



HOSPARUS

Because the end of life is part of living

2010 ANNUAL REPORT



From the CEO

Hosparus focuses on accountability, growth and a commitment to caring

A matter of trust

People don't care how much you know until they know how much you care. Some 850 patients a day trust us to provide them with care that is second to none. We enter patients' lives at a time when things often seem out of control and bring a measure of comfort and reassurance that gives them peace of mind. Thanks to your donations, we offer this care to those we serve *regardless of their ability to pay*.

Last year, we cared for more than 5,000 patients and their families – the most in our 33 year history. With this growth comes the need for additional capital, enhanced technology and program expansion. This is why community support is so critical to our mission. To take that one step further, we encourage you to consider leaving Hosparus in your will or estate plan. Nearly 300 donors have become members of our Autumn Leaf Society by letting us know they have made this choice.

Your planned gift ensures the availability of hospice care for generations to come. Please let us know if Hosparus already is part of your estate plan.

Despite the challenges of caring for more patients and families than ever, declining reimbursement rates and increased regulatory constraints, we will never waver in our commitment to providing care, comfort and counseling for those who need us most. Our patients and families depend on us to answer the call for help no matter what.

We also are working with community leaders, healthcare providers and legislators to make certain hospice care is included in the conversations that surround the end of life. To ensure that those who need hospice care receive it; we will seek every opportunity to share our message.

We are pleased to report we finished our fifth straight year in a positive financial

position. To that end, 2010 financial results reflect a \$500,000 gain from operations and a \$4.1 million increase in net assets. Read more about this on page 10. While we are proud of these results, we need your financial support now more than ever. The first quarter of 2011 showed a dramatic difference in our financial results because of challenges we have faced as a provider and as an industry. Patients are not being referred to us early enough. For your convenience, we've enclosed a postage paid self-addressed envelope. You also may donate online by visiting www.hosparus.org.

Thank you for sharing our vision of caring through your thoughtful and generous gifts. You are helping us fulfill our mission: Improving the quality of life. As always, if we can help you or someone you love, please don't hesitate to contact our 24-hour care line at 800-264-0521.



Phillip L. Marshall
President and CEO

Care Values

- Compassion
- Accountability
- Respect
- Empowerment
- Service Above and Beyond





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Mission: Improving the quality of life.

Vision: To be the premier model for end-of-life care.



I focus on guiding patients and caregivers through the maze of choices and decisions that arise with aging when health declines...I love my role because I work as part of a team helping patients and families find hope when health fails. I love educating families and our community partners about end-of-life care.

– Hosparus nurse practitioner

I enjoy visiting patients and listening to their stories. We pray together. We walk together. We talk together. We all need each other.

– Hosparus chaplain

It's a privilege for me to be part of patients' lives and help them navigate the end-of-life journey.

– Hosparus social worker

About Hosparus *Seasons of caring*

Hosparus is a fully accredited, non-profit hospice organization that provides care, comfort and counseling for people facing life-limiting illnesses in Kentucky and Southern Indiana.

For more than 30 years, our extensive planning and counseling services have helped patients and families deal with many issues that surround the end of life. We offer some measure of control to situations that seem out of control. Those who have used our services tell us that there is comfort in knowing what to do and what to expect in this part of life.

Our team of healthcare professionals and volunteers provide:

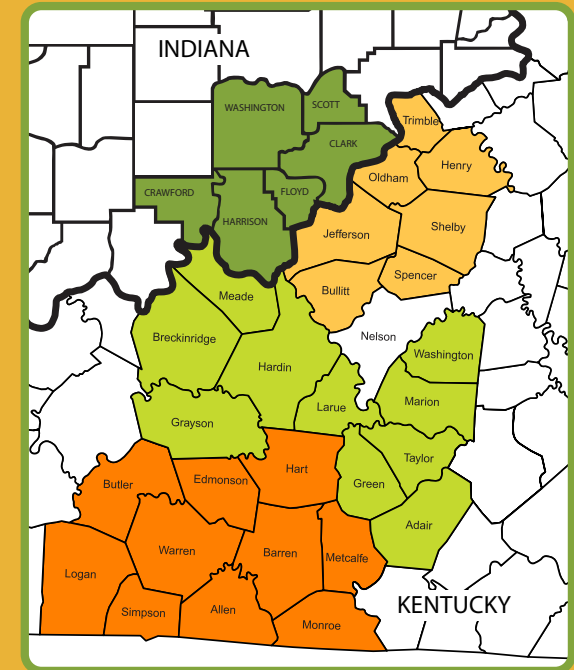
- control of symptoms such as pain, nausea, vomiting, shortness of breath and restlessness
- medication management
- personal care such as bathing, skin care and light housekeeping
- counseling and spiritual care
- bereavement care.

