corporate Compliance Department, the ESRD Network organization and appropriate regulatory agencies without fear of reprisal or denial of services, discrimination or retaliation. All comments, complaints and grievances will be resolved in a timely manner in accordance with the facility's grievance process. Information regarding the grievance process will be provided to me and the facility Social Worker will assist you if needed.
29. To have all reasonable requests responded to promptly and adequately within the capacity of the facility.

Dialysis Regulatory and Ancillary Policies & Procedures

Policy: 3-01-07A

DaVita Inc.

30. To be informed about and participate, if desired, in all aspects of my individualized plan of care and be informed of the right to refuse treatment and to be fully informed of the medical consequences of refusing treatment/appointment.

31. If I require hemodialysis and dialyzer reuse is practiced in the facility, I am entitled to the following:

- To give or refuse permission to participate in the reuse program and to request to change from one to the other at any time either verbally or in writing. Refusal to participate in reuse will still allow me to dialyze in this facility and receive other services, however, failure to agree to reuse will minimally restrict your choice of a dialyzer.
- To have questions about reuse answered in a complete and understandable way.

Please note, this version of the document is not intended for distribution to patients. The companion version of this document that is intended for distribution to patients (which is identical to this form, but includes a patient signature block) can be found electronically in the Reggie system.

Dialysis Regulatory and Ancillary Policies & Procedures
Policy: 3-01-07A
DaVita Inc.

PATIENT RIGHTS:

TEMPLATE FOR FACILITY INFORMATION

Name of Facility: _____

Phone Number of Facility: _____

Facility Address: _____

Facility Medical Director: _____

Attending Physician: _____

Facility Administrator: _____

Nurse Responsible for Clinical Care: _____

Social Worker: _____

Dietitian: _____

Facility Normal Hours of Operation: _____

Dialysis Schedule (days & time): _____

How to contact physician and obtain emergency assistance after facility normal hours of operation: _____

Appendix 15
Lease Agreement

MEMORANDUM OF LEASE COMMENCEMENT

Kennewick, WA (#2401) - Clinic Lease

THIS MEMORANDUM OF LEASE COMMENCEMENT is dated as of December 7, 2011 and is entered into by and between EDG-DV KENNEWICK, LLC, a Washington limited liability company ("Lessor") and TOTAL RENAL CARE, INC., a California corporation ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee are party to that certain Lease Agreement ("Lease") dated as of December 31, 2010, with respect to certain leased dialysis clinic space in premises located at 3208 W 19th Avenue, Suite 101, Kennewick, WA; and


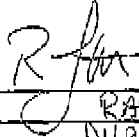
WHEREAS, the parties wish to confirm certain lease matters.

AGREEMENT

NOW, THEREFORE, the parties confirm and agree as follows:

1. Premises. Lessor has completed "Lessor's Work" as defined in the Lease. The Premises have been measured and are agreed to constitute 5,596 rentable square feet.
2. Commencement Date; Term. The Lease Commencement Date will be December 1, 2011. The Lease term is 12 years and expires on November 30, 2023 (unless extended or earlier terminated as provided in the Lease).
3. Rental Rate. The initial monthly Rent is \$12,591.00 per month and will commence on the Commencement Date.
4. Full Force and Effect. The Lease is in full force and effect and each of the undersigned warrants that to the best of its knowledge, without inquiry or investigation, it does not have actual knowledge of any default by the other party, or any conditions that with the giving of notice or passage of time would constitute a default by the other party.

DATED as of the day and year first above written.

| | |
|--|---|
| <p>LESSOR:</p> <p>EDG-DV KENNEWICK, LLC, a Washington limited liability company</p> <p>By: MedTech Manager, LLC, its manager</p> <p>By: </p> <p>Tom Erlandson, its managing member</p> | <p>LESSEE:</p> <p>TOTAL RENAL CARE, INC., a California corporation</p> <p>By: </p> <p>Name: <u>RAY FOLLETT</u></p> <p>Title: <u>DVP</u></p> |
|--|---|

LEASE AGREEMENT

BY AND BETWEEN

EDG-DV KENNEWICK, LLC (“LESSOR”)

AND

TOTAL RENAL CARE, INC. (“LESSEE”)

Dated: December 31, 2010

TABLE OF CONTENTS

1. TERM
2. RENT
3. RENT ADJUSTMENTS
4. RENEWALS
5. LESSOR'S WARRANTY OF CONDITION OF PREMISES
6. USE OF PREMISES
7. ASSIGNMENT/SUBLETTING
8. TAXES AND UTILITIES
9. ALTERATIONS/SIGNAGE
10. ENVIRONMENTAL
11. DAMAGE TO PREMISES BY FIRE OR CASUALTY
12. EMINENT DOMAIN
13. RIGHT OF ENTRY BY LESSOR
14. INDEMNITY
15. DEFAULT AND REMEDIES
16. INSURANCE
17. WAIVER OF SUBROGATION
18. REPAIRS AND MAINTENANCE
19. BROKERS
20. EMERGENCY
21. TITLE
22. COMPLIANCE WITH LAWS
23. INTENTIONALLY OMITTED
24. LESSEE TO SUBORDINATE
25. QUIET ENJOYMENT
26. MEMORANDUM OF LEASE
27. NOTICES
28. ESTOPPEL CERTIFICATE
29. HOLDING OVER

- 30. BINDING EFFECT**
- 31. COMPLETE AGREEMENT**
- 32. SEVERABILITY**
- 33. APPLICABLE LAW**
- 34. FORCE MAJEURE**
- 35. APPROVAL BY DAVITA INC. AS TO FORM**

THIS LEASE AGREEMENT (the "Lease") is made and entered into as of the reference date December 31, 2010 by and between **EDG-DV KENNEWICK, LLC**, a Washington limited liability company (hereinafter called "Lessor"), and **TOTAL RENAL CARE, INC.**, a California corporation (hereinafter called the "Lessee"):

WITNESSETH:

WHEREAS, the said Lessor desires to demise, lease and rent unto Lessee, and said Lessee desires to rent and lease from Lessor, a to-be-constructed building (the "Building") on that certain real property located at 3208 W 19th Avenue Suite 101, Kennewick, Washington 99337, as legally described on Exhibit A, and all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way (hereinafter called the "Premises"). The Premises including the proposed Building and improvements are shown on the initial site plan as referenced in Exhibit B attached hereto; the site plan is subject change by mutual agreement of Lessor and Lessee, as set forth in this Lease.

WHEREAS, Lessee shall be the sole tenant in the proposed Building and the Premises within the Building shall consist of approximately 5,596 rentable square feet, subject to final determination pursuant to Section 1.5 hereof, and shall include without limitation, all Lessor's Work as more fully described in Exhibit C, attached hereto; and

WHEREAS, Lessor shall complete all of Lessor's Work and Lessee shall complete all of Lessee's Work, as defined in the Work Letter, attached hereto as Exhibit C and incorporated herein by reference (the "Work Letter") in accordance with the terms of the Work Letter;

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the Lessor does hereby demise, lease and rent unto the said Lessee and the Lessee does hereby rent and lease from the Lessor the Premises, under and pursuant to the following terms and conditions:

1. Term.

1.1 Effective Date and Commencement Date. This Lease shall be effective upon full execution and delivery of this Lease by the parties (the "Effective Date"). The term of this Lease ("Term") shall commence on that day (the "Commencement Date") which is the earlier to occur of: (i) one hundred fifty (150) days after substantial completion of Lessor's Work (defined below); (ii) one hundred eighty (180) days after Lessee begins Lessee's Work (defined below) (iii) the date that Lessee opens for business to the public and (iv) thirty (30) days after Lessee receives a certificate of occupancy (or its equivalent), or is notified that a certificate of occupancy (or its equivalent) is available for pickup, from the permitting authority for the jurisdiction within which the Property is located.

1.2 Expiration Date; Definition of "Lease Year". The Term shall expire (unless renewed or earlier terminated as provided herein), on the last day of the one hundred forty-fourth (144th) complete calendar month following said Commencement Date. The first "Lease Year"

shall mean the period of one (1) year commencing on the first full calendar month following the Commencement Date and each subsequent Lease Year shall be the successive one (1) year period thereafter.

1.3 Plans and Specifications. Within thirty (30) days after the Effective Date, or as soon thereafter as is reasonable, Lessor, at Lessor's expense, shall deliver to Lessee the Plans and Specifications (as that term is defined in the Work Letter) for Lessee's approval. Lessor and Lessee will work diligently and in good faith to agree on the Plans and Specifications as set forth in the Work Letter.

1.4 Completion of Lessor's Work; Delivery Date. Lessor shall substantially complete Lessor's Work on or before that day (the "Delivery Date") which is 150 days after the date that the local jurisdiction issues a building permit for construction of the Building. The Delivery Date is subject to extension to the extent that Lessor's delay in completing Lessor's work is due to (i) an event of "Force Majeure", in accordance with Section 34 of this Lease, (ii) unforeseen physical conditions on the construction site or (iii) Lessee's non-cooperation or failure to comply with its obligations under the Lease and Work Letter.

(a) In the event that substantial completion of Lessor's Work does not occur on or before the Delivery Date, subject to Force Majeure, then Lessor shall be obligated to pay to Lessee as liquidated damages the sum of Fifty Dollars (\$50) for each day that substantial completion is not achieved after the Delivery Date, up to 30 days of delay.

(b) In the event that substantial completion of Lessor's Work does not occur within 30 days after the Delivery Date, subject to Force Majeure, then Lessor shall be obligated to pay to Lessee as liquidated damages the sum of One Hundred Fifty Dollars (\$150) for each day that substantial completion is not achieved after such 30-day period.

1.5 Memorandum of Commencement Date; BOMA Measurement. Upon determination of the Commencement Date and at request of either party, a memorandum shall be executed by both Lessor and Lessee setting forth the Commencement Date and certifying that the Lease is in full force and effect. In addition, upon substantial completion of Lessor's Work, the parties agree to cause the rentable square footage of the Premises to be measured, in accordance with BOMA, by a registered architect approved by Lessor and Lessee and shall execute a document confirming such square footage, which shall be deemed to be the rentable square footage of the Building for all purposes of this Lease, including, without limitation, the determination of Rent; unless either party requests such a measurement within 30 days after the Delivery Date, the rentable square footage of the Premises will be deemed to be as set forth in this Lease.

1.6 Purchase of Premises. Lessor represents and warrants that on the Effective Date of this Lease, Lessor has a contract right to purchase the Premises. Lessor shall use diligent business efforts to consummate its purchase of the Premises as soon as possible. If, despite such diligent business efforts, Lessor is unable to close its purchase of the Premises by January 25, 2011, then either Lessor or Lessee may thereafter terminate this Lease upon ten (10) days' prior

notice to the other party. If such notice is given and if Lessor closes its purchase of the Premises on or before expiration of such ten (10) day period, then the termination notice will be of no further force or effect; if such notice is given and if Lessor does not close its purchase of the Premises before expiration of such ten (10) day period, then the Lease shall terminate as of 11:59 pm on the last day of the ten (10) day period.

2. Rent.

2.1 General. Lessee agrees to pay as base rent ("Rent") an amount equal to \$12,591.00 per month. Lessee shall pay Rent in advance in twelve (12) equal monthly installments on the first day of each calendar month for each and every month during the term of this Lease, such monthly installment to be prorated for any partial calendar month in which the Commencement Date or Termination Date shall occur. The Rent shall be adjusted in accordance with the provisions of Section 3, below. All amounts (unless otherwise provided herein), other than the Rent and the adjustments thereto described in Section 3 hereof, owed by Lessee to Lessor hereunder shall be deemed additional rent.

2.2. Rent Adjustment for Square Footage Variation. "Rent" is based on \$27.00 per rentable square foot (the "PSF Rental Rate") and 5,596 rentable square feet in the Premises (the "Planned Square Footage"). Rent shall be as stated in the first sentence of Section 2.1 unless the actual measured rentable square footage of the Premises, as measured under Section 1.5 above varies more than 3% from the Planned Square Footage. In the event of such variation exceeding 3%, then "Rent" shall be the product of actual measured rentable square footage, as measured under Section 1.5, times the PSF Rental Rate; and such adjusted Rent shall be documented in the Memorandum signed by Lessor and Lessee under Section 1.5 above.

2.3 Full Net Lease. Except as otherwise provided in this Lease, it is the intention of the parties that the Lessor shall receive the rents, additional rents, and all sums payable by the Lessee under this lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever and the Lessee covenants and agrees to pay all sums which except for this Lease would have been chargeable against the leased Premises and payable by the Lessor. The Lessee shall, however, be under no obligation to pay principal or interest on any mortgage on the fee of the leased Premises, any franchise or income tax payable by the Lessor or any other tax is imposed upon or measured by Lessor's net income or profits, or any gift, inheritance, transfer, estate, or succession tax by reason of any present or future law which may be enacted during the term of this Lease.

2.4 Late Fee. If Lessor does not receive any payment of Rent or additional rent on or before the fifth (5th) day following the day it is due, then Lessee shall pay a late fee equal to the greater of five percent (5%) of the amount due or \$50, to compensate Lessor for the loss of the use of the amount not paid and the administrative costs caused by the delinquency.

2.5 Default Interest. Interest shall accrue on all sums not paid when due hereunder at the greater of (a) the highest rate allowed by law and (b) an interest rate equal to six percent (6%) over Prime Rate as published in Wall Street Journal from time to time, from the due date until paid; provided that interest shall not be assessed on any late fee.

3. Rent Adjustments.

(a) Consumer Price Index. In the event that the CPI (as defined below) for any Lease Year during the Term shall be greater than the CPI for the preceding Lease Year, then Rent shall be increased for such succeeding Lease Year to an amount equal to the sum of (i) the Rent, as increased by previous rent adjustments for CPI, payable for the preceding Lease Year and (ii) the Rent (as increased by previous adjustments for CPI) payable for the preceding Lease Year multiplied by the percentage of increase by which the CPI in such succeeding Lease Year(s) exceeds the CPI for the next preceding Lease Year provided, however, that in no event shall Rent be increased by more than three percent (3%) over the Rent for the previous Lease Year. Rent in any Lease Year may not be less than Rent in the preceding Lease Year. The amount to be paid as Lessee's proportion of the CPI increase during the last Lease Year shall be prorated per diem if less than a full Lease Year. The first adjustment for the change in CPI will be made on the first anniversary of the Commencement Date.

The term "CPI" means the Consumer Price Index-U.S. City Averages for All Urban Consumers - All Items (1982-84=100), of the United States Bureau of Labor Statistics. The CPI for any Lease Year shall be determined by averaging the monthly All Items indices for that Lease Year. For the first Lease Year for which a CPI adjustment is payable, Lessor shall reasonably estimate such adjustment based upon the comparison of the CPI for the month immediately prior to the Commencement Date to the CPI for the same month in the previous calendar year, subject to the provisions of subparagraph (b) below.

If the Bureau of Labor Statistics revises the manner in which such CPI is determined, Lessor may adjust the revised index to produce results equivalent, as nearly as possible, to those which would have been obtained if the CPI had not been so revised. If the 1982-84 average shall no longer be used as an index of 100, such change shall constitute a revision.

If the CPI shall become unavailable to the public because publication is discontinued, or otherwise, Lessor will substitute therefor a comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency or, if no such index shall be available then a comparable index published by a major bank or other financial institution.

Within 30 days after expiration of each Lease Year during the Term, Lessee will furnish to Lessor a statement (hereinafter called the "Statement") showing the following:

- (i) The CPI for said expired Lease Year;
- (ii) The CPI for the Lease Year preceding said expired calendar year;
- (iii) The amount of Rent adjustment for CPI then due and payable to Lessor;
- (iv) The amount of incremental Rent to be paid on account of the rent adjustment for CPI (based on the CPI for the preceding Lease Year) which shall be paid monthly during the then current Lease Year and thereafter until the next rent adjustment for CPI.

