

# President's Report 2017

Submitted by Bob Cahill,  
President & CEO



# WHAT WE DO EVERY DAY

*The following real-life patient care story was sent to Hospice of Michigan from one of our staff.*

## **PATIENT WISHES COME FIRST**

Any member of our organization will tell you that the care they provide is motivated to honor a patient's wishes at end of life. This patient-centered philosophy is consistent with our mission to care for anyone who needs and seeks our care. This is what separates us from so many other hospice organizations throughout the state. It should be no surprise when our staff mobilizes in extraordinary ways to make sure we meet our patients' wishes.

"Sam" had been in the hospital receiving treatment for his illness for several weeks. Facing a terminal diagnosis, he had repeatedly asked his family to take him home. As he began rapidly declining, it became clear to his family that they needed to act quickly to honor his wish to die at home – nearly 100 miles away. Assessing that Sam was actively dying, the hospital staff knew they could not assure that they could quickly transfer him home within their own hospice organization. When the hospital reached out to other local hospices, all declined...until they contacted Hospice of Michigan (HOM).

Upon receiving the first call, our staff immediately took action. With precision and commitment, our 24/7 contact center began the complex coordination process, connecting with the local after-hours staff and the after-hours staff in Sam's home town, ordering durable medical equipment (DME) and helping with the critical transportation (ambulance) to safely transfer Sam from the hospital to his home. In an exemplary manner, our local after-hours staff met with the family at the hospital to begin the admission process. They were able to get consents signed and start assessing the needs of the patient and family. Thanks to our state-of-the-art technology, they were able to instantly share medical records along with all necessary information with their counterparts in Sam's home town. This would ensure that Sam would have his medication and DME in place by the time he arrived home. Sam and his family reached his home at 11pm, the equipment had arrived, was set up, and the admissions nurse was there to greet them. Armed with all the tools and information she needed, the nurse was quickly able to address their needs to keep Sam comfortable and his family supported. Once Sam and the family were settled, she departed, returning four hours later to pronounce his death.

This coordinated effort, driven by our mission, stellar teamwork, a statewide footprint, and service that never sleeps, allowed Sam to achieve his wish to die peacefully at home, surrounded by his family. The family was immensely appreciative of our efforts to grant Sam's last wish.

# **WHAT SETS US APART**

## **Pediatrics**

Jo Elyn Nyman Anchors Programs for Children now includes six full-time pediatric registered nurses, four of which have received national pediatric hospice and palliative care certification. These RN's represent four of the seven nurses in the entire State of Michigan that hold this certification. We serve an average of 30 pediatric hospice patients across the state each day.

The Compass Program (social work-based supportive services for children with advanced chronic illness) employs six Social Workers across the state, serving an average of 225 patients daily.

Two of our nurses sit on the boards of the Michigan Pediatric Palliative Care Coalition and the National Children's Project on Palliative/Hospice Services.

## **Reaching Upstream with Palliative Care**

Approximately 300 patients are enrolled in our palliative care service. This year, Michigan passed legislation allowing nurse practitioners to prescribe controlled medications, while continuing to collaborate with a supervising physician. We also received a grant from the Ann Arbor Community Foundation to support social work services, teach alternatives to the emergency room, and promote access to hospice.

We began a new electronic medical record process for palliative care patients. This system provides medical practice functionality, including electronic prescribing of all medications from the home, and palliative-specific documentation requirements.

## **Admissions/Triage**

In October, we began piloting iPads (versus laptops) with a select group of Admission Nurses. Feedback has been positive. It is evident that the iPad not only promotes better efficiency in charting, but will also be less intrusive for the patient.

We are currently looking at a new 90 minute admission visit model (currently, admissions take up to three hours). This reduced time/visit model is both a large satisfier to the patient/family, and improves efficiency of staff time.

We are one of the few hospices in the country that provide a 24/7 nurse call center to triage emergencies. A typical month handles 2,400 incoming calls, with an average wait time of 30 seconds.

