



Annual Report 2012

*"He who has health, has hope; and
he who has hope, has everything."*

—Ancient Proverb



NEIGHBORHOOD HEALTHCARE

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WANT TO GET INVOLVED?

Call Connie Burke, Director of Philanthropy at (760) 520-8365 or email her at connieb@nhcare.org. You can find a list of all our health centers with contact information and hours on our website at www.nhcare.org. "Like us" on Facebook at www.facebook.com/Neighborhoodhealthcare

Creating A Patient Experience



Tracy Ream, CEO

Everyone is talking about health care reform, but how do we actually prepare for the changes? How do we strategically work toward the Institute for Healthcare Improvement Triple Aim goals of improved patient care, improved health, and improved cost effectiveness? How do we create access for potentially many more patients who will seek care once they have health coverage?

At Neighborhood Healthcare, we are transforming how we deliver care to patients, how we include them in decision-making about their care and how our staff engages patients from their first phone call for an appointment to every interaction.

Examples of a few innovations to increase our focus on patients include:

- Staff and patients are being asked through surveys and one-on-one personal interviews to identify what works well and what doesn't.
- A staff design team at each health center identifies solutions and improvements in communication with one another and with patients that results in more effective patient flow and interaction.
- Care teams of a provider and support staff provide more interaction with patients beyond the doctor-patient communication.
- Patient portals and other technology improve communication, and allow patients to schedule appointments, review their lab results, and ask questions.
- Improved use of data focused on measuring clinical outcomes allows staff to reach out to patients for health maintenance and wellness care, and to identify patients whose outcomes indicate the need for more intensive management.
- All staff participates in formalized and intensive communication training through certified trainers.

We're proud of the progress we have made in receiving formal recognition from NCQA, a national accreditation entity, as a Patient Centered Medical Home. As of October 2012, seven of our health centers have received some level of recognition; proof that staff is committed to the patient centered model of care.

The coming year is filled with opportunity, and our annual report offers the reader a glimpse into what we have accomplished this past year to prepare us for the many changes in healthcare now and in the future.

A handwritten signature in dark ink that reads "Tracy Ream". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Tracy Ream, Chief Executive Officer

Four Physicians Honored **TOP Docs** by San Diego County Medical Society

Physicians Dr. Samorano, Dr. Rodarte, Dr. Chuan and Dr. Schultz have been named “Physicians of Exceptional Excellence” by the San Diego County Medical Society. Dr. Schultz and Dr. Chuan are recognized in Family Medicine. Dr. Rodarte and Dr. Samorano are honored in Psychiatry. Both also have board certification in Family Medicine.

The honor is given out based on nominations and votes from board-certified physicians in San Diego County. Over the years, many Neighborhood Healthcare doctors have received this prestigious award. Patients at Neighborhood Healthcare can expect first-class care from providers who are recognized year after year as some of the best.



From left to right: Dr. Samorano, Dr. Rodarte, Dr. Chuan, and Dr. Schultz.

Need For Neighborhood Healthcare Centers Grows



"With your help, the health center will make a difference in the lives of 7,500 neighbors."

– Alan and Debbie Gold

Help us reach the one million dollar mark this year with our Poway capital campaign and help bring a community health center to Poway and its surrounding areas.

Today, more families in the United States rely on nonprofit community health centers than ever before. Poway and its surrounding neighborhoods are experiencing areas of poverty and a growing number of individuals and families who are uninsured and/or don't have access to a primary care physician. With your help, the health center will make a difference in the lives of 7,500 of our neighbors, providing them with a quality, local medical home.

We are looking for companies who will offer a matching challenge grant and individuals who want to invest in the future health of our neighbors and children. To learn more about the Gold Family Health Center and how you can help make this dream a reality, contact Connie Burke at (760) 520-8365 or visit www.nhcare.org.

Architectural Rendering of Proposed Health Center



Clinical Services

As a private, non-profit 501(c)(3) community health organization, we serve as a safety net for the community by providing 270,600 medical, dental and behavioral health visits to 66,500 people annually.

Founded in 1969 and incorporated in 1971, Neighborhood Healthcare is an award-winning organization that is known for excelling at its mission. As a private, non-profit 501(c)(3) community health organization, we serve as a safety net for the community by providing 270,600 medical, dental and behavioral health visits to 66,500 people annually. Neighborhood Healthcare began as an all-volunteer neighborhood clinic in Escondido and now has ten health centers located throughout San Diego and Riverside counties.

Neighborhood Healthcare has consistently provided high quality care when compared to national standards. Services include medical care for all ages, prenatal care, family planning, HIV testing, dental and behavioral health services, health education, and pharmacy and lab services. Our Hospitalist program provides adult inpatient care for patients without health insurance or a regular physician at Palomar Medical Center or Pomerado Hospital. In order to meet the changing health needs of the community, Neighborhood Healthcare opened specialized health centers focusing on the needs of older adults, children and women.

Neighborhood Healthcare has a quality leadership team with longevity in the organization. For 26 years Chief Executive Officer, Tracy Ream, has spearheaded the expansion of the organization from a one-site health center with seven staff members, to a ten site, two-county health system with more than 500 employees. A strong leadership team including Chief Medical Officer, Dr. James Schultz, support a committed staff of professionals dedicated to the mission of compassionate and quality care.



