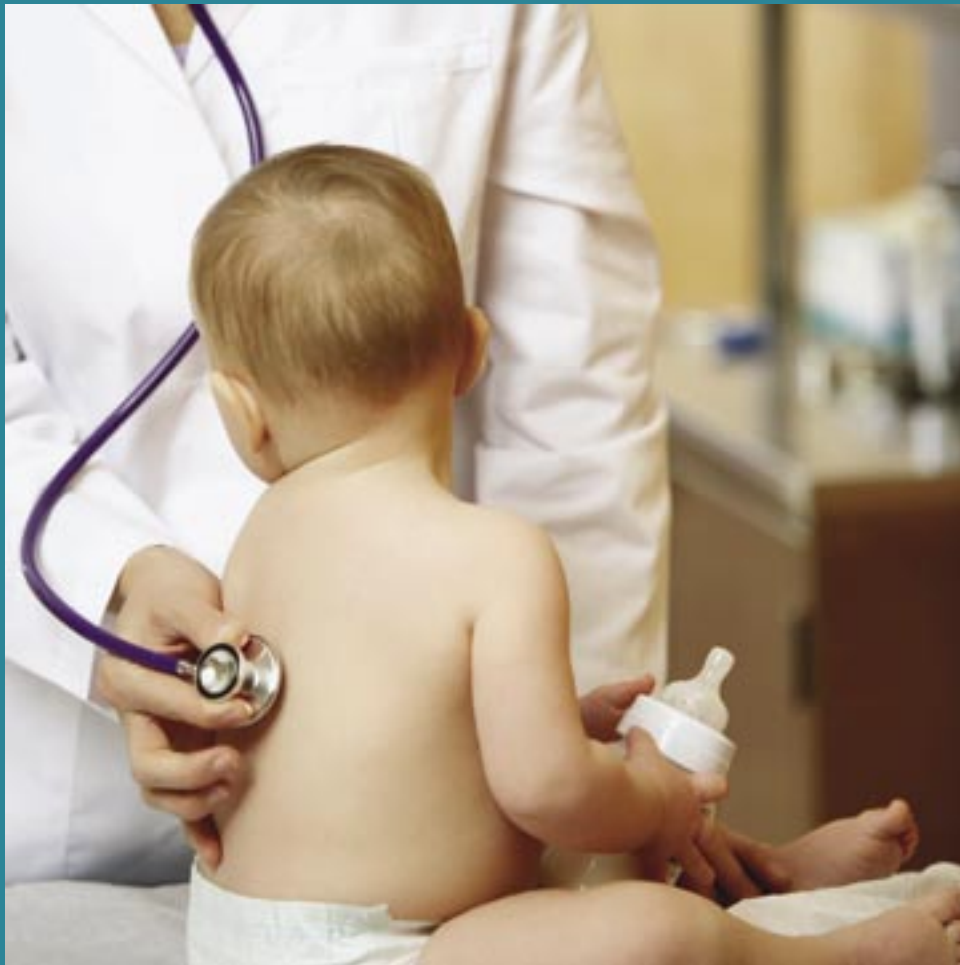


Chiricahua Community Health Centers, Inc.



2007-2008 ANNUAL REPORT





EXECUTIVE SUMMARY

Jennifer “Ginger” Ryan, MBA/Ph.D.

Chief Executive Officer

Community health centers have actually improved health outcomes and lowered the costs of treating patients with chronic illnesses, and have compiled a remarkable record of achievement in providing care of superior quality, with exceptional cost-effectiveness and efficiency. Across the country, the costs of care rank among the lowest, reducing the need for more expensive emergency room, hospital in-patient and specialty care.

Both the Institute of Medicine and the General Accountability Office have recognized community health centers as effective models for reducing health disparities and for managing the care of people with chronic conditions such as diabetes, cardiovascular disease, and HIV; and the White House Office of Management and Budget has ranked them as one of the 10 most effective government programs. The American Academy of Family Physicians’ Robert Graham Center recently found that the total cost of care for health center patients is 41% lower annually than the total cost of care for individuals served by other providers.