All services are delivered wherever a patient calls home: a family residence, a nursing home, an assisted living facility, an inpatient unit, or a hospital.

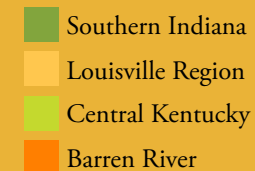
Bereavement Care

Our Hosparus Grief Counseling Center, with offices in the Barren River Area, Central Kentucky, the Louisville region and Southern Indiana, offers the area's most comprehensive programs and services for children, adolescents, adults and families who are struggling with loss. These programs help grieving people understand their grief experiences and provide them with practical and helpful tools for coping with loss (*offerings vary by site*):

- Individual and family counseling for all ages
- Programs and classes for adults, including:
 - Beginning the Grief Journey
 - Living through Grief
 - Calming Practices
 - Support Groups
- Programs and classes for children, adolescents and their families including:
 - Little's Group, for children 3-5 and parents/guardians
 - Grief Connection, for youth (1st-12th grade) and their parents/guardians; young adults (18-25); bereaved parents and grieving adults
 - Evergreen: An annual family weekend camp program
- Educational materials regarding grief and loss
- Annual memorial services and other special programs.



Highlighted counties show our service area



Grief Counseling Center

Adult Individual & Family counseling sessions	2815
Child counseling sessions	400
Clients served in counseling and group sessions	3000
Number of participants who attended specialized programs	835

90% of respondents surveyed in 2010, rated their grief as "better or much better" after receiving services from the Hosparus Grief Counseling Center.

Patients and Families *Share their hospice stories*

Grayson County patient's Hosparus story is a family affair

As is the case in many towns and communities in Central Kentucky, most often someone knows somebody else who has been touched by Hosparus. Dianne Stewart cared for her dying mother in 1996 with help from the non-profit hospice organization. Fast forward some 13 years. Dianne's sister-in-law, Amy Clemons, RN, senior clinical manager at Hosparus, helped her make the transition to hospice care when a cure for her own illness was not expected.

Dianne said, "Hosparus offered compassionate expert care to my mother. Although she's gone, I still draw strength from Mom. I knew from my experience with her that I wanted Hosparus for my own end-of-life care."

She added, "I've moved through all the stages that you go through when the news is bad – anger, shock and even denial. I'm still on a journey that Hosparus is helping me move through."

As her physical condition failed, Dianne's eyes illuminated a spirit that was still lively, "My mind is still going. I have things to do and say. With help from Hosparus, I feel better. I'm more clear-minded and am able to talk to my family. My pain management is wonderful."

Before her death, Dianne recommended others call Hosparus sooner, "If you want people who will laugh with you and cry with you, call Hosparus. They can add quality to all the days of your life."



Dianne Stewart

Retired educator reflects upon the teaching Hosparus Southern Indiana offered her mother and family



Jean Bettencount and Rosemary Ball

For 15 years, Jean Bettencount was a teacher with New Albany Public Schools. After leaving the area, her career stretched from grade school to teaching adults how to read and speak English. As an educator, Jean admits she is a tough critic when it comes to instructions and how people teach others.

She says she appreciated the education Hosparus provided to her mother, Rosemary Ball and the rest of her family from the time of admission, through her mother's illness, her death and even after she died.

Jean says, "When Hosparus began caring for Mom, everything became so much easier to understand. It was like these caring, compassionate Hosparus workers took us under their wings."

"When we brought Mom home from the hospital, everything we needed such as her oxygen, hospital bed and medications were delivered immediately. Hosparus care providers taught us very practical things like how to use Mom's oxygen tank. They also were always there to listen to the emotional issues when we just needed someone to talk to and even cry with," Jean adds.

