



STANDINGUP

QueensCare Family Clinics
2012 ANNUAL REPORT



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QueensCare
Family Clinics

Lucia A.M.D.



ALL LEVELS OF CARE:
This well-rounded
team consists of Care
Coordinator Alfredo
Munoz, Physician
Dr. Silverio Arano and
Certified Medical
Assistant Angie Rivera.

Dear Friends,

PROTECT, UNITE, AND LEAD are three words that characterize the work that we are doing at QueensCare Family Clinics. As we look back over a year of challenges and changes in our health community, we see continuity. We have continued to make inroads in preventive care and reimbursement for that care. We have kept pace with the changes required by Healthcare Reform and its implementation in 2014. And most important, we have found ways to extend our services into other communities. In 2013, we'll be breaking ground on a new state-of-the-art clinic in East Los Angeles, which will open up many opportunities to expand our care.

The need could not be greater. Our target population consists of low-income, uninsured users at or below 200% of the Federal Poverty Level with little or no access to primary care services. In East Los Angeles, 24% of the residents live in poverty. At our existing East Los Angeles clinics, the majority of our patients are medically underserved racial and ethnic minorities with a higher than average incidence of influenza, pneumonia and diabetes.

Our existing facilities in East Los Angeles are inefficient in their configurations and in their size, restricting our ability to care for patients in the community. We have explored expansion and renovation, but have found that the solution that is most cost effective is to design and build a facility that can meet our existing needs and allow for a great deal of future growth.

We can hardly contain our excitement about the plans we have developed to date! Current designs will enable us to nearly double our patient volume and offer specialty services for which we were previously not equipped.

The economic climate over the last year has been challenging, but our plans for the new East Los Angeles clinic are proof that we remain optimistic as an organization. As we look forward to putting these exciting plans into action we will continue to rely on the goodwill of individual donors and charitable, corporate and community organizations. If you, or your organization, have never given a tax-deductible contribution to QueensCare Family Clinics, we humbly request that you consider doing so.

Thank you for your continued interest in QueensCare Family Clinics and for helping us to provide accessible and affordable healthcare for any patient in need in the communities we serve.

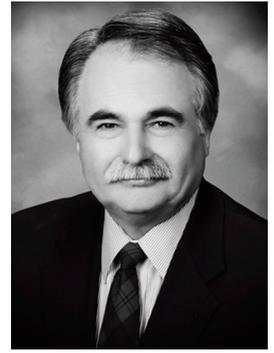
Sincerely,



Allan Michelena
Chair, Board of Directors



Barbara Brandlin Hines
President & Chief Executive Officer



Allan Michelena
CHAIR, BOARD OF DIRECTORS

A Vietnam veteran and Los Angeles native, Mr. Michelena retired as Captain of the Los Angeles Police Department in 2005. In addition to his duties on QueensCare Family Clinics' board, Al also serves on the QueensCare board and several QueensCare and QFC committees.



Barbara B. Hines
PRESIDENT & CEO

Ms. Hines joined QueensCare Family Clinics in 1997 as Senior Vice President to form the Charitable Division of QueensCare. Named President & CEO in 2009, she has a background in banking and holds an MBA from USC in Accounting and Finance.

VISION

We seek to provide universal access to primary healthcare, reducing disparities in care and improving health in the communities we serve.

MISSION

Our mission is to provide quality primary healthcare that is accessible to any patient in need in the communities we serve, regardless of ability to pay.

VALUES

Building on the vision and selflessness of our founders, we strive to uphold the following values:

EXCELLENCE: We continuously evaluate and improve the way we deliver our services.

CUSTOMER SERVICE: We cultivate and maintain professional relationships with our patients, employees, and partners, treating all with dignity and respect.

COMPASSION: We serve the needs of others, led by care and kindness.

STEWARDSHIP: We prudently and responsibly manage the resources entrusted to us.

Standing Up

+ We're Standing Up to Protect.

At QueensCare Family Clinics, we have identified the most troubling health concerns in our patient populations and are building ways to solve them. We are applying our skills and resources to serve the most vulnerable men, women and children of Los Angeles. It's what we do best.

+ We're Standing Up to Unite.

Communities throughout, and even beyond our service areas, are benefitting from programs we designed to meet personalized patient needs. By partnering with universities and other health organizations, we're finding ways to get more done with less; times like these require as much.