15th Annual Pace Setter Gala “Magic Carpet Ride”

“Our Pace Setter gala has grown into an annual opportunity to share a lovely evening together and to celebrate a greater purpose: to assure that Neighborhood Healthcare will always be there for those who depend on us for healthcare.”

– Connie Burke,
Director of
Philanthropy

The 15th Annual Pace Setter Gala, “Magic Carpet Ride,” will be held June 1, 2013 at Orfila Vineyards in Escondido. The evening will feature live and silent auctions, lively entertainment from the Manny Cepeda Orchestra, and a delicious dinner by Barry Layne of Coast Catering.

In previous years, proceeds from this annual event were earmarked for Neighborhood Healthcare’s Endowment Fund. In 2011, money raised at the Pace Setter allowed us to meet the goal of \$1 million for our Endowment. This year, proceeds will benefit The Gold Family Health Center. Connie Burke, Director of Philanthropy, explains “Most of our guests at the Pace Setter gala have supported Neighborhood Healthcare year after year. We are grateful for their loyalty and generosity. This year, the event will support The Gold Family Health Center, which will provide 7,500 people living in Poway and the surrounding areas with much needed healthcare.”



In addition to raising funds for Neighborhood Healthcare, the Pace Setter Gala also presents an opportunity to honor an individual, couple or family who has demonstrated outstanding civic and charitable responsibility not only to Neighborhood Healthcare but to the community at large. This year, the honor will be presented to Johnny and Donna Watson. The Watsons moved to Escondido only 7 years ago from New York. After relocating, the couple quickly got involved in giving back to their community.

Johnny’s community contributions are focused on Rotary, education and opportunities for at-risk youth, healthcare and legislative advocacy for community health centers. He is currently the president of Neighborhood Healthcare’s Board of Directors. Donna focuses on supporting the couple’s church, healthcare for the underserved and higher education for women who are returning to college to complete their degrees. Active in their church in Poway, Donna serves as chair of the governing board that supports the mission of the church by overseeing all financial responsibilities. The Watsons are goal oriented in achieving measurable success, and they regularly share a spirit of commitment and passion for their favorite causes.

Dental Health Services

Dental checkups are crucial to the health of your teeth, gums and smile. But without health insurance, families often spend the money on everyday necessities instead.

Thanks to the cooperative efforts of First 5 Commission of San Diego, Share the Care, San Diego County Dental Society and a dedicated volunteer team of San Diego dentists and assistants, 221 children received services at our free annual Dental Sealant Clinic.

The uninsured population has a very high prevalence of oral health problems. The problems range from cavities to gum disease and include the many barriers to accessing dental services. Thanks to the dental department at Neighborhood Healthcare, patients in need receive quality preventative and restorative dental treatments that improve their oral health at significant cost savings. Our dental team educates patients and provides them with tools to limit their risk for dental disease. We are learning more and more about the correlation between good oral health and good systemic health, and it is vital to our community to consistently provide high quality oral healthcare in a comfortable environment.

Three of our health centers provide dental care: Escondido, Lakeside, and Pauma Valley. In addition, Neighborhood Healthcare hosts a free dental screening and sealant event for children every year. In 2012, thanks to the collaboration between the North County Dental Task Force, Neighborhood Healthcare, First 5 Commission of San Diego, Share the Care, San Diego County Dental Society, and a dedicated volunteer team of San Diego dentists, hygienists and assistants, 221 children received services. Of these children, 148 were given a fluoride varnish (a value of \$5,920.00) and 76 were given teeth sealants (216 teeth were sealed, a value of \$10,150).





