



Leap

Leadership, Expansion, Access, People
2012 Annual Report



Pine Rest Mission

Pine Rest Christian Mental Health Services is called to express the healing ministry of Jesus Christ by providing behavioral health services with professional excellence, Christian integrity, and compassion.

Pine Rest Vision

Guided by Mission, we promise a compassionate care experience that changes lives. We support this promise of healing through measurable outcomes and value.

Pine Rest Foundation Mission

The Pine Rest Foundation exists to provide Pine Rest Christian Mental Health Services with financial resources and community support so its ministry of love and healing in Christ's name can flourish and be enhanced.



The pine cone character appearing on the cover is used on most of our promotional and informational materials related to the three-phase construction project described later in this report.



Our 2012 Annual Report reflects a significant leap forward for Pine Rest in the last fiscal year. In fact, our LEAP theme (Leadership, Expansion, Access, People) embraces the exciting changes we experienced across the organization in both programming and actual brick and mortar.

In this report, you will read about significant construction projects in the hospital, a new program called Sequoia, and a mission-based treatment philosophy called Relationship-Based Care. You will see that support from the Pine Rest Foundation makes many of these new initiatives possible. The Pine Rest Foundation is transforming care in powerful ways.

Financially, Fiscal Year 2012 was very successful. We continue to grow as an organization as net revenue increased by \$10 million. This increase represents a year-over-year growth rate of 11.6%.

However, growth for growth sake is not a worthwhile goal. As Pine Rest expands its scope of care, we continuously ask ourselves: How can we better serve the community? Does this growth strategically meet real community need? Does it help us fulfill our mission? Are we using the opportunity for growth to improve the quality of our services?

These are questions our board and management teams take very seriously as we contemplate change and LEAP forward into the next years and beyond. I believe our Mission serves to keep us centered and focused on providing great patient care.

Ultimately, we seek to impact individual life stories. These stories include a young woman who finds new ways to cope as an alternative to self-cutting, a senior suffering from dementia who experiences a sense of peace in the midst of a confusing and debilitating illness, and a mother who finds the strength to care for her new baby after experiencing a bout of depression. The strong growth numbers only matter if lives are restored and renewed.

Thank you for your support in this shared work of healing.

Mark Eastburg, PhD
President & CEO

RELATIONSHIP-BASED CARE IS NEW CARE MODEL IN HOSPITAL BASED SERVICES

Building on our Mission, Hospital Based Services (HBS) chose “Relationship-Based Care” (RBC) as the central evidence-based model of care for the hospital. A Pine Rest Foundation grant allowed hospital team members to spend time conducting research and site visits to help select RBC as the model of care. It was a natural fit for Pine Rest because of its focus on multidisciplines and its consistency with our Mission.

This model focuses on three key relationships to provide an exceptional care experience:

1. Relationship with patients and families,
2. Relationship with coworkers and
3. Relationship with yourself.

“The only way to know how people want to be treated is by developing relationships with them, regardless of whether that is with your patients, their families, and even your coworkers,” says Gretchen Johnson, MSN, RN-BC, RBC Coordinator.

“The theme or focus chosen by the administrative team that best describes RBC at Pine Rest is the Platinum Rule. Treat others how THEY want to be treated.”

Furthermore, this model aligns with our strategic plan by helping to meet the objectives related to superior clinical outcomes and creating a great place to work.

A time frame of two to three years is projected to fully implement the new model within the division. The Administrative Team is working with a consultant to assist in reviewing the resources and practices that are already in place, to provide an educational workshop, and to help identify a step-by-step plan for moving forward.

While team members will be measuring outcomes of the new model over time, change is already noticed by patients, families, and staff members alike.

“We want to emphasize that RBC, as our central multidisciplinary model of care, is like a platter that holds all of our work,” says Susan Langeland, Hospital Based Services Corporate Director. “And yet, it is much more than a model of care for the hospital. It is our culture, our framework for everything we do, and it is our way of being.”

