

ANNUAL REPORT 2016

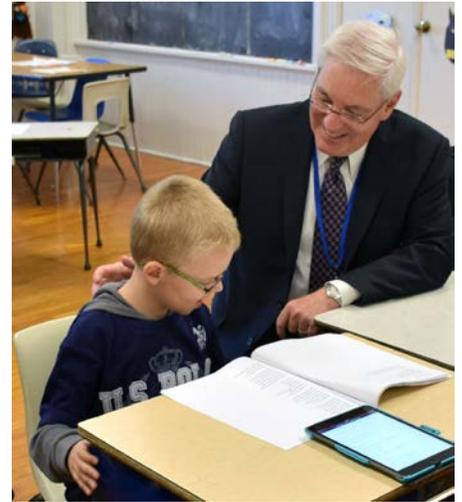


MESSAGE FROM CEO

Message from Joe Martz, Chairman and Chief Executive Officer

This has been a great year for NHS, with numerous achievements, honors, and most importantly, fond memories that will last a lifetime. Since 1968, NHS has been providing critical services to our communities, and in 2016, we addressed the needs of almost 50,000 consumers and their families in 8 states.

We are committed to our core values of Quality, Integrity, Safety, Diversity, Trust, and Compassion, and we integrate these into everything we do. We have worked tirelessly this past year to improve service quality, broaden our continuum of care, and enhance program specialization. Through the excellent efforts of our employees, I am very proud that NHS earned numerous certifications from accrediting bodies, which recognize our commitment to providing exceptional and innovative care. These certifications and national recognitions could not have been achieved without the incredible hard work of our amazing staff.



In order to help our consumers reach their fullest potential, we need to do our best to take care of our employees. Improving the employment experience here at NHS is now one of our strategic goals, and the response from our staff to our new mission, vision and core values has been overwhelming. The consumer and staff 'selfies' presented in this report truly reflect our passion and commitment to our core values and vision. Our achievements this past year would not have been possible without your unwavering support and dedication to the NHS mission and vision. Whether you donated financially or volunteered your time at one of our programs or events, the unending commitment from our donors, Boards of Directors, families, friends, and other supporters is tremendous, and for which I am deeply grateful. Thank you!

The future is bright for NHS. With so many changes occurring in the human services and education industries, we pledge to give our best every day, adapting as we must to continue to succeed. It is a privilege to be a part of this organization and its corps of countless supporters, like you. Together, we are ready for the adventure ahead.

Sincerely,
Joe

ABOUT NHS

NHS Human Services, Inc., through its affiliates, is a leading provider of community-based, non-profit education and human services. More than 10,000 employees provide care to almost 50,000 consumers and their families throughout Pennsylvania, New Jersey, Virginia, New York, Maryland, Delaware, Louisiana, and Michigan. NHS has developed a unique continuum of care, providing services in the areas of mental health, addictive diseases, education, foster care and permanency, autism, intellectual and developmental disabilities and many more specialized programs.

Accreditations



VISION: Creating communities where everyone is empowered to take meaningful steps toward reaching their fullest potential.

MISSION: Enriching lives by providing exceptional services through an individualized approach.



The Core Values Selfie Project - In a world dominated by 'selfies', smart phones, and social media, we wanted to utilize this love of technology to further promote our core values to our colleagues, consumers, families, and others! To help us achieve this goal, we asked employees and consumers to take selfies demonstrating one or more of the core values and to describe how they impact their workday and NHS experience. Here is just a sampling of NHS embracing our new core values.

HIGHLIGHTS

Through your support and dedication, NHS is afforded the opportunity to offer exceptional programs, services, and activities to thousands of individuals every year!

