



Community Hospice

CORRESPONDENCE NO. 2

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BOARD OF SUPERVISORS

2010 APR 33 A 11: 24



Celebrating 30 years of caring



2009 ANNUAL REPORT TO THE COMMUNITY

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Dear Community Hospice friends,

This year Community Hospice celebrated 30 years of caring for the community. In 1979, we began as an all-volunteer organization with a mission to provide quality of life and dignity to those suffering with a terminal illness. I'm proud to say that today our mission is still the same. In fact, this year we provided compassionate care to over 1,200 dying patients and their families; the largest number in our history.

Over the last year, we have taken strides to improve patient and family care by enhancing our processes. These changes include upgrading our electronic medical record system, extending hours in our intake department, and expanding services to include the Gabriel's Friends Pediatric Hospice Program and the Family Caregiver Education Program.

During these tough economic times, we have worked to keep costs down while continuing to provide quality end of life care. The support of the community has kept our doors open for the past 30 years, enabling care to be given with no expectations in return. Generosity from supporters like you, both on an individual basis and on a corporate level, have helped us provide over \$500,000 in gifted charity care this year. Thank you for ensuring that our services are available to all who need us. This generosity is the hallmark of hospice care in our community.

As you review this report, you will see how we are fulfilling our important mission to the community—to provide compassionate and quality care, education and support to terminally ill patients and their families, regardless of ability to pay. We truly are the *community's hospice*.

Sincerely,

Harold A. Peterson III
 President/CEO

Senior Leadership Team

Harold A. Peterson III
President/CEO

Carolynn Peterson, RN, MS, AOCN
*Chief Operating Officer,
 Director Patient Care Services*

Rick Dahlseid, CPA
Chief Financial Officer

Garfield Pickell, MD, ABHPM
Medical Director

Daniel Thwaites, MD, ABHPM
Associate Medical Director

Phyllis Manford, RN, BSN, PHN
*Director of Integrated Quality Services
 and Health Information Management*

Jennifer Dunn, MBA
Human Resources Manager

Shailesh Kantilal, MBA
Director of Information Systems

Marian Kaanon
Director of Marketing & Public Relations

Carole Richard, JD, CFRE
Director of Fund Development

Laurie Miller, RN, CHPN
*Administrator, Alexander Cohen
 Hospice House*

John Renner
Director of Retail Operations

Patient Care

Individualized care is available where the patient calls home; whether it is a private residence, residential care facility for the elderly or a skilled nursing center. More acute care is also provided at the Alexander Cohen Hospice House located in Hughson, 10 miles southeast of Modesto. Our expert team of healthcare professionals, including our two full-time medical directors, assist patients and families 24 hours a day, 365 days of the year. Someone is always available to answer questions or provide assistance, even in the middle of the night.

Hospice services are reimbursed by private healthcare insurers, Medicare and supported by the community's financial donations. Community Hospice believes that no one should be turned away, regardless of their ability to pay.



Medical Director, Garfield Pickell, MD, visits with Wanda DeBoard, a patient at the Alexander Cohen Hospice House. Rooms at the Hospice House open to the garden so that patients can enjoy the outdoors.

"We were very happy with the compassionate, skilled care our mom received, and it was a great benefit to us, her family, as well. The information about her condition was helpful and being able to call at any time with our questions relieved us of the stress of not knowing what was best to do for her."

-a grateful hospice family

Medical Care: state-of-the-art pain and symptom management, coordination of all healthcare providers, medical equipment, medications

Palliative Care: comfort care to ease pain and increase quality of life

Emotional Support: helping families cope, short-term counseling, referral to community support agencies

Home Health Aides: providing assistance with personal care needs of patients

Interfaith Spiritual Support: spiritual counseling, working with clergy of patient's choice, coordinating with place of worship for support

Trained Volunteers: companionship and emotional support, practical caregiver support

Grief and Bereavement Support: support groups open to anyone in the community, individual support, and contact with families for over a year after the patient's death

Pediatric Program: family-centered hospice care for children with serious illnesses

Caregiver Education: support for those caring for an aging loved one

Therapies: physical, occupational, speech and dietary therapy/counseling

Community Education: marketing and public relations efforts, community event participation, speakers bureau, community library