(b) Lessor Disagreement with Lessee Calculation. Unless Lessor shall have taken written exception to the Statement, or any item therein, within one (1) year after the furnishing of the Statement by Lessee, such Statement shall be considered as final and accepted by Lessor and Lessee; provided however, should Lessor take written exception to the Statement within said one (1) year period then Lessor and Lessee shall act in good faith and with diligence to resolve their difference of opinion. If the parties cannot resolve their difference of opinion, either Lessor or Lessee may by notice to the other cause the dispute to be submitted to binding arbitration.

If Lessee's Statement shows a Rent increase, then Lessee shall, together with the Statement, pay any difference between Rent paid and the new Rent in prior months.

4. Renewals.

Subject to limitations set forth in the attached Guaranty, Lessee shall have the right and option to renew this lease for two (2) additional periods of five (5) years each, next immediately ensuing after the expiration of the initial Term of this lease and the subsequent renewal periods by notifying Lessor in writing not less than one hundred eighty (180) days before the expiration of the immediately preceding initial Term or subsequent renewal Term of this Lease of the Lessee's intention to exercise its option to renew, but Lessee shall have no option to extend this Lease beyond two (2) renewal periods of five (5) years each after the initial Term. In the event that Lessee so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term hereof, except for the Rent. The Rent for the first Lease Year of each extended period shall be as mutually agreed upon by Lessor and Lessee not less than sixty (60) days prior to the expiration of the then current Term hereof and shall be adjusted thereafter as set forth in Section 3 hereof. If Lessor and Lessee are unable to mutually agree on the new Rent for the first Lease Year of such extended period then, within fifty (50) days prior to the expiration of the then current Term of this Lease, each of Lessor and Lessee shall select a duly qualified real estate appraiser. The Rent shall be ninety five percent (95%) of the annual fair market rental value (the "FMRV") of the Premises, but no less than annual Rent in effect with respect to the commencement month of the initial term, or the first renewal term, as the case may be. FMRV will be as determined by the two (2) appraisers selected by Lessee and Lessor as of the date which is forty (40) days before the date of the expiration of the then existing Term of this Lease. The appraiser shall issue their reports within ten (10) days. If the higher of the two (2) appraisals is less than or equal to one hundred ten percent (110%) of the lower, FMRV shall be the average of the two; if not, the two (2) appraisers shall then mutually select the third (3rd) appraiser within ten (10) days. The third (3rd) appraiser so selected shall determine which of the two (2) appraisers' determination is closest to FMRV within ten (10) days and such determination shall be deemed to be the FMRV. Lessor shall pay the cost of the appraisal by the appraiser selected by Lessor. Lessee shall pay the cost of the appraisal by the appraiser selected by Lessee. Lessor and Lessee shall equally bear the cost of the third appraisal.

Notwithstanding any provisions of Section 3 to the contrary, for purposes of making the CPI adjustment during any extended period, (1) the Rent for the first Lease Year of any extended period shall be determined as set forth in this Section 4, without adjustment, (2) for purposes of

the formula in the first paragraph of Section 3, the "Rent" shall be the Rent for the first full Lease Year of such extended period without increase for previous CPI adjustments.

5. Lessor's Warranty of Condition of Premises.

Lessor warrants the condition of the Premises, as of the Delivery Date, as expressly set forth in the Work Letter. [See Section 14 of Work Letter for Warranty].

6. Use of Premises.

Lessee may occupy and use the Premises during the Term for purposes of the operation of a dialysis facility and related medical and business offices. Lessee may not use the Premises for any other purpose(s) without first having obtained Lessor's consent, which will not be unreasonably withheld. Lessee may operate during such days and hours as Lessee may determine, without the imposition of minimum or maximum hours of operation by Lessor and Lessee shall have access to the Premises, and may operate, up to 24 hours per day, seven days per week, 365 days per year.

Lessor represents and warrants that to the extent of its actual knowledge, without duty of inquiry, the Premises may be used by Lessee as a dialysis facility and related medical and business offices under applicable state and local laws, ordinances, rules and regulations ("Laws") including, without limitation, zoning Laws.

Lessor agrees that it will not lease or permit the leasing of any premises owned or controlled by Lessor for operation of a renal dialysis facility within a radius of five (5) miles of the Premises.

7. Assignment/Subletting.

(a) Ordinary Course Assignments that Require Lessor Consent. The Lessee shall not assign this Lease, or sublet the Premises, or any part thereof, without Lessor's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed. Prior to any sublease or assignment, Lessee shall first notify Lessor in writing of its request to sublease all or a portion of the Premises or to assign this Lease or any interest thereunder.

Lessor shall not have the right to recapture any sublease or assignment space. Any denial of such sublease or assignment by Lessor as hereinabove provided must be predicated upon a "commercially reasonable basis" for such denial, which may, without limitation, include denial based upon an "exclusive use" given to any other tenant in the shopping center of which the Premises is a part. In determining whether or not to consent to a proposed assignment, it shall be commercially reasonable for Lessor to withhold its consent to a proposed assignment if the proposed assignee, when analyzed together with (i) any new guarantor signing a guaranty with terms substantially the same as those in the guaranty attached to this Lease and (ii) any new security deposit posted to secure the lessee's obligations under this Lease, do not have a creditworthiness, as recognized by the lending and equity investment community as such concerns the remaining obligations in this Lease, that is equal to or greater than the

creditworthiness of the Lessee, taking into consideration the Guaranty provided by Guarantor, prior to such assignment.

Lessee shall retain any net profits paid in connection with a sublease or assignment in excess of Lessee's Rent obligations hereunder, which profits shall be calculated after deducting all costs incurred by Lessee in connection with the space subject to the transfer, which shall include, but not be limited to, legal fees, rental abatement, vacancy period, allowances, tenant improvements, leasing commissions and the time to sublease and remodel the Premises.

Any assignment or subletting shall not release Lessee of its liability under this Lease nor permit any subsequent assignment, subletting or other prohibited act, unless specifically provided in such consent.

(b) Special Situation Assignments that Do Not Require Lessor Consent. Notwithstanding the foregoing, no consent of Lessor is required for Lessee to assign or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder:

(i) to any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Lessee or stock in Lessee; or (ii) to any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Lessee; or (iii) to any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933) of Lessee. Lessee and Lessee's transferee or assignee shall provide notice of any transfer or assignment described in (i), (ii), or (iii) hereof not less than fifteen (15) days prior to the effective date of such transfer or assignment unless prohibited by law and then, if so prohibited by law, within twenty (20) days after the date of such transfer or assignment.

No such assignment or other transfer, in whole or in part, of any Lessee's rights or obligations under this Lease shall be or operate as a release of Lessee hereunder and Lessee shall remain responsible for performing Lessee's obligations hereunder should Lessee's assignee or transferee fail to perform any such obligations.

8. Taxes and Utilities.

(a) The Lessee shall pay all real estate taxes, assessments, water and sewer charges and other governmental levies ("Impositions") against the Premises before the date on which such Impositions would become delinquent if not paid; Lessee shall provide proof of such payment to Lessor concurrently with such payment. The amount to be paid by Lessee on account of taxes during the first and last calendar years in which any portion of the Term falls shall be prorated per diem so that Lessee is liable only for so much of such taxes as the portion of the Term which falls within such calendar year bears to a full calendar year. In case of special taxes which may be payable in installments, only the amount of each installment payable during a calendar year shall be included in taxes for that calendar year. Lessor shall provide to Lessee a

copy of all final tax bill(s) for each calendar year within ten (10) days after Lessor's receipt of such tax bill(s), and in any event at least thirty (30) days before the same are due and payable.

(b) The Lessee shall pay for all utilities and other services necessary in the operation, maintenance and repair of the Premises, including but not be limited to, gas, fuel oil, electrical, telephone and other utility charges, janitorial services (if Lessee shall contract for such services) and grounds maintenance (exclusive of repaving or repairs to paving). Lessor and Lessee shall pay for and perform maintenance and repairs as set forth in Section 18 below.

(c) The Lessee may contest the amount or validity of any Imposition described in this Section 8 by appropriate proceedings. However, the Lessee shall promptly pay such Imposition unless such proceedings shall operate to prevent or stay the collection of the Imposition so contested. The Lessor, at the Lessee's sole expense, shall join in any such contestation proceedings if any Law shall so require.

(d) All sums (other than the Rent) which may be due and payable under this Lease shall be deemed to be additional rent hereunder and in the event that Rent shall be prorated or shall abate pursuant to the terms of this Lease then such additional rent shall be prorated or abate to the same extent and in the same manner, unless otherwise specifically provided for in this Lease.

(e) The Lessor appoints the Lessee the attorney-in-fact of the Lessor for the purpose of making all payments to be made by the Lessee pursuant to any of the provisions of this Lease to persons other than the Lessor. In case any person to whom any sum is directly payable by the Lessee under any of the provisions of this Lease shall refuse to accept payment of such sum from the Lessee, the Lessee shall thereupon give written notice of such fact to the Lessor and shall pay such sum directly to the Lessor, who shall thereupon pay such sum to such person.

9. Alterations/Signage.

Lessee shall not make any alterations, or additions or leasehold improvements to the Premises ("Alterations") without Lessor's prior written consent in each and every instance, such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, Lessee shall have the right to make non-structural Alterations to the Premises which do not exceed in cost Fifty Thousand Dollars (\$50,000.00) in the aggregate during each Lease Year without Lessor's consent. All Alterations which may be made by the Lessee and all Lessee Improvements which shall have been paid for by Lessee pursuant to the Work Letter shall be the property of the Lessee and Lessee shall be entitled to remove from the leased Premises during the Term all Alterations, Lessee Improvements and any and all furniture, fixtures, equipment and personal property ("Fixtures") installed or located on or in the leased Premises provided that the Lessee repair any and all damages done by the removal of the foregoing and restore the Premises to functional condition, normal wear and tear excepted. All Alterations and Lessee Improvements which Lessee does not elect to remove at the expiration of the term shall be surrendered with the Premises at the termination of this Lease. Notwithstanding the foregoing, Lessee may not remove any sign monuments, supports or signpoles from the Premises at expiration of the Term without Lessor's prior written consent, which shall not be unreasonably withheld.

Lessee shall have the right, to affix to the exterior of the Building and on the grounds surrounding the Building Lessee's standard signage as well as signs that identify all occupants of the Premises. All such signs shall comply with all applicable zoning Laws.

To the maximum extent permitted by applicable Laws, Lessor hereby waives any rights which Lessor may have, as to any of Lessee's furniture, fixtures, equipment, personal property, Lessee Improvements and Alterations, in the nature of a Lessor's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

Lessee shall notify Lessor in writing at least ten (10) days prior to commencement of any structural changes to the buildings, structures and other improvements, so that Lessor, at its option, may post a notice of nonresponsibility.

10. Environmental.

Lessee shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from the Premises unless such Hazardous Substances are reasonably necessary for Lessee's business conducted in the Premises; provided, however, Lessee shall at all times and in all material respects comply with all local, state, and federal laws, ordinances, rules, regulations and orders, whether now in existence or hereafter adopted relating to Hazardous Substances or otherwise pertaining to the environment (the "Environmental Laws") and further provided that Lessee shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Lessee or Lessee's agents, servants, employees, guests, invitees and/or independent contractors in accordance with good business practices, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Lessor acknowledges that the following Hazardous Substances, among others, are required for Lessee's business operations: bleach, cidex, hibiclona, metrocide, hydrogen peroxide, and formaldehyde. Upon the expiration or earlier termination of this Lease, Lessee shall cause all Hazardous Substances placed on the Premises by Lessee to be removed, at Lessee's cost and expense, from the Premises and disposed of in strict accordance with the Environmental Laws.

Lessee shall indemnify, defend (by counsel reasonably acceptable to Lessor), protect, and hold Lessor harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence after the Commencement Date in, on, under, or about the Premises of any Hazardous Substances caused by Lessee or its agents, servants, employees, guests, invitees and/or contractors; (b) any discharge or release by Lessee or its agents, servants, employees, guests, invitees and/or independent contractors after the Commencement Date in or from the Premises of any Hazardous Substances; (c) Lessee's use, storage, transportation, generation, disposal, release or discharge after the Commencement Date of Hazardous Substances, to, in, on, under, about or

from the Premises; or (d) Lessee's failure after the Commencement Date to comply with any Environmental Law. Lessee agrees to remediate at Lessee's expense immediately upon receipt of notice from Lessor any condition described in (a) through (d) of the previous sentence.

Lessor shall indemnify, defend (by counsel reasonably accepted to Lessee), protect, and hold Lessee harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence prior to the Commencement Date in, on, under, or about the Premises of any Hazardous Substances; (b) any discharge or release prior to the Commencement Date in or from the Premises of any Hazardous Substances; (c) the use, storage, transportation, generation, disposal, release or discharge of Hazardous Substances by Lessor or Lessor's prior lessee(s) prior to the Commencement Date, to, in, on, under, about or from the Premises; or (d) Lessor's failure prior to the Commencement Date to comply with any Environmental Law. Lessor agrees to remediate at Lessor's expense immediately upon receipt of notice from Lessee any condition described in (a) through (d) of the previous sentence.

Lessor represents and warrants to Lessee that as of the Commencement Date and to the best of Lessor's knowledge there are no Hazardous Substances on the Premises other than such Hazardous Substances as may be incorporated into the Premises or its fixtures in accordance with applicable Environmental Laws. Lessor has received no notice from any governmental or private entity relating to Hazardous Substances on the Premises. Lessee shall promptly deliver to Lessor copies of all notices made by Lessee to, or received by Lessee from, any state, county, municipal or other agency having authority to enforce any environmental law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises. Lessor shall promptly deliver to Lessee copies of all notices received by Lessor from any Enforcement Agency or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises.

11. Damage to Premises by Fire or Casualty.

A. Damage to Lessee's Work Only. If the Premises are partially damaged by fire, windstorm, water, earthquake, flood or by any other casualty in a manner that affects only Lessee's Work, then Lessee shall promptly rebuild and repair the damage, and this Lease shall continue in full force and effect.

B. Damage to Lessee's Work and Lessor's Work. If the Premises are partially or wholly damaged or destroyed by fire, windstorm, water, earthquake, flood or by any other casualty that damages Lessor's Work and Lessee's Work, then:

- (i) Within 45 days after receiving notice of the casualty (the "Insurance Confirmation Period"), Lessor shall determine whether insurance proceeds are available and an estimated timeline to repair Lessor's Work. Within such 45 day period Lessor shall deliver to Lessee written confirmation of

intent to repair and restore Lessor's Work and an estimated timeline to do so.

- (ii) If the damage to Lessor's Work is insured, then Lessor shall rebuild and repair the damage to Lessor's Work within 180 days after the Insurance Confirmation Period.
- (iii) Lessee shall repair and rebuild Lessee's Work as soon as practical after the casualty, taking into account the need for Lessor to repair Lessor's Work before Lessee's Work can be commenced.
- (iv) Notwithstanding the foregoing, if the damage to Lessor's Work is uninsured and Lessee does not deposit adequate funds to complete restoration of Lessor's Work in an escrow account, then Lessor may terminate this Lease by notice to Lessee during the Insurance Confirmation Period.
- (v) If such damage or destruction occurs during the last twenty-four (24) months of the initial Term of this Lease, or during the last twenty-four (24) months of any extension or renewal thereof, either Lessor or Lessee may elect to terminate this Lease by giving written notice to the other during the Insurance Confirmation Period.
- (vi) If Lessor is in breach of its obligations to rebuild Lessor's Work following a casualty, then Lessee may either: (x) pursuant to the notice periods, terms and conditions of Section 15(g) below, proceed to perform Lessor's obligation to repair and restore Lessor's Work and maintain a claim against Lessor for the cost of such repair and restoration; or (y) after giving Lessor at least thirty (30) days' prior notice and opportunity to cure, and after complying with any additional notice and cure requirements in any Nondisturbance or similar Agreement with Lessor's lender, terminate this Lease.

