



DAYMARK RECOVERY SERVICES, INC.

Annual Report for Fiscal Year 2008-2009

This report is intended to serve as a snapshot of the people we serve and select demographic and treatment information. It also describes some of our key accomplishments during the past fiscal year and identifies important goals for the coming fiscal year as determined during our recent strategic planning retreat. The following is divided into several categories to facilitate the review of this report. From these categories, our administration and Board Members can ascertain if we are holding true to our mission, meeting the needs of the communities we serve, and remaining on the cutting edge of providing cost effective and evidenced based treatment.

Billy R. West, Jr.

Billy R. West, Jr., MSW, LCSW,
Executive Director

Mission Statement:

Daymark® Recovery Services, Inc. is a mission driven, comprehensive community provider of culturally sensitive mental health and substance abuse services. The Daymark® goal is for skilled medical and behavioral healthcare professionals to support citizens of all ages and their families with the greatest opportunity for recovery, independence and the highest quality of life. We are committed to using the most current best practices and effective, research-based treatment programs to assist all citizens working toward achieving optimum health and recovery.

Values Statement:

Daymark® Recovery Services, Inc. serves those with the greatest needs and facing the greatest challenges with a coordinated effort of services. Services are culturally sensitive, strength based and delivered in congruence with natural community supports and each consumer's personal support system. Services will promote safety and recovery while always respecting the rights of self-determination.

MAJOR ACCOMPLISHMENTS DURING FISCAL YEAR 2008-2009

- Obtained a three year National CARF Accreditation.
- Successful in lobbying for provisionally licensed employees to be permitted to continue to practice individual and group therapy in the State of North Carolina
- Expanded walk-in clinic, mobile crisis and tele-psychiatry services to Rockingham County.
- Expanded Telemedicine Services to all DAYMARK Clinics
- Started a new program that provided residential group care, day treatment and intensive outpatient substance abuse services to 20 teenagers with serious drug and alcohol problems.
- Services provided by DAYMARK are considered best practice and/or are literature based.
- Serves as the main portal of entry for mental health and substance abuse consumers in the eight counties we serve and subsequently there is no wait list for entering mental health and substance abuse outpatient services in any of our eight counties.
- Provided care to over 23,000 patients in FY 2008-2009 and is projecting to provide care to over 35,000 patients in FY 2009-2010.
- Leading public provider of telemedicine psychiatric services in the State of North Carolina with over 17 locations linked together to pool the skills of over 16 psychiatrists for those we serve in a more timely fashion and in some cases on demand.
- Provides access for walk-in crisis services to over 3,500 individuals per quarter that keeps people from going to their local emergency room for emergent psychiatric care.
- Has ability to provide Mobile Crisis Services in eight counties to better respond to acute psychiatric crisis in the community and keep patients out of the psychiatric hospitals when possible.
- Clinics operate as an assessment site for first commitment evaluations and is successful in diverting almost half of our citizens evaluated from psychiatric hospitalization
- All of these efforts have lead the regions in which DAYMARK serves to have a low psychiatric hospitalization rate while having a lower recidivism rate for psychiatric hospitalization than the national average.

SERVICE LOCATION	SERVICES PROVIDED
Lexington, NC Davidson County	Walk-in Crisis Mobile Crisis Intensive In-home (grant funded) Fatherhood Initiative (grant funded) Psychiatry Services (also telemedicine) Indigent Medication Program Intensive Substance Abuse Treatment Outpatient individual, group treatment and community support Child Residential (Thomasville)