Clinical Training: education on end of life issues to staff members at local healthcare and social service organizations

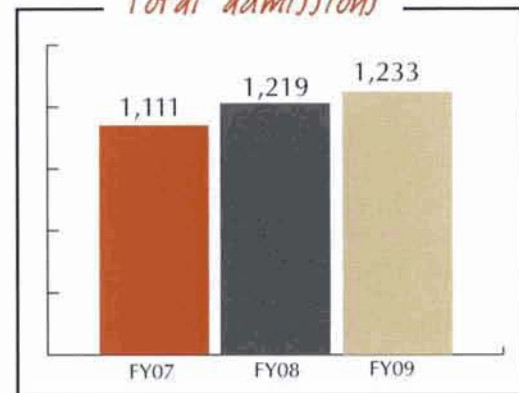
Record Accomplishments

- Cared for a total of 1,233 patients—the greatest number of patients in the organization’s history.
- Patients averaged 80 days on services, lengthening the average time a patient is cared for over previous years.
- A total of 68,129 days of patient care was provided during the year.
- Enhancements made to electronic medical record documentation meant seamless continuity of care for patients.
- 100% of all patients admitted with pain had their pain at an acceptable level within 24 hours of admission.
- Above the state and national statistics, 100% of patients responded that they received all the medical equipment that they needed, thanks to Community Hospice’s Durable Medical Equipment division.
- Extended hours in our intake department to make admissions more expedient and convenient for patients and families.
- Bereavement services were extended to 7,278 community members over the year, with 744 people participating in a support group and 946 receiving individual support.
- A total of 20,098 hours were given by 542 active volunteers, who worked with patients, helped raise funds and volunteered at the Hope Chest Thrift Stores.
- Expanded retail operations with the addition of a new Hope Chest Thrift Store in Modesto. The 20,000-square-foot store has a large sales floor and much-needed donation center. The six stores, located throughout Stanislaus County and in Tracy, had a record \$2.8 million in sales.

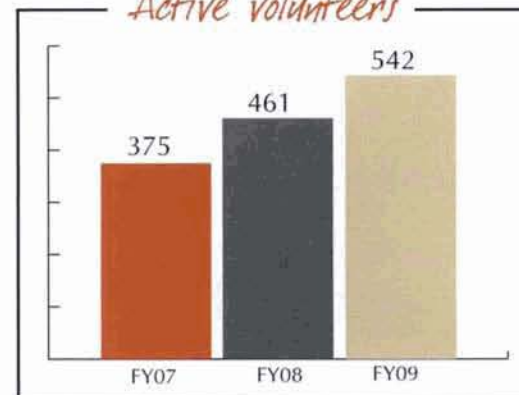
Groundbreaking New Initiatives

- Formalized program for the youngest of patients facing a serious illness with the establishment of Gabriel’s Friends Pediatric Hospice Program. In its first year, Gabriel’s Friends provided care to 10 children. All clinical staff received rigorous specialized pediatric training to fully support the new program’s offering to families.
- The new Family Caregiver Education Program provided educational resources and opportunities to family caregivers. A new website was created featuring local resources, an “ask the expert” section and a caregiver blog. Free luncheon presentations were given on topics related to family caregiving, with attendance averaging 80 caregivers a month. Also included as part of the campaign were free caregiver “toolkits” that contained easy-to-use worksheets and local resources.
- Opened new community library, with materials on topics ranging from food and nutrition for the dying to grief and bereavement. The library is open to the community and specializes in information for family caregivers, healthcare professionals and those who are grieving the loss of a loved one.