Another thing that Jean appreciated was the respect of boundaries her mother's Hosparus team showed her, "My mother was a very proud woman and did not want people 'making over her.' Before they touched her, Hosparus workers would ask my mother's permission. That helped her feel more comfortable and eased my mind considerably."



It is my ultimate pleasure in the past months to have received well constructed grief counseling from you. My family and I would like to extend our sincere thanks for the very important role you performed in bringing my difficulties to forefront and making me aware that life can still be inspiring, spiritual, successful and an adventurous existence.

- patient's family



I love to see my volunteer coming. He builds up my morale and that makes me feel good. We have a good time talking and I enjoy our time together.
– Hosparus patient

To help patients and give their family support at such a difficult time is a real honor. I encourage others to volunteer for Hosparus. It can change your life.
– Hosparus volunteer

I enjoy staying busy and hearing the stories shoppers tell me about why they come to the Shoppe and what Hosparus means to them.
– Hosparus Thrift Shoppe volunteer

My volunteer understands my condition and knows that I have good days and bad. I look forward to our time together.
– Hosparus patient

Staff and Volunteers *Show how much they care*

Hosparus patient encouraged others to seek hospice care

Before her death, Leola Monie, a former Hosparus patient, encouraged other African Americans to seek hospice care sooner, “I think there is a misperception among black people in my community that when you call Hosparus, it means you only have a few days or weeks to live. That’s just not true.”

Leola commented, “With everything provided for me at home by Hosparus, it’s less stressful and that makes me feel better.”

Prior to choosing hospice care, Leola spent much of her time in the hospital or at multiple doctor visits, “It wore me out and I was always worried about my oxygen; now it’s delivered to me.”

“Everyone on my Hosparus team is so very kind to me. My nursing assistant even helps me with light housekeeping such as vacuuming.” Monie enjoys time with her Hosparus Social Worker Karen Allgeier. “Karen is so cheerful when she comes to see me and she

loves to hear my stories,” she said.

For her part, Karen said patients like Leola Monie teach her so much about living, “It’s a privilege for me to be part of patients’ lives and help them navigate the end-of-life journey. And, I so loved Leola’s stories.”



Leola and Karen



We recognize Hosparus staff members for combining expert knowledge and a commitment to caring

Last year, Hosparus staff members cared for more patients and families than ever before in our 30+ year history. Those we serve trust these dedicated care providers to travel beside them through life’s final journey. Their expert knowledge and professionalism is matched only by their passion for caring.

We also recognize and value the unwavering contributions of our administrative staff members who quietly work “behind the scenes” to support this mission of caring we all embrace.

For information about Hosparus employment opportunities, visit www.hosparus.org.

Volunteers share in Hosparus’ rich history of caring

More than 30 years ago, a group of volunteers selflessly lent their time to bring a new kind of care called “hospice” to patients and families in our region. More than 65,000 patients later we still depend heavily on more than 500 volunteers to provide care, comfort and

counseling to those who need us most. Last year, this dedicated group donated nearly 44,378 hours for a dollar value of more than \$898,653.

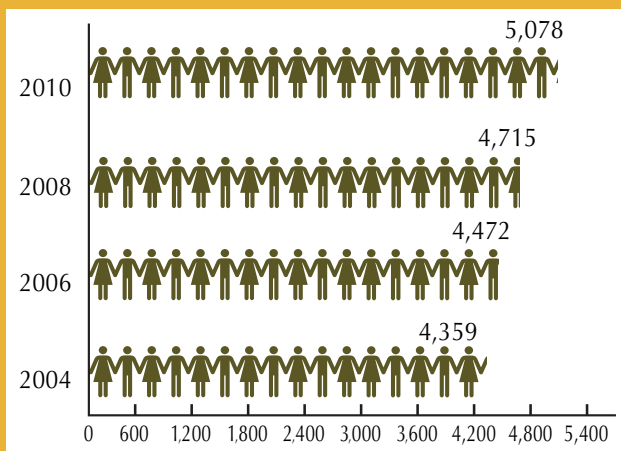
Depending on their area of interest, volunteers help with administrative

duties, bereavement care, patient and family care, respite and development/fundraising. Hosparus carefully selects volunteers and provides them with comprehensive training specially designed to meet the needs of hospice patients and families.