C. Rent Abatement Following Damage to the Premises. Following damage to the Premises, Rent shall abate to the extent that, and during the time that, the Premises cannot reasonably be used by Lessee. Provided, however, the foregoing sentence shall be applicable solely to the extent that rent interruption insurance proceeds are available to compensate Lessor for the abated rent; the net dollar amount of abated rent shall not, under any circumstances, exceed the net dollar amount of rent interruption insurance proceeds received by Lessor.

12. Eminent Domain.

If all of the Premises shall be taken or condemned for any public or quasi-public use or purpose, the term of this Lease shall end upon, and not before, the date of the taking of possession by the condemning authority, and without apportionment of the award. Lessee hereby assigns to Lessor, Lessee's interest in such award, if any, except for any portion of the award which expressly compensates Lessee for its relocation expenses or Lessee's Work or Lessee's Alterations or Lessee Improvements. Rent shall be apportioned as of the date of such termination. If there is a taking or condemnation of a Substantial Part of the Premises (as

defined below) or access to or from any street adjacent to the Premises is changed or restricted by any public authority in a manner that substantially diminishes the utility of the Premises for Lessee's business, then Lessee shall have the right to terminate this Lease by giving Lessor not less than thirty (30) days written notice prior to the date of cancellation designated in the notice but in any event not later than sixty (60) days of the date Lessee is notified by Lessor of such taking or condemnation or change or restriction of access, in which event Rent shall be apportioned as of the date of such termination. A taking or condemnation of a "Substantial Part" of the Premises is defined as such a taking or condemnation as renders impracticable the use of the Premises as a dialysis facility operating at least 70% of the certified dialysis stations operating prior to such taking or condemnation for a period of time in excess of 30 days. No money or other consideration shall be payable by Lessor to Lessee or Lessee to Lessor for the right of cancellation, and Lessee shall have no right to share in the condemnation award or in any judgment for damages caused by such taking or the change or restriction of access except to the extent any such award expressly compensates Lessee for Lessee's Alterations, Lessee's Work, Lessee Improvements or relocation expenses. Lessor represents that, as of the date hereof, it has no knowledge of any taking or condemnation, actual or threatened, regarding the Premises or access to or from any street adjacent to the Premises. In the event of any taking or condemnation involving the Premises or access to or from any street adjacent to the Premises which does not result in the termination of this Lease, Lessor shall restore any damage to the Premises caused by such taking with all due diligence and Rent shall abate in proportion to the untenability of the Premises during the period of restoration and, to the extent appropriate, for the remainder of the Term.

13. Right of Entry by Lessor.

The Lessor, or any of its agents, shall have the right to enter said Premises during all reasonable hours and upon twenty-four (24) hours notice, to examine the same or to exhibit said Premises, and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within sixty (60) days before the expiration of this Lease.

Lessor may also enter the Premises to perform any necessary repairs or maintenance that this Lease requires or authorizes Lessor to perform. Lessor shall use reasonable business efforts to cause any work done by Lessor to Premises to be performed during hours that Lessee is not open for business (except in emergencies). Lessor shall be liable for all loss, damage, or injury to persons or property and shall indemnify and hold Lessee harmless from all claims, losses, costs, expenses and liability, including reasonable attorney's fees resulting from Lessor's entry except to the extent caused by the negligent or intentional act of Lessee or its contractors, agents, guests, clients, employees or licensees. If Lessor's entry into the Premises pursuant to this Lease unreasonably interferes with Lessee's business to such an extent that Lessee, in the exercise of reasonable business judgment, must close the Premises for business for two (2) or more business days, then Rent shall totally abate for each day or portion thereof that such interference and closure continues. If Lessee remains closed for business by reason of such interference for more than ten (10) business days, (which period shall be subject to extension by reason of force majeure experienced by Lessor), then Rent and additional rent shall totally abate, on a pro-rated basis, for each day or portion thereof that such interference continues.

14. Indemnity.

Lessee agrees to indemnify Lessor and save Lessor harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the leased Premises caused or brought about by the act or neglect of the Lessee, its agents, servants or employees. Lessor agrees to indemnify Lessee and save Lessee harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the leased Premises caused or brought about by the act or neglect of the Lessor, its agents, servants or employees. The indemnities set forth in this Section 14 shall survive the expiration of the term of this Lease.

15. Default and Remedies.

(a) Lessee Default; Events of Default. Each of the following shall, if any requirement for notice or lapse of time or both has not been met, constitute defaults by Lessee hereunder, and, if such requirements have been met, constitute "Events of Default" hereunder:

- (1) The failure of Lessee to perform or observe any of Lessee's covenants or agreements hereunder concerning the payment of money for a period of ten (10) days after written notice thereof (except that Lessor shall not be required to provide Lessee with written notice of monetary breach more than two (2) times during any calendar year);
- (2) The failure of Lessee to perform or observe any of Lessee's other covenants or agreements hereunder for a period of thirty (30) days after written notice thereof (provided that, in the case of defaults not reasonably curable in thirty (30) days through the exercise of reasonable diligence, such 30-day period shall be extended for up to a total of 90 days after Lessor's notice, so long as Lessee commences cure within the initial 30-day period and thereafter prosecutes such cure to completion continuously and with reasonable diligence); and
- (3) if the leasehold hereby created shall be taken on execution, or by other process of law, and such taking is not vacated by a final order of a court of competent jurisdiction within ninety (90) days thereafter; or if any assignment shall be made of Lessee's property for the benefit of creditors; or if a receiver, guardian, conservator, trustee in bankruptcy or similar officer shall be appointed to take charge of all or any part of Lessee's property by a court of competent jurisdiction, and such appointment is not vacated by a final order of a court of competent jurisdiction within ninety (90) days thereafter, or if a petition is filed by Lessee under any bankruptcy or insolvency law; or if a petition is filed against Lessee under any bankruptcy or insolvency law and the same shall not be dismissed within ninety (90) days from the date upon which it is filed;

- (4) Lessee's vacation or desertion of the Premises if: (i) such vacation or desertion results in physical damage to the Premises; or (ii) Lessee fails to properly keep the Premises in good condition and secure from intruders while vacated.

(b) Termination. If an Event of Default shall occur, Lessor may, at its option, immediately or any time thereafter, and without demand or notice, enter upon the Premises or any part thereof and repossess the same as of Lessor's former estate and dispossess Lessee and those claiming through or under Lessee and remove their effects, without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant, and upon such entry this Lease shall terminate. In lieu of making such entry, Lessor may terminate this Lease upon ten (10) business days' prior written notice to Lessee. Upon any termination of this Lease as the result of an Event of Default, Lessee shall quit and peacefully surrender the Premises to Lessor.

(c) Remedies. In the event of any such termination, Lessee shall pay to Lessor the Rent up to the time of such termination. In the event of any such termination, Lessor may also:

(i) choose to have Lessee remain liable for, and pay on the days originally fixed for such payment hereunder, the full amount of all Rent and additional rent as if this Lease had not been terminated; provided, however, if Lessor relets the Premises in accordance with subsection (d) hereof, there shall be credited against such obligation the amount actually received by Lessor each month from such new lessee after first deducting all costs and expenses incurred by Lessor in connection with reletting the Premises including, without limitation, all repossession costs, brokerage commissions, legal expenses, reasonable attorneys' fees, alteration costs, and expenses of preparation for such reletting; or

(ii) demand Lessee pay to Lessor on such demand, as and for liquidated and agreed damages for Lessee's default, the present value (based on a discount rate of 6%) of the amount of aggregate Rent that would have been payable under this Lease by Lessee from the date of such termination until what would have been the last day of the Lease Term but for such termination.

In the event of the filing of a petition by or against Lessee under any federal bankruptcy or insolvency law now or hereafter in effect, nothing herein contained shall limit or prejudice the right of Lessor to prove and obtain as liquidated damages by reason of such termination, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, such damages are to be proved, whether or not such amount be greater, equal to, or less than the amount of the difference referred to above.

(d) Right to Relet. At any time or from time to time after any such termination, Lessor may use commercially reasonable efforts to relet the Premises or any part thereof for such a term (which may be greater or less than the period which would otherwise have constituted the balance of the Lease Term) and on such conditions (which may include concessions or free rent)

as Lessor, in its sole and absolute discretion, may determine, and may collect and receive the rents therefor.

(e) Right to Equitable Relief. In the event there shall occur a default or threatened default hereunder, Lessor shall be entitled to seek to enjoin such default or threatened default and shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise as though re-entry and other remedies were not provided for in this Lease.

(f) Right to Self Help. In the event of the occurrence of an Event of Default hereunder, Lessor shall have the right to perform such defaulted obligation of Lessee, including the right to enter upon the Premises to do so. Other than in the case of emergencies, in which case no notice is required, Lessor shall give Lessee at least ten (10) days' notice prior to remedying an Event of Default under this subsection. If Lessor remedies an Event of Default under this subsection, then all sums paid by Lessor shall be deemed to be additional rent under this Lease and shall be payable to Lessor immediately upon demand. Lessor may exercise its rights under this Section 15(f) without waiving any other of its rights or releasing Lessee from any of its obligations under this Lease.

(g) Lessor Default and Lessee Remedies. Subject to the terms and provisions hereinbelow, and in addition to any other remedy expressly available to Lessee pursuant to this Lease or at law or in equity, should Lessor fail to perform any term or covenant under this Lease (each and any such failure being herein sometimes referred to as a "Lessor Default") and if any such Lessor Default shall not be cured and shall accordingly be continuing thirty (30) days following written notice by certified mail by Lessee to Lessor of such Lessor Default (in the event that such Lessor Default consists of a breach or failure by Lessor to pay any monetary amount due and payable by Lessor to Lessee) or sixty (60) days (or such longer period if the identified default is one which cannot reasonably be cured within 60 days and if Lessor begins to cure the default within such 60 day period and diligently prosecutes the cure thereafter) following written notice by certified mail by Lessee to Lessor of such Lessor Default (in the event such default consists of a breach or failure by Lessor to comply with any obligation of Lessor other than one involving the payment of a monetary amount payable by Lessor to Lessee hereunder), then, in either such event, Lessee may remedy such Lessor Default and, in connection therewith, incurring reasonable expenses for the account of Lessor, and any and all such reasonable sums expended or obligations incurred by Lessee in connection therewith shall be paid by Lessor to Lessee upon demand. Notwithstanding the foregoing, in all events Lessee shall have the right to remedy any Lessor Default without prior notice in the event of an emergency (so long as Lessee gives notice as soon as reasonably possible thereafter) and invoice Lessor in the manner set forth in the preceding sentences of this Section 15.

16. Insurance.

(a) Lessee's Insurance.

(i) Property Insurance. Lessee shall keep the Building contents and Lessee's Work insured for full replacement value against loss by fire and casualty, under an all risk policy with extended coverage endorsements and earthquake coverage.

(ii) Liability Insurance. Lessee shall obtain and keep in force with respect to the Premises commercial general liability insurance in an aggregate annual limit of not less than \$3,000,000; such liability policy shall name Lessor as an Additional Insured. Such insurance shall be primary with respect to Lessor and any other insurance maintained by Lessor shall be excess and noncontributing with such insurance. Lessee's commercial general liability coverage may include a self-insured retention of up to five million dollars (\$5,000,000), provided (i) Davita, Inc. remains the guarantor of this Lease, (ii) Lessee, upon request, must provide a certificate of such insurance and compliance with the requirements of this provision to Lessor and (iii) Lessee must indemnify and defend Lessor to the same extent and with the same obligations as an insurance company would have as if Lessor were named additional insured under a commercial general liability policy with additional insured endorsement in the form attached hereto at Exhibit F.

(iii) Compliance With Regulations. Lessee shall, at its own expense, comply with all requirements, including installation of fire extinguishers, automatic dry chemical extinguishing systems, or other fire control systems required to be installed in the Premises by insurance underwriters or any governmental authority having jurisdiction, that are necessary for the maintenance of all risk insurance for the Premises and/or the Building.

(iv) General Requirements.

(A) All policies of insurance required to be carried under this Lease shall be written by companies licensed to do business in the State where the Premises are located and rated A-/XI or better in Best's Key Rating Guide. Lessee shall furnish to Lessor a certificate evidencing the insurance required to be maintained pursuant to this Section and shall satisfy Lessor that each policy is in full force and effect. Each policy shall provide that the insurer shall endeavor to give to Lessor twenty (20) days written notice prior to any cancellation of the policy.

(B) If Lessee fails to procure and maintain insurance as required by this Lease, Lessor may obtain that insurance and keep it in effect. If Lessor procures insurance on Lessee's behalf, then Lessee shall pay to Lessor the premium cost for that insurance, upon demand and as additional rent.

(C) The limits of any insurance maintained by Lessee shall in no way limit the liability of Lessee under this Lease.

(D) Lessee may carry any insurance required by this Lease under a blanket policy provided that the coverage thereunder for the Premises shall not be diminished by occurrences elsewhere and otherwise satisfies the requirements of this Lease.

(b) Lessor's Insurance.

(i) Property Insurance. Lessor shall obtain and keep in "all risk" or "special causes of loss" property insurance, insuring Lessor's Improvements for full replacement value against loss by fire and casualty, with extended coverage endorsements, earthquake coverage,

flood coverage and such additional provisions and endorsements as may be required by Lessor or Lessor's lender acting in a commercially reasonable manner. Such insurance shall be written on a replacement cost basis (without deduction for depreciation), for 100% of replacement cost. The deductible on such policy shall not be less than \$10,000.

(ii) Liability Insurance. Lessor shall obtain and keep in force with respect to the Premises commercial general liability insurance in an aggregate annual limit of not less than \$3,000,000; such liability policy shall name Lessee as an Additional Insured.

(iii) Rent Interruption Insurance. Lessor shall obtain and keep in force and with respect to the Premises Rental Value or Loss of Rents insurance, naming Lessor as the Insured and insuring against interruption in the rent due under this Lease.

(iv) Payment of Premiums. Lessor shall pay premiums for Lessor's Property Insurance, Liability Insurance and Rent Interruption Insurance prior to delinquency and submit copies of the invoices and proof of payment therefor to Lessee. Lessee shall reimburse Lessor for such insurance premiums within thirty (30) days after invoice.

17. Waiver of Subrogation.

Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's property insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party, its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

18. Repairs and Maintenance.

A. Lessor's Obligations. Lessor, at its sole cost and expense, shall make any necessary repairs or replacements to the foundation, roof (structural components only) and the structural components of the Building that were part of Lessor's Work. If Lessor shall not commence such repairs within the thirty (30) days following written notice from Lessee that such repairs are necessary then Lessee may, at its option, cause such Lessor's repairs to be made and shall furnish Lessor with a statement of the cost of such repairs upon substantial completion thereof. Lessor shall reimburse Lessee for the cost of such repairs within ten (10) days of the date of the statement from Lessee setting forth the amount due.

B. Lessee's Obligations. Except for Lessor's obligations set forth above, Lessee agrees to maintain said Premises (including, without limitation, the building, landscaping and other improvements) in the same condition, order and repair as they are at the commencement of said Term, excepting only reasonable wear and tear arising from the use thereof and insured damage by fire or other casualty.

19. Brokers.

Lessee and Lessor each represents to the other that neither has dealt with brokers in connection with this Lease and that no broker procured this Lease or is entitled to any commission in connection therewith except for USI Real Estate Brokerage Services, Inc. ("Lessee's Broker"), representing Lessee, whose commission shall be paid by Lessor as follows: Lessor shall pay Lessee's Broker a total commission of \$39,172 (based on \$7/rsf). In the event either party has so dealt with any other broker such party shall indemnify, defend and hold forever harmless the other party from and against any claim by such broker and from and against any and all costs directly or indirectly arising out of any such hiring.

20. Emergency.

If Lessor is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises, then Lessee may take such action as is reasonably necessary to protect the Premises and persons or property in the Premises and Lessor shall, within fifteen (15) days after written notice thereof from Lessee reimburse Lessee for its reasonable out-of-pocket expenses incurred in curing such emergency.

