
2018

PRESIDENT'S REPORT



Forty years ago, when the roots of our organization introduced hospice care to Michigan, who could have imagined the transformation we've seen in end-of-life care from a volunteer-based, not-for-profit model to an overwhelmingly for-profit industry?

In those forty years, we have evolved to become a nationally respected organization, known for our unparalleled expertise in end-of-life care, all while remaining committed to our not-for-profit legacy to care for all.

So, as we watch our for-profit counterparts respond to their shareholders—making business decisions that not only reduce levels of care, but also avoid high-cost patients as a means to cut expenses—our focus is to respond to the needs of our patients and families. As a result, we are welcoming more referrals—honored that we can be there for all patients at such an important stage of life.

As a leader of Hospice of Michigan and Arbor Hospice, it is my vision to strengthen the not-for-profit mission to ensure we will always be there for future generations—ready to serve the needs of the community. We are so grateful for the generosity of our donors, whose support helps our organization continue to do this important work that respects and honors every moment of life.

Thank you!

A handwritten signature in black ink that reads "Bob Cahill". The signature is fluid and cursive, with the first name "Bob" and last name "Cahill" clearly distinguishable.

Bob Cahill



2018 AT A GLANCE

Census Strength

5,177

TOTAL PATIENTS

1,056

VETERAN PATIENTS

51

PEDIATRIC PATIENTS

Average Daily Census grew **5%** (2018 vs. 2017)

Achieved an All-time Best Average Daily Census **1,063**

Making Every Day Count

Total patient days of service **361,216** a 4% increase vs. 2017

Average length of stay **83 DAYS** a 3% increase vs. 2017

Median length of stay **21 DAYS** a 4% increase vs. 2017

Charity patient days of service . . . **11,055**

PATIENT AGE

75 OR OLDER

71%

85 OR OLDER

47%

PRIMARY DIAGNOSIS

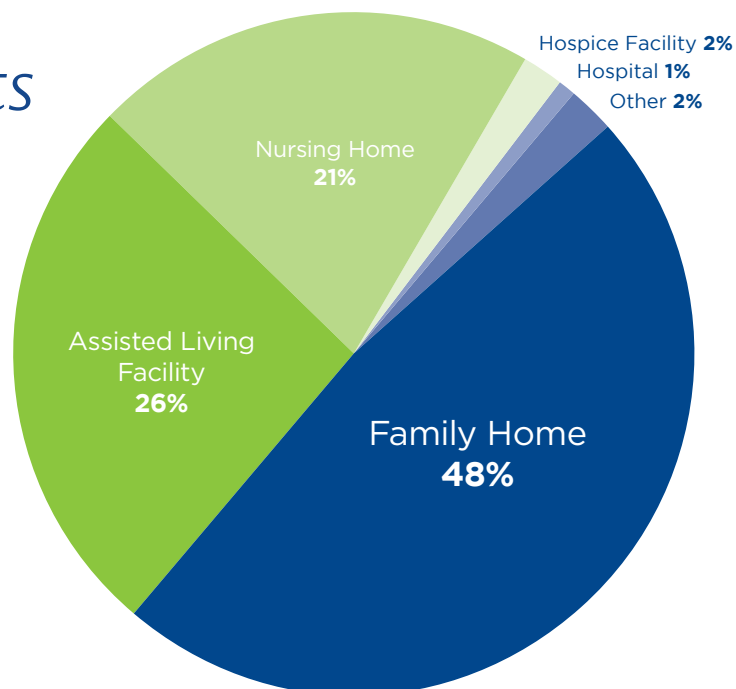
CANCER

34%

HEART

21%

Caring for Patients Wherever They Call Home



WHAT SETS US APART

As the state's legacy hospice providers, our continued expertise and leadership is a direct result of constant process improvement and opportunity. The following highlights some of the key areas of growth and progress Hospice of Michigan and Arbor Hospice realized in 2018.

Admissions: *Respecting Patient and Family Time*

Creating a positive hospice experience begins before a patient is admitted with a timely referral response. In 2018, the role of Patient Family Liaison (PFL) was piloted in Ann Arbor to expedite the sign-on process, allowing patients/families to review all documentation and set the stage for the RN assessment visit. The outcomes of the pilot were exemplary—cutting admissions visit times in half and streamlining the documentation process. Based on this success, two additional PFLs were hired to support the South Oakland County team in late 2018.