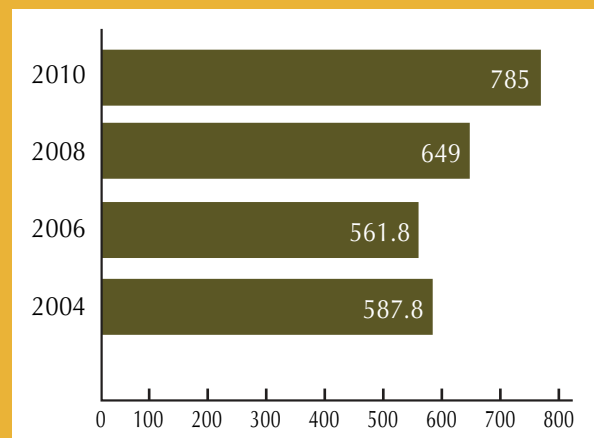


Report to the Community

Hosparus Patients Served



Average Daily Hosparus Patient Census



HOSPARUS INC. DECEMBER 31, 2010

Condensed Consolidated Statement of Financial Position

	2010	2009
Cash & Cash Equivalents	\$6,830,904	\$6,726,216
Net Patient Accounts Receivable	6,097,370	6,479,864
Other Current Assets	<u>639,632</u>	<u>503,864</u>
Total Current Assets	\$13,567,906	\$13,709,944
Investments & Restricted Cash	8,888,425	7,291,434
Pledges Receivable	1,224,643	534,350
Net Property and Equipment	<u>5,855,222</u>	<u>3,235,210</u>
Total Assets	\$29,536,196	\$24,770,938
Current Liabilities	6,233,193	5,939,204
Long Term Debt	546,413	167,632
Total Net Assets	<u>22,756,590</u>	<u>18,664,102</u>
Total Liabilities and Net Assets	\$29,536,196	\$24,770,938

Condensed Consolidated Statement of Operations

Total Revenue	\$49,104,887	\$43,968,327
Patient Care Expenses	37,836,470	32,733,153
Management & General	8,118,058	6,636,429
Fundraising, Marketing and Education Outreach	<u>2,617,423</u>	<u>2,359,221</u>
Income/(Loss) from Operations	\$532,936	\$2,239,524
Income from Contributions, Investments and Assets Released from Restrictions	<u>3,559,552</u>	<u>3,214,031</u>
Increase (Decrease) in Net Assets	\$4,092,488	\$5,453,555

Condensed Consolidated Statement of Cash Flows

Net Cash Provided by (Used in) Operations	\$2,981,137	\$5,607,856
Net Cash (Used in) Property & Equipment and Portfolio Investment	(2,915,402)	(2,094,212)
Net Cash Provided by (Used by) Financing	<u>38,953</u>	<u>702,458</u>
Increase (Decrease) in Cash	\$104,688	\$4,216,102

In 2010, Hosparus provided \$1,576,000 worth of charity care.

In 2009, Hosparus provided \$1,418,000 worth of charity care.



We would all like to extend our deepest appreciation for everything that everyone did for our father.
We truly appreciate all of the help and kindness that was shown by the entire staff at Hosparus.
– patient's family





HOSPARUS

1-800-264-0521 • www.hosparus.org

A non-profit hospice organization

Donate online at www.hosparus.org. Remember Hosparus in your will or estate plan.

Hosparus Barren River

101 Riverwood Ave., Suite B
Bowling Green, KY 42103
270-782-7258 or 877-892-5858

Hosparus Central Kentucky

105 Diecks Drive
Elizabethtown, KY 42701
270-737-6300 or 800-686-9577

Hosparus Louisville

3532 Ephraim McDowell Drive
Louisville, KY 40205
502-456-6200 or 800-264-0521

Hosparus Southern Indiana

624 E. Market Street
New Albany, IN 47150
812-945-4596 or 800-895-5633



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To be removed from our mailing list, contact Meredith Gruebbel at 502-719-8926 or e-mail to mgruebbel@hosparus.org.

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