Gretchen Johnson, MSN, RN-BC Clinical Services Manager and Relationship-Based Care Coordinator

“THE ONLY WAY TO KNOW HOW PEOPLE WANT TO BE TREATED IS BY DEVELOPING RELATIONSHIPS WITH THEM.”



THREE-PHASE CONSTRUCTION BEGINS FOR HOSPITAL BASED SERVICES

Pine Rest continued its LEAP (Leadership, Expansion, Access, People) forward with the construction of a new adult psychiatric inpatient unit on the Pine Rest main campus in 2012. This first step made it possible to move forward on two additional construction projects.

The new unit is the temporary home for patients from the former Older Adult Unit, to be called the Van Andel Cook Center for Dementia and Geriatric Behavioral Health. It will then host patients from Mulder West while these units are being renovated and expanded. Once the Mulder Center units are complete, the new unit will be opened to additional patients.

The new unit allows Hospital Based Services to capitalize on the Model of Care research that was conducted by the generosity of the Pine Rest Foundation. The goal is to create a state of the art psychiatric inpatient unit focused on maximizing safety while creating a clinical environment designed to meet the complex needs of patients with co-occurring disorders (substance abuse and mental health disorders).

“Pine Rest needs to meet the demand for additional beds. We added a 22-bed wing at the Van Andel Center to increase our capacity,” said Heather Treib, Hospital Based Services Operations Manager and Project Leader. “This was a purposeful design based on research funded from a grant awarded to us from the Pine Rest Foundation. Members of our team spent time visiting other psychiatric facilities, reviewing the

Michigan mental health code and researching the latest features in safety fixtures and technology. The result is a space that is therapeutic, welcoming, and safe for patients and staff.”

The new specialty treatment unit will be dedicated to co-occurring disorders. The Van Andel Cook Center for Dementia and Geriatric Behavioral Health will bring together several of Pine Rest’s senior services into one convenient location with expertise in offering inpatient and outpatient services.



ESTIMATED TIMELINE FOR THREE-PHASE CONSTRUCTION

Project	Description	Tentative Timeline
Van Andel Center Unit	New 22-bed unit	Project construction began January 2012. Unit construction complete October 2012.
Van Andel/Cook Center for Dementia and Geriatric Behavioral Health (Older Adult Unit)	Development and expansion to new 26-bed unit	Construction started November 2012. Construction complete May 2013. Grand opening of center May 2013. Patients move back to unit June 2013.
Mulder West	Renovate existing 22-bed unit	Move Mulder West patients to new unit June 2013. Construction starts June 2013. Construction complete December 2013. Grand opening of center December 2013. Patients move back to unit December 2013.
Van Andel Center Unit	Unit opens	Grand Opening of unit January 2014. Unit opens to patients January 2014.

Heather Treib, Hospital Based Services Manager and Project Leader

“THE RESULT IS A SPACE THAT IS THERAPEUTIC, WELCOMING, AND SAFE FOR PATIENTS AND STAFF.”



SEQUOIA PROGRAM OPENS

The Community & Residential Division's newest program opened in March 2012. The Sequoia Residential Treatment Program is a nonsecured residential facility designed to meet the needs of adults with severe mental illness and/or individuals who are dually diagnosed with a mild developmental disability and mental illness.

The program offers treatment for individuals who have been in more secure settings and are being moved to a less restrictive environment or for those who have high needs but do not require a secure setting.

"Sequoia is a step-down program from a more secure setting. It is appropriate for clients from our InterActions program and for adolescents who have aged out of our secure residential facilities. It serves patients from the community who need more intensive support," says Amy McGarey, Clinical Administrator for Community and Residential Services.

"Staff work with residents on strengthening independent living skills. This may include budgeting, grocery shopping, cooking, cleaning, and personal hygiene. The home has an exercise room and a sensory room," says McGarey.

Sequoia provides care using person-centered planning, a recovery-based treatment model, and a therapeutic milieu with continual treatment and high community discharge expectations. These principles and practices create a model of care that teaches skills and allows individuals to have as much control in their lives as possible. Residents have input into their behavior treatment plans and learn recovery skills before moving on to other community-based settings.

