



**Innovative Strategies for  
Building Healthy Children and Families**

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“KVC is one of the best child welfare agencies in the country and the field will continue to benefit from their cutting edge practices to improve outcomes for children and families.”

*Patrick T. McCarthy  
President and CEO  
The Annie E. Casey Foundation*

*Please continue to support KVC by becoming a friend of ours on Facebook, joining our Everyday Heroes monthly giving program, or volunteering through your local KVC office. Together, we can help grow stronger, healthier children and families.*



**KVC Health Systems, Inc.**  
21350 West 153rd Street | Olathe, KS 66061 | 913.322.4900 | [www.kvc.org](http://www.kvc.org)

**KVC MISSION:**  
To enrich and enhance the lives of children and families  
by providing medical and behavioral health care,  
social services and education.

October 2012

Dear Friends,

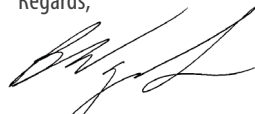
Each year at this time, KVC takes a moment to reflect on the progress it has made towards accomplishing its mission. We stand steadfast in our belief that children grow best in families, and that children and families often require our attention and support to survive many of life's most difficult challenges. Thanks to the hard work and commitment of our staff, our community partners, our donors and our supporters, we believe we have made a significant and positive impact on the lives of the tens of thousands of children and families in KVC's care.

In the book, **In Pursuit of Excellence**, author Terry Orlick makes the case that excellence is a choice. At KVC locations across the country – Kansas, Kentucky, Missouri, Nebraska, West Virginia and most recently, Washington D.C. – we have made a conscious decision to choose excellence. Annie E. Casey Foundation, a private charitable organization dedicated to helping build better futures for disadvantaged children, has identified KVC as an organization representing best practice in child welfare as a result of our leadership role in improving adoption, behavioral health, education and foster care outcomes. Our ability to safely maintain children in our care in families – either their birth families, relatives, licensed foster families or adoptive families – is a measure of our success. Our commitment to embracing innovative, trauma-informed care strategies has raised the bar on what we can do to help thousands of children and families succeed.

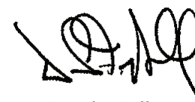
Never satisfied with the status quo, we continually invest in new practices and technologies to help improve both our efficiency and the quality of services we offer. Our move towards electronic medical records this past year is a giant leap forward in delivering continuity of care for foster children, analyzing trends and improving results in behavioral and mental healthcare. Phone apps, tablets, video conferences and telemedicine offer tremendous opportunities for increased access to services, lower patient costs and improved outcomes. The story of Dominic and his family staying better connected with the help of video software services at KVC's Prairie Ridge Psychiatric Hospital provides a heartwarming example of how our use of technology makes a difference in people's lives.

KVC's ability to persevere in light of funding challenges is another testimony to its commitment to its mission. When necessary, we have regrouped, refocused and recommitted ourselves to those who need us most. We are supporting children and families in innovative ways and pushing towards better outcomes every day. On behalf of the children and families we serve, thank you for your support in our pursuit of excellence.

Regards,



B. Wayne Sims  
President and CEO | KVC Health Systems



David F. Ball  
Chairman of the Board | KVC Health Systems



[ b. wayne sims ]



[ david f. ball ]

The story of Janice and Gary Meyer below is just one example of the commitment and dedication of both foster families and KVC staff in Kansas. It's one reason why, after more than 40 years of providing care, KVC has become a leader in delivering child welfare services.



*"I have been a foster parent for over 25 years," says Janice Meyer of Salina, Kansas. "My husband and I can't seem to say, 'no.' Leon, our youngest, is blind and deaf and confined to a wheelchair. KVC has gone to great lengths to find the resources we needed to make this work. We're in this together."*

KVC's pursuit of excellence can be seen in many ways. First and foremost, excellence is evident in the results achieved by Kansas children and families, setting the standard for others around the country. Ninety-six percent of all KVC foster children are cared for by families – a remarkable statistic as opposed to being in institutions as experienced in many other states. A strong foster family support structure, like the one experienced by the Meyer family, is central to children's success.

Selected by the University of Kansas to participate in a national, grant-funded research project (KIPP), KVC is delivering innovative strategies to help reduce the time children spend in foster care.

Combined with its adoption initiatives and out-patient services, KVC Kansas continues to deliver one of the strongest and broadest child welfare and behavioral healthcare continuums of care in the nation.