Diabetes Patient Learns that Self Management is Key to Success

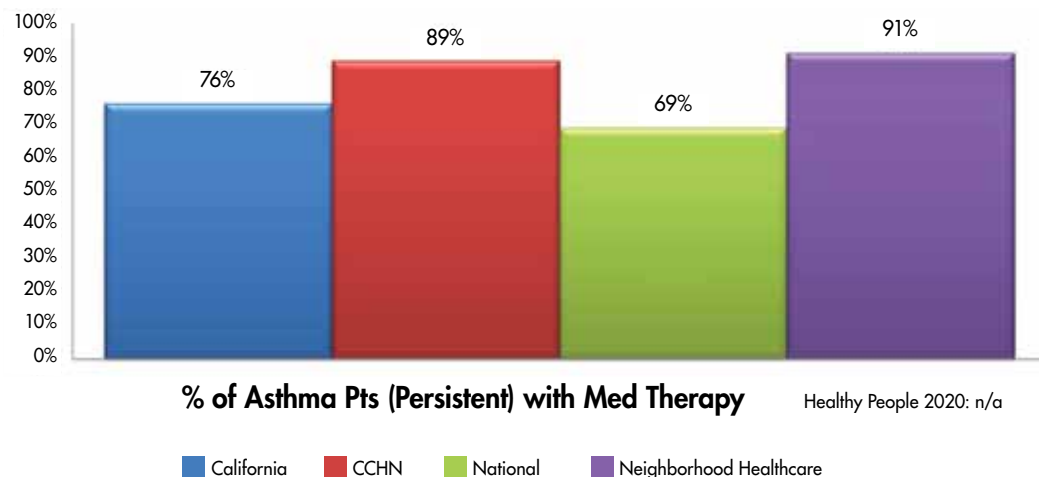
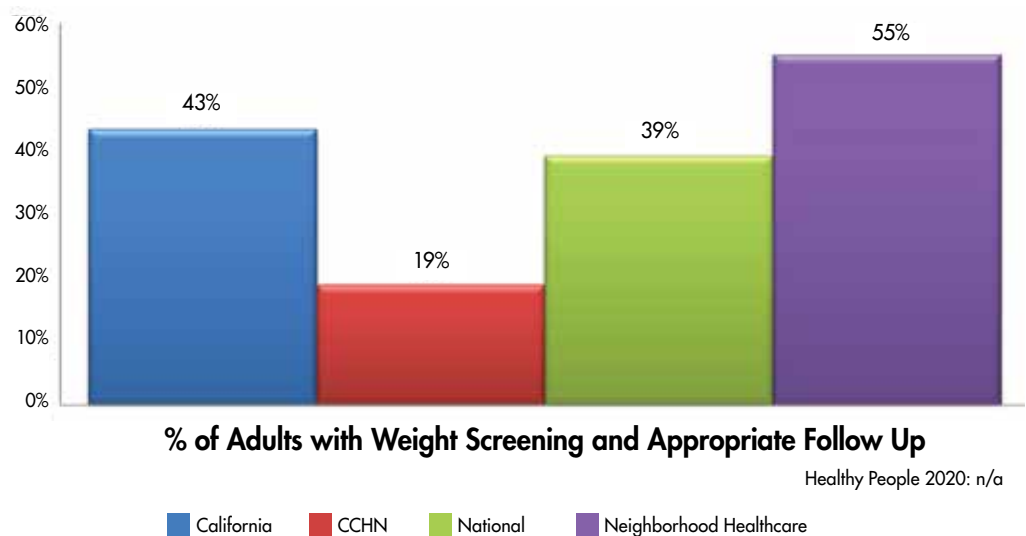
George Garcia came to Neighborhood Healthcare seeking answers for why he was tired and fatigued daily, despite the amount of rest he got. Meeting with Pam Coleson, a physician's assistant, he learned he had high blood pressure, high cholesterol, and unmanaged diabetes.

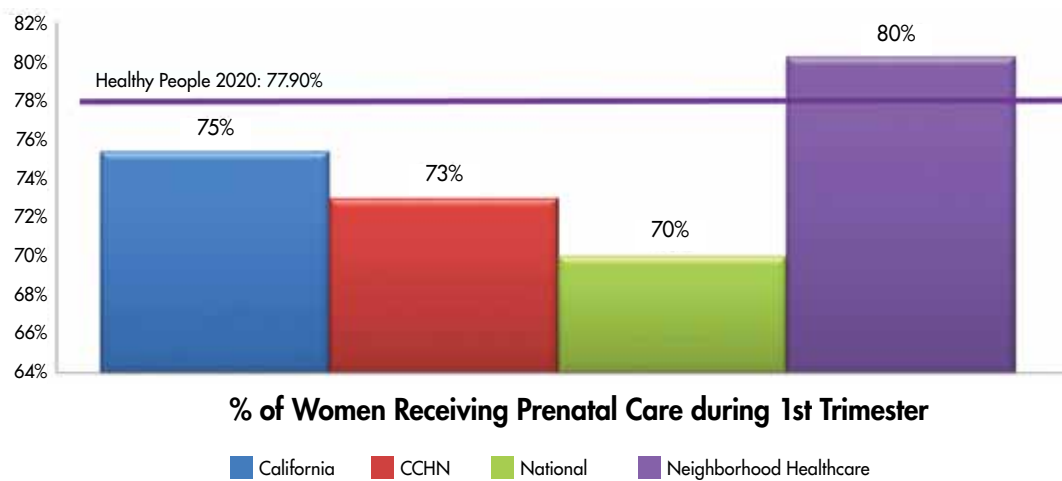
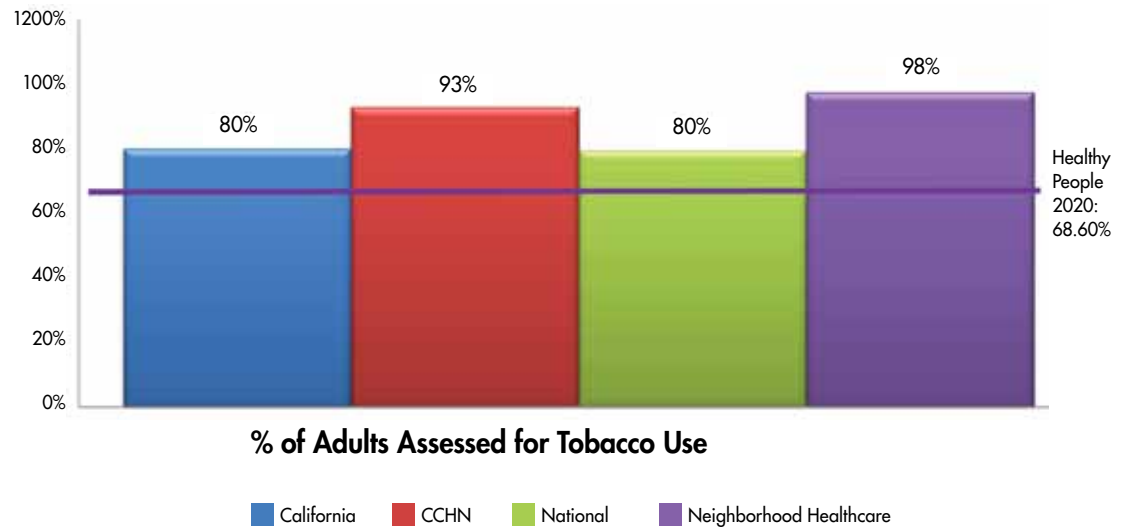
George was prescribed medication to get his sugar, cholesterol, and blood pressure back to appropriate levels, but he was also instructed to continue his visits to Neighborhood Healthcare to learn how to manage his diabetes. Pam taught George about the importance of reading food labels, cutting out empty calories, and maintaining a regular exercise routine. At first, George thought that medication would be sufficient in managing his condition, but he quickly learned that sneaking doughnuts left him feeling sick and tired. "I realized that I wasn't fooling anyone; the doctors can do their part, but I also have to do mine if I want to be healthy," George explains.