EDUCATION AND AUTISM SERVICES: iPads Increase Student Engagement

Kevon, a 13 year old student at the NHS School Woodhaven in Philadelphia, utilizes assistive technology to greet teachers and peers, to request things that he desires throughout the day, and to participate in group lessons. This technology helps Kevon, who has challenges verbalizing his thoughts and behaviors, to appropriately access social and academic activities at home and at school. Through funds received from the NHS Foundation and a special grant from The Community Foundation of Westmoreland County, 42 iPads were distributed throughout all of our NHS Schools to support the various needs of students similar to Kevon's. Students and staff were excited and thankful to receive the iPads because it is another opportunity for them to learn new skills in and out of the classroom. iPads have been shown to help children with autism to learn and hear the spoken language, and to enhance student engagement. This special technology provides an additional resource to support the hundreds of students in our schools to learn how to effectively communicate with their peers and families.



BEHAVIORAL HEALTH SERVICES: Supporting Recovery through Creative Arts



Members of the Germantown Recovery Community enjoy the arts and music as a form of therapy to support their recovery efforts.

On a beautiful day in June, the NHS Human Services Foundation held their 18th Annual Golf Classic at Whitemarsh Valley Country Club in Lafayette Hill, PA. Golfers and supporters of the Foundation were delighted to welcome members of the Germantown Recovery Community (GRC) as the recipient of funds raised this year. The GRC in Philadelphia is a Community Integrated Recovery Center for individuals with severe and persistent mental health challenges. The program focuses on the creative arts, including art and music therapy and education, to support individuals in their behavioral health recovery. Funds raised at the Golf Classic are used to expand their current location and service offerings to a larger population. The GRC members were overwhelmed with the outpouring of financial support received at the event, which was used to purchase new instruments and art materials.

INTELLECTUAL AND DEVELOPMENTAL DISABILITIES SERVICES: Enhanced Opportunities to Enjoy Life to the Fullest

Through a grant received from the Walter F. and Ellen H. Nicoden Fund of The Pittsburgh Foundation, funding is available to support recreational activities and programs for individuals with Intellectual and Developmental Disabilities at NHS Allegheny Valley School (NHS/AVS). Hundreds of activities have been funded through this generous bequest including weekend and week-long camps, weekly pottery classes, communication technology programs, ongoing equestrian therapy, trips near and far, numerous sporting events, and so much more.



NHS/AVS is grateful to the Walter F. and Ellen H. Nicoden Fund of The Pittsburgh Foundation for its support which helps individuals experience new opportunities, and continue to learn and thrive. As a result of these contributions, individuals are given multiple opportunities to enhance their well-being and to live life to its fullest.

A Friendship Grows: Consumers utilize technology to stay in contact with family and friends.

"Hey Carol Erzen, I'm glad that we are friends. I want to go out with you and your daughter again sometime soon. Send me an email. Bye! - Cheyan"

Sometimes you hear that technology results in people not interacting with others face-to-face. While that may be true for some, at NHS Allegheny Valley School, technology is improving the quality of life for consumers, expanding their knowledge of the world, and creating friendships!

The message above is from Cheyan, a 25-year-old woman who lives in a community group home with five other women. Cheyan had difficulty reading, so communicating with others via email has been limited – until the communication technology program was introduced. Through special technology, Cheyan is able to send emails using her voice, which has opened up a whole new way for her to develop relationships. She is now able to speak emails to her friends, and receive emails that, if written, are read to her through the technology. The friendship between Cheyan and NHS/AVS Staff Development Executive Carol Erzen has grown with the assistance of this technology.

The Communication Technology program is designed to improve the quality of life for the individuals in our care. This technology helps them to safely use the internet to stay in touch with family and friends, communicate with members of their support services team, acquire basic computer skills, and explore other interests. Consumers are constantly expanding their world and connecting with friends and family across the country. Grants and other contributions to the NHS/AVS Capital Development Fund have made this impactful program possible.

ADMINISTRATIVE SERVICES: Partners in Caring



Staff, consumers, and corporate partners volunteer for Partners in Caring.

Iris and Douglass Homes: On a beautiful day in September, more than 50 NHS administrative staff members, employees from Philadelphia Insurance Companies and The Graham Company, and residents and staff members from two of our homes in Philadelphia volunteered to participate in Partners in Caring. Volunteers spent the day cleaning up the outdoor areas surrounding the homes, including mulching, weeding, painting, digging, planting, and other yard work. The NHS Iris House is a Long Term Structured Residence (LTSR) that houses men and women, and the Douglass House is a Community Residential Rehab (CRR) for men with behavioral health challenges.

