

HEALTHCARE (RE)MODEL

ANNUAL REPORT 2015



QUEENSCARE

OUR MISSION

As a faith-based organization, QueensCare strives to provide, directly and with others, accessible healthcare for uninsured and low-income individuals and families residing in Los Angeles County.

Dear Friends,

IT HAS BEEN A TRULY MOMENTOUS YEAR FOR HEALTHCARE, and in turn for QueensCare. With the implementation of the Affordable Care Act, millions of Americans now have access to health coverage. As a result of this expansion, the healthcare industry has undergone a transformation, the likes of which is unprecedented in its history. We are both witnessing and participating in an era of transition with the ultimate objective of improving the way we deliver care and reducing its cost.

Last year, half a million Los Angeles residents enrolled in health insurance under the Affordable Care Act—many for the very first time. While such a surge in the ranks of the insured is undoubtedly wonderful, we must not overlook the fact that 1.5 million Los Angelinos still lack coverage or experience large gaps in coverage. For the low-income individuals among these ranks, QueensCare remains a vital resource.

While it would be wonderful to think that healthcare needs have been met thanks to the availability of insurance to a growing number of people, this is simply not the case. Healthcare charities like QueensCare continue to play a unique and indispensable role on the healthcare landscape, very often filling in the gaps in coverage faced by many insured patients. Large or frequent copays required of patients because of accidents, injuries, or chronic conditions can be overwhelming, even if one has coverage. Nonprofit hospitals and community clinics serve all comers regardless of ability to pay, often providing services on a reduced or sliding fee basis, which doesn't cover the costs of care. Simply put, nonprofits like QueensCare act as a bridge—often a lifeline—to quality care for many that would otherwise not receive the treatment they need or end up bankrupt in the process.

While the Affordable Care Act marks a milestone for this nation's healthcare system, it brings with it a new set of challenges. One worsening challenge is the shortage of primary care providers, such as family practitioners and internists. With the increase in the number of those with insurance and aging baby boomers needing more care, we need more—not fewer—primary care providers. The California Academy of Family Physicians notes the lack of residency programs and forecasts that one third of California physicians will retire by 2030. QueensCare's Gene & Marilyn Nuziard Scholarship and Loan Repayment Fund offers financial assistance to medical students expressing a desire to serve in low-income, underserved communities. This is but one way that our organization strives to meet the health demands of our patients with competence, consistency, and compassion.

The Affordable Care Act is still very much in its infancy, and despite the initial hurdles and hoops, we are optimistic concerning its long-term effects. Over time, we expect to see many benefits for both QueensCare and those we serve, including improved quality of care and decreased costs. Although much more work lies ahead of us, we remain dedicated to overcoming any challenges, for if there is one constant amongst the change, it is our commitment to care. We graciously thank you for sharing in this commitment by taking the time to read this year's annual report.

Sincerely,



David Walsh,
Chair, Board of Directors



Barbara Brandlin Hines,
President & Chief Executive Officer



David Walsh
CHAIR, BOARD OF DIRECTORS

Mr. Walsh was appointed as Chair of the QueensCare board in 2014. He earned his JD at the University of Southern California. A partner at Morrison & Foerster LLP, he has been recognized as a leading lawyer by *Legal 500 US* 2014 in the fields of Marketing and Advertising as well as Product Liability. Mr. Walsh also serves on the QueensCare Health Centers board and several QueensCare committees.



Barbara B. Hines
PRESIDENT & CEO

Ms. Hines joined QueensCare in 1997 as Senior Vice President to form the Charitable Division. Named President & CEO in 2009, she has a background in banking and holds an MBA from USC in Accounting and Finance.

2015 NEWS AND UPDATES

DIRECT CARE DIVISION:

The Mental Health Program:

- Provided \$144,000 in mental health services to children and their families under a contract with Children's Hospital Los Angeles.