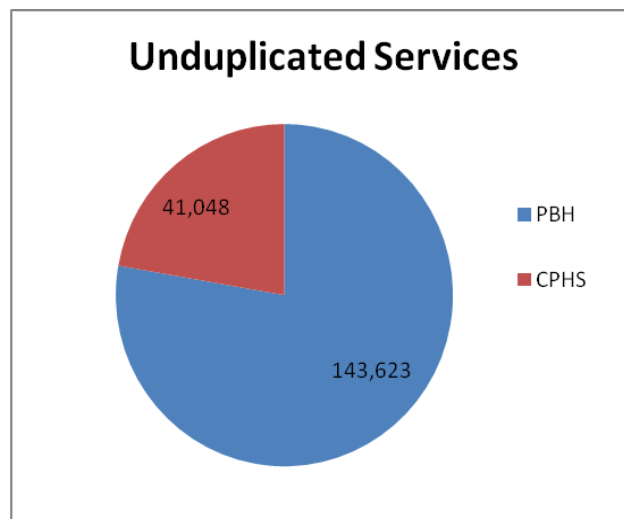
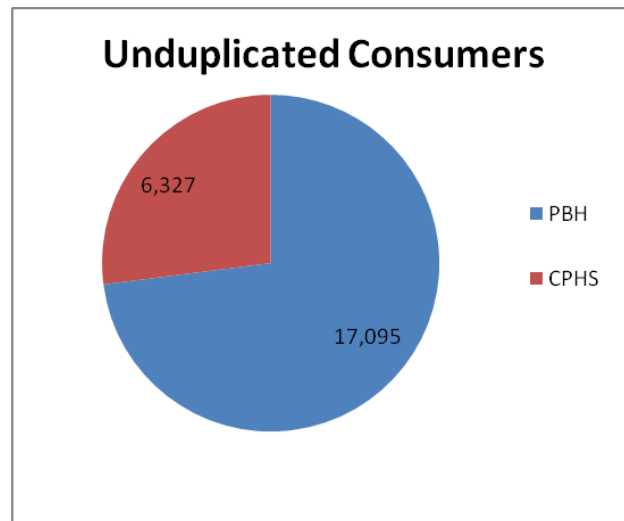
SERVICE LOCATION	SERVICES PROVIDED
Salisbury, NC Rowan County	Walk-in Crisis Mobile Crisis Intensive In-home (grant funded) Psychiatry Services (also telemedicine) Indigent Medication Program Intensive Substance Abuse Treatment HIV/AIDS Prevention (grant funded) Brief Strategic Family Therapy (grant funded) Outpatient individual, group treatment and community support
Concord, NC Cabarrus County	Walk-in Crisis Mobile Crisis Intensive In-home Psychiatry Services (also telemedicine) Indigent Medication Program Intensive Substance Abuse Treatment Peer Support Outpatient individual, group treatment and community support Facility Based Crisis (Kannapolis) Day Treatment (Cabarrus, Kannapolis, Salisbury Schools)
Albemarle, NC Stanly County	Walk-in Crisis Mobile Crisis Psychiatry Services (also telemedicine) Indigent Medication Program Intensive In-home Intensive Substance Abuse Treatment Outpatient individual, group treatment and community support
Monroe, NC Union County	Walk-in Crisis Mobile Crisis Psychiatry Services (also telemedicine) Indigent Medication Program Intensive In-home (grant funded) Peer Support Intensive Substance Abuse Treatment Outpatient individual, group treatment and community support
Winston-Salem, NC Forsyth County	Walk-in Crisis Psychiatric Services (also telemedicine) Intensive Substance Abuse Group Peer Support Outpatient individual, group treatment and community support
Mocksville, NC Davie County	Mobile Crisis Access to all other services in the Forsyth Office
King and Danbury, NC Stokes County	Mobile Crisis Access to all other services in the Forsyth Office
Reidsville, NC Rockingham County	Mobile Crisis Telepsychiatry Walk-in Crisis

SERVICE AND FISCAL INFORMATION

Information regarding Daymark Recovery Services, Inc. (DAYMARK) consumers served, services provided, and revenues is described in the following tables. Information is typically identified by catchment area as follows:

- Piedmont Behavioral Healthcare (PBH) catchment area consisting of Davidson, Union, Cabarrus, Rowan and Stanly Counties.
- CenterPoint Human Services (CPHS) catchment area consisting of Forsyth, Stokes, Davie and Rockingham Counties.