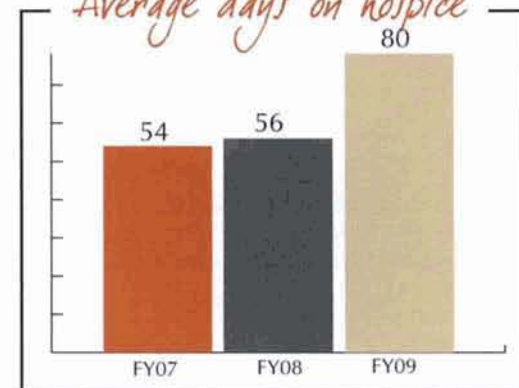
Total admissions



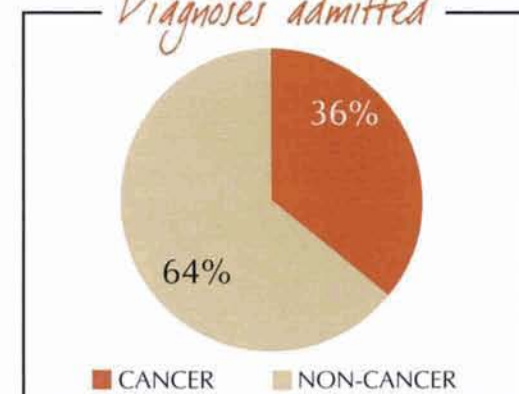
Active volunteers



Average days on hospice



Diagnoses admitted



Events

WOK THE RED CARPET Over 200 local “stars” attended a special evening reception and live broadcast of the Academy Awards® show at the historic State Theatre. *(This event was not sponsored or affiliated with the Academy of Motion Picture Arts & Sciences.)*

FRIENDS OF HOSPICE CARD PARTY Community members enjoyed lunch and played a hand of their favorite card game.

30TH ANNIVERSARY GALA A signature event, the annual gala brought a record attendance to the home of hosts Bob and Marie Gallo for a memorable evening that celebrated the leadership of Dr. Bruce Valentine, winner of the Julio and Aileen Gallo Leadership Award, and the philanthropic efforts of Sue Marshall, winner of the John and June Rogers Philanthropic Award. The anniversary celebration culminated with live big band music under the stars.

TRUCKIN' FOR HOSPICE A 100-mile motorcycle poker run, with over 500 riders, through the Sierra foothills presented by the San Joaquin Unit of the California Trucking Association.

POLO EXTRAVAGANZA IV The popular event returned after a hiatus of several years to feature world-class polo players in an exhibition match—Texas versus California—at the home of Dr. Robert and Mary Walton.

FRIENDS OF HOSPICE LIGHT UP A LIFE HOLIDAY TREE Friends and families united at the 24th annual event to honor, celebrate and remember seriously ill loved ones as the large evergreen tree was lit in front of Memorial Medical Center.

Endowment

This year Community Hospice provided over \$500,000 of charity care to patients and their families who could either not afford it at all, or for which their insurance did not fully cover. Community Hospice has made a commitment to never turn anyone away. To keep this promise, an endowment was created for both in-home patient care and services at the Alexander Cohen Hospice House.

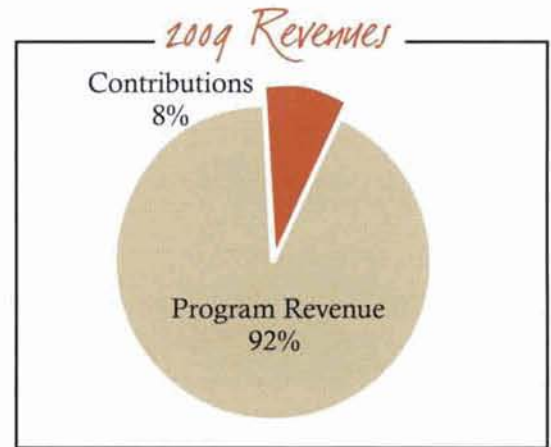
By 2009, the Foundation has raised \$417,600 in cash gifts, pledges and receivables, towards its \$2 million goal for the endowment. For more information on how to give to the endowment, please call Carole Richard, Director of Fund Development, at (209) 578-6375.