NHS/TAIG: “You didn’t tell me arts and crafts were involved,” said a smiling Andy Briner of Philadelphia Insurance Companies, during the Partners in Caring event held at NHS/TAIG in Philadelphia in August. Andy joyfully worked with NHS consumers to create decorations for the walls in the freshly painted training and community room at the NHS facility. Andy was one of six employees from Philadelphia Insurance Companies who joined several NHS staff to participate in the event. Volunteers were charged with painting the training and community room, which is a place for individuals with intellectual and developmental disabilities (IDD) to participate in various group activities and is also used on a bi-weekly basis to train new employees. The hard work displayed by all resulted in a finished project that is welcoming and comfortable for everyone.

Launched in 2015, NHS Partners in Caring provides an opportunity for administrative staff that are not generally active in the daily service operations to visit NHS sites and to make a difference that supports all that the organization does. In partnership with corporate agencies, including Philadelphia Insurance Companies and the Graham Company, NHS participates in a variety of initiatives at its community locations throughout the year.

CONTRIBUTORS

Thank you to our donors that have contributed to the NHS Human Services Foundation or NHS Allegheny Valley School from July 1, 2015 – June 30, 2016.

A full list of contributors can be found on www.nhsonline.org/ar16.

Message from Michael Mitchell, Chairman of the NHS Human Services Foundation



“I want to thank you all for making it another outstanding year for the NHS Human Services Foundation. Because of your generosity, we broke fundraising records at the 12th Annual Leading the Way Awards Gala, the 18th Annual Golf Classic, and the 12th Annual Goals for Giving Hockey Benefit. We also hosted the 2nd Annual Zumbathon at Philadelphia University, another unique opportunity for contributors to support NHS programs and the individuals that receive our critical services.

We are inspired and encouraged by your commitment, compassion and partnership. The pictures included in this report represent the lives of over 50,000 consumers and their families throughout the NHS continuum of care, all of whom have been invaluable affected by your selflessness. There is much yet to be done, and your continued assistance is vital for us to provide exceptional services to some of the most vulnerable individuals in our communities.

To learn more about the giving opportunities available at the NHS Foundation and how you can make a difference, please call 610-260-4675 or email to NHSFoundation@nhsonline.org.

Thank you for everything you do to support the NHS Foundation and the individuals in NHS's care!”

Sincerely,
Mike

2016 STATS

Consumer Statistics

NHS serves a diverse cross section of individuals with special needs, beginning almost at birth and providing a continuum of care that lasts a lifetime. What makes NHS unique is that we can design a program of care that meets the individual's needs, while integrating mental and physical health care needs.