CONSUMERS SERVED – FY 2008-09		
Catchment Area	Unduplicated Consumers	Unduplicated Services
PBH	17,095	143,623
CPHS	6,327	41,048

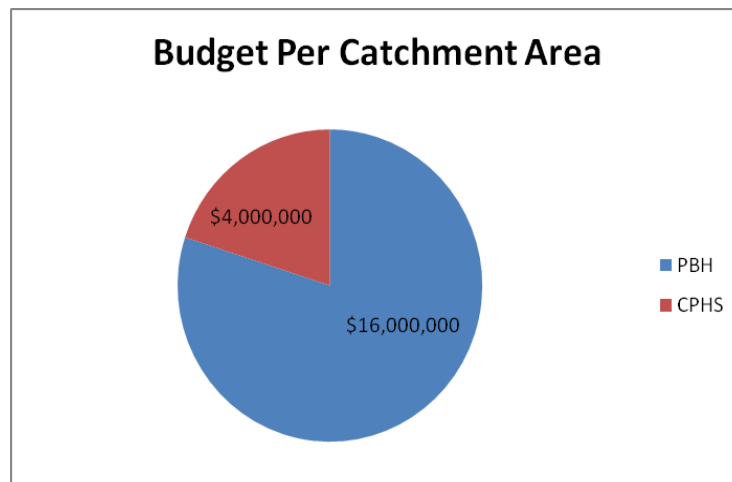


NUMBER OF CONSUMERS SERVED AND SERVICE STATISTICS FOR FISCAL YEARS 2007-08 AND 2008-09						
Catchment Area	Unduplicated Consumers FY 2007-08	Unduplicated Consumers FY 2008-09	Percent Increase/ (Decrease)	Unduplicated Services FY 2007-08	Unduplicated Services FY 2008-09	Percent Increase/ (Decrease)
PBH	16,092	17,095	6.2%	142,044	143,623	1.1%
CPHS	5,502	6,327	14.9%	42,665	41,048	(3.8 %)

A review of this table reveals that the number of persons served during the last two fiscal years increased in both catchment areas. The number of unduplicated services per person served increased slightly in the PBH catchment area and decreased slightly in the CPHS catchment area. Growth in both areas did not keep demand with services delivered. Possible reasons for these fluctuations include, but not limited to:

- The number of DAYMARK service providers (i.e., psychiatrists, therapists, etc.) has not increased due to State and Federal budgetary restrictions. However, DAYMARK has increased group treatment sessions, resulting in less individual sessions but more persons served. The focus on groups have been geared to best practice treatments.
- Consumers may have had other providers for services like community support but only saw our medical or crisis services, thus, indicating an increase in persons served but fewer services.
- Also, DAYMARK has provided more crisis “walk-in” sessions that respond to a single crisis intervention treatment episode rather than enrolling all consumers in more lengthy on-going treatment.

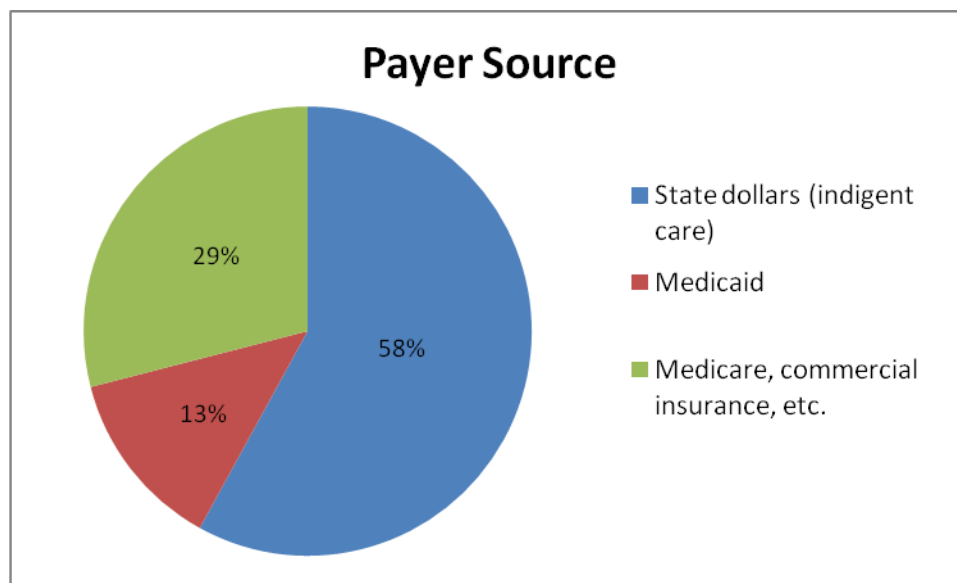
BUDGET PER CATCHMENT AREA FOR FISCAL YEAR 2008-09		
Budget per Catchment Area	Counties	Budget
PBH	Cabarrus, Davidson, Rowan, Stanly and Union	\$16,000,000
CPHS	Davie, Forsyth and Stokes	\$4,000,000



