

ADVANTAGE

*Keeping People Independent***Chairman's Message**

John Elliott II,
Chairman and
CEO

While we're already off to a flying start in 2007, I wanted to take a few minutes to reflect on the success of 2006.

True to promise, Arcadia contin-

ued to make significant steps toward our goal of becoming a total solution for home care – with the integration of DME and home care operations in several offices around the country. I want to acknowledge the hard work of the individual office managers and team members in those offices who are “breaking the mold” from their traditional business model and forging into new horizons.

2006 also marked the launch of CareClinic, Inc. and Arcadia's venture into the walk-in medical care industry. Walk-in medical care for routine health care is extraordinarily attractive to the growing number of American healthcare consumers who are looking to easy, simple, convenient and affordable medical care options. As the cover story in this issue of the *Arcadia Advantage* indicates, CareClinic, Inc., under the leadership of CEO Alan Lotvin, M.D., is already making its mark on the industry with clinics opening in Michigan, Indiana and Las Vegas, Nevada. With partners like Walgreens and Meijer, the Arcadia team is committed to further expanding these operations to other markets in 2007.

(continued on page 4)

Arcadia's CareClinic, Inc. launches new retail-based walk-in medical clinics

Arcadia's launch of retail-based walk-in medical clinics is already receiving great interest among several of the nation's leading retailers. Since the inception of Arcadia's clinics division, CareClinic, Inc. in late 2006, Arcadia has already forged relationships with Walgreens and Meijer – two of the largest retailers in the United States.

The clinics are headed to three states, so far – Michigan, Indiana and Nevada. More than 30 clinics are included in the initial launch. The clinics will bring affordable and basic health care services to the local community residents in locations they frequent.

The Nevada clinics will be located in Walgreens in the Las Vegas area, operating under the name “Health Corner Clinics.” Fifteen clinics are planned. The Michigan and Indiana clinics will be located in Meijer stores.

The walk-in clinics provide routine, non-emergency medical services such as:

- Treatment of common illnesses such as colds, flu, allergies, ear infections, strep throat, and skin conditions;
- Laboratory tests such as cholesterol, HDL, glucose, strep throat and mononucleosis;
- Health and wellness screenings such as blood pressure and blood sugar;
- Vaccines such as Hepatitis A/B, Influenza, Meningitis, MMR; and,
- Referrals to healthcare specialists and/or services when necessary.

Alan Lotvin, M.D., was named Chief Executive Officer of CareClinic, Inc. in October 2006 and has guided the company through the initial launch process. “It is increasingly evident that Americans want easier access to health

care than what is currently afforded by the more traditional delivery models such as medical offices and hospitals,” said Lotvin. “Our clinics are designed to bring health care into the neighborhoods where people conduct the routines of life – making it easier, more convenient and less expensive to receive treatment.”

Dr. Lotvin brings a unique perspective to the CareClinic, Inc. operation, offering both medical and business management expertise. A cardiologist by medical training and practice, he also holds a graduate degree from Columbia University in Medical Informatics. Prior to joining CareClinic, Inc. he was president and Chief Operating Officer of MC Communications, a leading medical education provider. Prior to that, he was President of Specialty Pharmacy Services for Medco Health Solutions.

In describing the growing importance of retail-based walk-in clinics, Dr. Lotvin said, “This new approach to health care has the potential to dramatically reshape health care in this country by providing an



Artist's rendering of Health Corner Clinics

easy and alternative entry point into the health care system for millions of patients without a regular physician. These clinics also will be a healthcare resource for the underinsured and uninsured.”

The clinics will be overseen by a medical doctor and staffed by nurse practitioners.

What's New

Arcadia adds Orlando staffing office

The increasing demand for nurses and other medical professionals has led **Arcadia** to open a new office in Orlando, Florida. The office initially will provide medical staffing to hospitals and health-care providers throughout the mid-Florida region. In the future, the office will be expanded to provide Arcadia's other services, including home care, and respiratory and medical equipment.

Arcadia Affiliate Larry Eberle opened the new office, and currently operates three

additional Arcadia locations in New Port Richey, St. Petersburg and Bradenton. Eberle said, "We are experiencing rapid growth in our services throughout Florida. As Orlando is one of the fastest growing areas of the state, there has been increasing demand for healthcare professionals to meet the needs of the community. Arcadia's successful medical staffing recruitment operations will help fulfill that need by providing



Orlando-area healthcare providers with experienced, trained healthcare professionals to fill their open positions."

