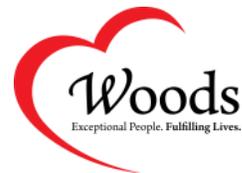




Woods Services 2018-2019 Annual Report



674

Children and adults
achieving at Woods

\$131

Million annual gross
revenue

1,900

Dedicated employees

290

Children educated in
Woods Schools

Woods Services is a nonprofit population health network and advocacy organization providing innovative, comprehensive and integrated health, education, housing, workforce, behavioral health and case management services for people with complex medical, genetic and behavioral health challenges. Woods applies evidenced-based treatments and a public health approach to develop innovative and individualized supports that empower people with disabilities and challenges to reach their highest potential.



EMOTIONAL &
BEHAVIORAL CHALLENGES



AUTISM



DEVELOPMENTAL
DISABILITY



MEDICAL
COMPLEXITIES



BRAIN INJURY



PRADER-WILLI &
GENETIC DISORDERS

Dear Friends,

FY 2019 was a year of transformation for Woods as we continued to push the envelope to do what we believe is in the very best interests of the extraordinary people we serve. We have been developing and implementing initiatives focused on continually improving outcomes for the children, adults and seniors we serve. The individuals in our care live with disabilities that present lifelong challenges. Our clients and their families need long-term innovative care and solutions so they can live as fully and independently as possible, and their families can sleep at night knowing their loved ones are safe.

Woods' evolution into a population health organization enables us to provide integrated medical and behavioral health care, and individualized care management and service coordination throughout individuals' lifetimes, taking our expertise and services beyond our campus, into the community and into individuals' homes.

In the last year of our ambitious three-year strategic plan we saw advancements in our population health model that included positive outcomes for those participating in our patient-centered medical home, improvements in reading and math scores for our students, reduction in negative behaviors among students, the launch of a new social enterprise, and enhancements to our employee engagement strategy that we anticipate will lower turnover rates and improve the quality of life for our direct support professionals.

As we look back over the past fiscal year, we want to recognize those who have encouraged and supported us:

Our Clients: You inspire us to find ways to improve care not just at Woods but for our industry. We can and we must do more to protect your right to the highest quality care and services that ensure your health and safety, and your ability to live as independently as possible.

Our Staff: Your dedication to the safety, comfort and engagement of those we serve is unwavering. We are appreciative of your commitment to being a stable and loving influence in our clients lives and to helping them experience new things, be healthy, and experience joy. You are the true heart and soul of Woods.

Our Families and Caregivers: Thank you for trusting us with the care of your loved one and partnering with us to advocate to ensure that they will always be able to choose where to live and how to spend a meaningful day.

Our Volunteers and Donors: We are grateful for your time and resources that support our students and residents to achieve their goals, independence and to live fulfilling lives. Thank you for advancing Woods' mission - you have made a significant difference.

These are difficult times for human service organizations. The shortage of direct support professionals, low reimbursement rates combined with escalating health insurance rates will push some organizations to the brink of closure. The efficacy of campus-based programs like Woods will continue to be challenged and replaced with community-based options that lack the level of support some people need to be healthy and safe.

Despite these concerns, Woods future is positive. Our next three-year strategic plan, to be released early in 2020, will address Wood's response to these challenges. We are confident in our population health model and will continue to build upon that foundation in order to continue to achieve positive outcomes for all people.

Yours,



Tine Hansen-Turton, MGA, JD, FCPP, FAAN
President and CEO, Woods Services



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Woods and Keystone First Achieve Positive Outcomes for People with Complex Conditions

In June 2018, Woods Services opened its newly expanded Medical Center at Woods and launched a Patient Centered Medical Home (PCMH) program in collaboration with Keystone First, Pennsylvania's largest Medicaid provider and the insurer of 132 of Woods' clients. The Patient Centered Medical Home pilot program – the first of its kind in Pennsylvania for people with intellectual and developmental disabilities and significant medical complexities – was expected to improve care coordination that would lead to a reduction in emergency room visits, hospitalizations, and gaps in care.

The organizations reported strong outcomes in the first year of tracking results. Woods credits the positive outcomes to the Keystone First alliance, the significant increase in primary care provider visits at Woods' PCMH, as well as extended service hours at the Medical Center and access to more advanced medical services onsite such as radiology and lab facilities. Further, the implementation of an electronic medical record system enabled the Woods medical team to be more intentional and proactive in tracking and integrating the care of its clients.

"We hope this transformational work with Keystone First can serve as a national model for providing better coordinated health care for the most vulnerable populations in the U.S., which are also the most costly under the Medicaid program," said Woods President and CEO Tine Hansen-Turton.

The Medical Center at Woods and Patient Center Medical Home program are part of an overall population health management approach at Woods Services that is reliant on industry best practices, moving the industry forward with new solutions, and providing the Woods community with superior care and support. The approach includes understanding the impact of the social determinants of health, and focuses on a Care for the Whole Person Model that includes integration of physical and behavioral health, and keeps an individual's entire team focused on these factors.