Contact Center: *Realizing New Revenue Streams and Service-Based Communications*

As one of the few hospices in the country that provide a 24/7 nurse call center to triage emergencies, we have applied this expertise and now offer after-hours and weekend triage services to external partners. In 2018, we began offering these services to three partners—**Caring Circle Hospice** in Southwest Michigan; **Partners for Children** (A Michigan Medicine program), and **Stein Hospice** in Northern Ohio. We have engaged several hospices across the country as potential future partners.

CONTACT CENTER CALL VOLUME CONTINUES AT AN IMPRESSIVE RATE:

Inbound call average is now approximately **15,000** per month.

Triage RNs handle approximately **6,500** calls per month. *Up from 2,400/month in 2017.*



Determined to provide excellent responsiveness, regardless of the call volume, the Contact Center's standard for operation ensures that all incoming calls are answered by a representative in two minutes or less.

Service Operations: Higher Quality Scores, Stronger Relationships, and Applying Technology to Enhance Care

Hospice of Michigan and Arbor Hospice both experienced improved quality and satisfaction scores in 2018—a direct reflection of the care and compassion our teams provide at the bedside. Many teams across the state have also reached new census highs.

Through our not-for-profit commitment, we also continue to enhance our value and relationships with hospitals, important partners in care, particularly for patients with complex care needs. As a result, hospital-based referrals have grown.

Technology continues to play a critical role to achieve our standards of care delivery. All clinical teams now use iPads for patient documentation. iPad technology allows for increased interaction with the patient-family and real-time synchronization of documentation so all care team members—and the Contact Center—have the most up-to-state patient information.

Pediatrics: The State's Go-To Program for Children Facing Serious Illness



**Jo Elyn Nyman &
The Samuel and Jean Frankel Foundation**
Programs for Children

6

FULL-TIME PEDIATRIC
REGISTERED NURSES



4

RN'S ACHIEVED NATIONAL
PEDIATRIC HOSPICE AND
PALLIATIVE CARE CERTIFICATION*

**Only 7 nurses in the entire State of Michigan hold this certification.*

Jo Elyn Nyman Anchors Programs for Children serves an average of 25-30 pediatric hospice patients each day across the state. In 2018, the program expanded into northern Michigan. Through a special partnership with Helen DeVos Children's Hospital, a music therapist was hired to provide music therapy to West Michigan pediatric patients.

The Compass Program, a social work-based supportive services program for children not yet ready for hospice, served an average of 70 patients daily.

THE EXPERTISE OF OUR PEDIATRIC CLINICIANS IS RECOGNIZED ACROSS THE STATE, AND THE COUNTRY.

In the last year, our program director not only provided education to other pediatric programs, but also had the honor of presenting on a national stage at the National Hospice and Palliative Care Organization conference.

Jo Elyn Nyman Anchors Programs for Children staff are honored to serve on:

- Children's Palliative Care Coalition of Michigan
- National Hospice and Palliative Care Organization's pediatric advisory council

Medical Affairs: *Full-time Medical Directors and Quality Oversight*



Thomas O'Neil M.D.
Arbor Region



Kai Denski D.O.
SE Region



Evan Fonger M.D.
SW Region



Michelle LaFave M.D.
NE Region



Mark Zook D.O.
NW Region

Across the state, the role of Medical Director was expanded to improve quality outcomes for our clinical teams, strengthen the working relationship with Clinical Directors, and ensure compliance with Centers for Medicare and Medicaid Services quality measures. Each of our five provider number areas now has an official Medical Director assigned who works closely with the Clinical Director to share the analysis and reporting of the region's quality metrics with the Executive Team and the Board, and manage quality improvement projects for the region.

Effective December 1, 2018, Thomas O'Neil MD joined Arbor Hospice as a full-time hospice physician and Medical Director. He is fellowship trained and Board certified. Dr. O'Neil spent five years as liaison between Arbor Hospice and Michigan Medicine. He will retain a courtesy faculty appointment at Michigan Medicine, and will support the Palliative Care team and Residence of Arbor Hospice. In addition, The Residence of Arbor Hospice in Saline will continue to host Michigan Medicine faculty physicians in the hospice and palliative care fellowship program.