The Mobile Vision Program:

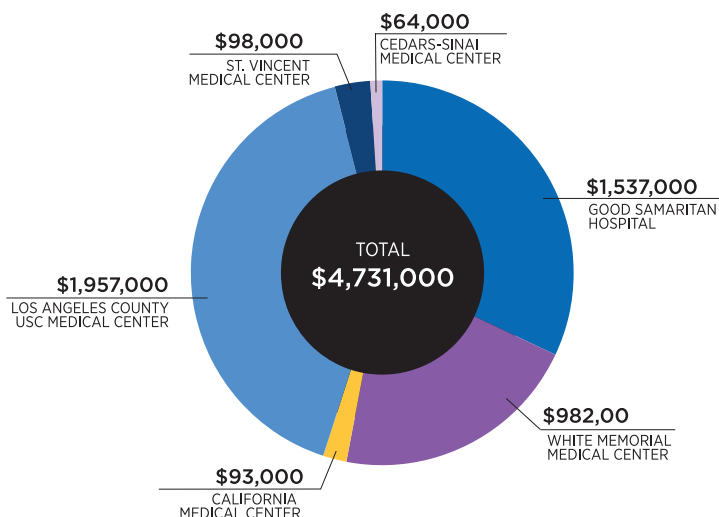
- Visited 27 LAUSD middle schools.
- Screened 11,710 students, up by nearly 1,000 students from the previous year. Of those, 2,409 students received exams and 1,975 students received glasses.
- Offered free exams and glasses to 107 students during the Summer Mobile Vision Program.

The Mobile Dental Program:

- Visited 10 schools, examining 968 students.
- Had 4,731 appointments and conducted 11,433 procedures.
- Provided over \$754,769 in services to the community free of charge.
- Provided dental services to community children up to the age of 18 during summer session, while LAUSD schools were on break.

The Inpatient Program:

- Contracted with six hospitals to provide almost \$5 million in inpatient services to 435 patients: California Hospital Medical Center; Cedars-Sinai Medical Center; Good Samaritan Hospital; Los Angeles County + USC Medical Center; St. Vincent Medical Center; and White Memorial Medical Center.



QUEENSCARE HEALTH & FAITH PARTNERSHIP (QHFP):

- Operated 23 full partnerships and 10 limited partnerships.
- Made 50,909 total contacts with clients, 14,296 of which were one-on-one consultations with parish nurses.
- Conducted 309 osteoporosis screenings, 329 cholesterol screenings, and 344 tuberculosis tests.
- Serviced 8 schools and provided vaccinations to 266 children.
- Administered 1,131 flu shots to clients during flu vaccine season.
- Conducted 7 blood drives in conjunction with American Red Cross and 5 mammogram screening events in conjunction with White Memorial Medical Center-Cecilia Gonzalez De La Hoya Cancer Center.

PASTORAL CARE DIVISION:

- Provided spiritual comfort to 49,918 patients through counseling and conducting religious rites, including anointing 1,058 people and baptizing 6 babies.
- Counseled 341 patients concerning their advance healthcare directive, a critical document that specifies a patient's wishes if they become unable to communicate due to illness or injury, resulting in 56 patients signing such directives.
- Gave a presentation to graduate nurses on cultural education, chaplaincy, advance healthcare directives, and counseling.
- Conducted memorial services for the employees of Hollywood Presbyterian Medical Center.

CHARITABLE DIVISION:

- Awarded \$120,000 in grants for home health, skilled nursing, and hospice care for Los Angeles residents living with AIDS/HIV.
- Awarded \$894,100 in grants to provide education to residents concerning the need to obtain early primary and preventive healthcare to reduce the need for later emergency, acute, and long-term care.
- Awarded \$268,500 through the Gene & Marilyn Nuziard Scholarship and Loan Repayment Program for Healthcare Professionals, with 34 scholarships to students attending 18 colleges and universities.
- Awarded \$2,075,000 to 14 local hospitals and medical centers through the Emergency Medical Services Fund.
- Awarded \$1,101,000 in grants to fund outpatient care through 19 local facilities.
- Provided \$60,000 in grants to fund transportation to/from hospitals and doctors' appointments.

Contribute to Care

We are exceedingly grateful for the many individuals, corporations, and foundations that support QueensCare through their generous donations. As a nonprofit organization, QueensCare utilizes these contributions to provide critical healthcare services in underserved communities throughout Los Angeles.