Sequoia is located in the former Southwood Home off of Madison Avenue. The program is licensed for six beds. For more information call 616/281-0061.

Amy McGarey, Clinical Administrator for Community and Residential Services

"STAFF WORK WITH RESIDENTS ON STRENGTHENING INDEPENDENT LIVING SKILLS."



PINE REST AND LOCAL HOSPITAL FORM POSTPARTUM ADJUSTMENT GROUP

For many years, women suffering from postpartum depression in west Michigan's lakeshore area had nowhere to go for help. Many of them suffered in silence, unable to access services that may have helped them deal with the pain. Thanks to the combined efforts of Pine Rest and Grand Haven's North Ottawa Community Health System (NOCHS), the area's first postpartum support group was created serving women from Grand Haven to Muskegon and as far away as Ludington.

"We have seen so many women who have gotten better," said Laura Bronold, RN, CCE, a Childbirth Educator with NOCH's Postpartum Emotional Adjustment Program. "To see all these patients who now have a place to go is truly gratifying. It is especially satisfying to be collaborating with Pine Rest. The staff is phenomenal to work with and we regularly share ideas"

Nearly 15% - one out of every seven new moms - experience some form of depression or perinatal mood disorder (PMD) during pregnancy or up to one year postpartum. About 86% of them do not seek treatment. PMD is the most common complication of childbirth. If it goes untreated, there can be serious complications for moms, babies, and families.

Perinatal Mood Disorders can begin during pregnancy and can occur up to one year after the baby is born. The highest time of risk for new mothers is six to eight weeks after delivery. Symptoms include excessive worry, sadness, guilt, hopelessness, sleep problems, fatigue, loss of interest in normally pleasurable activities, change in appetite, irritability, and difficulty making decisions.

"Many women don't recognize the signs, don't know how to get help, or worse ... think it is their duty to just 'soldier' through it," said Megan Auffrey-Zambiasi, MA, LLP, LPC, Manager of Pine Rest's North Shore Clinic. "And having to drive to another city for counseling, while juggling the responsibilities of a new baby, can be a big deterrent to getting help. Pine Rest is thrilled to be partnering with NOCHS to ensure local moms have access to the help they need, where it's needed most - close to home."

The Pine Rest Postpartum Adjustment Group is free of charge and meets the second and fourth Thursdays of every month at the hospital. The group is facilitated by Pine Rest North Shore Clinic staff in cooperation with North Ottawa Community Health System.

Megan Auffrey-Zambiasi, MA, LLP, LPC

**"MANY WOMEN DON'T
RECOGNIZE THE SIGNS,
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PINE REST FOUNDATION

Foundation Grant Provides Enhanced Services

Imagine you are 11 years old. You have spent the better part of your life bounced from one foster home or institution to another. Abuse has occurred. Trust is not part of your vocabulary, nor is feeling welcomed anywhere. Pretty scary stuff.

“Welcomed” was the way staff made this 11-year-old feel when admitted to Pine Rest’s Cedars Program, which provides longer-term, psychiatric residential services for adolescents aged 11-18. A Pine Rest Foundation Casey Wondergem Grant received by Amy McGarey, Clinical Administrator for Community and Residential Services, has allowed the Center for Psychiatric Residential Services staff to accomplish much to enhance and expand services to the adolescents served in this program. With this grant:

- Sensory rooms (a therapeutic space for sensory modulation and stress management skill development) have been built in each of the CPRS three residence facilities/homes
- Four staff were certified as Trauma Trainers able to train 200 direct care staff
- Trauma Informed Environments and Seeking Safety treatment models were implemented
- 50 staff were trained on creating a Culture of Gentleness
- One trainer was certified in Dialectical Behavioral Therapy
- Individual sensory items and other resources promoting health and wellness were purchased so each resident can improve within their own rooms

According to McGarey, the grant produced some additional unexpected benefits as well:

- Staff began to recognize what lies behind the problematic behaviors of their patients
- Staff became more self-aware, so essential in providing care to traumatized individuals
- Staff developed initiatives to create a warm, personalized, homelike environment

“Staff is able to look at resident behaviors in a new light, finding the reason behind the symptoms rather than just treating symptoms,” said McGarey. “Through this grant the mission of Pine Rest to transform lives becomes a reality.”