TWO YEAR BUDGET COMPARISON			
Budget Per Catchment Area	FY 2007-08	FY 2008-09	Percent Increase/ (Decrease)
PBH	\$16,000,000	\$16,000,000	0%
CPHS	\$4,000,000	\$4,000,000	0%

There was no increase in PBH and CHS budgets; however, more consumers were served during fiscal year 2008-09. DAYMARK has expanded to other catchment areas during the current fiscal year 2009-10 and this will increase the overall DAYMARK operating budget to approximately \$27,000,000.

PAYER SOURCE	
BY PAYER BILLED	AGENCY-WIDE FY 08-09
State Dollars (Indigent Care)	58%
Medicaid	13%
Medicare, Commercial Insurance, Grants, Health Choice, County Dollars, Donations, etc.	29%



As noted in the above table and graph, the percent of revenues per payer source demonstrates DAYMARK's commitment to provide care to those persons most in need of services. This is evidenced by the percent of funds received for consumers who are indigent (IPRS funded) and eligible for entitlement funding (Medicaid). Given the low amounts of community support services DAYMARK provides this also demonstrates that many other community providers have cornered the market on Medicaid driven community support services and use DAYMARK as their professional referral source for psychiatry and crisis service.

Indigent Medication and Emergency Medication Programs

DAYMARK understands that access to medication is an important key to recovery. With a high number of indigent consumers and increased costs of medication, DAYMARK has developed and or supported three programs that enable persons served to obtain their medications. These include the following:

- In the CPHS catchment area (Davie, Forsyth and Stokes counties), CPHS provides assistance through their indigent medication program and through the Forsyth County Government, to provide an on-site pharmacy. These resources provide the much needed medications to persons served at little or no cost to consumers and no additional cost to DAYMARK.
- In the PBH catchment area (Cabarrus, Davidson, Rowan, Stanly and Union counties), PBH provides monetary support for DAYMARK clinics to offer sample medication to indigent persons served. This medication is often made available for emergency needs and/or while waiting for a consumer to become eligible for coverage through an indigent or entitlement funding source. Although an exact fiscal amount is difficult to assign, this resource provides medication to over 200 consumers each quarter.
- Also in the PBH catchment area, Medication Access and Program Review (MARP) services are provided. MARP is an automated program that permits consumers that cannot afford their medication, to receive medicine on an ongoing basis at no cost. The following table describes medications provided by the MARP service in the PBH catchment area:

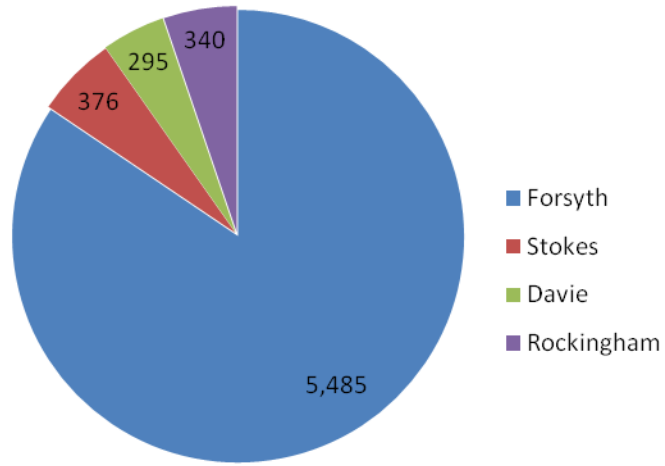
PERSONS SERVED	REQUESTS	AVERAGE WHOLESALE PRICE (AWP)
*Active Clients: 898	* Client Requests: 672	*Average AWP: \$1,068
** Inactive Clients: 355	**Client Medications: 2,679	**Total AWP: \$2,863,374
Total Clients: 1,253	Average Meds/Request: 3.99	
*Number of clients with active status.	*Number of clients for who requests were generated during the specified time frame.	*Average wholesale price for medications requested during the specified time frame.
** Number of clients with inactive status.	**Number of medications requested during the specified time frame.	**Total wholesale price for medications requested during the specified time frame.