21. Title.

Lessor hereby represents that Lessor is the owner in fee simple of the land on which the Premises are to be located, or that Lessor has a contractual right to purchase such land, free from any liens or encumbrances other than Permitted Encumbrances set forth on Exhibit D hereto and Lessor has the right and authority to enter into this Lease. Lessor further represents that Lessor and those signatories executing this Lease on behalf of Lessor have full power and authority to execute this Lease.

Lessor agrees that Lessor will not make any modifications to the Premises (including, without limitation, the parking areas, driveways and walks) without Lessee's prior written consent. Without limiting the generality of the foregoing, the Premises shall at all times have a minimum parking ratio of 4 spaces per 1,000 square feet (or such ratio as required by applicable Laws), including such additional handicapped parking spaces as may be required by applicable Laws. All parking spaces shall have such dimensions and be in such a configuration as is required by applicable Laws.

22. Lessor Compliance with Laws.

Lessor represents and warrants to Lessee that, to the best of Lessor's actual knowledge, without inquiry or investigation, as of the Delivery Date, Lessor's Work will be in compliance

with applicable federal, state and local laws, ordinances, rules and regulations (“Laws”), including, without limitation, applicable zoning laws, ordinances, rules and regulations and with applicable instruments affecting title to the Premises. Lessor further represents that as of the date hereof it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises or the Building or improvements thereon and has received no notices alleging violation of any title instrument. Without limiting the generality of the foregoing, Lessor represents that to the extent of Lessor’s actual knowledge, without duty of inquiry, (i) the use of the Premises and the Building and improvement thereon for purposes of operation of a dialysis clinic and related medical and business offices is permitted by and will not violate applicable Laws and does not constitute a “non-conforming use” thereunder and (ii) Lessor’s Work will, on the Delivery Date, not violate any applicable Laws relating to handicapped accessibility, including, without limitation, the Americans with Disabilities Act.

Lessor represents to Lessee that Lessor is not, directly or indirectly, a source of referrals for patients or business to Lessee during the Term of this Lease.

23. Lessee Compliance with Laws. Lessee shall comply with all applicable Laws throughout the Term of this Lease.

24. Lessee to Subordinate.

Lessee shall, within fifteen (15) days, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage, or a party which is in the process of acquiring such a mortgagee’s interest (“Mortgagee”) execute an instrument subordinating Lessee’s interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the leased Premises by Lessor, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content generally used in commercial loan transactions and approved by Lessee, such approval not to be unreasonably withheld. Furthermore, Lessor shall secure from Lessor’s present mortgagee of the Premises a subordination, non-disturbance and attornment agreement in a form reasonably acceptable to Lessee, upon reasonable prior request. Such agreement shall provide by its terms that notwithstanding any foreclosure of such mortgage or deeds of trust Lessee may continue to occupy the Premises during the term of this Lease or any extensions or renewals thereof under the same terms, conditions and provisions of this Lease unless Lessee shall be in default beyond any applicable grace periods provided for herein; and that Lessee subordinates its interest under this Lease to Mortgagee and that Lessee will attorn to Mortgagee or another successor in interest to Lessor.

25. Quiet Enjoyment.

Lessee, upon paying the Rent, additional rent and other sums due under this Lease, and subject to all of the Terms and covenants of this Lease, on Lessee’s part to be kept, observed, and performed, shall quietly have and enjoy the Premises during the term of this Lease. Lessor agrees that Lessee shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term of this Lease.

26. Memorandum of Lease.

Lessor agrees to enter into and record a memorandum or notice of this Lease reasonably satisfactory to Lessee. Lessee shall be responsible for the preparation thereof and the cost of recording the same.

27. Notices.

All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Lessor should be addressed to Lessor at:

EDG-DV Kennewick, LLC
Attn: Tom Erlandson
2900 Smith Tower
506 Second Ave.
Seattle, Washington 98104

or at such other place as Lessor may from time to time designate in written notice to Lessee. All notices to Lessee shall be addressed to

Total Renal Care, Inc.
c/o DaVita Inc.
Attention: General Counsel
601 Hawaii Street
El Segundo, California 90245

or to any such other place as Lessee may from time to time designate in written notice to Lessor. All notices, demands and requests which shall be served upon Lessor and Lessee in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder. Notices sent by US Mail will be effective three (3) days after due deposit in the mail; notices sent by delivery or overnight courier are effective upon delivery.

28. Estoppel Certificate.

Each of Lessor and Lessee agrees at any time and from time to time upon not less than fifteen (15) days' prior written request by the other to execute, acknowledge and deliver to the other a statement in writing certifying that (a) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (b) the dates to which the Rent and other charges have been paid in advance, if any, and (c) all of the defaults of Lessor or Lessee hereunder, if any, (and if there are no defaults a statement to that effect) and any other information reasonably requested, it

being intended that any such statement delivered pursuant to this Section 28 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or sublessee of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

29. Holding Over.

In the event Lessee remains in possession of the Premises after the expiration of the term of this Lease, or any extensions hereof without the written consent of Lessor, all of the terms and conditions of this Lease shall remain in full force and effect, except that the occupancy shall be deemed to be on a month-to-month basis and Lessee shall then be obligated to pay Rent at 110% of the then current rate (including all adjustments) and all other sums then payable hereunder.

30. Binding Effect.

All covenants, agreements, stipulations, provisions, conditions and obligations herein expressed and set forth shall extend to, bind and inure to the benefit of, as the case may require, the permitted successors and assigns of Lessor and Lessee respectively, as fully as if such words were written wherever reference to Lessor or Lessee occurs in this Lease

31. Complete Agreement.

Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal or equitable consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is contained herein, and it is the complete and total integration of the intent and understanding of Lessor and Lessee with respect to the leasing of the Premises.

32. Severability.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

33. Applicable Law.

The laws of the State of Washington shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles. Lessor hereby represents that to the extent of Lessor's actual knowledge, without duty of inquiry, this Lease is a valid lease enforceable in accordance with its terms under the laws of the State in which the Premises are located ("Laws"), that all provisions required under applicable Laws

either for leases generally or for leases of dialysis facilities have been included, that none of the terms of this Lease are prohibited or restricted under Laws generally, or with respect to leases of dialysis facilities, and that all formalities of execution required under applicable Laws by the Lessor and Lessee for execution of this Lease have been observed, including without limitation, any necessary witnesses, attestations, acknowledgments by notaries, execution by particular statutory officers, execution under seal and/or affixing of seals.

34. Force Majeure.

If either party hereto shall be delayed or hindered in or prevented from the performance of any obligation required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, military or usurped power, sabotage, unusually severe weather, fire or other casualty or other reason (but excluding inadequacy of insurance proceeds, financial inability or the lack of suitable financing) of a like nature beyond the reasonable control of the party delayed in performing its obligations under this Lease ("Force Majeure"), the time for performance of such obligation shall be extended for the period of the delay. The provisions of the preceding sentence however shall not excuse Lessee from the prompt and timely payment of the Rent when due under this Lease except when (i) the Commencement Date of the Term is delayed by reason of force majeure, or (ii) such payment is excused pursuant to other express provisions of this Lease.

35. Approval by DaVita Inc. as to Form. The parties acknowledge and agree that this Lease shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita Inc., a Delaware corporation, as to the form hereof.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN TESTIMONY WHEREOF, the Lessor and Lessee have caused this Lease to be executed as a sealed instrument, as of the day and year first above written.

LESSOR:

EDG-DV KENNEWICK, LLC, a Washington limited liability company

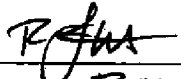
By: MedTech Manager, LLC, its manager

By: 

Tom Erlandson, its managing member

LESSEE:

TOTAL RENAL CARE, INC., a California corporation

By: 
Name: RAY FOLLETT
Title: OLP

FOR LESSEE'S USE ONLY
APPROVED AS TO FORM ONLY:

By: _____
Name: Jon Kweller
Title: Group General Counsel

IN TESTIMONY WHEREOF, the Lessor and Lessee have caused this Lease to be executed as a sealed instrument, as of the day and year first above written.

LESSOR:

EDG-DV KENNEWICK, LLC, a Washington limited liability company

By: MedTech Manager, LLC, its manager

By: _____

Tom Erlandson, its managing member

LESSEE:

TOTAL RENAL CARE, INC., a California corporation

By: _____

Name: _____

Title: _____

FOR LESSEE'S USE ONLY
APPROVED AS TO FORM ONLY:

By:  _____

Name: Jon Kweller

Title: Vice President and Deputy General Counsel

STATE OF AK

§
§
§

COUNTY OF Anchorage

On Dec 28th 2010, before me, J. Johnson
personally appeared Raymond Follett

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal.

Signature: J. Johnson



Title of Document Clinic lease

Date of Document 12/28/2010 No. of Pages 44

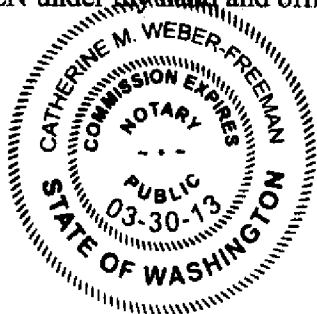
STATE OF Washington)

) ss.

COUNTY OF King)

On this day personally appeared before me Tom Erickson to me known to be a Manager of **EDG-DV KENNEWICK, LLC**, the Washington limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that said individual is authorized to execute said instrument.

GIVEN under my hand and official seal this 5th day of January, 2011



Catherine M. Weber-Freeman
Catherine M. Weber-Freeman

(Print name of notary)
NOTARY PUBLIC in and for the State of
Washington, residing at Rayton
My commission expires 3/30/13

EXHIBIT A

LEGAL DESCRIPTION

Portion of Tax Lot #: 110891000022000

PARCEL B

That portion of the Southwest Quarter of the Northeast Quarter, lying East of State Highway 14 (now known as State Highway 395), All in Section 10, Township 8 North, Range 29 East, W.M. Benton County, Washington. Described as follows:

Commencing at the West Quarter corner of said Section 10; Thence along the South line of the Northeast Quarter, North $86^{\circ}23'59''$ West for a distance of 1353.80 feet to the Southeast corner of the Southwest Quarter of the Northeast Quarter of said Section 29; Thence along the East line of said Southwest Quarter, North $00^{\circ}19'38''$ East for a distance of 30.05 feet to the True Point of Beginning, and the North Right of Way Margin of West 19th Avenue; Thence along said Right of Way Margin North $86^{\circ}23'59''$ West for a distance of 230.17 feet; Thence North $03^{\circ}34'48''$ East for a distance of 171.58 feet; Thence South $86^{\circ}23'31''$ East for a distance of 220.42 feet to the East line of the Southwest quarter of the Northeast Quarter of said Section 10; Thence along said East line South $00^{\circ}19'38''$ West for a distance of 171.83 feet to the True Point of Beginning.

Except those portion conveyed by instruments recorded under Auditor's File numbers 314205, 382106, and 258692.

Containing 38653 Square Feet



EXHIBIT B

SITE PLAN AND PLANS AND SPECIFICATIONS

Lessor and Lessee have reviewed and approved (a) those certain Shell and Core Plans and Specifications and Site Plan prepared by Randall Dover Architects under Project Number 08035.0 and dated March 26, 2010; and (b) those certain Lessee's Preliminary Tenant Buildout Plans prepared by Randall Dover Architects under Project Number 08036.0 and dated February 18, 2010.

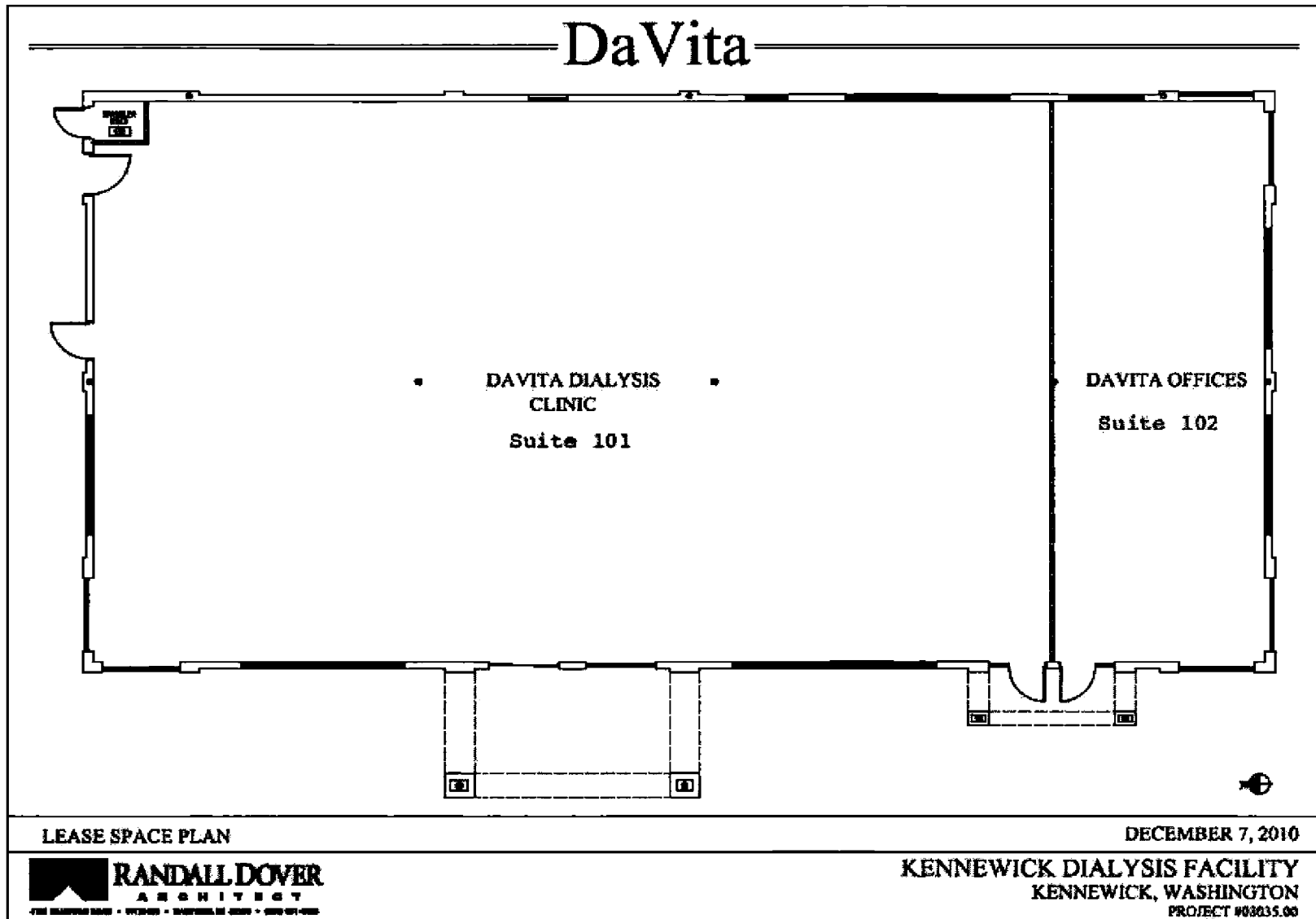
The table below helps clarify the line between Lessor's Work and Lessee's Work under this Lease.