Your donation will help ensure that QueensCare continues to deliver quality care to those who would not otherwise receive it. If you would like your donation to go towards a specific program, please indicate which one. Donations to QueensCare are tax-deductible and may be made online at QueensCare.org/donate or by using the enclosed envelope.

On behalf of QueensCare and the communities we serve, thank you for your commitment to care.



FINANCIAL STATEMENTS

For the Year Ending June 30, 2015

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION*

2015

ASSETS

Cash and cash equivalents	\$ 11,996,000
Investments	346,471,000
Property and equipment, net	54,495,000
Notes Receivable from QHC	669,000
Other Assets	269,000
Total assets	\$ 411,900,000

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable, accrued expenses, and other liabilities	\$ 5,909,000
Grants payable	2,890,000
Note Payable	3,931,000
Total liabilities	12,730,000

Net Assets

Unrestricted	398,124,000
Temporarily restricted	1,046,000
Total net assets	399,170,000
Total liabilities and net assets	\$ 411,900,000

CONSOLIDATED STATEMENT OF ACTIVITIES*

2015

OPERATING REVENUES

Net investment income	\$ 10,832,000
Contributions	561,000
Total operating income	11,393,000

EXPENSES AND GRANTS

Grants	4,569,000
Program Services	13,622,000
Administrative and general expenses	2,262,000
Total operating expenses and grants	20,453,000
Net operating income	(9,060,000)

OTHER REVENUE

Other income	307,000
Total other revenue	307,000
Change in net assets	(8,753,000)
Net assets, beginning of year	407,923,000
Net assets, end of year	\$ 399,170,000

*Information excerpted from the 2015 FY audited financial statements.



QUEENSCARE BOARD

TOP (L-R): Richard E. Yoo, MD; Jay Guarena; Denise Partamian Forgette; Barbara B. Hines; Steven Aronoff; Barbara F. Bice; Allan Michelena **BOTTOM (L-R):** Lois Saffian; Msgr. Jeremiah Murphy; David Walsh, Chair; Bettie J. Woods, Vice Chair; Gene A. Nuziard

NOT PICTURED: Sr. Judy Murphy, Secretary



QUEENSCARE CHARITABLE BOARD

TOP (L-R): Alan Cushman, Haley T. English, Mark Handin, Rev. Michael Mata, Leo Perez, Ivan A. Houston **CENTER (L-R):** Barbara F. Bice; Fran Inman; Betsy Leland Link; Anna Sivak; Joan Sanders Baker; Lois Saffian; Molly McGinty Nankivell; Mary Carlota Woodward; Marina Alvarez Aronoff; Kay Buck; Marcia Kraft Goin, MD; J. Kim Miller, PhD; Archbishop Vatche Hovsepian; Annie Balian **BOTTOM (L-R):** Msgr. Jeremiah Murphy; Denise Partamian Forgette; Sr. Judy Murphy, Secretary; Bettie J. Woods, Chair; Timothy Lefevre, MD, Vice Chair; Sr. Mary Karen Collier; Edgardo Gazcon

NOT PICTURED: Edward J. Avila; Doug Caruso; Cathi Chadwell; Jan Fredrickson, MN, RN, CPNP; John B. Orr, PhD; Larry Scott



Leadership Team

TOP (L-R): Alex Armstrong, Chief Operating Officer; Barbara B. Hines, President & Chief Executive Officer; Gary Grubbs, Chief Financial Officer

BOTTOM (L-R): Liz Hoang, Vice President of Human Resources; Dr. Tom Gladfelter, Chief Medical Officer

Key Management

Alan DeJong, Director of Risk Management

Faith Lee, Controller

CHARITABLE GRANTS

In addition to its own direct healthcare programs and in keeping with its mission, QueensCare awards other nonprofit “safety net” organizations that provide services to the community.

AIDS SERVICES FUND

Grants for home health, skilled nursing, and hospice care for LA County residents living with HIV/AIDS.

Project Angel Food	\$75,000
St. Mary Medical Center Foundation	\$45,000
AIDS Services Fund Total	\$120,000

EDUCATION AND OUTREACH FUND

Grants to provide health related education or outreach to underserved populations.

