

Approved Applicants

In this section we present information on the age, gender, and ethnic profiles of KHC approved applicants and currently eligible recipients. **Approved Applicants** are the number of people with ESRD who became newly eligible for KHC benefits during the fiscal year being reported. **Currently Eligible(s)** are the total number of program recipients who are eligible to receive KHC benefits at some point during the fiscal year being reported.

fact, the number of currently eligible recipients has increased by 86% over the 10-year period being reported.

Figure 4 illustrates the status of applicants by fiscal year of entry into the program. While the program has seen an increase in applicants over the years, in FY04 a decrease in applicants and eligible program recipients occurred due to changes in program rules (see Table 7, page 12).

Figure 3 shows the number of approved applicants and currently eligible recipients at the end of each fiscal year since FY94. While the number of approved applicants has steadily increased over the years, in FY04, the program experienced a decrease of 1,026 applicants from the prior fiscal year. This is due to the discontinuation of drug benefits to the KHC Medicaid-eligible population.

While FY04 experienced a decrease in the number of approved applicants, the steady growth in the number of eligible recipients over the years cannot be overlooked -- in

Figure 3: Program Growth of Approved Applicants and Currently Eligible

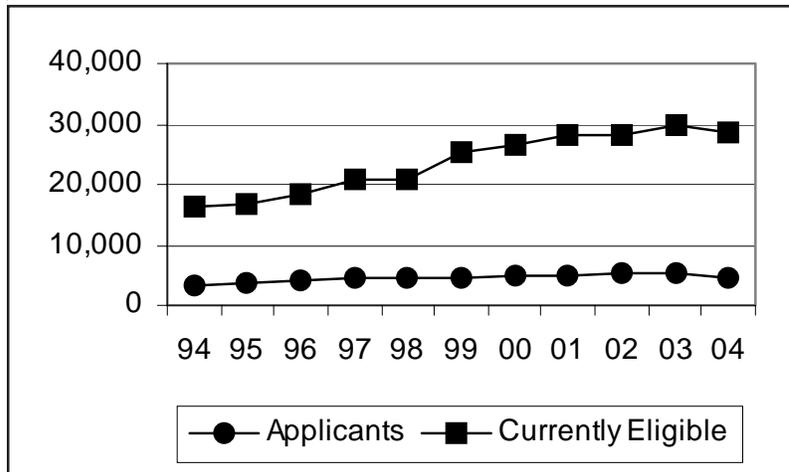


Figure 4: Program Status by Fiscal Year of Entry

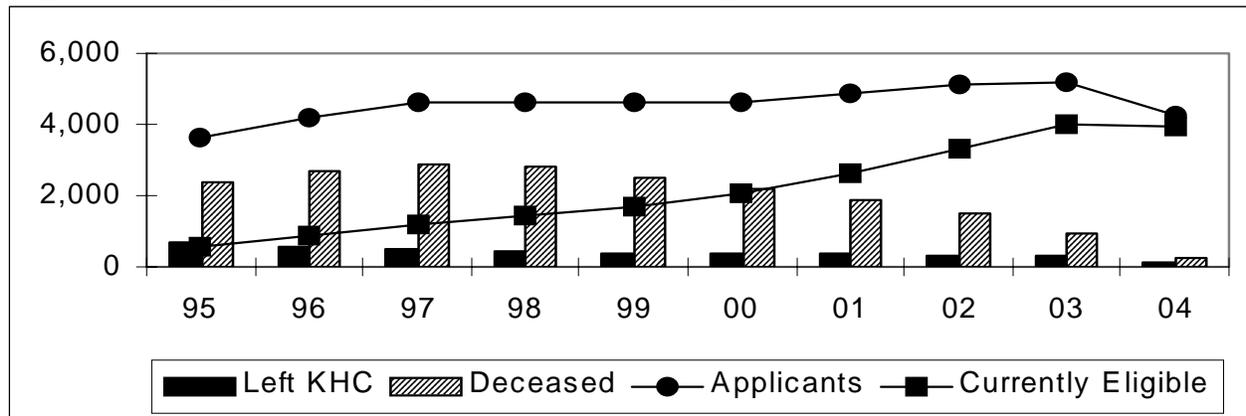


Table 7: Approved Applicants by Fiscal Year of Entry (FY74-FY04)