Today, George is down to three medications (he began with seven), and has lost 35 pounds thanks to diet and exercise. He's able to lead a fulfilling life, working as a handy man and also volunteering as a chaplain at Palomar Hospital. He credits Pam Coleson for teaching him to be a self-advocate, and giving him the confidence to reach his goals—George has 35 more pounds to lose, and has the chance to be taken off all medications if he sticks to his new lifestyle. "I could not have done it without the health professionals here. I am very moved that people with low income, like me, can have great care."

2012 Clinical Performance Measures

Our performance measures cover dozens of healthcare issues and track quality of care for our patients. Please see a few examples of how Neighborhood Healthcare is measuring up.





Good Health translates into stable employment, happier families and nurtures the hope for a strong future.

Behavioral Healthcare

In 2008, the National Institute of Mental Health (NIMH) reported 26.2 percent of Americans ages eighteen and older—about one in four adults—suffer from a diagnosable mental disorder in a given year.

Due to the unfortunate stigma of mental illness, however, patients are reluctant to act on their doctor's recommendation to see a counselor even when they have discussed various problems such as depression or anxiety. The patient may leave their medical visit with the phone number to our behavioral health department agreeing to call and schedule an appointment but may not follow through.

To solve this problem and improve overall health for our patients, Neighborhood Healthcare has integrated its medical and behavioral healthcare services. Simply put, a behavioral healthcare staff member is available in our health centers where we offer medical care. If a doctor determines that a patient would benefit from behavioral healthcare services, a member of our behavioral health team will speak directly to the patient during their medical visit. We call this a "warm handoff." The patient meets a friendly face, asks questions and receives reassurance and encouragement to seek additional care.

Another benefit of this integration is taking pressure off physicians during a potential crisis. For example, if a patient begins sobbing inconsolably during a general practice visit, their provider can quickly introduce them to the behavioral staff team member available. This ensures that the patient receives necessary care immediately.

Integration of primary care and behavioral health is a practice that is gaining momentum due to its benefits for staff and patients alike. In San Diego County, Neighborhood Healthcare is considered a leader in this effort.

Another goal we are achieving is making behavioral health services available to as many patients as possible. One way we are accomplishing this is through the use of telemedicine technology. While our patients in Escondido meet with a therapist or psychiatrist face to face, this technology allows our patients in Temecula and El Cajon to "meet" with their own psychiatrist through video conferencing. Both patients and providers are highly satisfied with this new, rapidly expanding form of medicine that eliminates long and expensive patient commutes.

Neighborhood Healthcare's Behavioral Health Department has a staff of five psychiatrists, four psychologists and two interns. Two of our psychiatrists and a psychologist are fluent in both English and Spanish and three of our psychiatrists are dually boarded; two in psychiatry/family medicine and one in psychiatry/internal medicine. Two of our psychiatrists have been honored as "Top Docs" by their peers at the San Diego County Medical Society this past year.



Each year,
Neighborhood
Healthcare
helps bring

1800 Babies

Into the World



Our prenatal program teaches moms-to-be how to maintain healthy habits during pregnancy, providing them with important information about prenatal vitamins, nutrition, prenatal tests, and more. While pregnancy is an exciting time in a woman's life, it can also be very scary if she is not prepared and well-educated. The staff at Neighborhood Healthcare provides support to new mothers and ensures that patients are equipped to welcome their newborns into the world.

The prenatal program staff consists of doctors, certified nurse midwives, medical assistants, lab technicians, health educators, nutritionists, social workers, and case managers. New mothers are given educational materials and pamphlets to help them become familiar with pregnancy issues, and prenatal vitamins are provided to keep the mothers and babies healthy. In addition to basic overall care, Neighborhood Healthcare also offers classes specific to certain issues to help patients make the transition into motherhood.

Birthing Classes

Childbirth classes are offered to patients in their seventh month of pregnancy, teaching them relaxation techniques, coping techniques, and more. The class instructor, Carmen Solano, explains: "I embrace and promote our mission of providing quality healthcare especially to those most in need. With so many birthing options available, I believe in empowering women to be active participants not only in their prenatal care but during their labor as well. My hope is to assist our prenatal patients in achieving their ultimate goal of having their best birthing experience possible."