TOTAL CONSUMERS SERVED



38,614

Total Consumers



11,408

Total Children



27,207

Total Adults

TOTAL CONSUMERS BY PROGRAM



33,755

Behavioral
Health



4,025

IDD

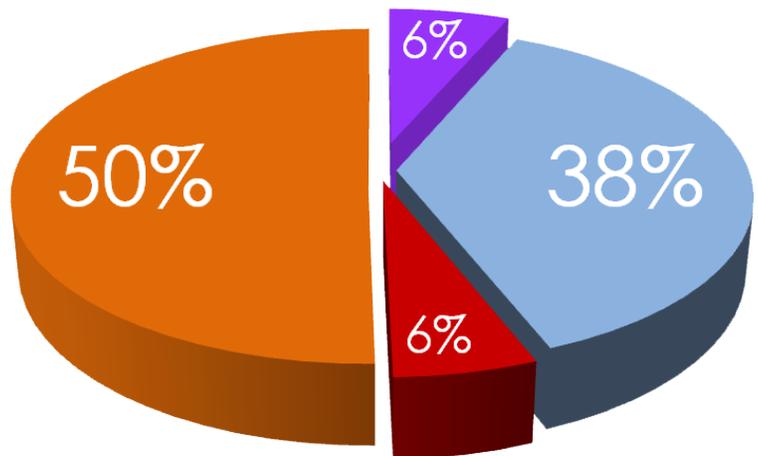


1,343

Autism &
Education

Employee Statistics

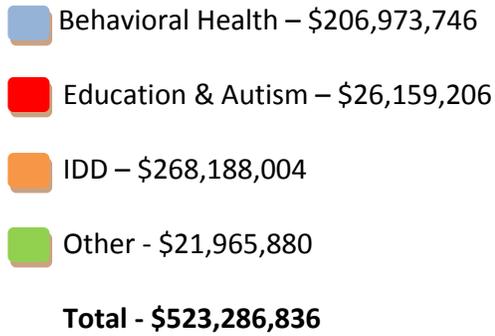
NHS employs more than 10,000 staff members to care for some of the most vulnerable individuals in our communities. The dedication and commitment displayed by our employees go above and beyond their daily responsibilities, and it shows how they have embraced the NHS mission, vision and core values. Thank you to all NHS employees for their continuous and tireless efforts to support the individuals we provide services for on a daily basis. Their hard work and commitment to the thousands of individuals served by NHS does not go unrecognized, and we are extremely proud to have each of them as part of the NHS family.



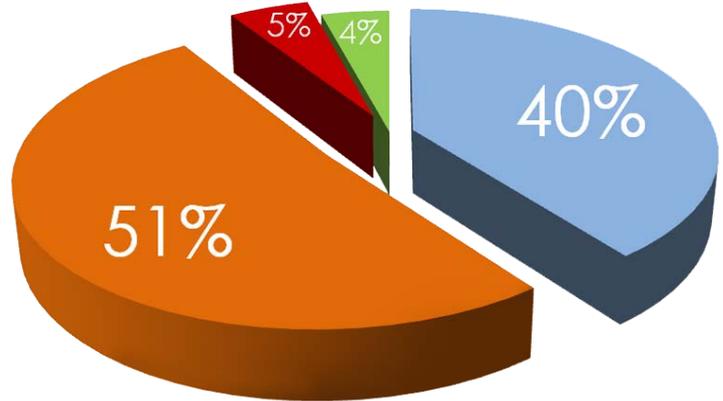
- Behavioral Health - 3,801
- IDD - 5,098
- Education & Autism - 569
- Administration - 656
- Total - 10,124

Financial Statistics

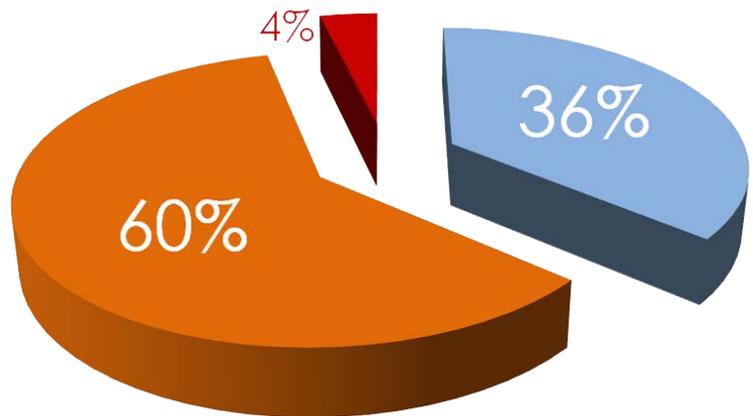
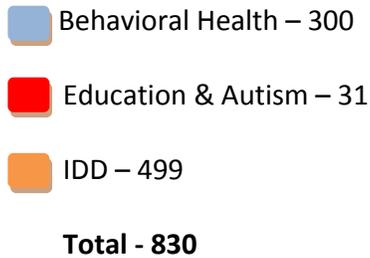
ACTUAL REVENUE BY PROGRAM