## **Medical Affairs**

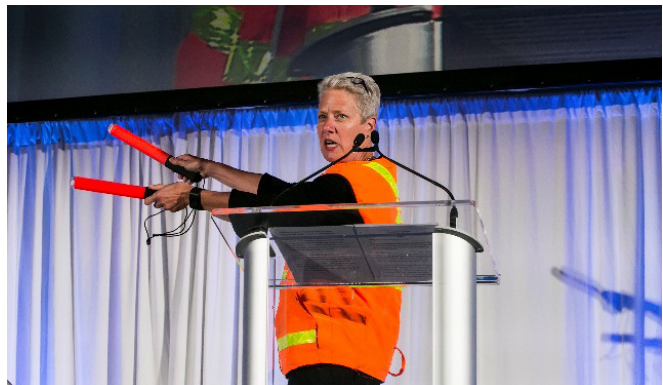
We expanded the support of our twelve physicians with the addition of nurse practitioners. Unlike most hospices, all of our physicians are hospice and palliative medicine certified.

# Fundraising to provide care for the indigent, the expensive and the pediatric patient

The Hospice of Michigan and Arbor Hospice Foundations had another successful year raising nearly \$4 million for HOM and \$1.7 million for Arbor. These funds will be used to cover the cost of all of the organizations' philanthropic programs including Grief Support, Jo Elyn Nyman Anchors Programs for Children, Palliative Care, the NorthStar Institute, Education and Open Access. 2017 fundraising highlights include:

1. Raised an additional \$2 million for the ***Life Matters*** Campaign. These gifts, along with others, contributed to all four major areas of the campaign 1) expansion of services: 2) Jo Elyn Nyman Anchors Programs for Children; 3) a new model of care (palliative care); and 4) research and education at end of life.
2. Events expanded to a new level in 2017, featuring:
  - a) Barley, BBQ and Beats in West Michigan – Attendance at this fantastic Hospice of Michigan event grew 42% with more than 1,700 guests (vs. 1,200 in 2016) and raised nearly \$260,000 (vs. \$221,000 in 2016). This unique celebration showcased barbecue from 11 leading pit masters, hand-crafted cocktails from 10 select Michigan distillers and live music from hometown favorites. The event is expanding to SE Michigan – hosted at the Novi Suburban Showplace on June 9, 2018.
  - b) Savor the Journey in Ann Arbor – 2017's event moved to the fall and had incredible volunteer board and committee participation. With nearly 300 guests in attendance, Arbor Hospice netted more than \$100,000.
  - c) Alpena Walk & Remember – Support continued to grow in 2017, raising \$30,000 (vs. \$26,000 in 2016) and more than 200 participants (vs. 175 in 2016).
  - d) Traverse City 5K Glow Run – In October, HOM hosted its first event in the Traverse City area, a 5K Glow Run in Elk Rapids. This nighttime event featured more than 200 participants wearing glowing attire. The event raised \$17,000.
  - e) Hockey - The Musical – Once again, the HOM Foundation partnered with Mitch Album to bring his latest musical to Grand Rapids' Wealthy Theater. With a full house on opening night, the one-week run in August raised awareness for our Open Access program.
  - f) Chandeliers Take Flight – Our signature *Chandeliers* event concept travelled to Grand Rapids in 2017, taking place amidst shining airplanes and helicopters at Amway's private hangar. Special thanks to Foundation Board member Kurt Ludlow – recently retired from Amway - and co-chairs Judy Ludlow and LeeAnn Clay for leading the committee. The evening's Crystal Rose honorees included Dr. John Maurer, the Barley, BBQ and Beats committee, Warner Norcross and Dr. David Dickens.

- g) Midwest Premiere of *Jumanji: Welcome to the Jungle* – The capstone event of the year was the two-city simultaneous Midwest premiere of ***Jumanji: Welcome to the Jungle***. More than 900 people packed Ann Arbor's Michigan Theater and Celebration! Cinema North in Grand Rapids to be the first to see this blockbuster movie. The premiere events netted more than \$200,000 for Jo Elyn Nyman Anchors Programs for Children and garnered new supporters across the state.  
[www.jumanji4anchors.com](http://www.jumanji4anchors.com)
3. Estate gifts generated more \$2 million in 2017. Most notable was an estate gift from Paul J. Rice, in Ann Arbor. His \$625,000 gift, the largest single gift in Arbor Hospice history, established the Paul J. Rice Charity Bed Program at the Residence of Arbor Hospice.
  4. Annual Fund donations, which includes memorials, appeal and general gifts, raised more than \$1 million in 2017. This fall, we saw the expansion of HOM's *Caring Circle Annual Giving Society*, encouraging donors to sustain – and increase – annual support.
  5. In partnership with C.S. Mott Children's Hospital, we submitted a grant proposal to the Michigan Health Endowment. In November, we were granted \$500,000 to pilot a program in Southeast Michigan for children on our Compass Program living with an advanced chronic illness.