Sensory techniques are teaching patients real life skills. It has also reduced the use of restraints, which makes staff and patients very pleased. Trauma training enhances the excellence of staff and allows for better treatment of trauma-related behaviors.

Randall Johnson
Executive Director

Pine Rest Foundation Total Grants & Gifts 2011-2012

Foundation Approved	
Administration	
CAT-DI/SCID Assessment Tool	\$43,250
Grant Application and Management Team	\$50,000
Professional Practice Group	
Outcomes Grant	\$20,000
Autism Diagnostic Observation Schedule Training	\$4,215
Faith Community Outreach	\$10,000
Dialectical Behavioral Therapy Intensive Training/ Certification Preparation Project	\$16,800
Applied Behavior Analysis Certification: Effective Treatment for Autism - Year 2	\$12,000
Behavioral Medicine Staff Education	\$30,000
Behavioral Medicine Treatment Models	\$30,000
Residential	
Pine Rest Christian Homes Supported Independent Living Job Support and Career Exploration	\$48,300
Psychiatric Institution Options	\$10,000
Community and Residential Services Best Practice	\$80,000
Pine Rest Christian Homes Community Integration and Activity Grant	\$10,000
Total Grants:	\$364,565
Patient Assistance Fund (PAF) - estimated based on unaudited financials	
PAF - General	\$156,016
PAF - Pine Rest Christian Homes	\$229,427
PAF - Iowa	\$5,681
TOTAL GIFT:	\$755,689

Revenue and Expense Summary

Revenues	June 30, 2012	June 30, 2011
Net patient service revenue	\$62,216,082	\$58,555,795
Contract services income	21,676,971	21,386,051
Investment return	429,567	9,390,248
Unrestricted contributions	1,958,748	798,972
Other revenues and gains	2,137,074	2,024,154
Total revenue	\$88,418,442	\$92,155,220
Expenses		
Salaries	\$54,755,841	\$51,741,939
Employee benefits	11,372,695	9,990,195
Supplies and other	14,950,057	13,662,007
Depreciation	2,781,587	2,682,296
Interest and bank charges	379,849	332,999
Bad debts	982,944	739,283
Patient assistance (donor supported)	954,112	1,099,707
Self-insurance and malpractice costs	458,429	542,852
Contracted services	746,718	734,694
Total expense	\$87,382,232	\$81,525,972
Excess (deficit) of revenues over expenses		
To be used for debt retirement, organizational reserves, and capital expenditures	\$1,036,210	\$10,629,248

A copy of the audited financial statement is available upon request.

As you review these numbers, please note the following:

- Revenue from our core clinical services grew by a robust 6.3%. This indicator is on top of double-digit growth in the prior year. Demand for Pine Rest services remains steady and strong;
- Contracted services income figure relates to those amounts reimbursed to Pine Rest for expenses incurred in relation to our joint operating agreement with Saint Mary's Health Care;
- Unrestricted contributions increased due to the generous support of our donors;
- Investment-related income reflects the gains and losses on all of Pine Rest's investments, including the Pine Rest Foundation. These gains reflect our participation in the broader financial markets. After stellar gains in FY 2011, overall our portfolios were flat for FY 2012, reflecting the market over that time period;
- Overall expenses grew by 7.2%, which is slightly higher than our growth rate. We will need to continue to monitor our expenses closely as we move forward;
- Operating performance, if investment activity is excluded, remains fairly stable;
- Excess of revenues over expenses reflect that there are more funds available for debt retirement, reserves, and future capital expenditures in future years; and
- Our task remains to be responsible stewards by maintaining our overall financial position as we better meet the mental health needs of the communities we serve.