Lactation Classes

Certified Lactation Consultant Leslie Munoz teaches the lactation classes at Neighborhood Healthcare. In her classes, patients are provided with information about breastfeeding benefits, classic positioning, and private consultations. "As a mother, I discovered a passion for breastfeeding and lactation, and decided to pursue it as a career. It is very rewarding to educate and assist my patients with lactation and help them meet their breastfeeding goals. My hope is to provide them with the support that they need so that they too can discover joy in this special time shared with their babies."



Teen Programs Guide Youth

The teen program is designed to meet the total comprehensive health needs for teens in the community, as well as to educate young people and help guide them with issues involving their bodies and emotional health.

The Escondido and Temecula Teens Take Care program helps teens and young adults ages 12 to 19 by offering specialized services that include family planning and health education services. The program's curriculum was specifically designed to help young people make healthy choices and guide them through critical times in their development. Each session includes information about contraceptive methods, human anatomy, abstinence, healthy relationships, sexually-transmitted diseases, HIV, depression and anxiety. Staff is specially trained to teach each session with a youth-friendly approach making it more fun and appealing for teens by creating an environment where teens feel safe. They are able to open up and often find solutions to the unique challenges and decisions they face every day.

The program offers refreshments, movie tickets, and a letter of program completion for those who complete all the sessions. Nurse Practitioner Jeannie Miller explains, "Teens recruit more teens to the program through word of mouth. We try to get them in to get them caught up on various aspects of their health care." Usually, the teens come for the snacks and movie tickets, but end up staying throughout the program because they truly enjoy each session. The program has many returning teen patients because they feel comfortable, safe and understood by staff. The health centers are centrally located in both cities and make quality healthcare services easily accessible without the need to miss class or interfere with parents' work schedules.

The teen program is designed to meet the total comprehensive health needs for teens in the community, as well as to educate young people and help guide them with issues involving their bodies and emotional health. The Escondido and Temecula Teen Care programs are making a difference in the lives of hundreds of young people each year. The program is currently working in collaborations with teens, families, schools and communities to make a positive impact on the health of adolescents and young adults. We are here to help, educate and serve.

“Teens Take Care” Patient Inspired To Give Back

Neighborhood Healthcare provides services that go beyond healthcare—our care can be life saving and life changing.

Nineteen-year-old Clara Loera is a first year student at Cal State San Marcos with hopes to eventually become a pediatrician. While she is only just beginning her college career, Clara finds herself already learning how to relate to patients as an intern with the Teens Take Care program at Neighborhood Healthcare.

Before becoming an intern to program coordinator Angelina Suarez, Clara completed the program as a patient herself. She explains that the weekly meetings provided her with the opportunity to ask questions in a safe, confidential environment. “The program is a resource for kids. When you attend the meetings, there are no parents or adults that make you feel embarrassed. It is a place to get your questions answered,” says Clara.

Angelina Suarez, the health educator for the teen program, has served as an inspiration to Clara in many ways. Clara shares that Angie’s passion for helping others inspired her to give back to the program upon completion. “Angie reaches out to teens and shows them that she truly cares about their well being,” she says. “As a pediatrician, I too will need to reach out and build relationships with patients.” When Angie contacted Clara about the chance to intern with Teens Take Care, she happily accepted the opportunity.

As a former participant in the program, Clara is able to easily relate to the teen patients. “They ask me a lot of questions; to them I am a peer, so it is comfortable and unintimidating. I’ve set aside time weekly for these students, because I know

the program makes a difference,” she explains. Clara is thankful to Neighborhood Healthcare, not only for providing her with important health education as a teen, but also with the inspiration to give back to her community and work towards a career in healthcare. Clara’s story is one of many that shows how Neighborhood Healthcare provides services that go beyond healthcare—our care can be life saving and life changing.

Family Nurse Practitioner Jeannie Miller with Intern Clara Loera and Teen Staff member Angelina Suarez.



Neighborhood Healthcare Youth and Education



Eleven local high school students visited Neighborhood Healthcare to experience a day in the life of a healthcare professional. The students were part of our annual partnership with Escondido Education COMPACT program. (COMPACT stands for “Creating Opportunities, Making Partnerships, And Connecting Teens”) and represented four different high schools. The juniors and seniors had all expressed an interest in the healthcare field; the annual job shadow day provided them with four hours of real-life community healthcare experience.

Gloria Alonzo, a senior at San Pasqual High School, spent her day at Neighborhood Healthcare’s Pediatrics and Prenatal facility—she hopes to be a pediatrician one day. As a child, Gloria remembers receiving nurturing care from her doctors, and she would like to provide a similar positive healthcare experience for others. “I want to be a passionate caregiver,” she explains. More recently, Gloria spent a lot of time in the medical setting—her mother recently received a kidney transplant. “It makes such a difference when the doctors really care about their patients; that is the kind of doctor I want to be,” she shares.

Elizabeth Ortega spent her morning in Neighborhood Healthcare’s dental department. Elizabeth is a senior at Valley High School; she developed an interest in the medical field after taking a healthcare career class at school. “It is such an interesting class, and I’m doing well in it,” she shares. While she is not sure where she wants to go to school yet, Elizabeth would like to pursue a career in orthodontics. Her day shadowing the Neighborhood Healthcare dental team provided her with the opportunity to learn more about patient care and what it takes to work in the dental field.