1,700 adoptions since 2005 strengthen Kansas children and families  
5,300 children and families receive monthly outpatient care and support

MAKING A  
DIFFERENCE

Innovative techniques in patient care and a commitment to using new technology to improve outcomes were the focus of change at KVC's psychiatric hospitals this past year.

A recognized leader in trauma-informed care, KVC's hospital staff routinely shares with others across the nation the positive results achieved using nationally-recognized strategies pioneered by Dr. Glenn Saxe, MD, and Dr. Adam Brown, PsyD, both of the NYU Child Study Center.

A giant step in shifting to electronic health records was launched with the help of Netsmart, the leading software developer in the health and human service industries. Prairie Ridge Hospital (Kansas City, Kansas) is on the path to become a Netsmart flagship hospital, effectively managing clinical data using new technology for improved patient results.

The commitment to deliver individualized treatment to every child and family in need continues to anchor the hospital's philosophy. Both Wheatland Psychiatric Hospital (Hays, Kansas) and Prairie Ridge Psychiatric Hospital have extended their reaches to a wider social and economic circle of children and adolescents across the state. KVC's recent designation as a Tricare provider of mental health services for military personnel and their families gives further testimony to the quality of care and focus on improving outcomes evidenced at KVC hospitals.



*Dominic is a quiet, computer loving, intelligent, 14-year-old boy suffering from a variety of mental health challenges. Shannon, his father, is an outspoken advocate of the new video conferencing capabilities. "I want access to every available tool to keep me connected to my son. I want him to see my face and know that I love him... that I am with him every step of the way." As an advocate for removing the stigma of mental illness, they are proud to share their story.*

Providing treatment and care for almost 2,000 children each year

Environment steeped in Trauma Systems Therapy (TST)



As the largest child placing agency in the state, KVC staff are committed to supporting the safety, permanency and well-being of Nebraska children and families. Newly appointed President Kim Hawekotte brings a wealth of

knowledge about the needs that exist in Nebraska and a commitment to adopt innovative, evidence-based techniques to help those in need.

*“We have worked with KVC Nebraska for many years, and are continually impressed with their responsiveness as well as their ability to find solutions for difficult situations. Their commitment and perseverance in finding loving families for children is a blessing for some of Nebraska’s most vulnerable youth.”*

*David Newell, President and CEO, Nebraska Families Collaborative*

**MAKING A DIFFERENCE**

More than **2,200** Nebraska children and families supported in foster care families

65 Nebraska-based employees received intensive training on **innovative ways to improve foster child placements**

Helping **teenagers find families** is a KVC strength

# WASH. D.C.

[ washington d.c. behavioral healthcare ]

Recognized by the Annie E. Casey Foundation as a leader in mental and behavioral healthcare services, KVC Health Systems has established best-practice models designed to help at-risk children and families throughout the country. With this national reputation for innovation and success, the Washington D.C. Child and Family Services Agency requested the help of KVC to advise and consult on ways to further enhance their child welfare services. Sandra Gasca-Gonzalez, an alumna of the Annie E. Casey Foundation fellowship program and current KVC Executive Vice President, recently joined their leadership team with the goal of improving outcomes using “lessons learned” to improve the infrastructure of the agency, and safely decreasing their entries into out-of-home care.

KVC is excited about the opportunity to impact children and families in our nation’s capitol, to work with and learn from state and federal agencies, and to share the knowledge with the tens of thousands of children and families served by KVC across the country each year.



*Brenda Donald, Director of Washington D.C.’s Child and Family Services Agency, works in partnership with KVC President and CEO B. Wayne Sims, and KVC Executive Vice President Sandra Gasca-Gonzalez implementing innovative strategies that help children and families improve their lives.*

# KENTUCKY

[ kentucky behavioral healthcare ]



This past year, KVC Kentucky was awarded an unprecedented vote of confidence with the expansion of a state contract to help strengthen and stabilize more Kentucky families than ever before, tripling the number of children served throughout the state. Thanks to funding from the Kentucky Cabinet for Health and Family Services, the Family Preservation and Reunification Initiative will provide mental health services and educational opportunities in half the state. The expanded contract adding significant geographic responsibilities for KVC was due to positive results achieved in preceding years, KVC's investment in

innovative therapy and treatment strategies, and a commitment to serving some of the most rural and challenging family environments found in eastern Kentucky.

Impact Plus, Foster Care and Child Placement Services round out the full continuum of social services provided. Local leadership and highly-skilled staff continue to pave the way for an improved level of care for Kentucky families and children in crisis.