Fiscal Year of Entry	Approved Applicants¹	Annual % of Change	Currently Eligible in FY04²	Left KHC before 8/31/04³	Reported Deaths as of 8/31/04⁴
74-94	34,183	--	2,536	3,384	28,263
95	3,622	--	592	668	2,362
96	4,162	14.9	870	585	2,707
97	4,617	10.9	1,199	522	2,896
98	4,650	0.7	1,441	422	2,787
99	4,627	-0.5	1,718	398	2,511
00	4,634	0.2	2,069	368	2,197
01	4,860	4.9	2,596	366	1,898
02	5,137	5.7	3,317	337	1,483
03	5,217	1.6	3,994	287	936
04	4,323	-20.6	3,862	222	239
Total	80,032	--	24,194	7,559	48,279

Table 7 Notes

¹ The methodology used to calculate approved applicants in prior Fiscal Years was based on the patient's year of initial entry into the program. As of Fiscal Year 2000, this number is now calculated based on the patient's most recent year of re-entry into the program.

² Currently eligible includes those applicants by Fiscal Year who were eligible to receive benefits at some point during FY04. Prior to FY99, the applicant's status was denoted as "Active" or "Inactive".

³ Left KHC status includes all applicants who left the program for various reasons other than reported death (e.g. moved out of state, stopped dialysis, regained function).

⁴ The actual number of deaths may be greater than the number of deaths reported as the status of patients who are not actively participating in KHC is unknown.

Note: These numbers change continuously and are only indicative for FY04, as of 8/31/04.

Table 8: Approved Applicant Profile, FY94 & FY04

Age Group	FY94 Approved Applicants		FY04 Approved Applicants		Projected 2004 Texas Population	
	Total	% of Total	Total	% of Total	Total	% of Total
0-20	67	1.90	40	0.93	7,094,450	32.02
21-34	327	9.28	307	7.10	4,637,672	20.93
35-44	436	12.37	493	11.40	3,329,756	15.03
45-54	615	17.45	955	22.09	2,962,828	13.37
55-64	837	23.75	1,110	25.68	1,940,510	8.76
65-74	831	23.58	870	20.12	1,194,624	5.39
75+	411	11.67	548	12.68	998,286	4.50
Totals	3,524	100.00	4,323	100.00	22,158,126	100.00
Gender						
Female	1,713	48.61	1,913	44.25	11,122,060	50.19
Male	1,811	51.39	2,410	55.75	11,036,066	49.81
Totals	3,524	100.00	4,323	100.00	22,158,126	100.00
Ethnicity						
African American	925	26.25	1,145	26.49	2,548,851	11.50
Hispanic	1,257	35.67	1,778	41.13	7,553,619	34.09
White	1,274	36.15	1,290	29.84	11,267,243	50.85
Other	68	1.93	110	2.54	788,413	3.56
Totals	3,524	100.00	4,323	100.00	22,158,126	100.00

This table reflects the age, gender, and ethnic distribution of KHC applicants. The age distribution of FY04 applicants shows that the greatest percentage of approved applicants fall into the 45-54 and 55-64 age groups. In FY94, the greatest percentage of approved applicants was in the 55-64 and 65-75 age categories.

The median age of KHC applicants in FY04 was 58 and the average age was 57. In FY94, the median age was 59 and the average age was 56. Nationally, the median age at which patients begin ESRD treatment is 64 (United States Renal Data System 2004 Annual Data Report).

With regard to gender, the number of male approved applicants continues to remain higher than that of females.

Most notable within the ethnic distribution of FY04 program applicants is the high percentage of Hispanic applicants. In FY04, the Hispanic group comprised 41% of all approved applicants. The growth of patients within the KHC Hispanic population continues to be more dramatic than among patients within any other race or ethnicity.

Note: The "Other" ethnic category includes Indian, Asian, American Indian/Alaskan Native, Pacific Islander, and Mid East/Arabian applicants.

Age Group - In FY95, KHC realigned the age groups to be consistent with Medicare and the United States Renal Data System (USRDS) categories to allow comparative analysis of changes among applicants age 65 and older.