At the conclusion of Job Shadow Day, the students gathered together for lunch before heading back to school. All eleven students were enthusiastic about their futures and appreciated the opportunity to spend a day observing. They discussed some of their highlights of the day—Haley Norta enjoyed getting to interact with patients in the Behavioral Health department, and Leslie Martinez expressed her fascination with the precision required for giving immunizations. At their final send off, Ruth Manzano, Community Connections Director at Neighborhood Healthcare, left the students with a very important message: “Remember, education is the most important thing. Good luck in college, and maybe one day we will see some of you back working here!”



Healthcare for the Homeless

For the hundreds of homeless men and women throughout San Diego and Riverside Counties, a community health center like Neighborhood Healthcare is often their only hope for medical care.

Neighborhood Healthcare provides outreach and medical services for the homeless in both North Inland and East San Diego Counties, as well as in Temecula. Patients have access to free medical, emergency dental, and behavioral health visits. A Health Care for the Homeless program case manager is also available to help homeless patients access other important community resources. Case management includes linking these patients to job training, shelter placement, and other basic needs for daily living. Funding for the homeless program is provided by the U.S. Department of Health and Human Services.



Volunteer Of The Year



2012 Volunteer Report

Fiscal year July 1, 2011–
June 30, 2012

Volunteers: 115
Hours Donated: 3410.25
Value of Hours
Donated: \$32,000

Thank You Neighborhood
Healthcare Volunteers!

Neighborhood Healthcare honors a very special volunteer every year. This individual is someone who goes above and beyond in his or her service, dedication and enthusiasm for Neighborhood Healthcare. This year, we overwhelmingly selected Dr. Phyllis Colter as the volunteer who has served Neighborhood Healthcare in so many caring and important ways. Since 2003, Phyllis has managed our Reach Out and Read program. This year alone, she made sure that 6,000 of our young patients left their exams with a new book to call their own. Her passion keeps this important program alive. In addition to her commitment to Reach Out and Read, Phyllis is also a long-time member of our Pace Setter Gala planning committee. As a part of this committee, Phyllis helped Neighborhood Healthcare reach the important milestone of achieving \$1 million for our Endowment Fund.

"The reason I keep volunteering at Neighborhood Healthcare, besides my passion to get kids reading, is that I have never met anyone from Neighborhood Healthcare, clinical or administrative staff, who wasn't fully dedicated to the organization and its mission," says Dr. Phyllis Colter.

Interns Gain Experience for Future Employment

Committed to working with volunteers, Neighborhood Healthcare strives to improve the level of quality of client services, offer special expertise, and support busy staff with routine tasks and special projects.

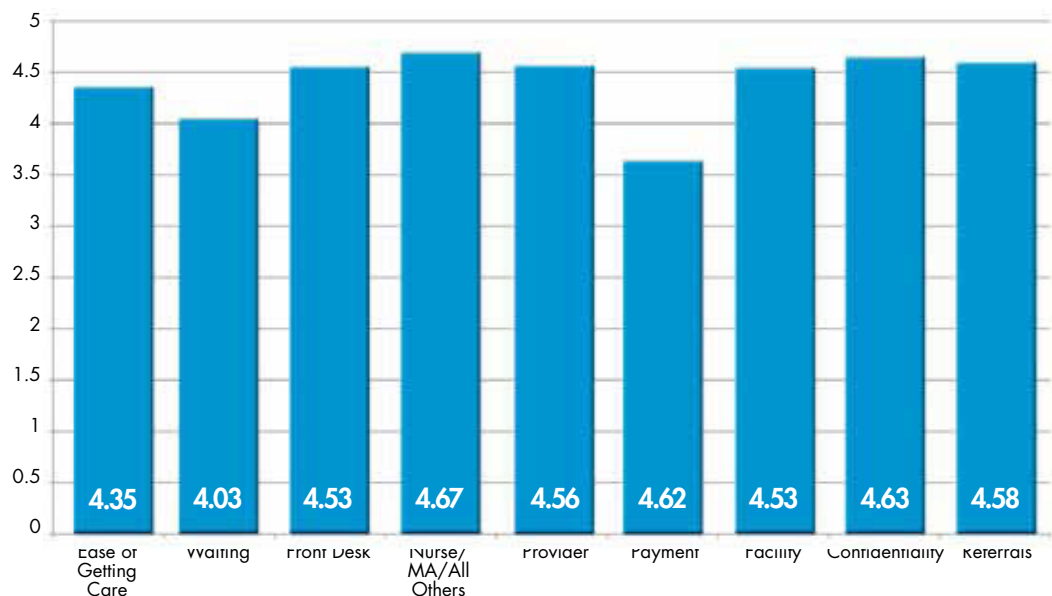
During this past year, our volunteer and internship department had a very diverse group of participants including Medical Assistants, RN students, Midwives, Medical Billers, teen interns, volunteers and more. Many of these people were unemployed individuals looking for a place to gain experience, or students hoping to become part of the medical field one day. From all of the staff at Neighborhood Healthcare, we send a very special thank you! For information about becoming an intern or volunteer, please contact Ruth Manzano, Community Connections Director at (760) 520-8324 or ruthm@nhcare.org.