+ We're Standing Up to Lead.

Our enrollers met a major organizational challenge with the Healthy Way LA transition, and became an example to other organizations seeking to do the same. Most satisfying was the motivation for such an undertaking, which flowed naturally from their compassion for our patients.



PROTECT.

Taking Initiative, Taking Care

Patient Involvement is Key to Specialized Program Success

NINE YEARS AGO, US Surgeon General Richard Carmona called the obesity epidemic a “national crisis” and the intervening years have not brought progress. Between 1997 and 2011, the percentage of adults in Los Angeles who are obese steadily increased from 13.6% to 23.6%, representing a 74% relative increase in the obesity rate. Today, 1 in 4 residents in QueensCare’s service areas is obese.¹

Statistics for asthma are not much better. In a May 2008 report, the California Endowment stated, “From seven to eleven percent of children with asthma attending California schools (about 23,000 to 36,000 children) miss 11 or more days of school per year due to this medical condition.”

⊕ Asthma and Obesity are Controllable

Medical complications of obesity and exacerbations from poorly managed asthma both lead to hospitalizations—preventable hospitalizations. At QueensCare Family Clinics, we felt we could do better. In 2005, we designed a family based pediatric weight management program called e.n.e.r.g.y.™ (eating nutritiously, exercising regularly & growing “Y”-isely) to combat child obesity. The program utilizes education, behavior modification and exercise training. Together with their families, our kids learn how to make healthy food choices, how to prepare meals and how to integrate exercise and physical activity into their lifestyles.

With the same motivation – to stem the increase in preventable emergency room visits and hospitalizations among our pediatric patients – we designed an asthma prevention program called Pediatric Asthma Disease Management (PADM). Through education, home assessment and treatment planning we reduce, and ideally, eliminate asthma exacerbations that lead to hospitalization. Our community health workers are the key to both the e.n.e.r.g.y.™ and PADM programs. e.n.e.r.g.y.™ Program Director Cindy Juarez explains, “It’s preventive care. We are offering information that enables our patients to take control of their asthma and their obesity. In both programs, we are affecting children’s lives, but it is by their own efforts that they see gains. That’s the key.”

⊕ A Story Told through Data

Over time, we have accumulated data that reflects the progress our patients make when they successfully complete our pediatric programs. This past year, QueensCare Family Clinics and the e.n.e.r.g.y.™ program were selected from over 500 applicants to be presenters at the Center for Disease Control and Prevention’s national conference on obesity and prevention, “Weight of the Nation 2012: Moving Forward, Reversing the Trend”. This national forum highlighted system and environmental solutions and approaches that show promise in improving nutrition, physical activity and preventing obesity. Over 1,200 public health practitioners, policy makers, researchers, and education and nutrition experts participated in the conference. QFC staff presented an abstract that communicates the details of the e.n.e.r.g.y.™ program, showing that body mass index is positively influenced when students complete the course. Regarding the presentation, Cindy said, “We were noticed for our results, but also because we’re clinic-based, working within the community in schools and other youth programs.”

The presentation was an opportunity to develop sales presentation skills that may enable us to secure new contracts with provider organizations. Ms. Juarez continued, “The results speak for themselves, but to grow the program we need expanded community involvement and we need to build new relationships with independent physician associations. Recognition from the CDC is certainly good for that.”

The Patient Advocate

Care Coordinators in a Patient Centered Medical Home

THE PATIENT PROTECTION and Affordable Care Act, or ACA, was signed into law March 23, 2010. Among the many changes is the emergence of the patient centered medical home (PCMH) as a preferred model of care. This care delivery model is designed to improve the quality of care by helping doctors and other health professionals work together in coordinated teams.

⊕ Strict Guidelines to the PCMH

The National Committee for Quality Assurance (NCQA), QueensCare Family Clinics’ selected accrediting body, has outlined 10 guidelines that define the concept of the patient centered medical home. One of those guidelines, the implementation of care coordinators, is key to the successful management of patient care.



“QFC’s commitment to implement the PCMH care model is designed to eliminate these problems, and our patients will notice. Coming to work for QueensCare Family Clinics is one of the best things I have ever done in nursing.”

Vivian Gonzales-Rogoff, RN
Director of
Nursing Services

1. Los Angeles County Department of Public Health, Office of Health Assessment and Epidemiology. *Obesity and Related Mortality in Los Angeles County: A Cities and Communities Health Report*; September 2011.