Kai Denski DO, a Board-certified neurologist and a graduate of the Palliative Medicine fellowship program at Henry Ford Health System, joined the Medical Affairs team as a full-time hospice physician. She will advise Hospice of Michigan's Macomb and Dearborn/Downriver teams, support the Palliative Care team, and share coverage at The Residence of Arbor Hospice.

Palliative Care: *Reaching Upstream to Encourage Transitions*

The primary role of the Palliative Care Program is to assist individuals who are not quite ready for hospice, providing supportive care and assisting in the easy transition to hospice care, when ready.

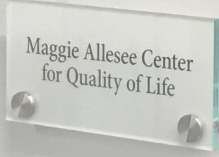
Because the Palliative Care Program is a driver of hospice admissions—and is designed to be a facilitator of the transition to end-of-life care—administrative oversight of the Palliative Care team has now been integrated into the responsibilities of the Admissions Director.



In 2018, we established a clear set of palliative inclusion criteria, refined our scope of practice, and instituted clear policies and procedures, which allowed the organization to streamline hospice referrals of palliative patients, reducing the barriers to transition.



northstar Institute



Maggie Allesee Center
for Quality of Life

NorthStar Institute: The Hub for Education, Training & Research

The NorthStar Institute team is stronger than ever, boasting two new education and research specialists, an education and technology specialist, and a new Director of Education. The Director of Education is a seasoned clinical instructor who is guiding the development of an enhanced New Hire Orientation program, a clinical preceptor program, simulation and skills lab for improved hands-on training for wound and catheter care and other clinical research projects.

Every week, the Maggie Allesee Center for Quality of Life conducts skills training to ensure our care teams provide the best care at the bedside.

An exciting research opportunity emerged in 2018 as the NorthStar Institute staff collaborated with an independent physician investigator to secure a \$500,000 grant from the Michigan Health Endowment Fund. This grant will fund a two-year study of burnout in hospice professionals and will explore detection, treatment, and prevention strategies.

Quality/Compliance: Continuous Improvement = Quality

Cross-disciplinary teams conducted several Quality Assurance and Performance Improvement (QAPI) efforts focusing on:

- Creating a consistent and predictable visit structure
- Establishing general in-patient standards
- Identifying practices to improve staff retention and recruitment

In addition, Quality and Compliance Scorecards were rolled out to leadership and Boards, highlighting quality measures, results and actionable items.

HOSPICE OF MICHIGAN AND ARBOR HOSPICE FOUNDATIONS

The Hospice of Michigan and Arbor Hospice Foundations had another successful year, raising more than \$3.5 million for Hospice of Michigan and nearly \$1 million for Arbor Hospice. Funds raised cover much of the cost of the organization's philanthropic programs including Grief Support, Jo Elyn Nyman Anchors Programs for Children, Palliative Care, the NorthStar Institute, and Open Access. Special thanks to the chairs of the foundation boards, Tom Sarb (Hospice of Michigan) and Chris Prisby (Arbor Hospice), for their leadership.

FUNDRAISING HIGHLIGHTS FOR THE ORGANIZATION INCLUDE:

Foundation Board Activity: *Boards Unite*

In November 2018, the assets of the Hospice of Michigan and Arbor Hospice Foundation Boards combined, although each Foundation Board will continue to operate individually, raising funds to support the communities they serve. Three years into the affiliation, this was an important step in building momentum while still honoring the names and legacy of both fundraising boards.

Life Matters Campaign: *Fundraising milestones and public campaign launch*

Hospice of Michigan's Life Matters campaign surpassed \$20 million, including nearly \$200,000 raised from year one of *Give A Quarter Back*—the three-year public outreach portion of the campaign.

Special thanks to Marc (Rosey) Rosenthal for attracting 13 major sports celebrities who agreed to be spokespeople for the campaign, and to Franco PR for 18 weeks of social media and news coverage of the effort. Key coverage included a front-page story about Bill and Pat Freehan in the Sunday edition of *The Detroit Free Press*. The article was picked up by news outlets across the country.