Patient Satisfaction Survey

Patient Satisfaction monitoring is a program of the Council of Community Clinics that Neighborhood Healthcare participates with in surveys conducted quarterly at all of the health centers. During the survey, patients are encouraged to complete a questionnaire that measures their satisfaction with critical indicators such as the friendliness of staff, time spent with their provider and the quality of the facility. Patients rank each indicator on a scale of 1 to 5, 1=Poor and 5=Great.

In 2012, more than 700 patients were surveyed each quarter. The survey results are shared throughout the organization and drive our ongoing quality improvement efforts. Neighborhood Healthcare is proud of how patients enthusiastically express their satisfaction with the care they receive at the health centers and the friendliness of support staff and providers

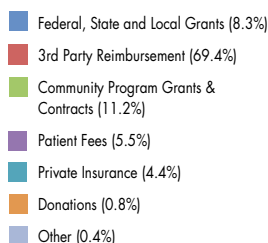
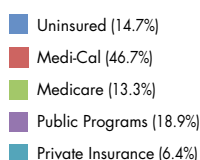
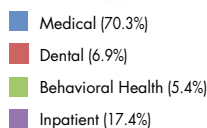
Neighborhood Healthcare Patient Satisfaction Survey 2012
Rankings on a scale of 0 to 5



Growth & Vision Of The Future

The financial information contained in this annual report represents a condensed version of the Fiscal Year 2012 audited financial statements. A complete set of the audited financial statements, with accompanying notes and report of independent accountant, is available at Neighborhood Healthcare's administrative offices.

Fiscal Year 2012



Growth (5-Year Trend)

FY	Annual Visits	Total Expenses	Total Assets	Total Net Assets
2008	231,478	29,010,792	20,116,014	14,031,746
2009	258,543	31,620,862	23,817,039	16,487,277
2010	268,814	33,867,514	27,498,573	19,893,742
2011	248,008	35,660,146	30,246,390	20,435,969
2012	281,196	38,468,862	29,270,539	21,517,948

Visits by Program

FY	Medical	Dental	Behavioral Health	Inpatient	TOTAL
2010	188,599	18,874	11,238	50,103	268,814
2011	168,972	18,733	12,448	47,855	248,008
2012	197,800	19,285	15,172	48,939	281,196

Visits by Payor (5-Year Trend)

FY	Uninsured	Medi-Cal	Medicare	Public Insurance	Private Insurance	TOTAL
2008	44,268	93,433	33,402	47,397	12,978	231,478
2009	47,239	106,519	35,743	55,325	13,717	258,543
2010	43,510	118,572	36,290	54,969	15,473	268,814
2011	41,087	107,574	36,552	47,960	14,835	248,008
2012	41,216	131,367	37,292	53,248	18,073	281,196

Note: Public Insurance includes FPACT, CMS, MISP, CDP, Ryan White, MHSA, CI, Impact, Healthy Families Medical & Dental programs. Medi-Cal and Medicare include Managed Care.

Revenue

FY	TOTAL	Government	Patient Services	Non-Government Grants & Contracts
2009	34,076,393	2,541,522	23,368,975	4,215,735
2010	36,913,364	4,183,124	23,193,088	4,168,278
2011	35,532,840	3,577,303	23,165,340	4,874,891
2012	39,514,743	2,854,473	26,985,962	4,391,683

FY	Patient Fees	Private Insurance	Contributions	Other
2009	1,852,152	1,647,715	297,987	152,307
2010	1,766,687	1,951,840	1,391,703	258,644
2011	1,544,454	1,548,371	385,419	437,062
2012	2,118,401	1,682,305	267,360	1,214,558

Statement of Financial Position

June 30, 2012 and 2011

Assets		2012	2011
Current Assets		13,326,331	13,917,036
Property and Equipment		14,853,033	15,380,569
Board Designated Endowment		1,091,175	948,785
	TOTAL ASSETS	29,270,539	30,246,390
Liabilities & Net Assets			
Liabilities:			
Current Liabilities		3,633,228	5,313,866
Long Term Debt		4,119,363	4,496,555
	TOTAL LIABILITIES	7,752,591	9,810,421
Net Assets:			
Unrestricted		21,517,948	20,435,969
Temporarily Restricted		0	0
	TOTAL NET ASSETS	21,517,948	20,435,969
	TOTAL LIABILITIES & NET ASSETS	29,270,539	30,246,390

Financial Growth

Growth in Assets from 2008 - 2012					
	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08
Total Assets	\$29,270,539	\$30,246,390	\$27,498,573	\$23,817,039	\$20,116,014
Net Assets	\$21,517,948	\$20,435,969	\$19,893,742	\$16,487,277	\$14,031,746

Statement of Activities

For the Years Ended June 30, 2012 and 2011

Revenue And Other Support		2012	2011
Patient and third party revenues, net		30,786,670	25,719,781
Grant revenue		7,246,155	8,452,194
Donations		267,360	385,419
Other		1,214,558	437,062
	TOTAL SUPPORT AND REVENUE	39,514,743	34,994,456
Expenses			
Personnel		30,226,566	27,196,577
Contract services		2,240,450	2,046,779
Supplies		1,963,203	1,742,201
Communications		405,034	413,656
Equipment		552,046	704,638
Occupancy		1,272,598	1,266,405
Insurance		143,896	164,318
Depreciation and amortization		744,175	720,805
Other expenses		920,894	866,383
	TOTAL EXPENSES	38,468,862	35,121,762