In a recent study, the NCQA found that care coordination is underutilized, and that care coordination has been associated with better outcomes in pediatric medical home models.

Speaking about the role of care coordinators within QueensCare Family Clinics, Director of Nursing Services, Vivian Gonzales-Rogoff, RN, said, “In our adoption of the NCQA-PCMH guidelines we have strict patient care standards and protocols to adhere to, with the goals of improving performance and enhancing the patient’s experience.” She continued, “Our care coordinators are skilled at disease management, patient education, and linkage of services. It’s a highly capable team.”

➕ A Well-Stocked Toolbox

Our care coordinator team is comprised of certified medical assistants, licensed vocational nurses and registered nurses; a tiered approach to patient treatment. “We can escalate the level of care from one team member to the next as required by the patient. The PCMH care model gives us great flexibility,” said Vivian. Another tool in the care coordinator’s toolbox is the standing order protocol. The standing order protocol is an evidence-based best practice workflow process which QFC is in the midst of launching. Vivian describes the standardized workflow practice as: “We have the ability to perform procedures (EKG’s, etc.), administer immunizations and even refer patients out to other providers utilizing standardized protocols.” This level of convenience is felt almost immediately by our patients, many of whom sense their elevated position in the PCMH treatment process.

➕ Contrasts in Care

In a recent NCQA patient satisfaction survey, only 27 percent of adults in the United States reported that they could easily contact their primary care physician by telephone, receive care or advice after hours or even schedule a timely office visit. Only 50 percent of patients fully understand what their primary care physicians tell them due to short visits or poor communication. Vivian comments, “QFC’s commitment to implement the PCMH care model is designed to eliminate these problems, and our patients will notice. Coming to work for QueensCare Family Clinics is one of the best things I have ever done in nursing.”

A Rude Awakening

This Doctor’s Straight Talk Prevents Complications

DR. SILVERIO ARANO speaks plainly.

He’s frank about the obesity problem and its related complications that he has seen grow in almost epidemic proportions. He’s especially frank with the young adults he sees coming in with Type 2 diabetes.

“It’s frustrating, at the very least,” said Dr. Arano. At any given time, Dr. Arano has seven to eight patients with obesity-related Type 2 diabetes. He’s been accused of being insensitive, but has grown weary of appeasing people’s delicate sensibilities. Dr. Arano cites the increased incidence of stroke, heart attack and of course, diabetes, to his patients, but adds a hopeful statistic: a 10-15% reduction in weight can eliminate the need for medications. Patients don’t have to accept an ever-declining level of health, but they have to act.

“I had a 15-year old patient who weighed 210 lbs. I was straight with him; I told him he was obese and that if he didn’t change his habits, he’d die early,” said Dr. Arano. The doctor’s warning is grounded in statistics: normal body mass index (BMI) is 20-25. For every five units above normal BMI, there is a 30% increase in mortality in 20-25 years. “These are not good odds for kids to play against,” Dr. Arano said. It was a year before Dr. Arano saw his obese patient again, and when he did, he did not recognize him. “Yes, the young man was mad that I called him obese,” Dr. Arano said, “but he made changes and got his weight down to 160 lbs. He told me during his appointment that what I said was the best thing that ever happened to him.”

The prevalence of obesity is wreaking odd changes on our culture. Pant sizes seem to be creeping up. A large soda can contain as many as 64 sugar-saturated ounces. Food serving sizes are larger than ever. “Recently, I had a thin woman tell me that she thought she needed to gain weight,” Dr. Arano said. “She’s seeing all the obesity and she thinks it’s normal.” Dr. Arano sees it as his duty to tell his patients the truth, even when it is uncomfortable. Dr. Arano concluded, “In the last year, I’ve had five or six patients who have lost enough weight to eliminate their need for meds. That’s real improvement; that’s what the straight talk is all about.”➕



