



HOSPICE
BY THE BAY

Caring for Generations

ANNUAL REPORT 2006-2007

Building a strong future for
GENERATIONS
to COME



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Report from the
VICE PRESIDENT of CLINICAL OPERATIONS Sandra Lew
and CHIEF MEDICAL OFFICER Alan Margolin, MD



In order to ensure that Hospice By The Bay offers the highest quality care to our patients and families, Clinical Operations invested in strengthening our staff and streamlining our procedures for greater quality, efficiency, and access to our services. These efforts were achieved through:

- the adoption of a comprehensive quality management program, which includes improved data gathering and analysis, and state and national benchmarking;
- implementing a new transdisciplinary model of patient care. Through cross-training across disciplines, Hospice team members, working with the patient's physician, meet patient needs more immediately. Centralization of calls to a team of nurses in our Larkspur office also improves the efficiency with which patients and families can reach us 24 hours a day, 365 days a year;
- additional training for managers and staff, with additional resources allocated to our After Hours staff, ensuring a seamless transition in care anytime of the day or night; and
- increasing our reach in Sonoma County through the acquisition of a small hospice program, in order to respond to the unmet need for hospice and palliative care.

Without compromising the quality of care, we also adopted monitoring tools and negotiated contracts to help control costs and avoid waste in supplies and medications.

Enhancing the quality and effectiveness of our clinical operations this year not only helps us reach our financial goals, but supports our most important bottom line: offering the highest quality, most comprehensive hospice and palliative care, and grief support to the community.

Report from the PRESIDENT & CEO Mary Taverna

Since its birth in 1975, Hospice By The Bay has flourished to become a healthcare provider of great value and meaning to our community. Fiscal Year 2006-07 was a period of growth and strategic planning, building an even stronger organization to serve patients and families for generations to come.

In response to the ongoing expansion of our service area to fill the unmet needs of patients and families in Marin, San Francisco, Northern San Mateo, and Sonoma counties, we changed our name to Hospice By The Bay. Our new name better reflects our identity and role as a regional provider of hospice and palliative care.

We also responded to the increasing number of requests for our services, caring for individuals from age 4 months to 104 years, and serving an average number of patients each day that was 8% higher than 2005-06.

We're especially proud that the quality of our care and operations continued to meet the standards for excellence of the California Health Accreditation Program, a major, independent accrediting body — an important requirement for Medicare funding eligibility.

Our Foundation's partnership with the community helped us move toward fulfilling one of Hospice's most important goals: raising the funds to make care available to all who need us for generations to come. Since part of that goal is having a permanent home for Hospice, the Foundation also initiated a capital campaign to retire the mortgage on our Larkspur building.

During this year's strategic planning, we were fortunate to work with the Stanford Alumni Consulting Team, graduates from the Business School, who helped us identify strategic initiatives that would be important to implement as we move forward. A plan now underway incorporates many of those strategies, and will guide our future actions.



Senior Leadership Team

President & CEO
Mary Taverna

**Vice President of
Clinical Operations**
Sandra Lew, LCSW

**Vice President of Finance
& Administration**
Justin Green, MBA

Chief Medical Officer
Alan Margolin, MD

Director of Clinical Outreach
Santee Wishon, RN, MS, CHPN

**Director of Communications
& Community Relations**
Erin Henke

**Director of
Foundation Operations**
Janet Evans

Director of Hospice Services
Kitty Whitaker, RN, BSN, CHPN

Director of Human Resources
Liz Adamson

**Director of Quality Management
& Special Programs**
Rhonda Fisher-Brown, LCSW

**Director of Staff Excellence
& Projects**
Shelley Truett, RN, MSN, CHPN



Report from the **DIRECTOR OF
FOUNDATION OPERATIONS** *Janet Evans*

Hospice By The Bay Foundation is committed to the effective and careful use of the community's support and investment in our work. I am pleased to report that the financial gifts — donated during 2006-07 fundraising campaigns, in memory of loved ones, or supporting special events — as well as thousands of hours of volunteer help, have allowed us to create new programs of care for patients and families, while helping us move toward long-term stability and sustainability.

To fulfill our goal to serve generations to come, Hospice By The Bay Foundation launched a major capital campaign to retire the mortgage on our Larkspur home. Dedicated members of the Boards of Directors and Trustees made generous financial contributions to kick-off this campaign. Other donors have enthusiastically supported this effort through outright gifts or multi-year pledges. In addition, we are charged with building the agency's financial reserves, in order to lessen our vulnerability to government cost-cutting and other economic challenges.

Our partnership with the community was key to the success of our fundraising events. With a hardworking group of volunteers, we inaugurated *Open Hearts, Open Homes*, a weekend celebrating Marin's historic Eichler homes. Our long-established events, the *Hospice Ball* in Marin, *Looking Good* in San Francisco, and the *Celebration of Lights* and *Hit The Road Jack* race in Sonoma, continued to connect us to the communities we serve.