The Orlando office will employ more than 100 health professionals once it is fully operational. Eberle's three other Arcadia locations in Florida currently link more than 500 healthcare professionals with medical staffing opportunities.

New program educates patients and gains success

The new Congestive Heart Failure (CHF) program educates patients on how they can prevent and care for their condition. It also benefits Arcadia by identifying in-home oxygen candidates or sleep therapy candidates.

The program teaches patients what to eat and what not to eat, such as foods with a high level of sodium. Arcadia staff members visit the patient's home to do a complete respiratory evaluation including reviewing all the medications the patient is taking, checking the list and dosage with the patient's heart doctor, educating patients on how to weigh themselves and teaching them how to read food labels.

The program's primary goal is to encourage patients to weigh themselves

daily. "An overnight weight gain of two or three pounds can spell trouble for a CHF patient," said Vickie Hartman, sales representative in Huntersville, N.C. and co-creator of the CHF program.

All program participants receive an overnight oxygen measurement test. Emily Moxom, respiratory therapist in Sarasota, Fla. and co-creator of the

CHF program said, "The overnight oximetry test is the most effective way to identify a patient with CHF who will benefit from nocturnal supplemental oxygen and /or a sleep study.

Participants of the program are given their Body Mass Index (BMI) to keep track of what they should weigh. They are given a scale to make sure they are able to weigh themselves properly and a portfolio featuring helpful information on health and eating right. They also receive a daily weight log to keep track of their weight for their doctor, tips on simple exercise, an ideal diet and proper nutrition facts like how to read food labels.

The new CHF program has been met with approval and enthusiasm by both patients and physicians.



CHF program co-creators, Vickie Hartman and Emily Moxom

Respiratory Therapist saves life of her patient

Marie Bennes, an Arcadia respiratory therapist, was making her rounds on a typical day not knowing that her next stop would save someone's life.

She had a follow-up visit scheduled with Joe Ambrosino, a patient on a c-pap and oxygen machine. Marie was there to fit Joe with a new mask when she noticed his coloring was grey and he was struggling to breathe. He told her he would be fine, but she didn't leave until he called his doctor who told him to call 911.

When Joe arrived at the hospital doctors found several pounds of extra fluid

surrounding his heart and lungs, restricting his breathing. They were able to drain the fluid and thanks to Marie, Joe is back at home and Marie says he's doing better.

Marie's response to this experience has been modest. *Arcadia Advantage* only learned of her caring actions from a letter Joe sent to us describing her dedication.

Marie enjoys getting to know her patients and working with them in their homes. Arcadia affords her the opportunity to get out in the community and care for patients. She says she

meets a lot of interesting people and builds strong trusting relationships.



Arcadia's Marie Bennes with client Joe Ambrosino

Industry News**Pricy nursing homes creates opportunities for home care industry**

During 2006, the average annual cost for a private room in a nursing home rose to \$70,912, or \$194 a day, up 2 percent over \$69,400, or \$190 a day, according to a Genworth Financial annual survey of long-term care costs. As a result, many families are opting out of nursing home care and selecting in-home health care as the best option.

The National Association for Home Care (NAHC) reports there are more than 25,000 home health care providers caring for nearly 9 million people living with acute illness, long-term health problems, disabilities or terminal illness.

While the cost of home health services also continues to increase, the benefits of having the family member at home make the added cost worthwhile.

Aging baby boomers are big business for home care industry

In 1994, approximately one in eight Americans was age 65 and older. But by 2030, one in five Americans will be a "senior citizen." From 2010 to 2030, the number of baby boomers age 65 to 84 will grow by an estimated 80 percent while the population age 85 and older will grow by 48 percent. In addition, between 1994 and 2020, the nation's population of 85 years and older is projected to double to 7 million, and then increase to between 19 and 27 million by 2050.

So, it's easy to see why those in the home health care industry see another boom on the horizon – one of ever-increasing demand for services.

There are some challenges though; the same as that are faced by hospitals and clinics – the shortage of registered nurses and home health care aides, coupled with a very high rate of turnover, often the result of onerous paperwork and governmental regulations that add hours and stress to a care provider's workdays.