OF THE ADULT POPULATION IN
LOS ANGELES
COUNTY
IS OVERWEIGHT OR OBESE¹

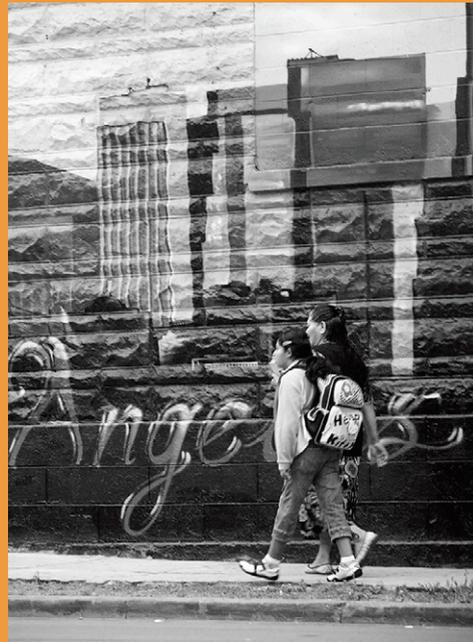
\$6
BILLION

LA COUNTY’S ECONOMIC
BURDEN FROM OVER-
WEIGHT AND OBESITY²

“You’re obese. If you
don’t change your
habits, you’re looking
at an early death.”

Dr. Silverio Arano

1. Los Angeles County Department of Health Services, Public Health. *L.A. Health: Obesity on the Rise*; July 2003.
2. Los Angeles County Department of Public Health, Office of Health Assessment and Epidemiology. *Obesity and Related Mortality in Los Angeles County: A Cities and Communities Health Report*; September 2011.




QUEENSCARE
FAMILY CLINICS
is a family medical
home treating the
entire family, including
medical care in
pediatrics, obstetrics
and geriatrics.

A top-down view of five hands of diverse skin tones (light, medium, and dark brown) pointing their index fingers towards the center, forming a circle. The hands are positioned around the word 'UNITE.', which is centered in the image. The background is a textured, light blue surface. The hands are wearing sleeves of various colors: a purple sleeve at the top left, a light blue sleeve at the bottom left, and a dark brown sleeve at the top right.

UNITE.

Prevention is Cost-Effective!

Making a Great Pediatric Asthma Program Even Better

NO MONEY, NO MISSION! As much as we focus on patient care, the reality is that services that are not paid for are difficult to sustain. That is often the case with preventive care. If we build the most effective pediatric asthma program in the county and the services we provide are not reimbursable, the program's future is uncertain.

⊕ The Cost-Effective Solution to Emergent Care

Studies show that the Pediatric Asthma Disease Management (PADM) model is an effective way to reduce the burden of asthma on the patient, the healthcare system and the overall economy. Our community health workers (CHWs) work one-on-one with our patients to educate and empower them to manage their chronic disease and prevent flare-ups or "attacks" leading to expensive interventions. The CHWs identify and guide families on the remediation of environmental triggers in the home that bring on asthma exacerbations like molds, dust mites, and cockroach and rodent infestations. The key to controlling chronic disease is self-management. The key to self-management is education. The patient must be informed about all aspects of their disease and empowered to manage it. Knowledge reduces the fear and uncertainty associated with the disease. From this, patients become an active participant in their care and are able to effectively manage their disease, instead of being passive recipients of care.

Despite this good and effective work, the irony is that our CHW-managed preventive care is not reimbursable, while emergency room visits and hospital stays are. A typical emergency room visit for a child with asthma costs approximately \$500, while a preventive care visit in a clinic can cost as little as \$150.

⊕ Moving Toward the Goal

Nonetheless, our PADM program thrives, due largely to QueensCare Family Clinics' steadfast commitment to preventive care and the generous support of our grant funders. An organization at the forefront of improved care delivery systems, LA Care, has made an investment in preventive care. It has contracted with QFC to bring PADM services to its members. We look forward to forming similar partnerships with other health plans. The development of reliable

reimbursement streams for the services our CHWs provide is the ultimate goal. We continue to advocate at the local, state and national levels for this paradigm shift in asthma preventive care.

Consultation that Builds Understanding

Communicating Complex Medication Regimens Clearly

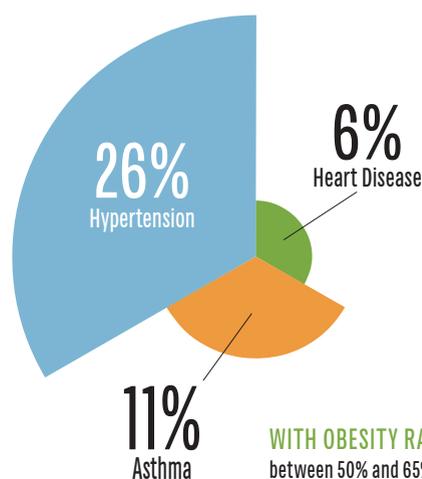
LIVING WITH DIABETES is difficult for most, and nearly impossible for some. The number of possible complications accompanying diabetes can affect the eyes, feet and skin. Heart disease, high blood pressure, mental health problems, and many more conditions often come into play. Treating these complications in a safety net clinic is, in a word, complicated. It is not uncommon for a diabetic patient to be prescribed as many as nine medications at once.