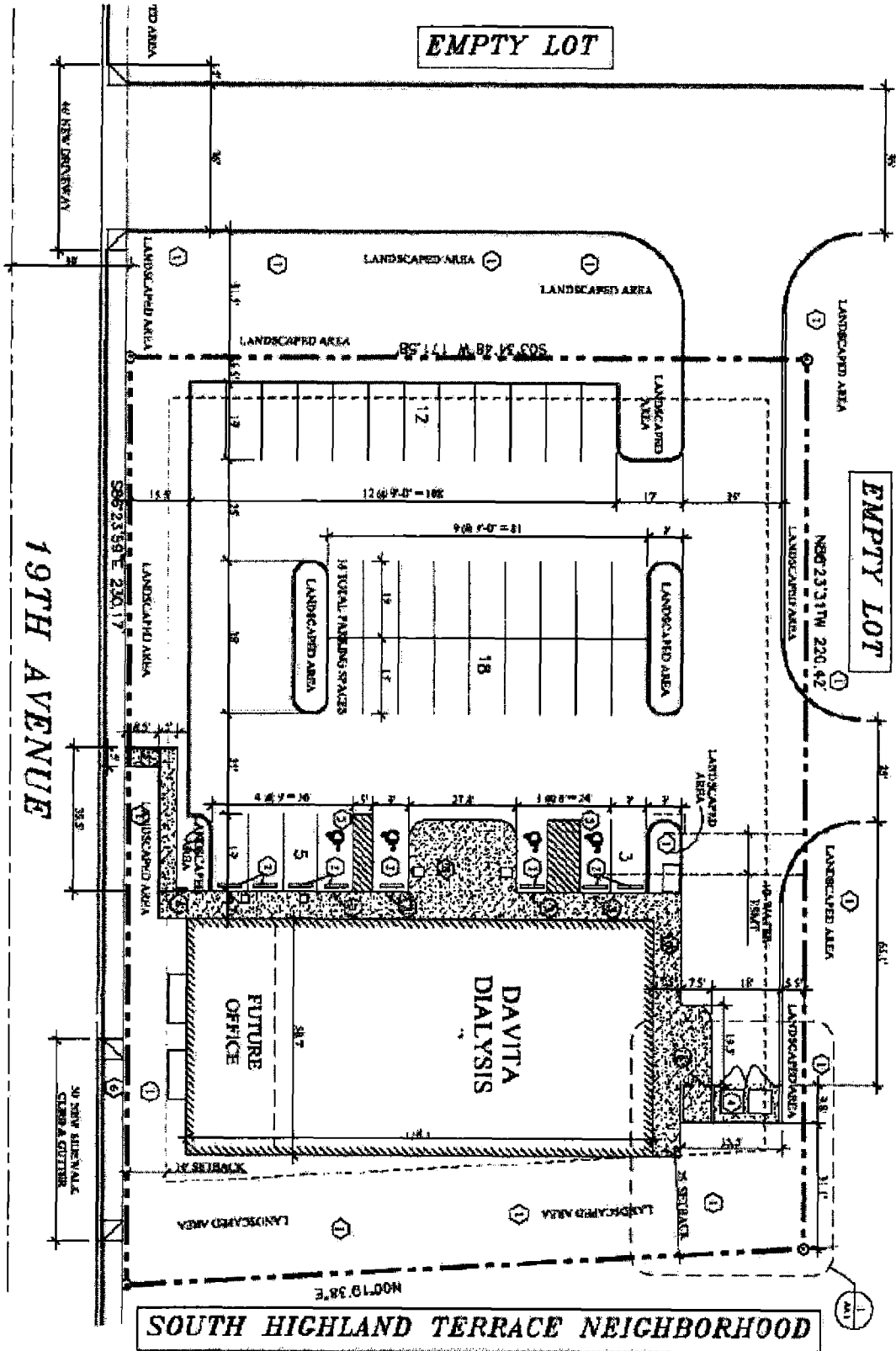
| No. | Description | EDG/TRC | Remarks |
|--------------|---|---------|---|
| SHELL | | | |
| 1 | Building Permit and Connection Fee's | EDG | EDG will pay for permit and connection fees. TRC will pay any water and sewer connection fees over this amount. |
| 2 | Slab On Grade | EDG | EDG civil to design slab which accommodates using the Con Cure admixture. |
| 3 | Underground plumbing and electrical | TRC | EDG will bring sewer and water to building TRC will rough in all plumbing and electrical from point of entry and distribute then backfill and compact soil. EDG will fine grade and prep slab. |
| 4 | Concure - Concrete Admixture for Slab On Grade | TRC | Concrete admixture to prevent water from passing through the slab. |
| 5 | Insulation - Thermal / Exterior Wall | TRC | |
| 6 | Insulation - Vapor Barrier | TRC | |
| 7 | Trash enclosure/Bio Haz enclosure with sep locked entry doors | EDG | |
| 8 | Exterior Canopy of Entry Door | EDG | |
| 9 | Roof Access Ladder | EDG | |
| 10 | Exit Doors | EDG | Main storefront door to be 3'8" x7'0" swing door with auto door opener. Secondary storefront doors to be 3'8"x7'0" manual swing doors. Delivery door to be 4'0" x7'0" hollow metal with all hardware. |
| 11 | Auto Door Opener | EDG | EDG to provide opener and power. |
| 12 | Landscaping, sidewalks, parking lot, stalls, etc | EDG | Coordinate number of stalls and sidewalks for exit from Treatment room and to Deliveries with TRC. |
| 13 | Slab On Grade | EDG | EDG civil to design slab which accommodates using the Con Cure admixture. |
| 14 | Underground plumbing and electrical | TRC | EDG will bring sewer and water to building TRC will rough in all plumbing and electrical from point of entry and distribute then backfill and compact soil. EDG will fine grade and prep slab. |
| 15 | Concure - Concrete Admixture for Slab On Grade | TRC | Concrete admixture to prevent water from passing through the slab. |
| 16 | Perimeter Wall Drywall | TRC | TRC contractor to install all perimeter wall drywall and provide window |

| | | | |
|-----------------------------------|---|---------|---|
| | | | sills and drywall wraps. |
| HVAC | | | |
| 17 | HVAC Rooftop Units, Exhaust fans, & Curbs (designed by TRC) | EDG/TRC | EDG to set curbs. TRC to furnish and install units and provide drops into the TRC space. |
| 18 | HVAC Package Unit | TRC | |
| 19 | HVAC Control Wiring & Thermostats - Supply | TRC | TRC to provide control wiring and thermostats. TRC will run wiring to walls and set stats. |
| 20 | HVAC Control Wiring & Thermostats - Install | TRC | TRC to install control wiring and thermostats. |
| 21 | HVAC smoke dampers | TRC | TRC will provide dampers. TRC will power and connect to fire alarm system. |
| 22 | HVAC - electrical disconnects, condensate lines for units | EDG | EDG to provide all M/E/P required for rooftop units and exhaust. TRC will land wiring to electrical panels. |
| 23 | HVAC - Ductwork distribution, insulation, diffusers | TRC | Interior ductwork designed and installed by TRC. |
| 24 | HVAC - Start Up | TRC | |
| 25 | HVAC - Balancing | TRC | |
| MECHANICAL | | | |
| 26 | Natural Gas | n/a | No natural gas is to be provided. |
| 27 | Plumbing S&C | EDG | EDG will provide a 1-1/2" meter, providing 100 gpm at 70 psi, and tie it into a 2" copper line to building. |
| 28 | Sewer S&C | EDG | EDG will provide 1-4" sewer line to building. |
| ELECTRICAL AND LOW VOLTAGE | | | |
| 29 | Electrical - S&C | EDG | EDG to install meter, switchgear for 800 amp service, site lighting, electrical for irrigation. |
| 30 | Electrical Panels | TRC | TRC to provide all panels. |
| 31 | Electrical - TI | TRC | TRC to run underground conduits from house panel to TRC's electrical room, install electrical panels, all lighting controls including exterior lighting, provide all interior related electrical, provide a light and outlet in fire sprinkler room |
| 32 | TV Cable Line to Building | EDG | EDG will run conduit to the building and TRC will run conduit to electrical room and distribute. |
| 33 | Phone Lines to Building | EDG | EDG to set main phone board TRC will distribute. |
| 34 | Exterior Building lights (wall pacs) | EDG | EDG to provide wall pacs on all sides of building to ensure night time safety. |
| 35 | Signs and Sign Electrical | TRC | TRC supplies the facade sign and the monument sign. TRC brings electrical to the facade sign. EDG will install conduit from the building to the monument sign location; TRC will install electrical to the monument sign. |
| FIRE SYSTEM | | | |

| | | | |
|----|---|-----|---|
| 36 | Fire Alarm | TRC | TRC to include complete building fire alarm including flow switches and smoke dampers in addition to those described above. |
| 37 | Sprinkler Room - Finishes - Drywall, Paint, | TRC | EDG to provide all finishes for Sprinkler Room (TRC to provide floor drain if necessary). |
| 38 | Sprinkler Room - Heating/Freeze Protection | TRC | EDG to provide electric heater if required (TRC will provide power). |
| 39 | Fire Sprinkler - S&C | EDG | Service, backflow assembly, riser, mainlines, and branch lines. |
| 40 | Fire Sprinkler - TI | TRC | All TI related drops per reflected ceiling plan. |

Floor Plan





Site Plan

EXHIBIT C

WORK LETTER

1. Lessor's Plans and Specifications. Lessor has prepared, at Lessor's cost and expense, Shell and Core Plans and Specifications (the "Plans and Specifications"), as identified at Exhibit B.
2. Lessor's Permits. Lessor will have the Plans and Specifications filed or submitted for review and approval at Lessor's sole cost and expense with the appropriate governmental agencies in such form as required.
3. Lessor's Work. Lessor will do the following work ("Lessor's Work") on the Premises: All that work (including materials, supplies, components, labor and services therefor) necessary to construct improvements shown in the Plans and Specifications as described in Exhibit B to this Lease.

All Lessor's Work shall be done in a good and workmanlike manner and in compliance with all applicable laws, ordinances, building and safety codes, regulations and orders of the federal, state, county, or other governmental authorities having jurisdiction thereof. Without limiting the Lessor's obligations under the foregoing sentence, Lessor's Work shall comply with the Americans with Disabilities Act and all regulations promulgated thereunder and all requirements under any federal, state or city statute, regulation, ordinance or code dealing with access or facilities for disabled or handicapped persons. Lessor shall have the obligation to obtain at Lessor's sole expense all permits and approvals required for the Lessor's Work before the commencement of the Lessor's Work. Lessor shall pay all utility 'hook-up' and connection fees for utilities to be supplied to the Building.

4. Minimum Base Building Improvements. The Minimum Base Building Improvements attached at Schedule A to this Work Letter are preliminary guidelines for Lessor's Work. The Plans and Specifications are the detailed and specific guidelines for Lessor's Work. The Plans and Specifications, when they have been approved by Lessee, constitute the definitive description of Lessor's Work and supersede the Minimum Base Building Improvements.
5. Omitted.
6. Typical Detail in Lessor's Plans and Specifications. Where typical or representative detail is shown on the Plans and Specifications, this detail shall constitute the standard for workmanship and materials throughout corresponding parts of Lessor's Work and the Lessor shall be required to adapt such detail for use in said corresponding parts of Lessor's Work as long as the adapting is within the original design intent.

7. Lessee's Plans and Specifications; Lessee's Work. Lessee has prepared, at Lessee's cost and expense, all plans and specifications (the "Lessee's Plans and Specifications"), which set forth in detail the requirements for the construction of the Lessee Improvements. Lessee's Plans and Specifications are identified at Exhibit B. Lessee's Plans and Specifications shall include all interior improvements to the Building which are necessary for Lessee to operate the Premises as a renal dialysis center and related medical and business offices and which are in excess of Lessor's Work (the "Lessee Improvements" or "Lessee's Work"). Without limiting the generality of the foregoing, Lessee, at Lessee's sole cost and expense, shall install as part of the Lessee Improvements Lessee's water-treatment equipment, including recessed patient wall stations and acid concentrate loop, telephones, televisions and furnishings with Lessee's own contractor.

All Lessee's Work shall be done in a good and workmanlike manner and in compliance with all applicable laws, ordinances, building and safety codes, regulations and orders of the federal, state, county, or other governmental authorities having jurisdiction thereof. Without limiting the Lessee's obligations under the foregoing sentence, Lessee's Work shall comply with the Americans with Disabilities Act and all regulations promulgated thereunder and all requirements under any federal, state or city statute, regulation, ordinance or code dealing with access or facilities for disabled or handicapped persons. Lessee shall have the obligation to obtain at Lessee's sole expense all permits and approvals required for the Lessee's Work before the commencement of the Lessee's Work.

8. Additional Lessor's Work; Change Orders. Additional work by the Lessor, which is requested by Lessee ("Additional Lessor's Work") and not provided for in the Plans and Specifications, will be submitted by Lessee to Lessor in writing. Before commencing any Additional Lessor's Work as may be requested by Lessee, Lessor must submit to Lessee written estimates of the cost thereof, any expected delays in completing the Lessor's Work caused by the Additional Lessor's Work and a schedule of required payments from Lessee ("Work Letter Change Order"). If Lessee shall fail to approve a Work Letter Change Order within seven (7) business days, the same shall be deemed disapproved by Lessee and Lessor shall not be authorized to proceed thereon and Lessee shall reimburse Lessor for Lessor's reasonable costs in preparing such Work Letter Change Order. Should Lessee approve any Work Letter Change Order, Lessee shall pay Lessor for the Work Letter Change Order for Additional Lessor's Work pursuant to the schedule of required payment. If any Additional Lessor's Work performed pursuant to an approved Work Letter Change Order delays the date by which Lessor would have otherwise substantially completed the Lessor's Work, the Delivery Date shall be extended one (1) day (or each day of delay caused by the performance of the Additional Lessor's Work).

Lessee shall not pay for Additional Lessor's Work when the change is not requested and approved by Lessee or when the change is caused by the Lessor's, Lessor's architect's or Lessor's contractors' negligence, performance, or lack of performance, or failure to satisfy contractual requirements. No Work Letter Change Orders will be funded by Lessee unless authorized in advance by Lessee before any Additional Lessor's Work is performed.

9. Project Schedule. Lessor shall submit to Lessee for approval a complete project schedule (the "Project Schedule") outlining a schedule for completion of Lessor's Work. The Project Schedule shall provide for completion of Lessor's Work as follows:

- a. The initial Plans and Specifications must be submitted to Lessee for Lessee's approval within thirty (30) days after all parties' execution of the Lease;
- b. Subject to extension pursuant to Section 8 above, Lessor's Work must be substantially complete as required by the Lease.

Lessor shall have the Project Schedule submitted for Lessee's approval within seven (7) days after execution by all parties of the Lease.

Lessor and Lessee agree to work together cooperatively so as to coordinate the management, administration, and scheduling of Lessors' Work and the Lessee Improvements. Such cooperation shall include without limitation, regular meetings during the construction period with the contractors, the attendance at such meetings to include authorized representatives of Lessor and Lessee. Lessor and Lessee each agree that they shall respectively assure the availability of such representatives at reasonable times after reasonable notice.

10. As-Built Drawings. As part of Lessor's Work, the Lessor shall provide Lessee with a set of as-built drawings at the completion of construction, such drawings to be delivered in the form of a CAD diskette.

11. Substantial Completion. The term "substantially completed" or "substantial completion" of Lessor's Work as used in this Work Letter and in the Lease shall mean the date when (i) construction is sufficiently complete in accordance with the Plans and Specifications, so that upon completion of the Lessee Improvements, Lessee can occupy and utilize the facilities improved or constructed for the use for which it is initially intended, without significant interference to or impairment of Lessee's business activities by reason of any minor or insubstantial item of work that Lessor and Lessee agree remains to be done (the foregoing minor or insubstantial details are referred to in this Work Letter as "Punchlist Items") to effect full completion of the Lessor's Work in strict accordance with the Plans and Specifications; (ii) temporary or final certificates or statements of occupancy required to permit the lawful use and occupancy of the Premises by Lessee for its intended purposes as a renal dialysis facility shall have been issued (or will be available for issuance upon completion of Lessee's Improvements); and (iii) Lessor's architect certifies that Lessor's Work is substantially complete in accordance with the Plans and Specifications.

12. Construction Monitoring and Inspection. Lessor and Lessee shall make periodic joint inspections of the Lessor's Work from time to time during construction at reasonable times on business days, and each time shall jointly approve a written statement or assessment of the status of construction, and the tasks remaining to be completed, which approval shall not be unreasonably withheld or delayed by either party. Lessor shall promptly undertake and diligently prosecute the correction of any defective work in the Lessor's Work.