35% reduction of in-patient hospitalizations

39% decrease of in-patient expenses

8.7% decline in total health care costs

326% increase in primary care visits



Launch of Woods Wear Custom Printing Company Fits Woods to a "Tee"

Woods has been committed to creating employment opportunities for individuals who have complex developmental and intellectual disabilities that may pose barriers to employment. In January 2019, Woods launched its fourth social enterprise, Woods Wear, a custom printing company where Woods residents design, print, and sell t-shirts, hats, headbands, hoodies, aprons, yoga pants, blankets and much more.

Through Woods Wear, and our other social enterprise initiatives such as Yellow Daffodil Flower and Gift Shops, Common Grounds Café, and BeechTree Bath and Body Products, we are providing individuals with opportunities to work in an integrated setting and gain skills, readying them for future employment opportunities in the community. All of this helps them increase their self-worth and independence.



Education Outcomes Exceed Expectation

School-Wide Positive Behavioral Interventions and Supports (SW-PBIS) is an evidence-based three-tiered framework for improving the social behavior climate in schools and supporting academic achievement. In particular, Tier 1 supports serve all students and gives them what they need to be successful and to prevent future problems. Therefore, SW-PBIS is a way to create a school environment where all students are successful, especially students with disabilities.

Now that our SW-PBIS program is being implemented with fidelity, we are starting to see students achieve improved social and academic outcomes schools experience. Since implementation two years ago, the data on the average daily Office Discipline Referrals (ODR) indicates a decline compared to last year, thus enabling more time and energy to be spent focused on education. In addition to the SW-PBIS, teachers have been implementing the i-Ready program which provides differentiated instruction in reading and math to students. The second-year results were excellent: 65% of students made progress in both Reading and Math.

Woods Re-envisioning Its 300-Acre Campus

One component of Woods' transformation has been to consider the future purpose for its 300-acre campus. With the help of KieranTimberlake, a Philadelphia architecture and site planning firm, Woods is re-envisioning uses for its 175 acres of undeveloped land as well as options to re-purpose existing structures and sections of the remainder of its campus to best meet its mission and its population health model. Woods serves people who have lifelong complex disabilities whose needs will change over their lifespans. Woods' leadership feels the time is right to think differently about how Woods provides care for life and embark on a master plan that leverages the campus not only to serve Woods, but also for the greater Bucks County community.

Because of Woods Services' sizable property, the master plan work can also consider new ways of supporting those who are connected to the people in Woods' care. For example, it could provide opportunities for families to live here with their children who are in Woods care and have the 24/7 support to make it possible. Woods might also offer affordable housing options on campus for its staff, easing financial and commuting concerns for them. Intentional, independent living communities could be developed to meet the needs of specific disabilities like dementia support or autism. And what if all of this was possible on a campus that is well integrated with the surrounding neighbors? There's real potential to address broader social and community issues as part of this work.

"This is a once-in-a-lifetime opportunity to really impact the trajectory of a vital, vibrant organization for the good of the people we serve, the people who work here, and the community at large," said Kevin Sheetz, Chair of Woods Services' Board of Trustees. "As a long-time resident and proponent of Bucks County, I am thrilled that our approach to this site plan will intentionally include thinking on how to create opportunities for partnerships with the county and with other community- and service-oriented organizations based here in Bucks while also establishing a vision for the long-term relevance of all that Woods offers," he said.

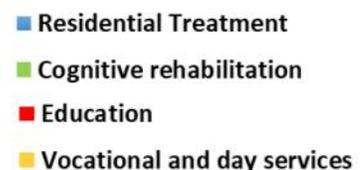
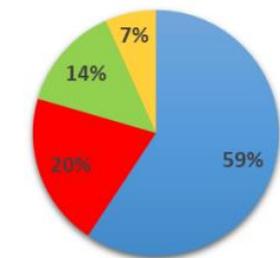
Woods Services Statement of Operations and Changes in Net Assets (Summary)

Year Ended June 30

(\$ amounts in thousands)

	<u>2019</u>	<u>2018</u>
Client revenue	\$ 127,383	\$ 130,268
Contributions and other	3,574	3,554
Total revenue and support	130,957	133,822
Salaries and wages	83,629	81,041
Benefits	25,715	23,684
Services and supplies	12,985	13,031
Depreciation	3,556	3,990
Interest	856	879
Other	10,048	9,939
Total expenses	136,789	132,564

Revenues by Service Type



The Statement of Operations and Changes in Net Assets reflects the results of Woods' ongoing investment in improving the operating infrastructure of the organization. FY 2019 was a year of significant transformation in Woods' clinical and educational capabilities, a period of improvement in our supporting infrastructure including systems improvement, clinical outcome focus and improved business analysis and development. By design, we reduced capacity in our Woodlands childrens' residential program as we implemented our clinical transformation. As well, salary and wages plus benefits increased because of higher clinical and direct care staffing during the transformation. A subsequent program of cost reduction led to the elimination of certain management positions and is expected to yield annualized savings in excess of \$800,000 starting in FY 2020.

Revenues by Payor Type