"We're working with state and local agencies to communicate the value of our services. Similar patient education in diabetes is currently reimbursable and we believe the future is bright for asthma preventive care, our program and, most importantly, that of the children we serve."

Emma Wolfe, MPH
PADM Program Director

MEDICAL DIAGNOSES IN OUR SERVICE AREAS



WITH OBESITY RATES between 50% and 65%, patients in our service areas also experience correspondingly high rates of hypertension, heart disease and asthma.

+ Optimizing Patient Care through Medication Therapy Management

In an environment where patient health literacy and education levels are low, unassisted complex medication programs just do not work without extra support for the patient. Facing all of these instructions, patients confuse medications, take them at the wrong times or forget to take them entirely. In 2004, QueensCare partnered with the University of Southern California School of Pharmacy to start a clinical pharmacy program at QFC. Pharmacists would provide clinical assistance to patients facing these complex medication regimens. With help from medication therapy management, congestive heart failure patients can minimize their risk for potential drug interactions. Diabetic patients can keep their prescription medications in order and ensure that they take them on time. Asthma patients can reduce the incidence of exacerbations that often lead to hospitalizations.

**32
MILLION**
AMERICANS USE THREE OR
MORE MEDICINES DAILY¹



OF ADULTS ARE
NON-ADHERENT IN ONE
OR MORE WAYS¹

THE ECONOMIC IMPACT
OF NON-ADHERENCE IS
ESTIMATED TO COST

**\$100
BILLION**
ANNUALLY¹

+ Education through Counseling and Consultation

In its initial stages, the clinical pharmacy program hired one full-time pharmacist and brought in residents in training from USC. Today, along with the USC residents, QueensCare Family Clinics employs three full-time pharmacists who cover four of QFC's six sites. Through one-on-one counseling, Ying Wang, PharmD helps her patients understand their medications and the reasons for their use so that they can take them more effectively. "I have a patient with a heart valve, and to keep her blood thin enough to avoid clots her physician prescribed Warfarin. But thin blood is also a problem, so I monitor her blood very closely and sometimes see her on a weekly basis," said Dr. Wang. She also monitors the patient's other medications and ensures that they are taken at the right time in the right doses.

Using QFC's electronic health records (EHR), pharmacists can stay in close contact with the patient's physician. The availability of the medical record facilitates accurate communication, and avoidance of errors. At the same time, it allows more time to be spent counseling the patients. Dr. Wang added, "Medication therapy management is another aspect of preventive care and it is making a big difference in our patients' lives."⁺

1. "Improving Prescription Medicine Adherence is Key to Better Health Care: Taking Medicines as Prescribed Can Lower Costs and Improve Health Outcomes". Pharmaceutical Research and Manufacturers of America, January 2011.

"There is a lot of detail, and for some patients, it is absolutely crucial that they get it right. Medication therapy management is another aspect of preventive care and it is making a big difference in our patients' lives."

Ying Wang, PharmD



IT'S ABOUT
COMMUNICATION:
Clinical Pharmacist
Ying Wang, PharmD,
explains the specifics
of two different
prescription
medications and their
possible interactions
with a patient.



LEAD.

Give Kids Books and They Will Read

Leading in Literacy: Reach Out and Read Provides an Early Start

SOME IDEAS ARE SO POSITIVE and so contagious that they hardly merit deliberation. This was the case when QueensCare Family Clinics discovered Reach Out and Read, a literacy program designed to develop an appreciation for books and a love for reading among young children.

⊕ Teaching the Essentials

Literacy is an essential component in a successful education and the Reach Out and Read program helps build reading skills by nurturing a natural desire to learn. By providing age appropriate books to children and teaching parents effective ways to read to their kids, QueensCare Family Clinics is introducing the world of books to families of young children who might otherwise have gone without them.