Demand for Pharmacy Techs in Health Care Industry expected to grow during next decade

Pharmacy Technician programs are designed to train graduates to work alongside pharmacists in retail pharmacies, grocery stores, department stores, and mass retailers.

Pharmacy technicians help licensed pharmacists provide medication and other health care products to patients. In hospitals, nursing-homes and other assisted-living facilities, technicians have added responsibilities, including reading patients' charts and preparing and delivering medicine to the patients.

Pharmacy technicians held about 258,000 jobs in 2004. Due to the growing demand for pharmacy technicians, employment of pharmacy technicians is expected to grow much faster than average during the period of 2004-2014.

COMMUNICATIONS CORNER*Marilyn Kisly and Teddi Williams, Editors*

Recently Arcadia re-launched the Company intranet and (with some very thoughtful and creative input from our employees) gave it a new name: **Pilot**.

Going forward, you'll find updated information, new tools, and enhanced functionality that we hope will make your experience with **Pilot** a positive one every time you visit.

Some examples of the changes that are coming include deployment of a revised *Human Resources* manual, including forms and newly-minted Work Instructions that will support key business processes, training activities, and regulatory requirements; a consolidated admissions booklet for

H.O.M.E. clients; and additional information on disease management and program/service descriptions – all in printer-friendly formats. Look forward to intranet links to "Bits & Bytes", monthly tips to increase your productivity as well as other training aids.

We also welcome your comments and suggestions on how to improve the information on **Pilot**, because an intranet is a dynamic place and Arcadia wants to be responsive to your changing needs as you carry out your day-to-day business activities and responsibilities. Please email the Help Desk with your comments and suggestions, HelpDesk@arcadiaservices.com.

Story ideas

If you have ideas or suggestions for a story to be considered for an upcoming issue, please contact *Arcadia Advantage* editor Walter Kraft at kraft@caponigro.com or (248) 355-3200.

Chairman's Message *(continued from page 1)*

Also on the retail side, the new Arcadia Home Health & Wellness mail order catalog and website continue to expand Arcadia's product offerings to even more customers.

Of course, our staffing operations also had a strong year in 2006, with significant growth in the number of employees placed and institutions serviced. Our travel staffing operations continue to be an area of emphasis as we've witnessed substantial growth and interest among the American workforce for more flexible

alternatives to the traditional employer / employee relationship. And, our mail-order pharmacy program continues to attract new customers daily.

Importantly, Arcadia continues to make a significant investment in our infrastructure to support all of these activities. Our new corporate Intranet site is a good example of that investment. The site provides opportunities for rapid dissemination of information, as well as tools to streamline personnel practices and data entry.

Thanks to everyone in the Arcadia family, our company operated locations and our Affiliates for working so hard to make Arcadia the successful and growing company that it has become.

As we head into 2007, let's remember that our keys to success remain responsiveness and quality service at all levels. If we continue to emphasize and succeed at achieving these priorities, 2007 will be another banner year.

NEWS FROM THE QUALITY ASSURANCE AND IMPROVEMENT DEPARTMENT

The Quality Assurance and Improvement Department (QA&I) is pleased to announce the following recent contract awards for Services (Staffing and Home Care):

- Central Florida Broadlane
- South Carolina Hospital Association
- Arlington County, VA Dept. of Health Services Psychiatric Facilities
- Great Meadow Correctional Facility, New York
- Guilford County Department of Social Services
- Backup Care Advantage

QA&I Plans For Services

The 2007 QA&I plans for Staffing and Homecare have been distributed. A Web conference is being offered to review the plans. Contact the QA&I Department for times and dates of the offering.

Continuing Education For Services

Every homecare and medical staffing office has a 2007 annual inservice plan. It includes Arcadia's mandatory inservices; back safety, infection control, tuberculosis and HIPAA.

Currently, Home Study Modules are available in hard copy (in the Home Study Module Manual) and on disk. Offices can use these to offer inservices to Staff. During the first quarter of calendar year 2007, these training courses (home study modules) will be added to the Arcadia web site providing another vehicle to offer training to Field Staff. This will allow all active employees access to the courses via the internet where they can read the material, take a test and complete an evaluation electronically. It will provide a certificate of completion to the Field staff and participation report to the local office management staff. Further information will be provided in the near future.