COST OF SERVICES				
Catchment Area	Cost Per Consumer Per Year	Cost Per Consumer Per Month	Cost Per Service	Conclusions
CPHS	\$632.21	\$52.68	\$97.45	1. Low cost per consumer; services are also inexpensive considering the large number of medical and emergency services provided. 2. Cost per consumer/per year is low and may indicate a need to deliver more care.
PBH	\$935.95	\$78.00	\$111.40	1. Low cost per consumer; services are also inexpensive considering the large number of medical and emergency services provided. 2. Cost per consumer/per year is low and may indicate a need to deliver more care.

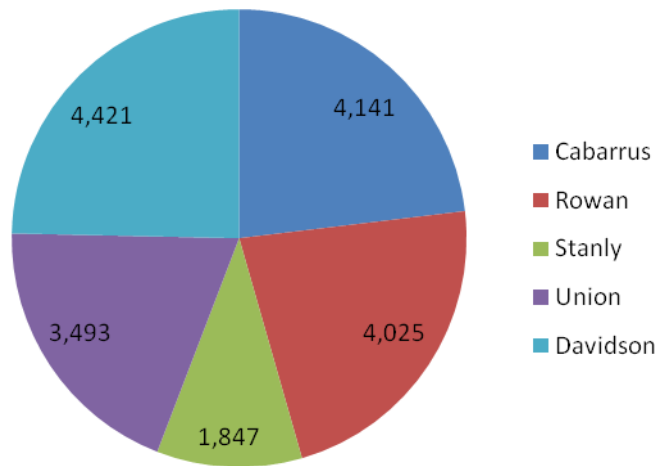
CONSUMERS SERVED BY LOCATION	
CPHS CATCHMENT AREA	
County	Consumers Served
Forsyth County	5,485
Davie County	295
Stokes County	376
Rockingham (only 6 months and 2 services)	340
PBH CATCHMENT AREA	
County	Consumers Served
Rowan County	4025
Davidson County	4421
Cabarrus County	4141
Union County	3493
Stanly County	1847



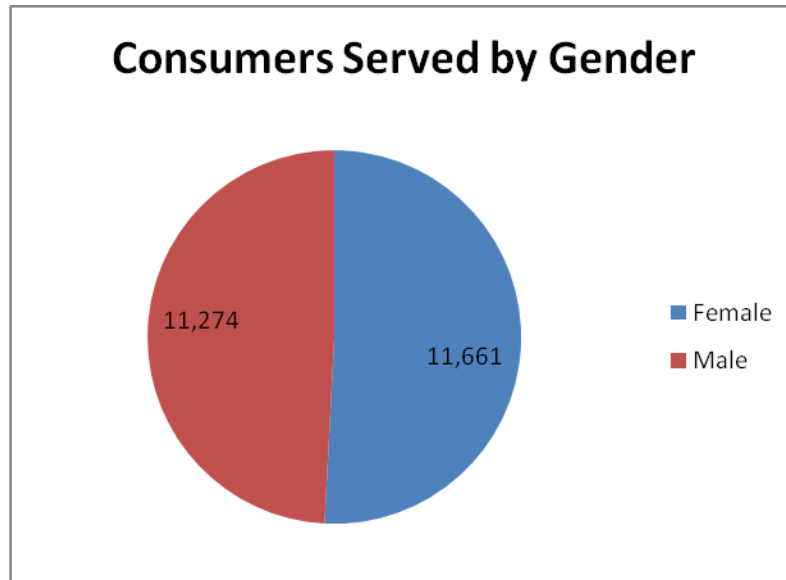
Unduplicated Consumers for CPHS Catchment Area