13. Punch List. Lessor shall use Lessor's best efforts to prosecute the correction of any defective work as expeditiously as possible so that substantial completion shall be met as required under this Work Letter and the Lease. As to any item of the Lessor's Work remaining to be completed or corrected after substantial completion included as a Punchlist Item or discovered after Lessee assumes possession of the Premises, Lessor shall use diligent efforts to complete such item within thirty (30) days after Lessee's notice thereof, or as soon thereafter as is reasonably possible, or immediately in the case of an emergency.

14. Lessor Warranty. Without limiting in any way any obligation that Lessor may have under the Lease (including, without limitation, any maintenance, repair or replacement obligations), Lessor warrants for a period of one (1) year after the earlier of (a) Commencement Date or (b) the issuance of a temporary or permanent certificate of occupancy, that the Lessor's Work shall be free from material defects in materials or workmanship. Lessor shall obtain a one-year warranty on workmanship and materials from Lessor's general contractor. The general terms, conditions, limitations and exclusions in the warranty from Lessor's general contractor shall also apply to the foregoing warranty from Lessor to Lessee. If Lessee makes any claim under the foregoing warranty, Lessor and Lessee shall cooperate in causing Lessor's general contractor to perform the necessary corrections.

15. Lessor Indemnity. Without in any way limiting any obligation of Lessor under the Lease, the Lessor shall indemnify, defend and hold harmless the Lessee from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Lessor's Work.

16. Lessee Indemnity. Without in any way limiting any obligation of Lessee under the Lease, the Lessee shall indemnify, defend and hold harmless the Lessor from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Lessee's Work. Lessee shall comply with all applicable laws in performing Lessee's Work.

17. Force Majeure. The Force Majeure provisions in Section 34 of the Lease are incorporated into and made a part of this Work Letter.

18. Worksite Safety Laws. Lessor shall comply with all applicable laws, ordinances and regulations with respect to site and worker safety while performing Lessor's Work.

19. Lessor Default. If Lessor defaults or neglects to carry out the Lessor's Work or any other obligations in accordance with this Work Letter or the Lease and fails within a ten (10) business day period after written notice from Lessee to commence or continue corrections of such default or neglect with diligence and promptness, the Lessee may, without any obligation to do so, after such seven (7) day period, correct any deficiencies. The rights of Lessee under this paragraph shall not negate, abridge or reduce any other rights of Lessee or obligations of Lessor under this Work Letter or the Lease.

SCHEDULE A TO EXHIBIT C

MINIMUM BASE BUILDING IMPROVEMENTS

OMITTED - PLANS AND SPECIFICATIONS ARE FINAL AT TIME OF LEASE EXECUTION

EXHIBIT D

PERMITTED ENCUMBRANCES

SPECIAL EXCEPTIONS:

1. Terms and conditions of those certain contracts relative to the operation of the Kennewick Irrigation District.
2. Relinquishment of all existing, future or potential easements for access, light, view and air, and all rights of ingress, egress and regress to, from and between said premises and the highway or highways to be constructed on lands conveyed by deed;
Dated: 09/20/1957
Recorded: 11/21/1957
Recording No. 382106
To: State of Washington

EXHIBIT E
GUARANTY

WHEREAS, **EDG-DV KENNEWICK, LLC**, a Washington limited liability company (“Lessor”) and **TOTAL RENAL CARE, INC.**, a California corporation (“Lessee”), have entered into a certain lease agreement dated on or about the date hereof, covering certain premises located in Kennewick, Washington (the “Lease”); and

WHEREAS, the Lessor requires as a condition to its execution of the Lease that the undersigned unconditionally becomes a guarantor to Lessor for the obligations of Lessee under the Lease; and

WHEREAS, the undersigned is the parent corporation of Lessee and as such is desirous that Lessor enter into the Lease with Lessee.

NOW THEREFORE, in consideration of the execution of the Lease by Lessor and other good and valuable consideration and intending to be legally bound hereby, the undersigned hereby unconditionally becomes a guarantor to Lessor, its successors and assigns as follows:

1. The undersigned guaranties the full, faithful and punctual performance of each and all of the covenants, agreements and conditions of the Lease, to be kept and performed by Lessee (subject to all applicable notice and/or cure periods set forth in the Lease), in accordance with and within the time prescribed by the Lease (hereinafter collectively referred to as the “Liabilities”).

Guaranty Termination Notice. The undersigned may, at any time prior to or concurrent with exercise of any renewal option(s) described in the Lease, give written notice to Lessor that the undersigned wishes for this Guaranty to terminate concurrent with expiration of the then-current term of this Lease (a “Guaranty Termination Notice”). If Lessor receives a Guaranty Termination Notice, then Lessor may, within thirty (30) days after receipt of the Guaranty Termination Notice, provide notice to Lessee and Guarantor that Lessor elects to terminate any uncommenced renewal options described in the Lease (a “Renewal Termination Notice”), in which event any uncommenced renewal option(s) described in the Lease (including without limitation the renewal option that may have been exercised at or about the same time as delivery of the Guaranty Termination Notice), shall terminate and be of no further force or effect. If Lessor does not timely send a Renewal Termination Notice, then Lessor’s opportunity to terminate the renewal option(s) shall forever lapse and the Guaranty shall be of no force or effect with respect to Lessee obligations arising after the then-current term of the Lease.

2. Lessor shall have the right from time to time, and at any time in its sole discretion, without notice to or consent from the undersigned, or without affecting, impairing or discharging in whole or in part, the Liabilities or the obligations of the undersigned hereunder, to modify, change, extend, alter, amend, or supplement in any respect whatever, the Lease, or any agreement or transaction between Lessor and Lessee or between Lessor and any other party liable for the Liabilities, or any portion or provision thereof; to grant extension of time and other indulgences of any kind to Lessee; to compromise, release, substitute, exercise, enforce or fail to

refuse to exercise or enforce any claims, rights, or remedies of any kind which Lessor may have at any time against Lessee or any other party liable for the Liabilities, or any thereof, or with respect to any security of any kind held by Lessor at any time under any agreement or otherwise.

3. The undersigned waives: (a) all notice, including but not limited to (i) notice of acceptance of this Guaranty; (ii) notice of presentment, demand for payment, or protest of any of the Liabilities, or the obligation of any person, firm, or corporation held by Lessor as collateral security and (iii) notice of breach or default under the Lease by Lessee; (b) trial by jury and the right thereto in any proceeding of any kind, whether arising on or out of, under or by reason of this Guaranty, or any other agreement or transaction between the undersigned, Lessor and/or Lessee; and (c) all notices of the financial condition or of any adverse or other change in the financial condition of Lessee.

4. Lessor may, without notice, assign this Guaranty in whole or in part to Lessor's successor in interest under the Lease, and no assignment of this Guaranty shall operate to extinguish or diminish the liability of the undersigned hereunder.

5. The assignment of the Lease by Lessee under Section 7(a) of the Lease to an entity not affiliated with the undersigned, if such assignment is consummated in accordance with all of the terms and conditions of this Lease including the requirement for Lessor consent, shall automatically terminate this Guaranty, and thereafter, the undersigned shall have no further liability hereunder.

6. If Lessee elects to assign the Lease pursuant to the terms of Section 7(b) under the Lease and the assignee of Lessee (the "Assignee") is an entity in which Lessee, Guarantor or another wholly-owned subsidiary of Guarantor (collectively, "DaVita") has an equity ownership interest equivalent to less than 100%, then Guarantor may request Lessor's consent that this Guaranty be reduced to a pro-rata or proportionate guaranty from Guarantor, in relation to DaVita's actual percentage of equity ownership in the Assignee on the effective date of such assignment. For example, if Lessee assigns the Lease pursuant to Section 7 under the Lease to an Assignee in which DaVita owns 70% of the equity ownership interest of the Assignee and an unrelated third-party(ies) own the remaining 30% of the equity ownership interest of the Assignee, then DaVita may request that this Guaranty be reduced from a 100% full guaranty from Guarantor to a 70% pro-rata guaranty from Guarantor on the effective date of such assignment. Lessor agrees to reasonably and in good faith negotiate with DaVita with regard to any such request for a pro-rata reduction in the Guaranty and to reasonably consider alternative forms of security, such as an alternative guarantor or a security deposit.

7. The liability of the undersigned under the Guaranty shall be primary under any right of action which shall accrue to Lessor under the Lease and Lessor may, at its option, proceed against the undersigned without having to commence any action, or have obtained any judgment against Lessee.

8. All of the Liabilities and the obligations of the undersigned hereunder shall be immediately due and payable by the undersigned, anything contained herein to the contrary

notwithstanding, immediately upon the occurrence of a default under the Lease which continues beyond the expiration of the applicable notice and/or grace period, if any, under the Lease.

9. The obligations of the undersigned hereunder shall not be affected, impaired or discharged, in whole or in part, by reason of: (a) the entry of an order for relief pursuant to the United States Bankruptcy Code by or against Lessee or the undersigned; or (b) the proposal of or the consummation of a plan of reorganization concerning Lessee or the undersigned; or (c) the cessation from any other cause whatsoever of the liability of Lessee under the Lease, except as provided in Sections 5 and 6 of this Guaranty.

10. The waiver of any right by Lessor or its failure to exercise promptly any right shall not be construed as the waiver of any other right including the right to exercise the same at any time thereafter. No waiver or modification of any of the terms or conditions of this Guaranty shall be binding against Lessor unless such waiver or modification is in a writing signed by Lessor.

11. The provisions of the Guaranty shall bind all of the respective successors and assigns of the undersigned and shall inure to the benefit of Lessor, its successors and assigns.

12. All rights and remedies of Lessor are cumulative and not alternative. This Guaranty is, and shall be deemed to be, a contract entered into under and pursuant to the laws of the State of Washington and shall be in all respects governed, construed, applied and enforced in accordance with the laws of said State.

13. The undersigned represents that at the time of the execution and delivery of this Guaranty nothing exists to impair the effectiveness of the obligations of the undersigned to Lessor hereunder, or the immediate taking effect of this Guaranty between the undersigned and Lessor with respect to the undersigned becoming a surety for the Liabilities.

14. If Lessor shall employ an attorney to enforce this Guaranty, the undersigned shall pay all reasonable attorneys' fees, costs, and expenses and all other costs and expenses incurred by Lessor in connection therewith, including costs of appeal, if any, regardless whether an action is commenced by Lessor.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed this _____ day of _____, 20__.

DaVITA INC.

By: _____
Name: _____
Title: _____

DAVITA INC.

SECRETARY'S CERTIFICATE

I, the undersigned, Secretary or Assistant Secretary of DaVita Inc., a Delaware corporation, (the "Guarantor") do hereby certify that:

1- Guarantor is duly organized, validly existing and in good standing under the laws of the State of Delaware.

2- The following named person, holding the title set forth opposite his name, is authorized to execute the proposed Lease Guaranty for the premises located at 3208 W 19th Avenue, Suite 101, Kennewick, Washington (the "Premises"), between TOTAL RENAL CARE, INC. (the "Lessee") and EDG-DV KENNEWICK, LLC (the "Lessor").

Name

Title

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of this ____ day of _____, 20__

Name:

Title:

EXHIBIT F

[Form of Additional Insured Endorsement for Reference]

ENDORSEMENT NO. 9

This endorsement, effective 12:01 AM: October 1, 2006

Forms a part of policy no.: 6791644

Issued to: DAVITA, INC

By: LEXINGTON INSURANCE COMPANY

**ADDITIONAL INSURED ENDORSEMENT -
LESSORS OF PREMISES & LESSORS OF LEASED EQUIPMENT**

It is agreed the following are added as additional Insureds for claims or suits arising of bodily injury or property damage coverage in excess of the Retained Limit as follows:

Section II. WHO IS AN INSURED of the HEALTHCARE UMBRELLA LIABILITY COVERAGE PART is amended by adding the following:

LESSORS OF PREMISES

All lessors of premises leased to you but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you subject to the following additional exclusions:

This insurance does not apply to:

- 1. Any occurrence which takes place after you cease to be a tenant in that premises;**
- 2. Structural alterations, new construction or demolition operations performed by or on behalf of the lessors of premises leased to you.**

LESSORS OF LEASED EQUIPMENT

All lessors of equipment leased to you, but only with respect to their liability arising out of the maintenance, operation or use by you of equipment leased to you by such person(s) or organization(s), subject to the following additional exclusions:

This insurance does not apply to:

- 1. Any occurrence which takes place after the equipment lease expires;**
- 2. Bodily injury or property damage arising out of the sole negligence of the lessors of equipment leased to you.**

If insurance is provided by a policy listed in the Schedule of Underlying Insurance then the insurance provided by our policy will not be broader than the insurance provided by the policy listed in the Schedule of Underlying Insurance.

All other terms, conditions and exclusions of the policy remain unchanged.