<https://www.freep.com/story/sports/columnists/jeff-seidel/2018/10/28/bill-freehan-dementia-wife-detroit-tigers/1739616002/>



Life Matters

From Beginning... To End



Gifts to the Life Matters/Give A Quarter Back campaign contributed to all four major areas of the campaign:

- Expansion of services
- Jo Elyn Nyman Anchors Programs for Children
- A new model of care (Palliative Care)
- Research and education at end of life

EVENT ACTIVITY EXPANDED IN 2018, INCLUDING THE FOLLOWING:



BARLEY, BBQ & BEATS IN GRAND RAPIDS AND NOVI Hospice of Michigan grew this fantastic event, welcoming more than 2,300 attendees, raising more than \$300,000. A matching gift challenge contributed to the fundraising success, surpassing its goal by 20%. Plans are already underway for expansion to Cadillac in 2019. In addition, both Grand Rapids and Metro Detroit will move to new venues—at DeVos Place in Grand Rapids and Shed 3 at Detroit's Eastern Market.



Live! FROM THE BIG HOUSE SAVOR THE JOURNEY

ARBOR HOSPICE'S SIGNATURE EVENT moved back to the spring and was held at the Jack Roth Stadium Club at The University of Michigan Football Stadium. The event netted approximately \$70,000 and welcomed 250 guests. The highlight of the evening was the opportunity to run through the tunnel and down to the football field. The 2019 event returns to the Jack Roth Stadium Club on May 9th, 2019 with several exciting interactive activities.

**WALK
REMEMBER
2018**
HOSPICE OF MICHIGAN
WALK AND REMEMBER

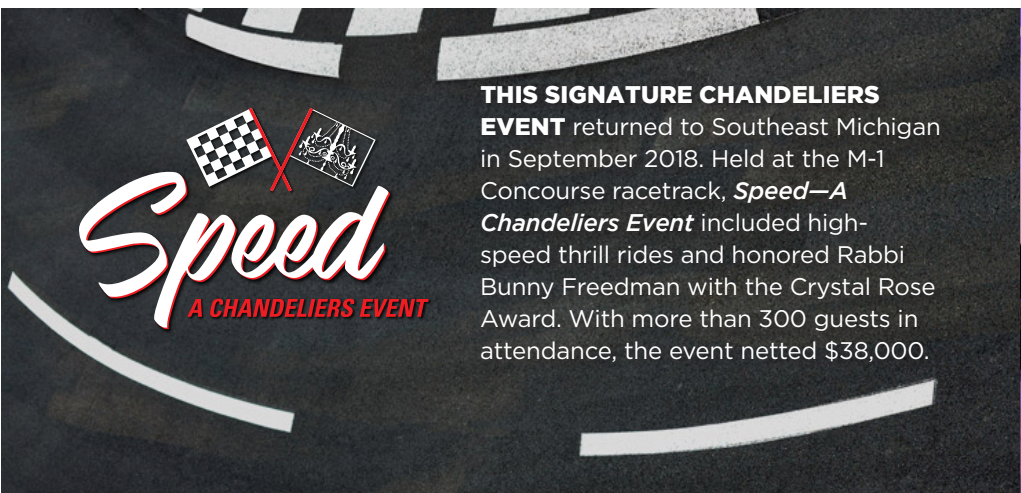
ALPENA WALK & REMEMBER

Celebrating this event's fifth anniversary, more than 200 community members participated, raising \$25,000.

**RACE
REMEMBER
2018**
HOSPICE OF MICHIGAN
GLOW RUN

TRAVERSE CITY-AREA 5K

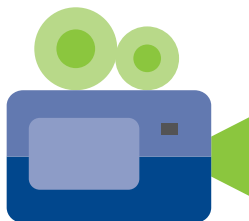
GLOW RUN The second 5K Glow Run was held in October 2018 in Elk Rapids, just north of Traverse City. This evening event featured more than 200 participants decked out in glowing attire. In total, \$15,000 was raised.



THIS SIGNATURE CHANDELIERS EVENT returned to Southeast Michigan in September 2018. Held at the M-1 Concourse racetrack, *Speed—A Chandeliers Event* included high-speed thrill rides and honored Rabbi Bunny Freedman with the Crystal Rose Award. With more than 300 guests in attendance, the event netted \$38,000.