Through our successful partnerships with foundations and grantors, we exceeded our grant income revenue goal, making it possible to further develop existing programs and add new initiatives.

As our community partners, we ask for your continued support — through financial and in-kind donations, through the gift of time as volunteers, and through advocacy for hospice care as an essential benefit to which everyone is entitled. Thank you for all the ways you work with us to build a strong, sustainable Hospice By The Bay.

Hospice By The Bay
VOLUNTEER SERVICES

Active Volunteers:	154
Volunteer Hours	
<i>Direct Care:</i>	7,385 hours
<i>(9.97% of total patient care hours; Medicare requires 5% minimum)</i>	
<i>Administrative Support:</i>	684 hours
Cost Savings:	\$149,680

Hospice By The Bay Foundation
VOLUNTEER SERVICES

Active Volunteers:	982
Volunteer Hours:	19,616 hours
<i>(Board of Trustees; Thrift Stores and Used Book Shop; Friends of Hospice, Friends of Hospice North, Friends of Hospice Sonoma; Events and Projects; and Administrative Support)</i>	
Cost Savings:	\$363,877

CONSOLIDATED FINANCIAL STATEMENT / FISCAL YEAR 2006-07

REVENUES

Reimbursements & Program Revenue \$17,469,269

Contributions

Donations \$2,976,656
Grant \$320,355
Events \$459,966

\$3,756,977

Other

Investment Earnings \$239,661
Retail Sales \$620,701
Rental Income \$451,040

\$1,311,402

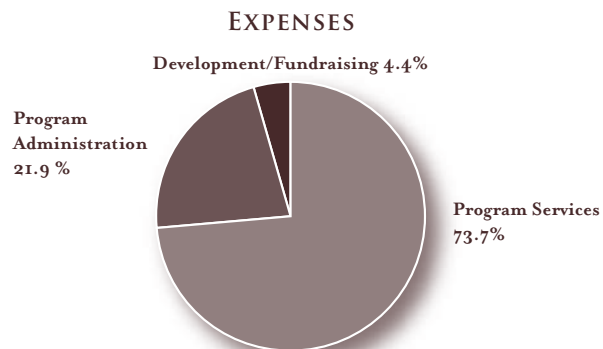
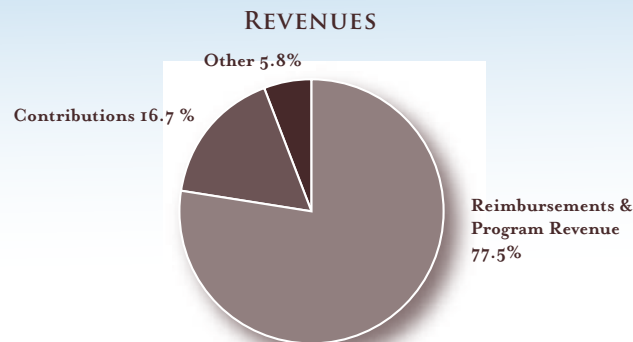
Total Revenues \$22,537,648

EXPENSES

Program Services \$15,184,019
Program Administration \$4,505,425
Development/Fundraising \$906,078

\$20,595,522

CHANGE IN NET ASSETS \$1,942,126



Hospice By The Bay Foundation is currently balancing several financial goals:

- Building sufficient reserves to ensure continuity of patient and family services during economically challenging times.
- Investing in new programs to expand the depth of our services.
- Establishing a debt-free permanent home to better meet community needs for generations to come.

The 2006-07 audit shows a \$1.9 million change in net assets, with \$900,000 representing non-cash items, the majority of which were multi-year pledges receivable. The cash balance was largely used to reduce the mortgage debt, thereby making additional funds available for direct care and services for patients, families, and the community. The complete, audited, Hospice By The Bay Financial Report is available upon request.

Hospice By The Bay SERVICES & PROGRAMS

When families are facing serious illness, Hospice By The Bay helps guide them through the entire end-of-life experience, enabling patients to live their last days in comfort, with dignity, in their home of choice and surrounded by those they love. We also provide the practical, emotional, and spiritual support that is so essential for caregivers and loved ones.

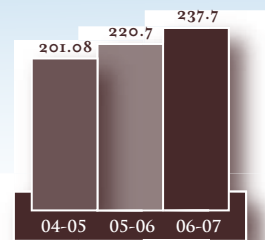
Care is available in homes, skilled nursing facilities, residential care facilities, or hospitals through intermittent visits by Hospice By The Bay staff and volunteers. Staff is also available by phone 24 hours a day, seven days a week, to answer questions or help with a crisis.