Community health centers serve as living proof that providing high-quality, continuous care to people and communities without adequate sources of health care improves health outcomes, narrows health disparities and generates significant savings to the health care system as a whole – up to \$18 billion last year alone – while bringing much needed economic benefits to the low income communities they serve.

Chiricahua Community Health Centers has contributed over \$60 million to the economy of Cochise County over the past twelve years, according to a study just completed by the National Center for Rural Health Works at Oklahoma State University. The study also shows that for each job created by CCHCI, an additional 0.60 jobs is created throughout our area due to business and household spending. Annually, that spending amounts to \$6,537,836.

Output, income and employment contributions were calculated by use of the IMPLAN Model, which measures the secondary benefits of the health sector on a local economy. It shows that each dollar generated directly creates a secondary effect on spending. So, when employees use their paycheck to shop at the local grocery store, pharmacy, gas station, etc., they create overall greater demand for goods and services which then affects other jobs and individuals.

Chiricahua Community Health Centers, best known for its excellence in health care, serves as an economic engine and major contributor to the financial stability of Cochise County.

BOARD OF DIRECTORS



MEDICAL DIRECTOR'S REPORT

John Haun, MD

I am pleased to report on the clinical achievements and activities at Chiricahua Community Health Centers for the years 2007 & 2008. The major concentrations were:

1. Full implementation of electronic medical records
2. Continued Medical Education on utilization of NextGen templates
3. Medical Operations and Protocol Development including pain management, chronic disease management and home health care oversight
4. Provider recruitment and training
5. Expansion of the Pediatric Program with progress toward a pediatric medical home
6. Partnership with the Children's Health Fund
7. Participation with statewide disaster, mass casualty and emergency response planning

CCHCI continues to advance with systems performance and quality improvement processes. Two significant staff additions (a Certified Diabetes Educator and Clinical Care Coordinator for Children With Special Health Care Needs) have enriched overall patient care.

CCHCI is dedicated to assure that quality medical care is provided to the citizens and visitors of Cochise County. Efforts include incorporating medical technology, advancing education and protocols to comply with changing standards of practice, working cooperatively with area stakeholders and capturing, utilizing, and sharing data to improve our systems.

PROVIDERS

"At the Chiricahua Clinics we see all patients, insured or uninsured, and this gives us a balance to the practice of medicine which is difficult to duplicate."

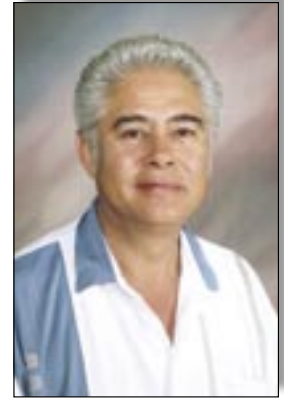
- John Haun, MD



John Haun, MD
Medical Director
Board Certified Family Practice



Jonathan Lee-Melk, MD
CHF Program Medical Director
Board Certified Pediatrician



Mario Fragoso, DDS
Dentist



Stephen Lindstrom, MD
Board Certified Pediatrician



Jack Hoffman, MD
Board Qualified Internal Medicine

"There is a mutual respect between all members of the staff as a smoothly functioning team. I consider myself truly fortunate to be able to say that I love my job."

- Karen Crockett, MD



Karen Crockett, MD
Family Practice



Peggy Avina, MD
Board Certified Family Practice

"I love travelling to unique communities in southern Arizona, providing medical care to patients in their own communities."

- Peggy Avina, MD



Prido Polanco, MD
General Practice



Tammie Naranjo, MD
Board Certified Family Practice

PROVIDERS

"I like working for CCHCI because of the people we serve. The cultural richness, the social complexities as well as the rural aspects of this area make the practice of medicine a true art."

- Deborah Moroney, MD



Deborah Moroney, MD
Board Certified Family Practice



Lanaya Turner, FNP
Family Nurse Practitioner



Kenny Miller, ACSW, LCSW
Clinical Social Worker



Elizabeth Fabry, ANP
Adult Nurse Practitioner



Jane Williamson-Davenport, FNP-C
Certified Family Nurse Practitioner

"I thrive on the community, kindness, dedication and great sense of humor my co-workers offer day in and day out."