OTHER KEY FUNDRAISING AND FINANCIAL SUCCESSES



CAREGIVER VIDEO SERIES: Fundraising concluded for a new caregiver video series that will soon be available to patients and families. The series includes eight videos that provide instruction on simple caregiving techniques meant to reinforce what is taught by care teams. This project was funded through major gifts from Lawrence and Dolores Bos, Thomas and Micki Fox and the Brookby Foundation.

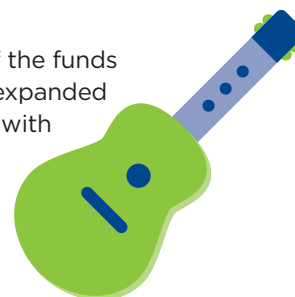
CARING CIRCLE ANNUAL GIVING SOCIETY: Donors with cumulative annual fund gifts of \$1,000 or more are considered members of our *Caring Circle Annual Giving Society*. Now in its third year, Hospice of Michigan recognized 263 members in 2018. Arbor Hospice introduced this Society for the first time in 2018, welcoming 90 members.



MICHIGAN HEALTH ENDOWMENT GRANT: In partnership with Jewish Hospice & Chaplaincy Network, Stanford University, Duke University and Michigan State University, the NorthStar Institute assisted in obtaining a \$500,000 grant to fund research and pilot a program to address professional caregiver burnout among hospice and palliative care professionals. Hospice of Michigan and Arbor Hospice staff will participate in the this two-year study designed to create productive interventions to minimize burnout and maximize employee retention.



PEDIATRIC COMPLEMENTARY THERAPY PROGRAM EXPANSION: Using a portion of the funds raised from the 2017 Jumanji premiere, the pediatric complementary therapy program expanded with the hiring our first pediatric music therapist. This was accomplished in partnership with Helen DeVos Children's Hospital. Additionally, Chris and Lisa Van Allsburg pledged a \$250,000 gift to start a pediatric art therapy program.



GENERAL COUNSEL & FACILITIES MANAGEMENT: *Realizing the Value of In-House Counsel*

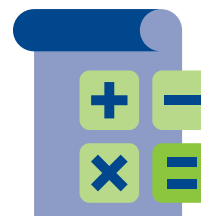
Maximizing the resources of in-house counsel, the organization was able to significantly reduce outside legal fees, eliminate the use of an external real estate broker and their 5% fee, and negotiate savings on lease renewals across the state.

In addition, the facilities team managed fast-track moves out of the former Southfield office into our new Southfield/Galleria and Dearborn locations, as well as a clean exit from the former Hospice of Michigan Ann Arbor leased location.

FINANCE: Year-End Reporting

For the 12 months ending 12/31/2018, operating income was \$1.8 million, with an operating margin of +3.3%. A net income of \$115,000 was realized after all expenses, of which the majority was reinvested back into philanthropic programs.

Finance produced a clean year-end audit again.





The Changing Hospice Landscape: *Delivering Not-For-Profit Hospice in an* *Increasingly For-Profit World*

The balance continues to shift toward more for-profit hospices, with private equity funding several sales and/or mergers. Notably, in southeast Michigan, Beaumont Hospital sold control of its home health and hospice to a for-profit organization in Ohio.

One of the most discernible characteristics of for-profit hospice providers is their focus on generating a profit to shareholders, rather than prioritizing exceptional care. For-profit hospice now accounts for nearly 80% of all hospice providers.

Hospice of Michigan and Arbor Hospice continue to thrive in Michigan, even as we face a combination of challenges that few other hospice providers have: 130 competitors, a non-certificate of need state, a 46 county service area, and a patient population that is heavily weighted with cancer patients—the most complex and expensive patients to care for.

Hospice of Michigan and Arbor Hospice remain steadfast in our commitment to providing not-for-profit hospice care. We will care for all who need our care because it is the right thing to do. As a not-for-profit, we are able to provide more services because we are not motivated by profit goals. Our top priority is to meet the needs of patients and families to ensure the best end-of-life experience possible.



HOSPICE OF MICHIGAN | ARBOR HOSPICE | JO ELYN NYMAN ANCHORS PROGRAMS FOR CHILDREN
NORTHSTAR INSTITUTE | NORTHSTAR PALLIATIVE CARE