⊕ Thriving on Loving Attention

Since participating in the Reach Out and Read program, our pediatric waiting rooms have been converted into literacy-rich environments where colorful, exciting children's books abound. Parents are taught techniques for reading that get their kids' attention and hold it and children as young as six months old learn to love books and the exciting stories that come from them.

QFC STAFF ENROLLED
AROUND

8,000

ELIGIBLE PATIENTS INTO
HEALTHY WAY LA



LOS ANGELES IS RANKED

61 OUT OF 75

AMERICAN CITIES
IN LITERACY

ACCORDING TO A 2011 CENTRAL CONNECTICUT STATE UNIVERSITY STUDY. THE CITY RANKINGS WERE BASED ON THE FOLLOWING DETERMINERS:

Bookstores per 10,000 Population: **No. 53**

Education Level: **No. 54**

Internet Resources: **No. 33**

Library Support, Holdings, and Utilization: **No. 70**

Newspaper Circulation: **No. 51**

Periodical Publishers: **No. 58**

Through the Eye of the Needle

Healthy Way LA Data Conversion Gets Industry Attention

"IT STARTED OUT as a daunting task, and seemed to get more daunting as time went by," remarked Janelle Kidman, Outreach and Enrollment Program Director. In order to align itself with the Affordable Care Act (ACA), Healthy Way LA (HWLA), Los Angeles County's low income health program, required that QFC and other community partners transition to a redesigned enrollment process. The new process utilized Los Angeles County software and was intended to permit eligible Angelinos to roll into the expanded Medi-Cal program in 2014. While well-intentioned, the transition was painful to all involved.

The conversion required QFC to enroll its eligible patients, over 8,000 so far, into the new program. The new enrollment process involved extensive documentation from the patient and hands-on help from QFC staff. The process slowed patient visits substantially throughout the year and tried the patience of many involved. "We had serious challenges and had to staff up in order to make it happen," Janelle explained.



"We're fortunate to be able to help families make story time a more regular part of their children's lives."

Barbara B. Hines,
President & CEO

⊕ Patient Care Drives Health Advocates' Motivation

"Fortunately, we have a tightly-knit group of enrollers – we call them Health Advocates – who are extremely motivated," said Ms. Kidman. She continued, "Their compassion for our patients is largely responsible for keeping the project going so smoothly, month in and month out."

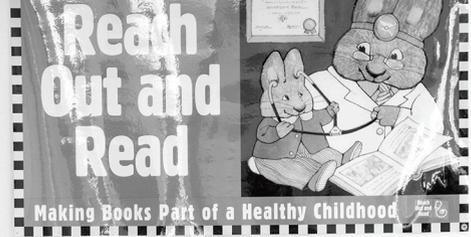
When asked about the HWLA project, Chief Operating Officer Alex Armstrong commented on the healthcare reform changes to date: "For QFC, healthcare reform is a moving target. Requirements, deadlines, and disclosures are ever-changing. Data tracking of quality standards and new initiatives, such as Patient Centered Medical Home certification, have raised the bar for delivery of care. Meanwhile, Healthy Way LA enrollment transition has slowed our visit count and the associated revenue, having a negative financial impact on our operations."

⊕ Competitors Look to QueensCare Family Clinics

Alex continued, "In spite of all of this, QFC has fared better than many of our colleagues. We've controlled expenses and managed our staff very well. We like to think of the additional costs as investments in the future for our patients." Investment in the project included temporary staffing, computers, software, office space and supplies. But success means that about 95% of our patients will qualify for expanded health insurance programs under the ACA in 2014 - an outcome worth the effort.⊕

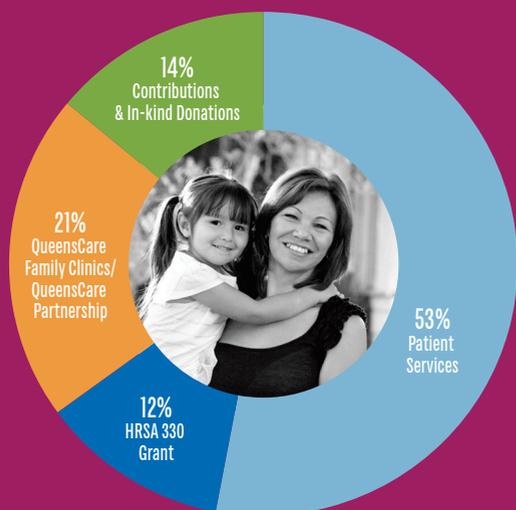
"We have a tightly-knit group of enrollers - we call them Health Advocates - who are extremely motivated to ensure that patients continue to get medical care."