Services & Programs include:

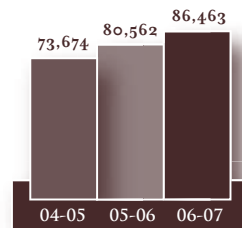
- **Nursing Care** to relieve pain, ease physical symptoms and attend to medical needs
- **Palliative Care** to relieve pain in adults and children with life-limiting illnesses
- **Counseling** to help individuals cope with illness and end-of-life issues, and provide information about available community resources and services
- **Home Health Aide Services** to assist with personal care and other practical day-to-day assistance
- **Spiritual Support** and pastoral counseling to offer comfort and guidance
- **Patient Care and Complementary Care Volunteers** to provide added support and companionship
- **Grief Support** to help bereaved adults and children cope with their feelings of loss, available in English and Spanish
- **Community Education** about hospice care, end-of-life issues, and planning for future healthcare decisions, including a comprehensive web site and lending library
- **Pediatric Program** offers family-centered hospice care for children with life-threatening illnesses or conditions
- **AIDS Case Management Program** offers in-home care for Marin County residents disabled by HIV/AIDS

PROGRAM UTILIZATION

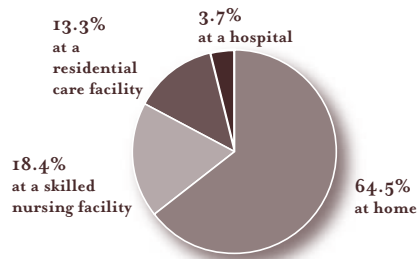
AVERAGE NUMBER OF PATIENTS CARED FOR EACH DAY



OVERALL DAYS OF CARE



WHERE PATIENTS WERE SERVED



DIAGNOSES OF PATIENTS IN CARE

Cancer-related:	43.4%
Other: (includes Debility, Failure to Thrive; Dementia and Cerebral Degeneration; Heart)	56.5%
Bereavement: 714 adults and children received individual or group counseling	

Hospice By The Bay Foundation PROGRAMS & SERVICES

Community Outreach Events

- Services of Remembrance
- Celebration of Lights
- Planned Giving Seminar

Fundraising Activities

Capital Campaign

- Retire Mortgage
- Build Endowment
- Establish New Programs

Events

- Hit the Road Jack
- Looking Good
- Open Hearts, Open Homes
- Hospice Ball
- LeToque Cooking Club
- Tree of Life

Retail Operations

- Hodgepodge Thrift Stores
- Hospice Used Book Store
- Hospice Gift Wrap

Communications

- Celebration of Lights/
Lights of Remembrance
- Opportunity Calendar
- Bi-Annual Newsletter,
Community Connection
- Online Donations

GRANT & FOUNDATION PARTNERS

Anonymous

Bank of America Matching Gifts Program

Brewster West Foundation

The Carl Gellert and Celia Berta
Gellert Foundation

Catholic Healthcare West

Fireman's Fund Foundation

First 5 Marin Children and
Families Commission

Frances K. and Charles D. Field Foundation

Frank A. Campini Foundation

Frank Howard Allen Realtors Fund

G.A.G. Charitable Corp.

George H. Sandy Foundation

Gordon and Betty Moore Foundation

The Grey Family Foundation

Hilltop Group Charitable Foundation

IBM Corporation

Infineon Raceway Chapter of
Speedway Children's Charities

Insurance Industry Charitable Foundation

J. M. Long Foundation

John Brockway Huntington Foundation

The Jones-Smith Foundation

Joseph R. Parker Foundation

Kurzweil Family Foundation

Levi Strauss Foundation

Marin Charitable Association

The Marin Community Foundation

McKesson Foundation

Mount Zion Health Fund of the
Jewish Community Endowment Fund

The Nason Family Foundation

Norman Raab Foundation

Pacific Union Real Estate Group, Ltd.

Pfizer Foundation Matching Gifts Program

The Prairie Foundation

Quigley-Hiltner Fund

Richard Grand Foundation

Robinson Foundation

Robison Family Foundation

The Ruth E. Raskin Fund of the
Jewish Community Foundation

Schultz Foundation

Springcreek Foundation

St. Francis Memorial Hospital

T. B. Walker Foundation

Taube Family Foundation

To Celebrate Life Breast Cancer Foundation

Toole Charitable Foundation

The Vadasz Family Foundation

The William G. Gilmore Foundation

William H. Donner Foundation, Inc.

The Winifred and Harry B. Allen Foundation

Hired Full-Time Medical Director



Expanded Quality Management,
Initiated Benchmarking Program



Re-Certified by the Community
Health Accreditation Program



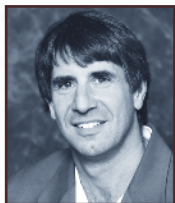
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Serving MARIN, SAN FRANCISCO, *and* SONOMA

Our sincere APPRECIATION to all the COMMUNITY MEMBERS and BUSINESS PARTNERS who support Hospice By The Bay with financial and in-kind gifts



“Members of my family willingly joined me in making significant financial donations to Hospice By The Bay Foundation’s Capital Campaign. We value the deeply personal impact of Hospice care on patients and their families. We want to ensure that this comprehensive, compassionate, and skilled help is available to everyone who needs it today and in the future.”

Ken Meislin

*Vice Chair, Hospice By The Bay Foundation Board of Trustees
Chair, Capital Campaign Committee*

MARIN

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SAN FRANCISCO

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