Unduplicated Consumers for PBH Catchment Area

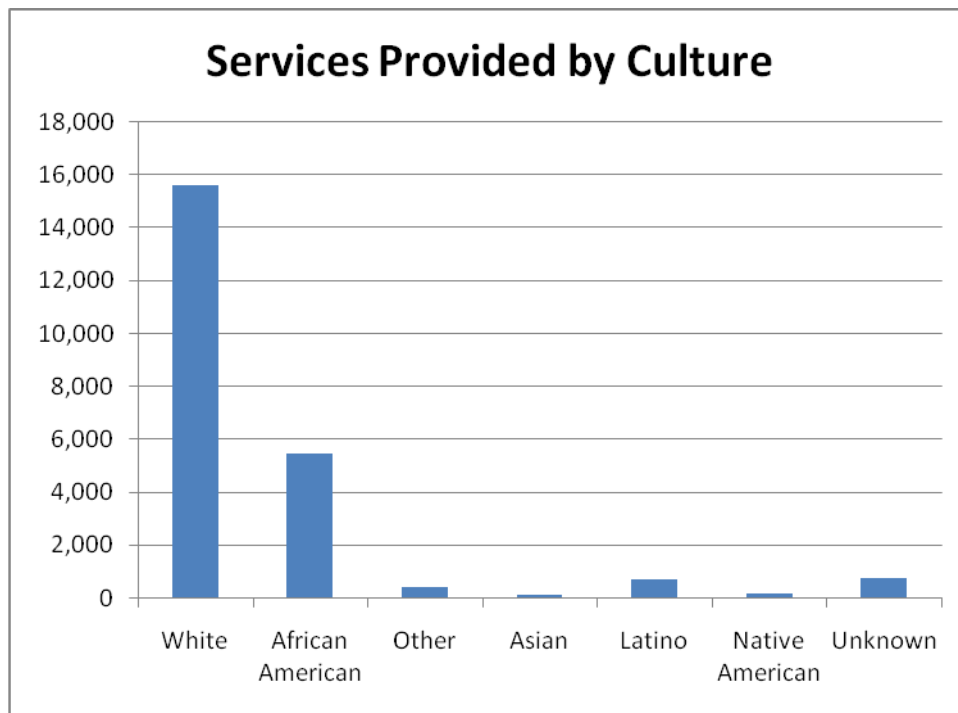


CONSUMERS SERVED BY GENDER	
Female	11,661
Male	11,274



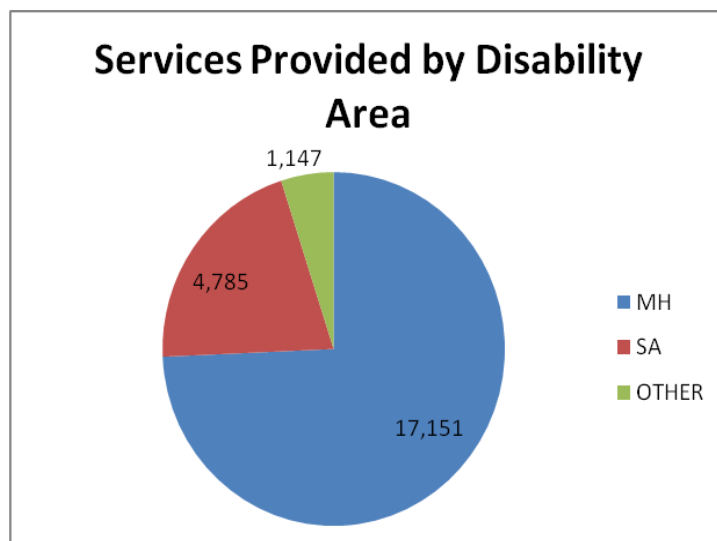
SERVICES PROVIDED BY CULTURE	
CULTURE	NUMBER OF POPULATION SERVED
White	15,593
African-American	5,467
Other (did not list, aboriginal Canadians, native Hawaiian, Pacific Islander, Cambodian)	369
Asian	88
Latino	670
Native (American or Alaskan)	155
Unknown (due to incomplete information taken during crisis intervention)	738