Janelle Kidman,
Outreach & Enrollment
Program Director



THE REACH OUT AND READ PROGRAM provides a free book to every young patient and ample reading material for the entire facility, making our clinics literature-rich environments for kids.

QUEENSCARE FAMILY CLINICS' SOURCES OF REVENUE



TOTAL PATIENT SERVICES:

Healthy Way LA:	53%
Medi-Cal:	40%
Medicare:	3%
Individual Payments:	4%

Consolidated Financial Statements

For the Years Ended June 30, 2012 and 2011

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2012	2011
ASSETS		
Cash and cash equivalents	\$ 6,138,190	\$ 6,080,424
Accounts receivable, net of contractual allowances	1,348,963	392,649
Grants receivable	1,014,337	925,967
Inventories	940,895	1,022,557
Prepaid expenses	186,285	115,458
Due from affiliated organizations	252,175	49,665
Property and equipment, net	1,792,295	1,568,990
Other assets	160,780	320,212
	<u>TOTAL ASSETS</u>	<u>\$ 10,475,922</u>
	<u>\$ 11,833,920</u>	<u>\$ 10,475,922</u>
LIABILITIES		
Accounts payable	\$ 340,249	\$ 284,000
Accrued expenses	79,457	55,000
Accrued other liabilities	129,855	-
Accrued payroll, sick and vacation pay	1,042,398	888,129
	<u>TOTAL LIABILITIES</u>	<u>1,227,129</u>
	<u>1,591,959</u>	<u>1,227,129</u>
NET ASSETS		
Unrestricted	9,212,767	8,154,307
Temporarily restricted	1,029,194	1,094,486
	<u>TOTAL NET ASSETS</u>	<u>9,248,793</u>
	<u>10,241,961</u>	<u>9,248,793</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 11,833,920</u>	<u>\$ 10,475,922</u>

CONSOLIDATED STATEMENT OF ACTIVITIES

	2012	2011
REVENUES		
Net patient service revenues	\$ 11,933,138	\$ 11,797,482
Other revenue	949,482	929,406
Revenue from QFC/QC Partnership	4,033,318	3,675,016
Contributions, including donated goods	5,770,652	6,752,966
	<u>TOTAL REVENUES</u>	<u>23,154,870</u>
	<u>22,686,590</u>	<u>23,154,870</u>
OPERATING EXPENSES		
Salaries, wages, and employee benefits	12,957,667	12,100,953
Other operating expenses	8,735,755	9,592,469
	<u>TOTAL OPERATING EXPENSES</u>	<u>21,116,395</u>
	<u>21,693,422</u>	<u>21,116,395</u>
Expenses associated with QFC/QC Partnership	4,780,773	4,506,678
Changes in net assets	(3,787,605)	(2,468,203)
Changes in net assets attributable to QFC/QC Partnership	(4,780,773)	(4,506,678)
Changes in net assets attributable to QueensCare Family Clinics	993,168	2,038,475
Net Assets, beginning of year	9,248,793	7,210,318
Net Assets, end of year	<u>\$ 10,241,961</u>	<u>\$ 9,248,793</u>

The financial information contained in these pages was taken from the audited financial statements of QueensCare Family Clinics for the years ended June 30, 2012 and June 30, 2011.

Grants & Donations Received

Thank You for Your Continued Support and Generosity.

IN KIND

Patient Assistance Program - Medication	\$1,768,286
Direct Relief USA - Medical Supplies	\$30,084
Reach Out and Read - Childrens Books	\$2,411
August Design Studio - Design Services	\$750

IN MEMORY OF JOHN J. BRANDLIN

Gene & Marilyn Nuziard	\$2,000
Franciscan Sisters of the Sacred Heart	\$50

TRUSTS & FOUNDATIONS

UniHealth Foundation	\$116,318
California Community Foundation	\$100,000
Celia Irwin Trust	\$93,599
Blue Shield of California Foundation	\$15,000
St. Joseph's Health Support Alliance	\$12,251
Health Net Foundation	\$10,000
Charles R. Warde Foundation	\$1,000