Population - State population figures are obtained from the Texas A&M State Data Center and are based on unadjusted 2000 census figures.

Figure 5: Percentage of Approved Applicants by Age Group, FY94 & FY04

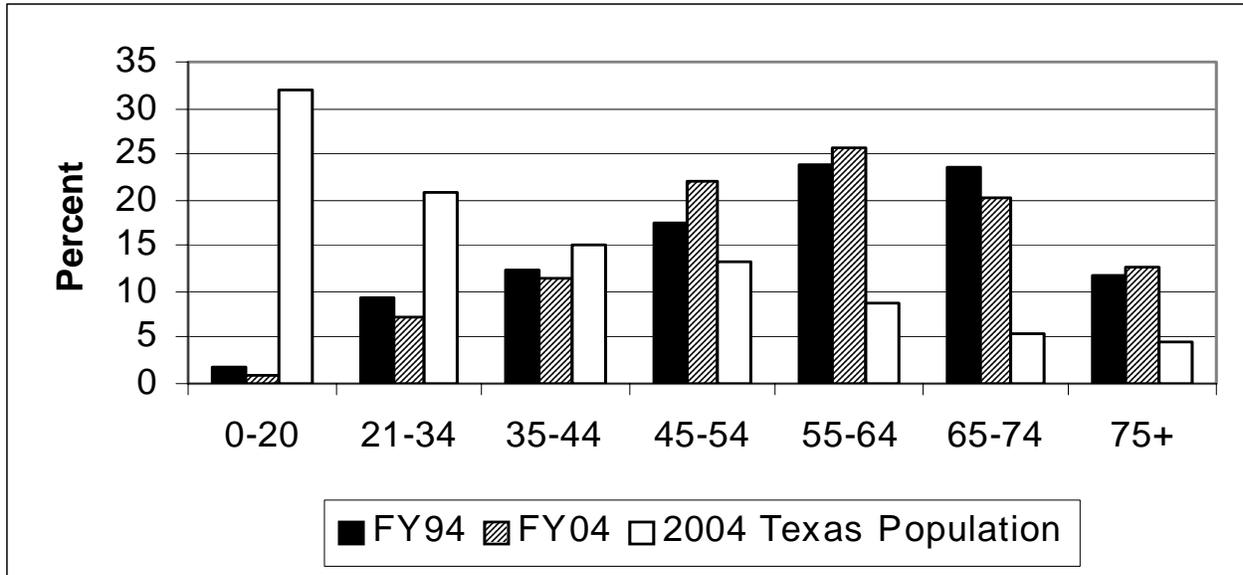


Figure 6: Percentage of Approved Applicants by Ethnic Group, FY94 & FY04

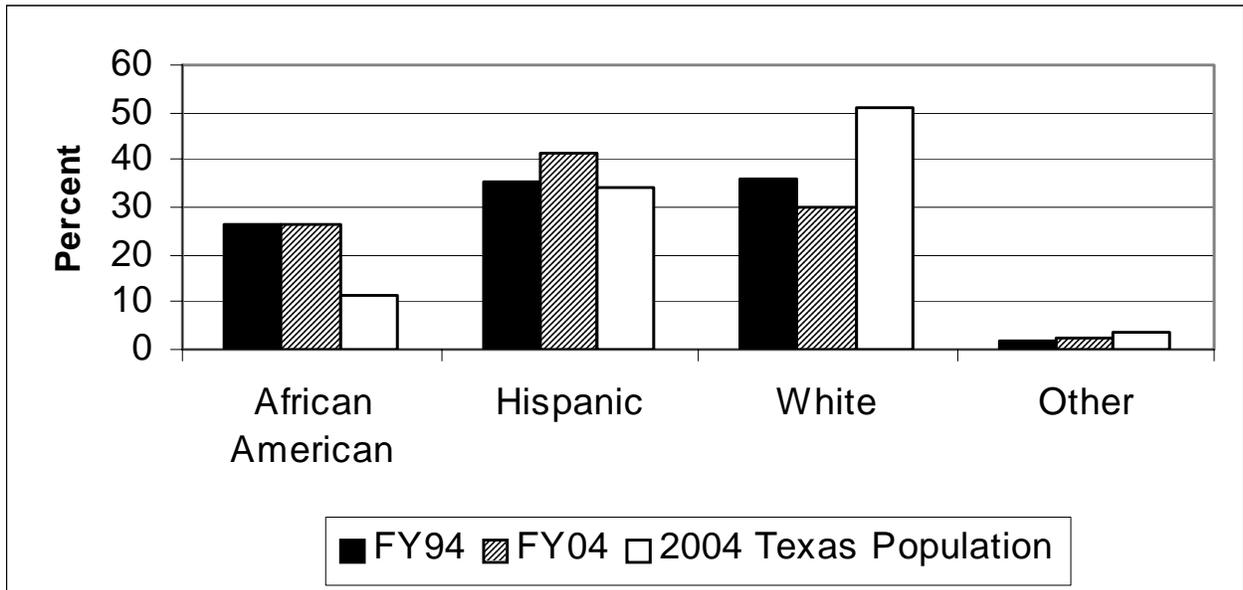


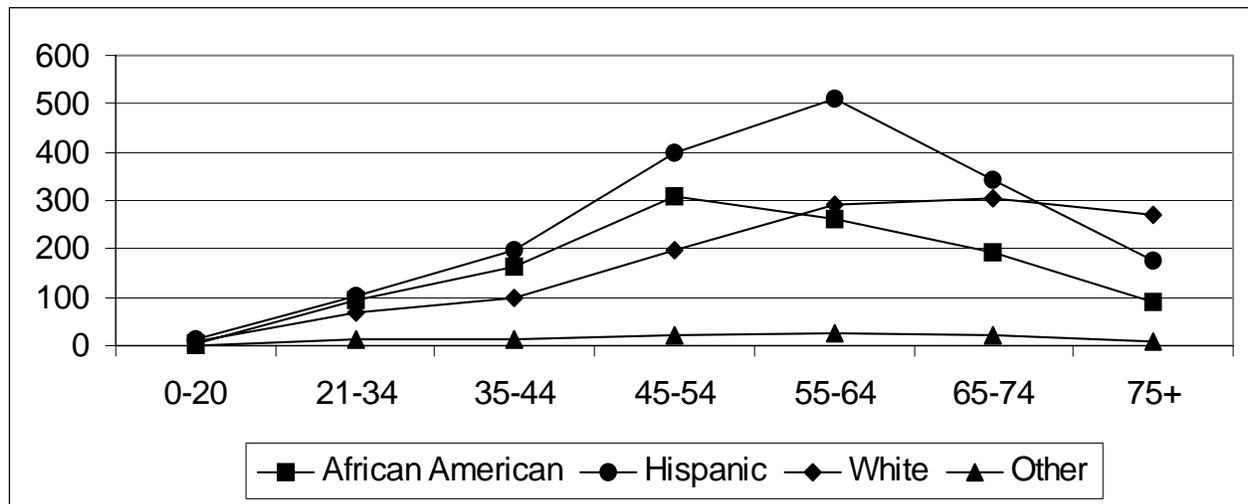
Figure 7: Approved Dialytic Applicants by Age Group & Ethnicity, FY04*

Figure 7 shows the number of FY04 approved dialytic applicants (hemodialysis, continuous ambulatory peritoneal dialysis, and continuous cycling peritoneal dialysis) by age group and ethnicity. As seen, trends are apparent within the Hispanic and African American groups regarding age group of entry into the KHC program.

For KHC, the majority of FY04 African American applicants entered the program in the 45-54 age group, the majority of Hispanic applicants entered the program in the 55-64 age group, while the majority of White applicants entered the program in the 65-74 age group. This suggests that larger numbers of KHC minority applicants are experiencing the onset of kidney failure earlier than White applicants (see mean and median ages below, Table 9).

Table 9: Approved Dialytic Applicants, Age Group by Ethnicity*

Age	African American	Hispanic	White	Other
0-20	6	13	9	1
21-34	95	104	69	14
35-44	162	197	100	11
45-54	309	397	198	22
55-64	260	509	291	24
65-74	194	345	305	23
75+	90	177	272	9
Total	1,116	1,742	1,244	104
Mean	54	56	61	54
Median	54	58	63	56

* Dialytic applicants only -- transplant patients are excluded from this data.