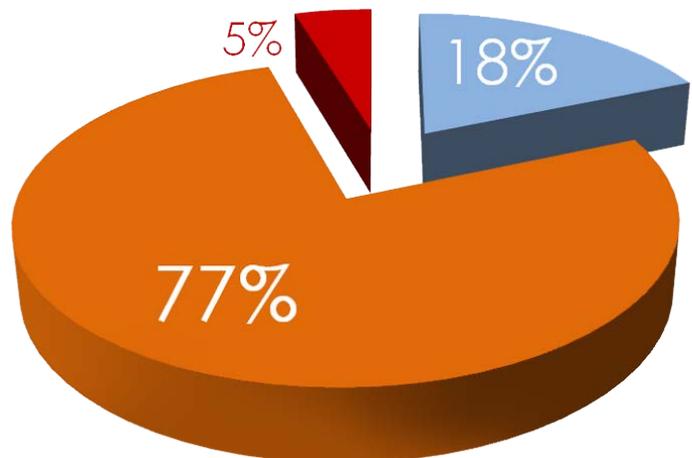
TOTAL REVENUE BY PROGRAM



Total Number of Programs



Total Number of Sites



NHS LEADERSHIP

Executive Team

Joseph S. Martz, Chief Executive Officer
Derrick Yacovelli, Chief Financial Officer
Leah Pason, Chief Strategy Officer
Jill Garfinkle Weitz, Esq., General Counsel
Michael Barton, Executive Vice President, Behavioral Health Services
Terrence McNelis, Executive Vice President, IDD Services
Karen Markle, Executive Vice President, Education and Autism Services
Michael Ernst, Corporate Vice President, Human Resources
Brandon Fisher, Corporate Vice President of Quality and Compliance and Chief Compliance Officer
Tom Morgan, Corporate Vice President, Information Technology
Trish Pisauo, Corporate Vice President of Marketing and Communications
Simon Whang, Corporate Controller
Rich Yanoski, Corporate Vice President of Business Development
Betty Boyd, Vice President of IDD Services in Eastern/Northeastern PA
Suzanne Campbell, Vice President of Administration, Behavioral Health Services
Rebecca Mann, Vice President of Operations, Education and Autism Services
Malcolm Musgrove, Vice President of Children's Services
Sherri Portnoy, Vice President of Administrative and Professional Services, IDD Services

Board of Directors

Joseph S. Martz, Chairman, NHS Human Services, Inc.
John J. Egan, Jr., Chairman, Egan Associates, LLC
Tami Fratis, Chief Executive Officer, IPR International
Philip Hughes, Vice Chairman, Keystone Industries
Robert N. C. Nix, III, Esq., President, Pleasant News, Inc.
The Honorable M. Joseph Rocks, Chairman Emeritus, NHS Board of Directors
Thomas Saporito, Chairman and CEO, RHR International
Diane Sterthous, Venture Capital Advisor, PA Department of Community and Economic Development
David A. Volpe, CFA Managing Director, Emerald Advisors and Consultants, Inc.
The Honorable Kelly C. Wall, Judge, Montgomery County Court of Common Pleas

NHS Human Services Foundation Board of Directors

Michael J. Mitchell, CPA, CPCU, Chairman, NHS Human Services Foundation Board of Directors; Vice Chairman, The Graham Company
Joseph S. Martz (Ex-Officio), Chairman and CEO, NHS Human Services, Inc.
The Honorable M. Joseph Rocks
Joseph E. Besecker, Founder, Chairman, President and CEO, Emerald Asset Management
Thomas Burkholder, Burkholder's Antiques
Christopher Dunton, CEO, Lintons Managed Services
John G. Frisch, Owner and President, Higher Information Group
Liz Greco-Rocks, L Greco Communications, Principal
Christopher M. Harvey, J.D., LL.M, CPA, Managing Member, Harvey Ballard & Bornstein, LLC
Philip E. Hughes, Jr., J.D., CPA, Vice Chairman, Keystone Industries
Kevin B. Kelly, Executive Vice President, Jason Roberts, LLC
John Krol, CFP, Partner, Legacy Advisors, LLC
Jerome Mauro, Managing Director, Wilmington Trust
Ray Pennacchia, Senior Vice President, NovaCare Rehabilitation
Dorothy Pollon, M.B.A., J.D., Special Needs Child Advocate
Brian Propp
Reginald W. Wilkes, Vice President, Merrill Lynch, Bank of America Corporation