More than **1,200** children and families positively impacted each month through intensive in-home services

New foster care initiative touching the lives of more than **50 children and families**

MAKING A  
DIFFERENCE

There are times when the challenges for elementary school children with ADHD, middle school adolescents with teenage angst or the growing pains of high school students reach a boiling point. Many of these students come from families where parents are struggling with job loss, substance abuse or health issues, and are not able to provide the necessary support for their children.

Center School District and Independence School District, in Kansas City, Missouri, recognize that partnering with professionals to provide behavioral and mental health services is critical to their holistic approach to reaching their students. KVC continues to be their primary partner for support, providing school-based and in-home therapy to children and families.

**“The professional expertise and integrity that KVC provides has been outstanding,”** says Betty McKinzie, Director of Student Services for Center School District.

“When families participate together in therapy, the chances for students to improve are so much greater. Thanks to KVC's commitment, we can provide the right tools and resources to our students to give them the chance they deserve to succeed,” says Betty McKinzie.



**850** children and families receive support each month

In-home and school-based access  
**improve likelihood of family participation**

## NEW WAYS TO TREAT THE EFFECTS OF TRAUMA

Research shows that traumatic stress in children and families dramatically affects their capacity to remain in a stable and loving foster or adoptive home. Some common examples of trauma include physical, sexual or emotional abuse, neglect, natural disasters, domestic violence or living in poverty.

Untreated traumatic events can make it difficult for children to concentrate and learn, maintain positive relationships or make appropriate choices. KVC Health Systems, a leader in trauma-informed care and other evidenced-based techniques, has made an investment in training its staff across the country in Trauma Systems Therapy (TST). Thanks to a close collaboration with TST founder Dr. Glenn Saxe, KVC is improving the lives of children and families now and for years to come.



# W. VIRGINIA

## [ west virginia behavioral healthcare ]

Raising the bar on the quality of services is a continual focus for KVC Behavioral HealthCare West Virginia. Local leadership and local staff continue to increase their expertise in evidence-based practices in child welfare, attending hundreds of hours of training in new therapy techniques such as Trauma Systems Therapy (TST). Building and strengthening relationships with local partners, including the state agency and APS Healthcare, positively impact KVC's capacity to deliver services. The recent addition of a state contract to facilitate adoptions from foster care adds another dimension, allowing KVC to support loving, permanent homes for many children currently cared for in KVC foster families.



West Virginia families, like the Cedar family, are a testimony to the hope, help and healing that KVC helps facilitate. Their busy clan of seven children currently spans the ages of 11-19 years old. Nominated this past year by State Senator Rockefeller IV, Vanese and Ken Cedar received the Angels in Adoption designation for their twenty-plus years of caring for dozens of children in need.

"These are our kids for life. We open our homes and our hearts to each and every one," says Vanese Cedar.

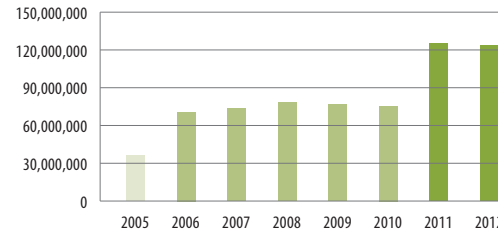
Approximately **280** children being cared for in 150 foster homes

**7,200** hours invested in training for more than 100 staff demonstrate pursuit of excellence

**Trauma Systems Therapy** training delivers leading-edge tools for change

**MAKING A DIFFERENCE**

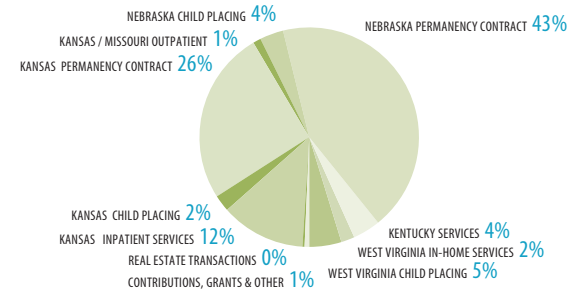
### KVC Health Systems & Subsidiaries OPERATING REVENUE



### [ financials ]

Fiscal Year 2012  
(Unaudited)

### KVC Health Systems & Subsidiaries SOURCES OF OPERATIONAL REVENUE



### KVC Health Systems & Subsidiaries OPERATIONAL EXPENSE PERCENTAGES