Annual Patient Visits: Growth

	2012	2011
Patient Service Fees	41,216	41,087
Medi-Cal (Fee for service and Managed Care)	131,367	110,000
Medicare	37,292	36,552
Categorical Programs	53,248	45,534
Private Insurance	18,073	14,835
	TOTAL PATIENT VISITS	248,008

"Financial results for FY 2012 were strong, with net assets growing by more than \$1,000,000. Annual visits and related revenues increased by 13% and 11%, respectively, as we reaped the benefits of having the electronic health records system fully implemented. With net assets of over \$21,000,000, electronic health records fully implemented, and a historically low cost per visit, Neighborhood Healthcare is in a strong position to take on health care reform."

*– Lisa Daigle,
Chief Financial Officer*

Funding Received

Fiscal Year 2011/2012

2012 BY THE NUMBERS

Providing behavioral health, inpatient care and wellness education for over 44 years to those most in need.

Patients
69,538

Children (12 and under)
15,352

Outpatient visits/day
914

Inpatient visits/day
134

Outpatient visits/year
232,257

Inpatient visits/year
48,939

Employees
516

Licensed Medical,
Dental, and Behavioral
Healthcare staff
171

Staff retention rate:
93.1%

Neighborhood
Healthcare Physicians
who are board certified
eligible:
100%

*For a complete list
of donations, visit
[www.nhcare.org/
supporters.html](http://www.nhcare.org/supporters.html)*

DATE	Title/Summary	Funding Source	Location	Amount Received
Jul-2011	Beacon Communities	U.S. Health and Human Services	All Department	100,000.00
Aug 2011	Reach Out and Read	Target	All	2,000.00
Oct 2011	Prescription Fund	Escondido Rotary	Escondido	1,500.00
Oct 2011	Medicare Demonstration Project	Center for Medicare and Medicaid Services	Grand	Per Patient Reimbursement
Oct 2011	Community Benefit	Kaiser Permanente San Diego	San Diego	35,000.00
Oct 2011	Title X	California Family Health Council	All	159,693.00
Oct 2011	Patient-Centered Medical Home (PCMH) Supplemental	U.S. Health and Human Services Department	All	35,000.00
Dec 2011	Community Innovation	CCI/Blue Shield	All	35,000.00
Jan 2012	Patient Experience	California Healthcare Foundation	All	40,000.00
Feb 2012	Patient Experience	California Wellness Foundation	All	3,125.00
Mar 2012	Dental Services	CECO - San Diego County Employees Charitable Organization	Date	4,806.00
Apr 2012	Temecula Building Capacity (Capital and Patient Experience)	Inland Empire Health Plan (IEHP)	Temecula	200,000.00
May 2012	Building Capacity – Capital	U.S. Health and Human Services Department	Temecula	3,219,386.00
Jun 2012	Adolescent and Teen Wellness	Kaiser Permanente San Diego	Escondido	25,000.00
			TOTAL	\$3,860,830.00

For 44 years, Neighborhood Healthcare has continued to grow with the demands of our communities. We are ranked as one of the top community health centers in the country in terms of financial efficiency, quality of care, and breadth of services. We've discovered, however, that many of our community members still aren't sure about what we do and the services we offer.

WHAT WE DO IS CARE

We care for those who've lost their job—and their health insurance along with it. We care for those who have never had health insurance at all. We care for the migrant workers, the homeless and the homebound. We care for older adults on fixed incomes and premature infants. We care for everyone regardless of race, religion, ethnicity or ability to pay.

Special thanks to all our partners who invest in babies, children and adults who rely on community health centers. With you, we are able to excel at our mission: Neighborhood Healthcare is committed to providing quality health care and promoting wellness to everyone in our communities, focusing on those most in need.



Grant Funding

Continues
To Help
Us Move
Forward

Neighborhood Healthcare has embarked upon an operational transformation that will take us to the next level of patient care. Our goal is to continue to be the provider of choice and deliver the highest quality of care. Grant funding continues to help us move toward achieving this goal. Some highlights include:

Creating a five-star experience by fostering a comfortable, welcoming and inclusive environment centered on the patient

Patients will begin their Neighborhood Healthcare experience with active engagement the moment they enter the health center. Waiting rooms will be turned into patient engagement centers and a redesigned check-in system will eliminate extended waits.

Becoming a nationally-certified Patient-Centered Medical Home (PCMH)

In this model of care individual patients, and as appropriate the patient's family, develop a partnership with their personal physician and a healthcare team. The team works with the patients to create an individualized plan of care.

Funding allows for renovations at our Temecula Health Center

Significant funding from the U.S. Health and Human Services Department and the Inland Empire Health Plan are allowing us to renovate a new site for the Temecula Health Center and train staff on the PCMH model. The new building's design will be patient-focused and increase access to care for the community.



Vision Statement

Neighborhood Healthcare will be the provider of choice in the community, an innovative leader in clinical outcomes, and an advocate for the uninsured.

Mission Statement

Neighborhood Healthcare is committed to providing quality health care and promoting wellness to everyone in our communities, focusing on those most in need.



NEIGHBORHOOD HEALTHCARE

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