Giving Back – A Community Benefit

Pine Rest Christian Mental Health Services is committed to providing compassionate behavioral health care to the communities we serve. Sometimes this commitment means providing a much-needed service when the monies we are paid for this service do not cover the full cost. Sometimes this commitment means providing the service even when we know the patient, client, or resident will be unable to pay the bill. As a nonprofit organization, Pine Rest has many ways we give back to the communities we are called to serve.

Community Benefit Category	Fiscal Year 2012	Fiscal Year 2011
Foundation Grants Amounts underwritten by the Pine Rest Foundation that would otherwise not have been able to be produced	\$385,599	\$461,482
Patient Assistance Funds raised in the community to help qualified individuals pay their mental health bill	\$954,111	\$1,099,707
Caring Communities Amounts specifically spent on inner-city mental health initiatives	\$118,124	\$140,469
Services Produced at a Loss Those product lines of business where the revenues collected do not cover the full costs of providing that service:		
Clinic Network (Outpatient Services)	\$1,299,875	\$830,204
Developmentally Disabled Residential Services	\$232,071	\$130,971
Residential Services	\$414,765	\$93,761
Adolescent Residential Services	\$573,171	\$531,473
Behavioral Health Solutions	\$504,362	\$126,138
Bad Debts Those amounts written off by our consumers' inability to pay	\$956,127	\$711,913
TOTAL	\$5,438,205	\$4,126,118

NOTE: These numbers do relate to our audited numbers

Healing Moments – Lives Touched

In FY 2012, Pine Rest staff personally interacted with 41,230 individuals seeking our services.

	FY 2012	FY 2011
Inpatient Admissions	5,631	5,403
Inpatient Patient Days	53,376	51,666
Inpatient Average Daily Census	145.8	141.6
Partial Hospitalization Admissions	1,477	1,277
Partial Hospitalization Program Days	5,388	4,492
Partial Hospitalization Average Daily Census	21.1	17.6
Average Length of Stay		
Inpatient	9.5	9.6
Partial Hospitalization	3.6	3.5
Residential Days of Care	76,177	79,036
Residential Average Daily Census	208.1	216.5
Outpatient Visits - Total	276,601	266,768
Average Visits per Business Day	1,085	1,046

Grants Received by Pine Rest

In the 2012 fiscal year, Pine Rest's Grant Management Team helped acquire funds totaling nearly \$1.6 million. Here are some highlights:

Access to Substance Abuse Services

Pine Rest responded to five Requests for Proposals from funders who were looking for providers of Substance Abuse Detoxification, Residential, and Outpatient services. These include the Michigan Department of Corrections, US Federal Probation, Department of Veteran Affairs, and two substance abuse coordinating agencies. Each of these organizations awarded contracts to Pine Rest, resulting in increased access to care for the individuals who seek services through these funding organizations.

Collaboration with Van Andel Research Institute

Pine Rest acquired funds from Michigan State University to collect blood samples from research study subjects who are participating in a study of a depression assessment tool. The samples will be stored in the bio-repository at Van Andel Research Institute and analyzed by Dr. Lena Brudin. Her research looks for inflammatory biological markers for depression and seeks to understand if those markers may be related to the symptoms that the research subjects are experiencing. The samples stored in the bio-repository will be available for future study by other researchers.

Ottawa Hills Partnership for Success

Amway One-by-One provided \$25,000 and the ME Davenport Foundation funded \$20,000 to continue the Ottawa Hills Partnership for Success Program. The Fifth Third Bank Foundation provided \$5,000. This program provides funding for

a Pine Rest clinician in the school who is available to help students deal with trauma, loss, and other challenges. The goal is to support these students so that they can be successful in school. Nearly 300 students received these services last year.

StreetReach

Pine Rest responded to a Request for Proposal from Network 180 for the StreetReach Program. This program provides outreach, engagement, and case management to individuals who are homeless and have a mental illness. Network180 awarded the program to Pine Rest in the amount of \$380,000. The Community and Residential Services Division is implementing the StreetReach program, including helping these individuals access programs that lead to permanent housing.

Pine Rest Foundation funding to the Grants Acquisition and Management team totals \$50,000. These dollars provide the base support for the department so the staff can focus on grant acquisition.



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