- Mario Moreno, ANP



Mario Moreno, ANP
Adult Nurse Practitioner



Jane Sobel, RDH
Registered Dental Hygienist

"My job with CCHCI is my dream job! Working with elders in rural AZ in a bi-cultural community is ideal."

- Marybeth Webster, Ph.D.



Marybeth Webster, Ph.D.
Registered Art Therapist



Carlos Pena, PA-C
Certified Physician Assistant

2007 HIGHLIGHTS

January

- Weight Management program begins at the Elfrida Clinic
- January 22 clinics close due to snow / board meeting cancelled

February

- Edith Sampson, RN joins CCHCI as the Director of Nursing

March

- Best Practices Award for Chronic Disease Management Program

April

- Senator Richard Miranda visits the Cliff Whetten Clinic in Elfrida and presents a scholarship and laptop computer to outreach worker Lorena Sonke

May

- CCHCI is awarded a 3 year Rural Health Outreach grant for oral health services

June

- CCHCI participates in the “Relay for Life” cancer fund raiser

July

- Joe Coatsworth, CEO of the Arizona Association of Community Health Centers, visits CCHCI

August

- Mary Gomez, Cochise Health Systems CEO, joins CCHCI Board of Directors
- Dr. Ronald Pflipsen, a pediatric dentist, joins CCHCI’s dental team
- All staff receives Emergency Preparedness Training and NIMS certification

September

- CCHCI contracts with Cochise County Health Department for STEPS Grant funding to underwrite a Weight Management Program

October

- Representatives from the Children’s Health Fund visit CCHCI

November

- CCHCI contracts with HealthStream to provide online training for employees
- CCHCI receives (through AACHC) a Department of Justice Grant addressing issues of Domestic Violence

December

- CCHCI moves employee investment accounts to Edward Jones and converts from a simple IRA to a 403b Plan with an employer match contribution

2008 HIGHLIGHTS

January

- Sembrando Salud/Sowing Wellness wins Honorable Mention Award from Michael Leavitt, Secretary of Health & Human Services for Innovative Programs
- CCHCI hires its first Domestic Violence Advocate, Rosie Jaramillo

February

- Dr. Ryan attends a Special Invitation Focus Group sponsored by HRSA in San Francisco, California

March

- Dr. Ryan is appointed by the Governor Janet Napolitano to the Regional Council for First Things First

April

- Paul Simon's Children's Health Fund establishes a partnership with CCHCI
- CCHCI's Board of Director's Annual Retreat is held at Tribal Air in McNeal, AZ

May

- CCHCI hires Jill Japan, RN as the Clinical Care Coordinator for Children With Special Health Care Needs establishing the first true "medical home" in southern Arizona

June

- Melinda Haun, RN, CCHCI's Quality Assurance Coordinator, achieves Certified Diabetes Educator status

July

- Dr. Ryan is appointed to the Governor's Commission on Women's and Children's Health by Janet Napolitano

August

- Jonathan Lee-Melk, CCHCI pediatrician and Jennifer "Ginger" Ryan, CEO travel to Ohio to work on the design for the new Mobile Medical Unit to be funded by American Idol

September

- CCHCI receives an "outstanding" rating from HRSA during the Operational Performance Review
- Two mid-level providers join CCHCI: Carlos Pena, PA; and Jane Williamson-Davenport, FNP
- CCHCI is awarded Earmark funding from Representative Gabrielle Gifford for facility improvements

October

- Robert Blocher, Board of Director member since 1997, resigns to move to Sahuarita, AZ
- A no-cost six month extension is granted for the Sembrando Salud Program

November

- Board member Manny Alvarez is elected to the Arizona State Senate

December

- Dental services move into the newly renovated Cliff Whetten Clinic in Elfrida

MANAGEMENT



Jennifer "Ginger" Ryan,
MBA/Ph.D.
Chief Executive Officer



Gary "Mac" McPherran
Director of Finance



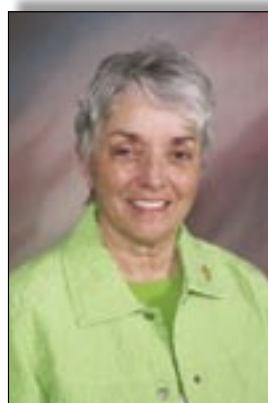
Richard Sampson
*Director of Facility Operations
& MIS*