Combined Financial Statement

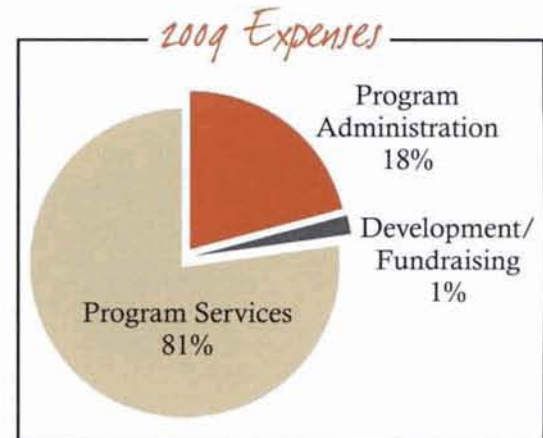
REVENUES

	2009	2008
Program Revenue		
Reimbursements	\$14,825,900	\$14,866,312
Retail thrift stores	<u>\$2,831,425</u>	<u>\$2,407,946</u>
	\$17,657,325	\$17,274,258
Contributions		
Donations	\$1,029,622	\$1,353,591
Events	<u>\$450,525</u>	<u>\$318,115</u>
	\$1,480,147	\$1,671,706
Other		
Investment earnings	\$133,629	(\$1,709)
Loss on limited partnership	(\$215,102)	(\$211,191)
Miscellaneous	<u>\$58,355</u>	<u>\$35,206</u>
	(\$23,118)	\$177,694
Total Revenues	\$19,114,354	\$18,768,270



EXPENSES

Program Services	\$15,509,657	\$15,519,911
Program Administration	\$3,480,327	\$3,372,846
Development/Fundraising	<u>\$350,991</u>	<u>\$285,551</u>
Change in Net Assets	(\$226,621)	(\$410,038)



Revenues and Expenses

The recession in the economy has been felt by Community Hospice as evidenced by the 4% reduction in patient days. Daily Medicare, Medi-Cal, and private insurance reimbursement rates increased while total dollars received decreased. This reduction caused some belt tightening in all major expense categories. Through greater management, total expenses were reduced by over \$163,000 while at the same time giving away \$500,000 in charity care to those without ability to pay. One area of celebration has been in the six Hope Chest Thrift Stores which have had a record-breaking year. In addition, the solid work of the Foundation and Friends of Hospice generated over \$1,400,000 in contributions and event revenue. The hardworking volunteers help keep the fundraising expenses down to only 2% of total expenses.

The losses experienced in the stock market were responsible for creating a \$215,000 paper loss in value within our limited partnership investment account. This loss in value represents 6.7% of the initial value of the investment. On a positive note, over \$51,000 of value has been recovered through the appreciation of the stock market investments as of January 1, 2010.

Combined Statement of Financial Position

ASSETS	2009	2008
CURRENT ASSETS		
Total current assets	\$4,345,144	\$4,446,256
Property and equipment, net	\$10,026,714	\$10,578,993
Limited partnership interest	\$2,702,000	\$2,941,000
Other long term assets	\$679,058	\$488,299
Total assets	\$17,752,916	\$18,454,548
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Total current liabilities	\$1,418,113	\$1,689,261
Bond payable, less current portion	\$4,596,762	\$4,800,625
Contingent liabilities	\$794,636	\$794,636
NET ASSETS		
Total net assets	\$10,943,405	\$11,170,026
Total liabilities and net assets	\$17,752,916	\$18,454,548

Assets and Liabilities

Closer attention to patient receivables has yielded greater collections and a 7% increase in our available cash. The bonds outstanding that have financed the Haig and Isabel Berberian Patient Services Center were paid down \$160,000. The endowment received over \$216,000 in donations and pledges during the year which kept the total equity of Community Hospice close to \$11 million dollars.

Remembering Vivian

The first Community Hospice patient, Vivian Adamson (pictured right) was cared for by the two nurses, Mary Jean Coeur-Barron and Kathy Oberg, who founded Community Hospice. Thirty years later, Community Hospice continues to provide quality comfort care and grief support to thousands of patients and families in the Central Valley.

"I am not sure how I would have gotten through it all without Kathy and Mary Jean. Their loving care made a huge difference at a very sad time. My family and I shall forever be grateful to Community Hospice for all that they did for us."

-Carol Brooks

daughter of first Community Hospice patient, Vivian Adamson



Helping Hands... Healing Hearts



Community Hospice

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www.hospiceheart.org

A not-for-profit serving the community since 1979