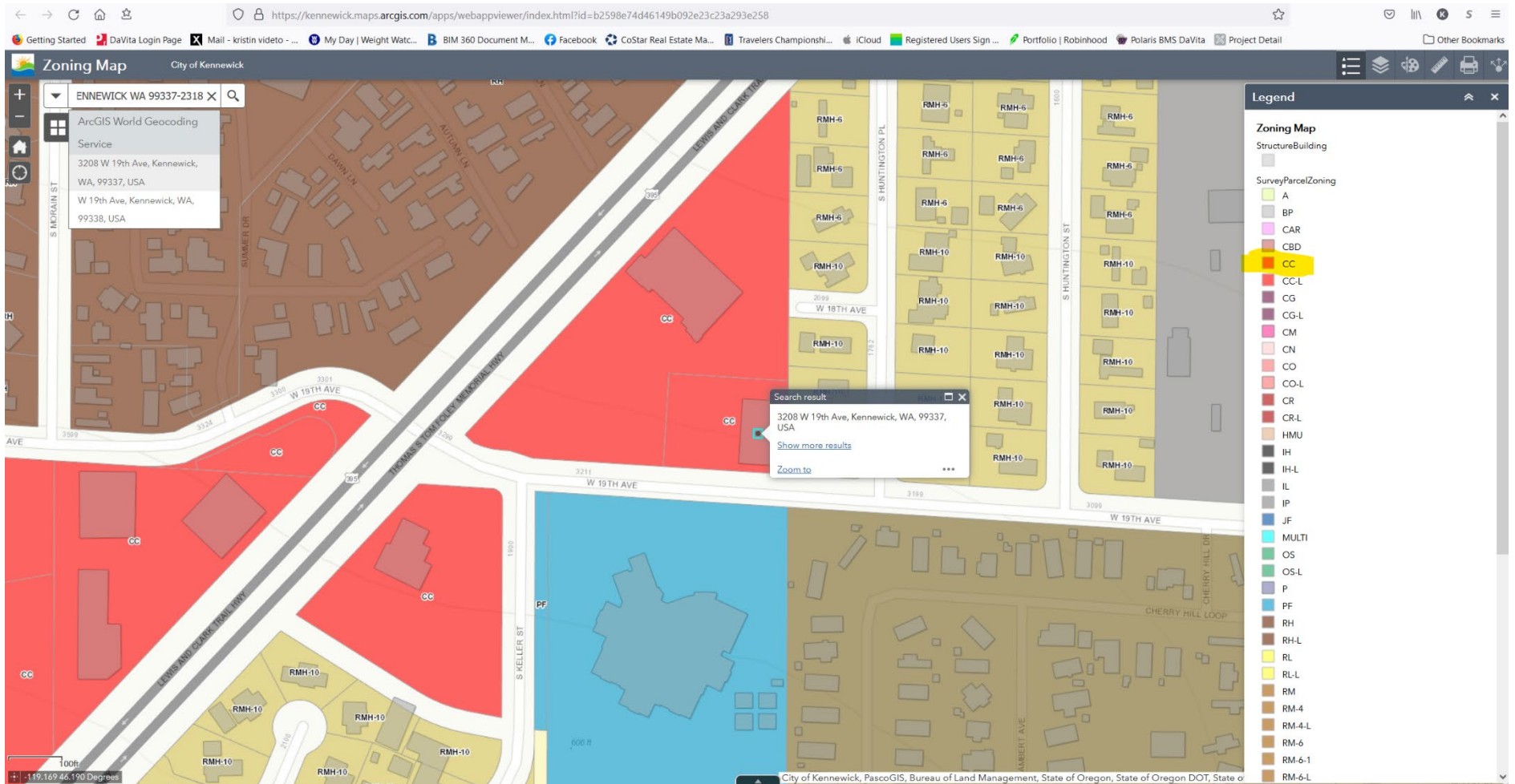
COPY

**Authorized Representative
or countersignature (where required by law)**

79567 (6/02)
HC0304

Appendix 16
Zoning Documentation

Kennewick Zoning Map



Benton County Zoning Key

18.12.010 B.1: - Table of Non-Residential Uses.

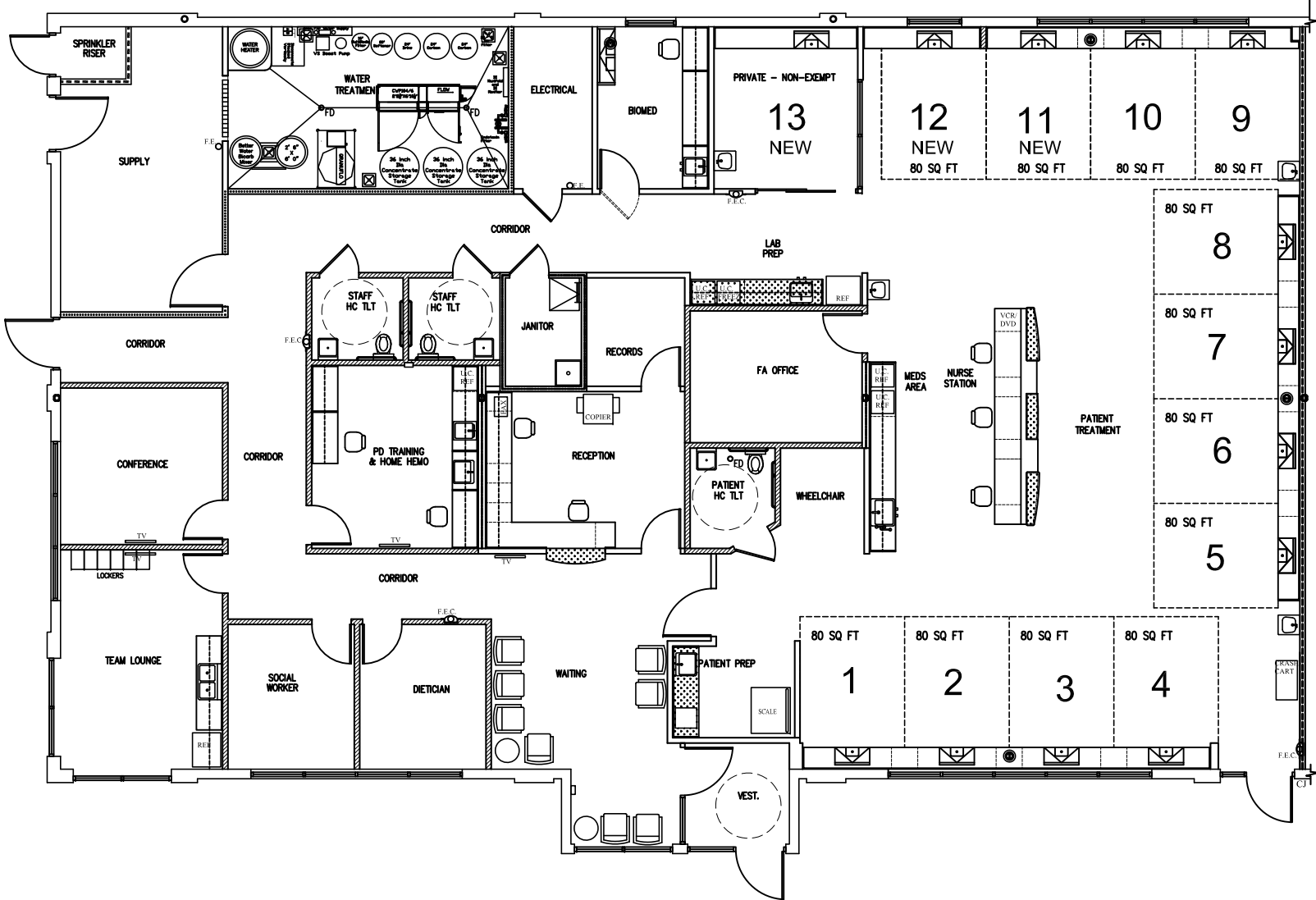
The following table list uses allowed by zone and the applicable City review process as follows: **Review Process I = Staff review**, Review Process II = Conditional Use Permit. If a use is listed with a blank, it shall be prohibited in that zone. For certain categories of uses, additional requirements are also noted.

| Nonresidential Uses | RS | RL | RM | RH | RMH | RTP | UMU | CN | CO | CBD | CC | CR | CAR | CG | CM | HMU | BP | IP | IL | IH | JF | PF | OS | |
|---|----|----|----|----|-----|-----|------|----|----|-----|----|----|-----|----|----|-----|----|----|----|----|----|----|----|--|
| Bus stations and terminals | | | | | | | II | | | | II | II | | II | | | | | | | | | | |
| Car washes (See Title 18.12.050 and 18.12.055 if CN zone) | | | | | | | I(6) | I | II | | I | I | I | I | | | | | | | | | | |
| Casino and/or Cardroom | | | | | | | | | | | I | I | | I | | | | | | | | | | |
| Cemeteries | II | II | II | | | | | | | | | | | | | | | | | | | | | |
| Clinics | | | | | | | I | | I | I | I | I | | I | | I | I | | | | | | | |

Appendix 17

Single Line Drawing

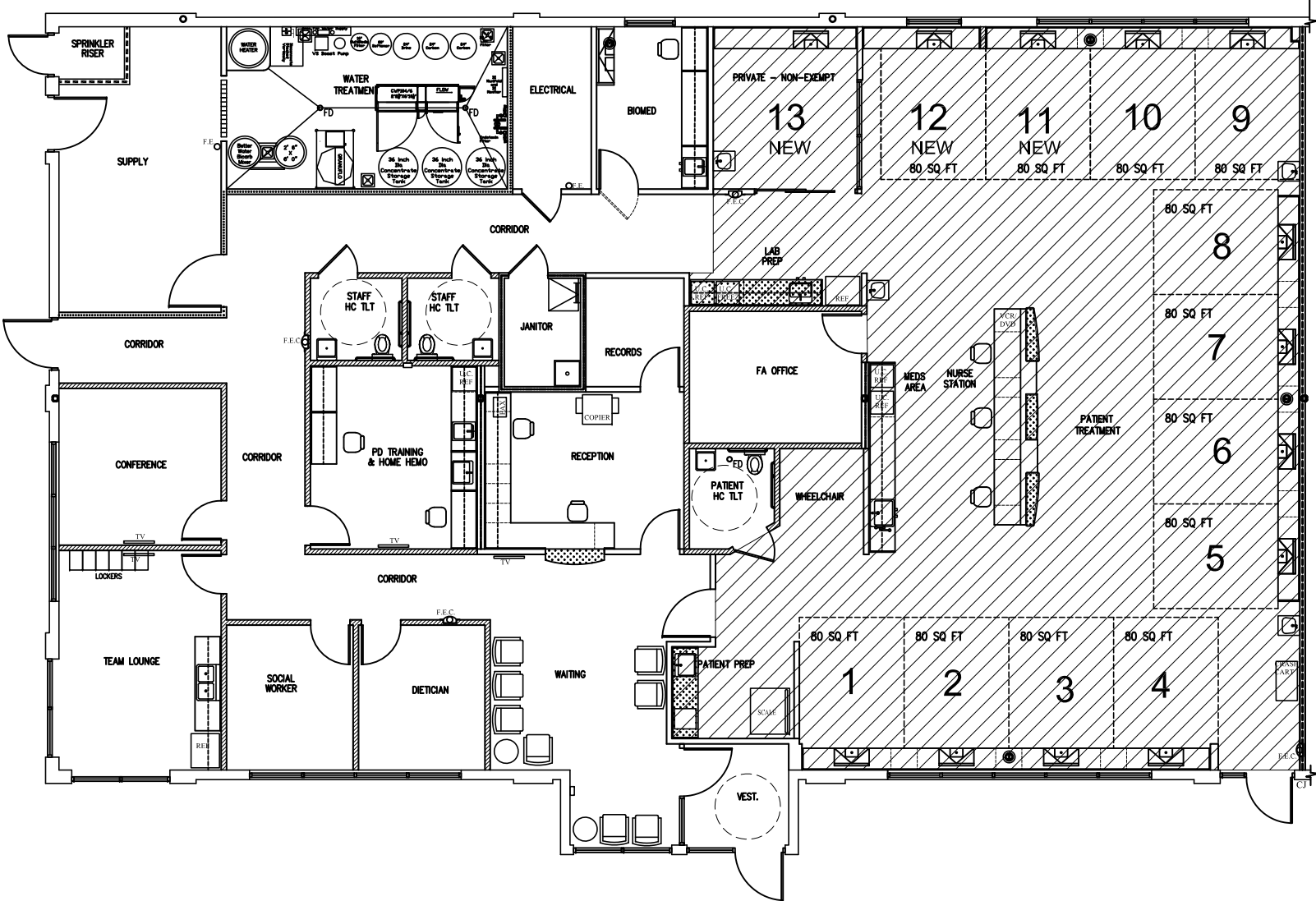
DaVita



PROPOSED PLAN

NOVEMBER 19, 2021

DaVita



PROPOSED PLAN

NOVEMBER 19, 2021

DaVita Kennewick
11-19-2021

| SQUARE FOOTAGE ALLOCATION | |
|---------------------------------------|---------------------|
| Category | After Completion |
| Treatment Floor Area | |
| Chronic Dialysis Stations | 960 |
| Isolation Station | 136 |
| Permanent Bed Station | 0 |
| Expansion Stations | 0 |
| Nurse Station / Med Prep Area | 284 |
| Patient Prep | 65 |
| Circulation | 858 |
| Lab Prep | 34 |
| Storage | 52 |
| Treatment Floor Area Total | 2,389 |
| Non-Treatment Floor Area | |
| Water Room | 266 |
| Re-Use | 0 |
| Bio-Med | 105 |
| Staff Toilet / Lounge | 296 |
| Janitorial / Electric | 122 |
| Business Office / Medical Records | 62 |
| Reception | 183 |
| Conference Room / Huddle | 148 |
| Home Training, PD & HHD Nurses | 178 |
| Patient Toilets | 46 |
| Storage / Med Waste / Wheelchair | 247 |
| Staff Offices | 347 |
| HVAC / Circulation | 1,066 |
| Non-Treatment Floor Area Total | 3,066 |
| Total Space | 5,455 |

| MAX. TREATMENT FLOOR SQUARE FOOTAGE | | | |
|--|------------|--------------------|------------------|
| Category | Sq. Ft. | No. of Stations | Sq. Ft. Total |
| (a) General use in-center station and each nonisolation station | 150 | 12 | 1,800 |
| (b) Each isolation station and each permanent bed station | 200 | 0 Bed / 1 ISO | 200 |
| (c) Future expansion of two in-center treatment stations; and | 150 | 0 | 0 |
| (d) Other treatment floor space is 75% of the sum of (a), (b), and (c) | | | 1,500 |
| Maximum Treatment Floor Area Square Footage | | | 3,500 |

Appendix 18

DaVita Quality Index (DQI) Data
DaVita Continuous Quality Improvement (CQI) Data

December 2020

| Facility Name | DQI Score | CVC Rate | Kt/V Rate | CAHPS Composite Score Rate |
|---------------------------------------|-----------|----------|-----------|----------------------------|
| Mid Columbia Kidney Center | 72.0 | 5% | 99% | 55% |
| Mt Adams Kidney Center | 72.5 | 7% | 96% | 65% |
| Hermiston Community Dialysis Center | 64.8 | 5% | 100% | 0% |
| Yakima Dialysis Center | 62.5 | 15% | 97% | 82% |
| Union Gap Dialysis | 87.3 | 10% | 100% | 76% |
| Blue Mountain Kidney Center | 62.2 | 0% | 100% | 0% |
| Ellensburg Dialysis Center | 55.0 | 11% | 100% | 0% |
| Kennewick Dialysis | 45.8 | 9% | 100% | 0% |
| Chinook Kidney Center | 39.0 | 14% | 96% | 78% |
| Zillah Dialysis | 90.4 | 8% | 100% | 0% |
| Wapato Dialysis | 86.0 | 0% | 100% | 0% |
| Hillsboro Dialysis Center | 73.0 | 14% | 100% | 0% |
| Vancouver Dialysis Center | 75.9 | 8% | 97% | 73% |
| Seaview Dialysis Center | 66.9 | 0% | 100% | 0% |
| Olympia Dialysis Center | 43.7 | 21% | 95% | 0% |
| Cornell Road Dialysis | 75.7 | 22% | 100% | 70% |
| Belfair Dialysis | 25.3 | 31% | 91% | 0% |
| Tumwater Dialysis | 44.8 | 21% | 95% | 63% |
| Battle Ground Dialysis | 55.6 | 23% | 100% | 0% |
| Cooks Hill Dialysis | 56.8 | 20% | 96% | 0% |
| Sherwood Dialysis Center | 78.3 | 10% | 100% | 0% |
| Meridian Park Dialysis Center | 62.1 | 23% | 100% | 84% |
| Gresham Station Dialysis | 62.0 | 13% | 100% | 67% |
| Mcminnville Dialysis | 55.4 | 20% | 100% | 0% |
| Portland Gateway Dialysis | 50.6 | 10% | 100% | 41% |
| Oregon Kidney Center | 73.9 | 9% | 98% | 0% |
| Lake Road Dialysis | 58.5 | 15% | 97% | 68% |
| Willamette Valley Renal Center | 65.3 | 12% | 100% | 0% |
| Portland Mlk Dialysis | 49.7 | 7% | 100% | 0% |
| Foster Powell Dialysis | 22.2 | 23% | 100% | 0% |
| Puyallup Dialysis | 64.7 | 14% | 99% | 62% |
| Lakewood Community Dialysis Center | 14.7 | 27% | 93% | 66% |
| Federal Way Community Dialysis Center | 80.6 | 12% | 98% | 84% |
| Tacoma Dialysis Center | 55.5 | 29% | 100% | 77% |
| Graham Dialysis Center | 68.9 | 11% | 98% | 88% |
| Parkland Dialysis | 22.3 | 21% | 95% | 79% |
| Rainier View Dialysis | 65.2 | 12% | 98% | 83% |
| Redondo Heights Dialysis | 41.1 | 21% | 97% | 0% |
| Kent Dialysis Center | 46.1 | 17% | 96% | 61% |
| Westwood Dialysis Center | 60.4 | 11% | 100% | 0% |
| Olympic View Dialysis Center | 66.8 | 11% | 98% | 80% |
| Bellevue Dialysis Center | 89.5 | 11% | 100% | 76% |
| Mill Creek Dialysis Center | 50.1 | 18% | 98% | 0% |
| Whidbey Island Dialysis Center | 74.4 | 5% | 100% | 0% |
| Everett Dialysis Center | 54.6 | 10% | 99% | 67% |
| Pilchuck Dialysis | 44.4 | 25% | 96% | 0% |
| Cascade Dialysis | 58.0 | 18% | 100% | 0% |
| Renton Dialysis | 59.9 | 0% | 95% | 0% |
| Lynnwood Dialysis | | 13% | 100% | 0% |
| Davita-mount Baker Kidney Center | 66.7 | 14% | 100% | 72% |
| Treasure Valley Dialysis Center | 68.6 | 18% | 94% | 96% |
| Nampa Dialysis Center | 62.4 | 30% | 100% | 0% |
| Table Rock Dialysis Center | 35.1 | 13% | 98% | 52% |
| Four Rivers Dialysis Center | 89.7 | 3% | 100% | 77% |
| Caldwell Dialysis Center | 64.3 | 9% | 94% | 0% |
| Fruitland Dialysis | 33.5 | 17% | 100% | 0% |
| East Wenatchee Dialysis | 68.8 | 14% | 97% | 0% |
| Echo Valley Dialysis | 71.4 | 30% | 100% | 0% |
| Moscow Dialysis | 82.0 | 0% | 100% | 0% |
| Wenatchee Valley Dialysis | 67.9 | 8% | 96% | 64% |
| Downtown Spokane Renal Center | 39.3 | 29% | 97% | 79% |
| North Spokane Renal Center | 53.0 | 13% | 96% | 68% |
| Spokane Valley Renal Center | 41.1 | 23% | 96% | 0% |

Appendix 19

CKD Community Education



| | | | |
|--|--|----------------------------|-------------|
| POLICY # COMP-DD-018 | | Revision: 5.0 | Page 1 of 6 |
| TITLE: No-Cost Patient Education | | | |
| Department: Compliance (Team Quest) | | Effective date: 12/09/2016 | |
| <p><i>Teammates must promptly report all potential violations of DaVita’s Code of Conduct, Corporate Integrity Agreement (CIA) obligations, Compliance Policies and Procedures and/or applicable laws or regulations. Reports should be made to the Compliance Department (Team Quest), or the Compliance Hotline (888-458-5848 or DaVitaComplianceHotline.com). In accordance with DaVita’s Non-Retaliation policy, DaVita will not tolerate any form of retaliation against anyone who files a compliance report in good faith. Questions regarding any Compliance Policy may be directed to Team Quest via the QUESTionLine at 855-687-9645 or QUESTionLine@davita.com.</i></p> | | | |

1. PURPOSE

The purpose of this policy is to provide guidelines for no-cost patient education and teammate interaction with participants related to such initiatives.