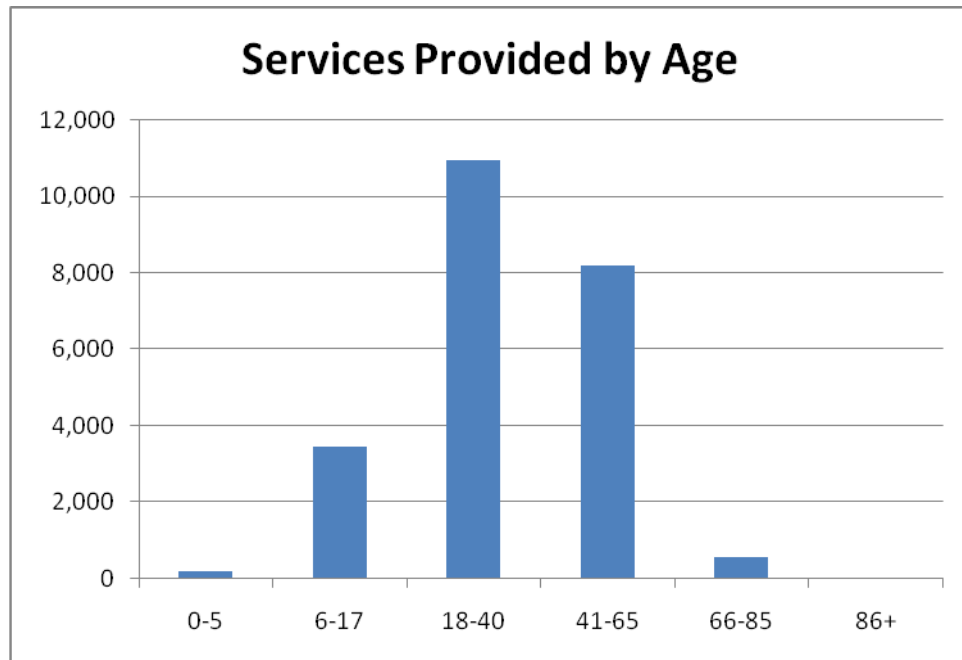


DISABILITIES SERVED*	
DISABILITY	PERCENT OF TOTAL SERVICES
Mental Health (MH)	17,151
Substance Abuse (SA)	4,785
Other (not primary MH or SA but those with developmental disabilities, dementia or other medical complications)	1,147

***Note that dually diagnosed persons served are not differentiated but are listed by the primary diagnosis.**



SERVICES PROVIDED BY AGE	
AGE	AMOUNT OF SERVICES PROVIDED
0-5	200
6-17	3,464
18-40	10,972
41-65	8,186
66-85	546
86+	22



Patient Satisfaction and Outcomes:

Below is an executive summary of the outcome of the survey for each service location this fiscal year (FY) and longitudinally over the past two years. Numbers indicate the overall patient satisfaction.

PROGRAM SITE	FY 2007	FY 2008	FY 2009
Cabarrus County	92%	93%	94%
Crisis Recovery Center	97%	96%	98%
Davidson County	96%	94%	90%
Expeditions	95%	98%	90%
Forsyth County	90%	91%	89%
Rowan County	92%	94%	95%
Stanly County	95%	94%	96%
Union	94%	91%	93%
AVERAGE	94%	94%	93%



Executive Findings and Comments:

- The consistency of the survey over a three year period give indications the survey is valid
- The scores indicate that consumers have been overall very satisfied with their services