American Diabetes Association	\$30,000
American Heart Association	\$25,000
California State University Northridge Foundation	\$20,000
Cancer Support Community - Pasadena	\$25,000
Children's Burn Foundation	\$150,000
Children's Dental Center of Greater Los Angeles	\$50,000
City of Hope	\$150,000
Jovenes, Inc.	\$20,000
PATH, Inc.	\$150,000
Project Kindle	\$40,000
St. Mary's Academy	\$89,000
Women Against Gun Violence	\$95,100
Worksite Wellness	\$50,000
Education and Outreach Fund Total	\$894,100

EMERGENCY MEDICAL SERVICES FUND

Grants to fund emergency room care of uninsured patients residing in LA County.

Beverly Hospital	\$8,766
California Hospital Medical Center	\$109,287
Children's Hospital Los Angeles	\$32,436
County of Los Angeles DHS (LAC+USC Medical Center)	\$711,246
Glendale Memorial Hospital and Health Center	\$77,728
Good Samaritan Hospital	\$498,514
Hollywood Presbyterian Medical Center	\$370,817
Monterey Park Hospital	\$4,383
Olympia Medical Center	\$99,352
Providence St. Joseph Medical Center	\$61,657
Sherman Oaks Hospital	\$11,396
UCLA Healthcare (Ronald Reagan Medical Center)	\$46,170
USC Verdugo Hills Hospital	\$6,721
White Memorial Medical Center	\$36,527
Emergency Medical Services Fund Total	\$2,075,000

GRANTS FUND

Gene and Marilyn Nuziard Scholarship and Loan Repayment Program for Healthcare Professionals	
Students attending Azusa Pacific University	\$9,000
Students attending Biola University	\$27,000
Students attending College of the Canyons	\$4,000
Students attending California State University - Long Beach	\$6,500
Students attending California State University - Los Angeles	\$27,000
Students attending California State University - San Marcos	\$9,000
Students attending Charles Drew University of Medicine	\$9,000
Students attending Illinois Wesleyan University	\$54,000
Students attending LAC College of Nursing and Allied Health	\$2,000
Students attending Santa Ana College	\$2,000
Students attending University of California-Berkeley	\$2,000
Students attending University of California-Los Angeles	\$9,000
Students attending UCLA David Geffen School of Medicine	\$27,000
Students attending UCI School of Medicine	\$9,000
Students attending UCSF School of Medicine	\$9,000
Students attending UCSF School of Pharmacy	\$9,000
Students attending USC Keck School of Medicine	\$45,000
Students attending USC School of Social Work	\$9,000
Scholarship & Loan Repayment Program Total	\$268,500
St. John of God Retirement Center	\$50,000
Grants Fund Total	\$318,500

OUTPATIENT SERVICES FUND

Grants to fund outpatient care.

1736 Family Crisis Center	\$30,000
A Place Called Home	\$100,000
Bienvenidos Community Health Center	\$50,000
Blind Children's Center	\$65,000
Chinatown Service Center	\$10,000
Downtown Women's Center	\$60,000
Exceptional Children's Foundation	\$100,000
Hillside	\$66,000
Homeless Not Toothless	\$20,000
Kids' Community Dental Clinic	\$10,000
Los Angeles Youth Network	\$50,000
Loyola Marymount University	\$25,000
Order of Malta	\$30,000
Southern California Counseling Center	\$45,000
USC School of Social Report	\$100,000
Village Health Foundation	\$45,000
VIP Community Mental Health Center	\$175,000
Westside Family Health Center	\$50,000
Young & Healthy	\$70,000
Outpatient Services Fund Total	\$1,101,000

TRANSPORTATION FUND

Grants to fund transportation to/from hospitals and doctor's appointments.

Good Samaritan Hospital	\$60,000
Transportation Fund Total	\$60,000

GRAND TOTAL **\$4,568,600**

GRANTS AND DONATIONS RECEIVED

Thank you for your continued support and generosity.

St. Joseph's Health Support Alliance	\$350,000
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GIFTS UP TO \$1,000

Anonymous
George H. Asmar
Judith Brandlin
Robert Drabkin
Dorothy Graff
Joan Fritz Family Trust

IN-KIND

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