Julie King
Director of Human Resources



Edith Sampson, RN
Director of Nursing



Melinda Haun, RN, CDE
Certified Diabetic Educator



Linda Noga
Elfrida Clinic Manager



Noemi DeCastro
Douglas Clinic Manager



Susan Lange, RN
Outreach Coordinator

PATIENT SNAPSHOT

Of the 20,000 patients served in 2007

56% uninsured

20% on Medicaid

22% under the age of 18

37% below the federal poverty level

Insurance status of our patients

20% Medicaid

54% uninsured

17% private insurance

7% Medicare

2% self pay

Demographics by age

22% Pediatrics (0 – 17)

50% Adults (18 – 54)

28% Seniors (55+)

Demographics by ethnicity

64% Hispanics

33% Anglos

1% Native American

1% African American

1% Unreported



Pediatric Management Team Meeting

FINANCIALS

2008 FISCAL YEAR REVIEW

Revenue and Public Support

Federal Grants	\$ 3,122,440
Patient Generated Revenue	\$ 3,398,111
Other Grants	\$ 519,691
Donations	\$ 13,015
In-Kind Contributions	\$ 313,145
Other	\$ 54,158

Total Revenue & Public Support \$ 7,420,560

Expenses

Medical, Dental	\$ 5,471,799
Administration	\$ 1,264,982
Depreciation	\$ 274,059
Interest	\$ 22,247
In-kind Expenses	\$ 313,145

Total Expenses \$ 7,346,232

Unrestricted Net Assets	\$ 2,718,492
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CLINICS & MOBILE UNITS



Cliff Whetten Clinic
Elfrida

Jennifer "Ginger" Ryan Clinic
Douglas



Bisbee Clinic
Bisbee



Mobile Dental Unit



Mobile Medical Unit

Jennifer ‘Ginger’ Ryan Clinic

1100 F Avenue, Douglas
520-364-3285
Mon:8am-5pm Tue,Wed,Thu:8am-8pm
Fri:8am-5pm Sat:9am-3pm
Mobile Medical Unit
520-364-4984
From Willcox call 520-384-6300

CCHCI Adminstrative Offices

1205 F Avenue, Douglas
520-364-1429

Diabetic Education Center

310 Arizona Street, Bisbee
520-364-1429
Hours by appointment

Cliff Whetten Clinic

10566 Highway 191, Elfrida
520-642-2222
Mon:7am-6pm Tue-Fri:8am-5pm
From Willcox call 520-384-6363

Bisbee Clinic

108 Arizona Street, Bisbee
520-432-3309
Mon-Fri:8am-5pm Sat:9am-3pm

HIV/AIDS Case Management Services

Cochise County Housing Authority
100 Clawson Avenue, Bisbee
520-432-8893

CLINIC LOCATIONS & SERVICES

**Primary Care Services
Including:**

- General Physicals
- Chronic Disease Management (Diabetes Care & Education)
- Women’s Health
- Pre-natal Care
- Pediatric Center of Excellence
- Dental Care
- Patient Assistance Prescription Medication Program
- CDL Physicals
- Family Planning Services
- On-site Laboratory Services
- Mental Health
- Art Therapy
- Twenty-four Hour Call
- Transportation Services
- Flu Shots
- School Physicals

Additional Special Services:**Jennifer ‘Ginger’ Ryan Clinic, Douglas**

- Pre-natal
- Pediatric Center of Excellence
- Well Woman Healthcheck Program
- Chronic Disease Management Program
- Mobile Medical Unit
- Domestic Violence Prevention & Services

Cliff Whetten Clinic, Elfrida

- Family Dentistry
- Well Woman Healthcheck Program
- Chronic Disease Management Program
- Mobile Dental Unit
- Sembrando Salud / Sowing Wellness
- Elfrida Community Garden & Farmers Market

Bisbee Clinic

- HIV/AIDS Care
- Mental Health
- Chronic Disease Management Program
- Well Woman Healthcheck Program
- Pediatrics

Mobile Medical Unit

Servicing the following communities:

- Willcox • Tombstone • Sunsites
- Benson • Sierra Vista