GOVERNMENT

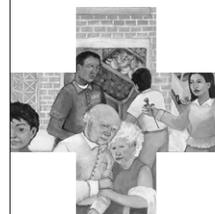
Department of Health and Human Services: Health Resources and Services Administration (HRSA)	\$2,744,868
WISEWOMAN Program	\$84,138
First 5 LA, Community Opportunities Fund	\$39,094

CORPORATE/COMMUNITY ORGANIZATIONS

L.A. Care Health Plan	\$50,000
National Institutes of Health - BEARI	\$50,000
Community Clinic Association of Los Angeles County - Disaster Education	\$19,000
Sage Software Healthcare, Inc.	\$4,733
Community Partners	\$2,839
Medpoint Management	\$2,000
Gemmill, Baldrige & Yguico, LLP	\$595
	\$100

INDIVIDUAL DONATIONS UP TO \$1,000

Augusto A. Zablan, MD
Barbara & Patrick Hines
Dev Rat
Francisco Aguilar
Nelia Pangan
Robert Vinetz, MD
United Way Employees



LEADERSHIP

Barbara B. Hines
President & CEO

Alex Armstrong
Chief Operating Officer

Tom Gladfelter, MD
Chief Medical Officer

Gary C. Grubbs
Chief Financial Officer

Liz Hoang
VP of Human Resources

Len Barozzini, DDS
Dental Director

Wendy Butts
Corporate Compliance Officer

Esther Chen, OD
Director of Optometry

Vivian Gonzales-Rogoff, RN
Director of Nursing Services

Catherine McLoughlin
Director of Clinic Operations



QUEENSCARE FAMILY CLINICS BOARD OF DIRECTORS

TOP (L-R): Frank Rey de Perea; Ray Vernoy;
Jay Guarena, Vice Chair; Willy Ruiz;
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Archbishop Vatche Hovsepian; Allan
Michelena, Chair; Sr. Judy Murphy,
CSJ, Secretary; Rev. Angelos Youssef;†
Shirley Daniels | NOT PICTURED: Manuel
Romero; Margarita Duarte Tucker;
Sr. Martha Vega, SSS; David Walsh

† QFC is saddened by the loss of Reverend Angelos Youssef who passed away in June 2012. Rev. Angelos was a kind and dedicated member of the QueensCare family, working diligently to assist the clinics in providing excellent and compassionate care to the patients we serve.



MOVING FORWARD

We are excited to announce our plans to build a new East Los Angeles health center, scheduled to open in 2014. The new site will contain 38 medical examination rooms, nine dental operatories for both adult and pediatric dentistry, three counseling rooms and two meeting rooms. In addition, we will have a 1,000 sq. ft. conference room to host health events and community meetings. With our expanded capabilities, we expect to offer the full spectrum of QFC services, doubling our current patient capacity.

Be A Part Of The Solution

OUR MISSION, is to provide quality primary healthcare that is accessible to any patient in need in the communities we serve, regardless of ability to pay.

+ To Fulfill Our Mission, We Need Your Help.

QueensCare Family Clinics is an independent, 501(c)(3) nonprofit organization. We are proud of the impact we have made and we look forward to furthering our efforts in the Los Angeles community. This year our appeal is in support of our new East Los Angeles clinic development. If you would prefer for your contribution to be applied to a different cause, kindly indicate so on the enclosed donation envelope.

Your donation to QueensCare Family Clinics is tax-deductible. We will provide you with an acknowledgment of your gracious gift for tax purposes. You may donate by phone by calling (323) 669-4339, or you may make a secure, on-line donation by going to www.queenscarefamilyclinics.org/about/donate.

Thank you for your support of QueensCare Family Clinics and for helping to meet our communities' healthcare needs in 2013.



BRESEE CLINIC

184 South Bimini Place
Los Angeles, CA 90004
213.858.5126

EAGLE ROCK CLINIC

4448 York Boulevard
Los Angeles, CA 90041
323.344.5233

EAST LOS ANGELES CLINIC

133 North Sunol Drive
Los Angeles, CA 90063
323.981.1660

EASTSIDE CLINIC

4560 East Cesar E. Chavez Ave.
Los Angeles, CA 90022
323.780.4510

ECHO PARK CLINIC

150 North Reno Street
Los Angeles, CA 90026
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HOLLYWOOD CLINIC

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