**Comparative Analysis For All DAYMARK Service Locations For Survey Questions
FY 2009**

SURVEY QUESTIONS	CAB	CRC	DAV	EXP	FOR	ROW	STNL	UNI	TOTALS
Services were available at a time of day or evening that was good for me.	98%	97%	93%	92%	97%	98%	99%	97%	96%
I was able to get an appointment as soon as I wanted one.	88%	97%	78%	92%	75%	85%	88%	87%	86%
I got what I wanted in my treatment plan.	93%	100%	92%	83%	90%	95%	97%	92%	93%
I got to see the doctor as soon as I wanted.	84%	86%	69%	90%	65%	86%	93%	83%	82%
I got to fully participate in decisions about the services I received here.	98%	100%	96%	77%	95%	97%	99%	96%	95%
My goals for the future were included in my treatment plan.	96%	97%	93%	73%	91%	97%	99%	92%	92%



SURVEY QUESTIONS	CAB	CRC	DAV	EXP	FOR	ROW	STNL	UNI	TOTALS
When I was in crisis, I got to see my primary therapist; I did not have to see another employee.	88%	100%	82%	90%	81%	96%	77%	86%	88%
I could reach Daymark 24 hours/day for routine, crisis, and telephone screening.	98%	100%	93%	100%	91%	97%	99%	93%	96%
Daymark employees respected my wishes about who is and is not to be a part of my treatment.	98%	100%	97%	90%	97%	96%	100%	96%	97%
Daymark employees were sensitive to my cultural/ethnic background.	97%	100%	94%	90%	97%	99%	100%	96%	97%
As a direct result of services, I feel better able to control my life.	92%	100%	91%	100%	89%	96%	95%	94%	95%
I would recommend Daymark to others.	98%	97%	96%	77%	95%	98%	100%	98%	95%



SURVEY QUESTIONS	CAB	CRC	DAV	EXP	FOR	ROW	STNL	UNI	TOTALS
I know who to contact if I have a question, concern or complaint about services or my rights.	96%	94%	96%	100%	91%	97%	100%	95%	96%
I had my questions answered regarding my medications and possible side effects.	93%	100%	92%	100%	96%	95%	97%	95%	96%
TOTALS	94%	98%	90%	90%	89%	95%	96%	93%	93%

GOALS FOR FISCAL YEAR 2008-2009

- Open a full clinic and continuum of services in Rockingham County.
- Expand our book of business to other counties to defray overhead costs. Likely areas of expansion are counties in the Sandhills and Smokey Mountain Local Management Catchment Areas.
- Build continuums of care for persons served in each county and increase the number of services each of our consumers receive when medically necessary.
- Open a second Facility Based Crisis Unit. This will provide 32 acute crisis beds for our agency to keep our citizens that need inpatient care in their home communities.
- Increase the number of Medicaid eligible consumers in service and the number of services delivered to them.
- Maintain National Accreditation.
- Work to co-locate behavioral health and traditional healthcare services.
- Hold true to our mission of serving the neediest in our communities with the best treatments available.
- Enhance child substance abuse treatment services.

DAYMARK RECOVERY SERVICES, INC.
BOARD OF DIRECTORS

Mr. Tim Childs, Board Chairperson
 Mr. Jim Cook, Board Vice-Chairperson
 Mr. Dwight Wilhelm, Secretary/Treasurer
 Ms. Mary Murchison Ms. Lois Ray
 Ms. Brenda Trott Ms. Barbara Davis
 Mr. Russell Barber Ms. Linda Lowder
 Rev. James Sessoms
 Hartsell and Williams, Board Attorney
 Ms. Erin Cornelius, Board Clerk

DAYMARK RECOVERY SERVICES, INC.
EXECUTIVE STAFF

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 Philip Nofal, MD, JD, Medical Director
 Elizabeth Pekarek, MD, Medical Director
 Dr. Robert Werstlein, Area Clinical Director
 Dr. Lisa Brandyberry, Clinical Operations Director
 Mr. Jerold Greer, Information Systems Director
 Bonnie Miller, Quality Assurance Director
 Kathleen Fry, MSW, LCSW, Director of Residential Services
 Jerry Smith, Finance Officer
 Cathy Shoaf, Human Resources Director

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