2. SCOPE

This policy applies to DaVita Inc.’s Kidney Care business (DaVita) and, subject to approval by the chief compliance officer or his/her designee, it may be enhanced or modified by a business unit-specific policy(ies). Kidney Care is comprised of DaVita’s domestic dialysis business, as well as any other subsidiaries and affiliated entities related to Kidney Care and DaVita’s Strategic Business Initiatives (SBI). DaVita Medical Group (DMG) business and international operations are not part of Kidney Care.

This policy applies to all no-cost Patient Education Programs, teammates and Participants, including upstream non-DaVita Patients and community members. This policy does not apply to education provided or furnished to patients of other healthcare providers that are under contract with DaVita (e.g. Patient Pathways, Hospital Services Group, etc.).

3. DEFINITIONS

| Term | Definition |
|--|---|
| Core Patient Education Program Materials | Materials that provide an overview of key elements addressed in Patient Education Programs. |
| DaVita Patient | A patient whose DaVita placement request has been accepted and who has been formally admitted to dialyze at. A patient can be considered formally admitted prior to their first day of dialysis at DaVita. |
| Health Care Provider | Any individual nephrologist or physician practice; any hospital or related corporate entity that is or has entered into a Letter of Intent with DaVita Dialysis to become a Joint Venture Partner; or any joint venture in which DaVita owns an interest that provides dialysis services, whether directly or indirectly owned by DaVita. |
| Healthy Transitions | A Patient Education Program intended to provide insurance and employment education to the chronic kidney disease community. |

| Term | Definition |
|-------------------------------------|--|
| Individualized Education Program | A program that is provided in a one-on-one setting and tailored to address the needs or circumstances of a particular Participant. |
| Kidney Smart | A Patient Education Program provided to the entire community, regardless of affiliation to physicians/providers or a patient's employment/insurance status. |
| Modality Education | A Patient Education Program intended to provide information about modality options for patients diagnosed with End-Stage Renal Disease. |
| One on One Education | Education that provides general information (i.e. information that is not tailored to the specific patient) to a Participant in a one-on-one setting. |
| Participant | An individual who takes part in a no-cost Patient Education Program. |
| Patient Education Program | A no-cost educational program that provides general information to Participants in order to raise awareness or improve health outcomes. |
| Referral Source | Physicians, hospitals, or any other person or entity in a position to refer, recommend, or arrange for any item or service from or furnished by a DaVita facility, DaVita business unit or subsidiary or an immediate family member of the Referral Source. Examples of Referral Sources include hospitals, nephrologists, and nephrology associated nurses, physician assistants, physician practice managers, social workers, discharge planners, and case managers. |
| Strategic Business Initiative (SBI) | SBIs include DaVita Clinical Research, DaVita Health Solutions, DaVita Labs, Falcon Physician, VillageHealth, Lifeline Vascular Access, Paladina Health and Nephrology Practice Solutions. |

4. POLICY

4.1. Patient Education Programs must be designed to provide bona fide, general (non-individualized) education for which a participant (or third-party payer) would not otherwise pay.

4.1.1. Content of Patient Education Programs should be limited to the following. Education concerning topics not listed below may only be offered in limited settings and require approval from the Justice League of DaVita (JLD) and documentation.

- Information regarding disease state awareness and preventions, such as taking control of kidney disease.
- Suggestions for making healthy choices.
- Treatment options (education must not be limited to a single option and should include all modality options).
 - Educational programs that include a discussion of treatment modalities must include the [No Medical Advice Given Disclaimer](#).
- Information regarding vascular access awareness, such as access function early recognition and patient actions for access issues.
- General education about healthcare insurance and/or employment options.
 - Individualized healthcare insurance and/or employment education may be provided for Participants who are late-stage patients.

4.1.2. Inappropriate Content

- Discussions related to DaVita-specific financial assistance must be limited to Participants who are DaVita Patients and are not appropriate for potential DaVita Patients.

- Medical advice must not be provided as part of Patient Education Programs.
 - Information may not be tailored to the specific participant except as expressly approved for Healthy Transitions.
 - The content of Patient Education Programs must be provider-neutral and must not include marketing or promotional materials for any specific provider. Rather, content must be unbiased and may not include information and educational materials that are designed to influence a Participant's choice.
 - DaVita should never initiate the shift in focus from bona fide education to DaVita promotion. If a Participant requests information specific to DaVita items or services:
 - Teammates should provide a HIPAA Marketing Authorization form (available on the eP&P VillageWeb site) and obtain the Participant's signature.
 - Teammates should refer the participant to a designated non-educator teammate for non-education discussions (e.g., for home educators, refer to facility administrator or home lead where participant is interested in dialysis).
 - It is inappropriate to discuss or offer Patient Education Programs to Referral Sources in order to induce or reward referrals to DaVita.
- 4.1.3** All Patient Education Program presentations and materials must include the [No Medical Advice Given Disclaimer](#).
- 4.1.4** Educational content concerning topics not listed in Section 4.1.1. above may only be offered in limited settings and require JLD's approval and documentation.

4.2. Educators

- 4.2.1.** Patient Education Programs may only be conducted by DaVita teammates who have completed the appropriate training courses in StarLearning, which must be completed annually.
- 4.2.2.** Each educator also must satisfy the additional requirements, if any, of the applicable Patient Education Program
- 4.2.3.** Educators may not be offered incentives based on Participants choosing DaVita as their healthcare provider after completing a Patient Education Program.
- Any allowable incentives must align with the Teammate Incentive Handbook.
- 4.2.4.** Educators' appearance, including clothing, must be provider-neutral, except as specifically approved by JLD.

4.3. Appropriate Venues

- 4.3.1.** Patient Education Programs may only be offered in the following venues.
- Community-based locations (e.g., libraries, or other meeting rooms/conference rooms available for community use, senior centers and other types of community centers).
 - If there are no free community locations suitable for education classes, a reasonable fee may be paid to non-Referral Sources only to use a publicly available space (e.g., library meeting rooms, hotel conference rooms or other similar spaces). Referral Sources may not be paid to use space for Patient Education Programs.

- Practice or provider office/facility
 - Patient Education Programs occurring in a practice or provider office must be offered and open to the public in a region, irrespective of whether the practice is affiliated with or otherwise involved in a financial arrangement (e.g., joint venture partnership) with DaVita.
 - Referral Sources may not be paid to use a practice office for Patient Education Programs.
- Patient Education Programs must not be offered at the hospital bedside. Patient Education Programs must not be delivered in the patient's home or other personal residence with the following exceptions:
 - Website or webinar, pursuant to the requirements of 4.5.1.
 - Healthy Transitions

4.4. Financial

- 4.4.1.** Patient Education Programs must be offered at no-cost to all Participants, regardless of the Participant's treating physician, other healthcare provider, payer or employment status.
- 4.4.2.** Patient Education Programs must not replace, coordinate with or otherwise offset currently offered or reimbursable education or services (e.g., Medicare Improvements for Patients & Providers Act) provided by the Participant's treating physician.
- 4.4.3.** Under no circumstance can Patient Education Programs be billed by any party.
- 4.4.4.** It is appropriate to refer Participants with financial assistance questions to the American Kidney Fund (AKF), and inform Participants that there may be financial assistance available to ESRD patients from AKF or certain state aid programs regardless of their choice of dialysis provider.

4.5. Delivery Method

- 4.5.1.** Patient Education Programs may be offered in the following ways:
 - Websites or Webinar
 - Participants may be directed to educational websites or webinars to access Patient Education Programs subject to the requirement that all content of the website (including hyperlinks) and webinars must be provider-neutral.
 - Live Classes
 - Participants may be invited to attend live Patient Education Programs.
 - Patient Education Programs must be open to the public.
 - One-on-one patient or limited attendance Patient Education Programs may be provided, via telephone or live session, under the following circumstances.
 - All other options are not feasible.
 - If a live session, the public is welcome to attend.
 - An educator is available.

- Team Quest and JLD have approved the request or previously provided written approval through a formal process for providing one-on-one or limited attendance Patient Education Programs.
- Notwithstanding the above, Healthy Transitions has been approved for one-on-one telephone sessions.
 - Currently Healthy Transitions is the only preapproved Individualized Education Program.
- Kidney Smart
 - All Kidney Smart classes must be posted on CERT (the scheduling system) 24 hours in advance.
 - Modality Education classes must be posted on CERT if they are scheduled more than one business day in advance. Educators should make every effort to schedule Modality Education so that it can be posted and open to the public.

4.6. Materials

- 4.6.1.** All collateral materials used or handed out in connection with Patient Education Programs must be approved in advance by JLD and/or Team Quest. If teammates are found to be using materials not approved by JLD or Team Quest, teammates may be subject to corrective action up to and including termination.
- 4.6.2.** Upon request of the Health Care Provider, materials for the Patient Education Programs may be provided by educators to hospitals, physician practices and other healthcare providers to educate those providers about the Patient Education Programs and raise awareness of available Patient Education Programs.
- 4.6.3.** Pre-recorded Patient Education Programs may not be provided to hospitals, physician practices, or other Health Care Providers without prior consent from Team Quest of the JLD.
- 4.6.4.** Core Patient Education Program materials must be made publicly available online at no-cost (e.g., posted on a publicly available website such as KidneySmart.org or DaVita.com).

4.7. HIPAA Authorization

- 4.7.1.** Valid HIPAA authorizations (available on the eP&P VillageWeb site) must be obtained before contacting the Participant or collecting protected health information (PHI) (e.g., Participant contact information) belonging to the Participant.
 - If a Participant is recommended to a Patient Education Program by the Participant's treating physician, the educator must receive the HIPAA authorization form that has been signed by the Participant from the Participant's treating physician prior to the educator contacting the Participant for educational purposes or causing the Participant to be contacted for educational purposes.
 - If a Participant contacts Healthy Transitions directly, Healthy Transitions may obtain verbal consent to have the HIPAA form and consent form mailed to the Participant.
 - If a Participant reaches out to DaVita directly, a HIPAA authorization should be collected at the time of providing the education.

4.8. Post Education Follow Up

- 4.8.1.** After the Patient Education Program is complete, educators may follow up with the Participant only if;
- A signed HIPAA Authorization Form is on file.
- 4.8.2.** Patient Education Program educators are only permitted to use documents approved by Team Quest and JLD for follow-up purposes.
- 4.8.3.** Information gathered through a Patient Education Program may only be used for Patient Education Program purposes, unless patient authorization has been obtained prior to the use or the use has received written JLD approval.

4.9. New Pilot Program

- 4.9.1.** Any pilot programs related to Patient Education Programs must be approved by JLD and Team Quest. The following information must be provided for review by JLD and Team Quest:
- Explanation of why this initiative is being proposed and what the potential educational benefits are.
 - List of anyone outside of DaVita who will be involved (physicians, medical directors, other healthcare entities or providers).
 - A response to the following questions:
 - Will anyone be paid for participating in this initiative?
 - When will the initiative begin?
 - With whom will the results of the initiative be shared?
 - Do you anticipate publishing the results of the pilot or initiative?
 - Any other information requested by JLD or Team Quest.
- 4.10.** Patient Education Programs are subject to the DaVita Document Retention Policy (available on the JLD VillageWeb page).

5. PROCEDURES

→ N/A

6. APPLICABLE DOCUMENTS

- [No Medical Advice Given Disclaimer](#)
- HIPAA Marketing Authorization (available on the eP&P VillageWeb site)
- HIPAA Marketing Authorization- Maine and Montana (available on the eP&P VillageWeb site)
- HIPAA Marketing Authorization- Maryland (available on the eP&P VillageWeb site)
- [Kidney Smart Program Requirements](#)
- Valid HIPAA Authorization Form (available on the eP&P VillageWeb site)
- Valid HIPAA Authorization Form – Maine and Montana (available on the eP&P VillageWeb site)
- Valid HIPAA Authorization Form – Maryland (available on the eP&P VillageWeb site)
- Document Retention Policy (available on the JLD VillageWeb page)

Appendix 20

Non-Binding Contractor Estimate



DaVita Kennewick Dialysis

Budget Summary

Building Tenant Improvement

GSF

1,700

| <u>Division</u> | <u>Description</u> | <u>SHELL Bid Amounts</u> | <u>LIFE SAFETY Bid Amounts</u> | <u>TI Bid Amounts</u> | <u>Costs</u> | <u>Costs/SF</u> |
|-----------------|---------------------------------------|------------------------------|------------------------------------|-----------------------|---------------|-----------------|
| 1 | General Requirements | - | - | 29,688.00 | 29,688.00 | 17.46 |
| 2 | Site Work | - | - | - | - | - |
| 3 | Concrete | - | - | - | - | - |
| 4 | Masonry | - | - | - | - | - |
| 5 | Metals | - | - | - | - | - |
| 6 | Wood and Plastics | - | - | 49,827.50 | 49,827.50 | 29.31 |
| 7 | Moisture Protection | - | - | 20,405.00 | 20,405.00 | 12.00 |
| 8 | Doors and Windows | - | - | 5,100.00 | 5,100.00 | 3.00 |
| 9 | Finishes | - | - | 74,450.00 | 74,450.00 | 43.79 |
| 10 | Specialties | - | - | - | - | - |
| 11 | Equipment | - | - | - | - | - |
| 12 | Furnishings | - | - | - | - | - |
| 13 | Special Construction | - | - | - | - | - |
| 14 | Conveying Systems | - | - | - | - | - |
| 15 | Mechanical | - | - | 30,600.00 | 30,600.00 | 18.00 |
| 16 | Electrical | - | - | 45,900.00 | 45,900.00 | 27.00 |
| | Subtotal | \$ - | \$ - | \$ 255,970.50 | \$ 255,970.50 | \$ 150.57 |
| | B&O Taxes and Insurance 3% | - | - | 6,536.86 | 6,536.86 | 3.85 |
| | Overhead and Markup 8% | - | - | 21,000.59 | 21,000.59 | 12.35 |
| | Total Direct Cost | \$ - | \$ - | \$ 283,507.94 | \$ 283,507.94 | \$ 166.77 |
| * | State Sales Tax 8.6% | - | - | 24,381.68 | 24,381.68 | |
| | Total Cost | \$ - | \$ - | \$ 307,889.63 | \$ 307,889.63 | \$ 181.11 |

* Tax rates are subject to change and will be charged at the rate set by the State Dept of Revenue at the time of billing.

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