## Our Hospice Stats

Patients served:	<b>5,098</b>
Total patient days of service:	<b>352,090</b>
Veteran patient days of service:	<b>99,143</b>
Charity patient days of service:	<b>10,533</b>
Pediatric patient days of service:	<b>8,056</b>
Average age:	<b>79</b>
Average length of stay:	<b>81 days</b>
Median length of stay:	<b>21 days</b>
Largest primary diagnosis:	Cancer: <b>34%</b> Heart <b>22%</b>

## Property management

We successfully relocated the Residence of Arbor Hospice from Oak Valley to the campus of EHM Senior Solutions in Saline in January.

## Long-term stability

*For the 12 months ending December 31, 2017*

We had operating income of \$1.7 million, with a profit margin of 3.4%, putting us in a stable position to continue to provide our programs and services.



# WHAT TO EXPECT IN 2018

In January 2018, the Senate confirmed a new Secretary of Health and Human Services, Alex Azar. Azar is an ex-pharmaceutical executive, and lawyer by trade. During his Senate confirmation, he was quoted as being supportive of advanced care planning, pilot payment programs and in-home care.

With the failed repeal of the Affordable Care Act (ACA) in 2017, we are not anticipating any near-term major changes to hospice care. The replacement strategy may take on a couple options; underfunding specific sections of the ACA or giving states greater control and reason to consider expanding Medicaid coverage. However, the ACA has added more than a trillion dollars (since inception) in deficit spending to our overall budget. Since Medicare/Medicaid is about 25% of all government expenditures, and that Medicare overspent by 11% in 2017 (and is expecting to have a similar shortfall for 2018), we do expect to see continued sequestration, tightening of reimbursement and increased regulations.

Only so much can be done with reduced head count or cost of supplies to lead us to improved productivity and efficiency. The key to success is prioritization of efficiencies that yield both cost and quality improvements. Therefore, it becomes all about having good data and analytics. This is why we believe it is essential to gather, interpret and analyze large and complex data sets to help prepare us for the future with better efficiency.

MedPac (congressional advisory on healthcare) recognizes that some of the large for-profits (usually having dozens of provider numbers across several states) are abusing the system, yet struggle as to a solution. One approach by Centers for Medicare & Medicaid Services to address this issue is to increase state surveys of organizations with multiple provider numbers and insuring that local management has direct contact with the corporate board.

In Michigan, HOM has the most provider numbers, which indicates why we may have been targeted for the recent survey. We retained our “deemed” status following the survey, but we had to increase some of our documentation at the board level.

We continue to thrive in Michigan, even though we have a combination of challenges that few other hospice providers have: 130 competitors, a non-certificate of need state, heavily weighted with cancer patients and servicing 50 counties.

# Supporting the mission today and into the future

**Our focus:** Every person. Every time.

**Our purpose:** We meet our patients and families where *they* are - with *urgency, purpose* and *compassionate accountability* - surrounding them with decades of dedicated hospice expertise.

**Our strength:** Comes from *working together* providing more layers of support for anyone who needs and seeks our care - regardless of age, diagnosis or ability to pay.

**Our commitment:** By adopting specific *Standards* and *Accountability* concepts, we will improve quality, enhance productivity and efficiency, and boost financial outcomes while creating an organization where excellence is expected and employees become master teachers of end-of-life care for patients and families. We will preserve and strengthen the non-profit hospice brand through high quality, differentiation, growth, and sustainability.

***Currently 75% of hospices are for-profit. To remain competitive as a not-for-profit, the executive team recognizes the need to keep the organization fluid and efficient. We sincerely thank the board and donors for their on-going trust and support.***

A handwritten signature in black ink that reads "Bob". The letters are cursive and fluid, with a large 'B' and a stylized 'o' and 'b'.

Bob





888-247-5701 | [www.hom.org](http://www.hom.org)