



**LAKELAND
CARE, INC.**
2022 Annual Report

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LOOKING TO THE FUTURE

Empowering Individuals • Strengthening Communities • Inspiring Futures



2022

A YEAR OF GROWTH AND OPPORTUNITY

As we reflect on 2022, we are proud to have made a positive impact, living out our mission of empowering individuals, strengthening communities, and inspiring futures.

As a Wisconsin-based nonprofit organization, Lakeland Care, Inc. (LCI) continues to take great pride in helping the families, friends, and neighbors of each of the 22 counties we serve work together to live better lives. Through our long-standing history rooted in Wisconsin's Family Care program and Tribal Care Management, we served more than 7,000 members with extraordinary care to ensure they are living their most independent life. In 2022, we also expanded our business model to include lines of business that serve individuals and organizations in new ways.

We empowered individuals by helping members set and achieve their personalized goals by ensuring their health and safety. Ultimately, this fostered greater independence, helping members build the skills and confidence needed to reach their fullest potential along the way.

With staff and providers local to the communities we serve, we can identify and create unique care plans that help members move

to independent apartments, obtain employment, navigate their mental health, and so much more.

2022 also saw a continued focus on our Community Integrated Employment (CIE) efforts.

31%

increase in members employed

31%

increase in number of jobs

36%

increase in members employed independently of LCI-paid service providers

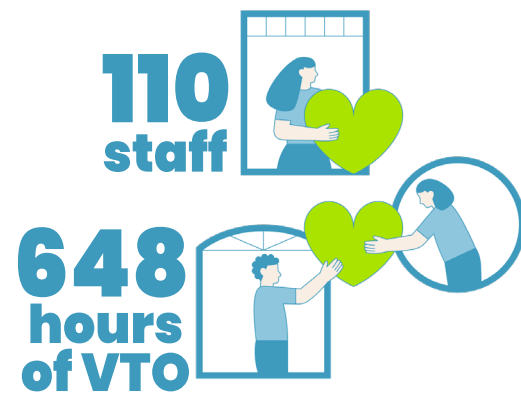
To support our CIE efforts, we hosted the All-Abilities Job & Resource Fair, which brought together employers and community partners to raise awareness and create opportunities for individuals with disabilities in the Oshkosh community.

"This (event) was a great outreach program – different from what we've typically done – to be able to reach more of those students or youth, and the disabled in the community and let them know that we are hiring."

*Tasha Van Hout
Store Manager, Old Navy*

We also focused on recognizing employers who go above and beyond to provide meaningful opportunities for members. The E.M.P.L.O.Y. Awards were developed and designed to recognize employers for their commitment to inclusivity in the workplace. Congratulations to Target, Charlie's Market, and Evergreen Retirement Community for being the inaugural recipients!

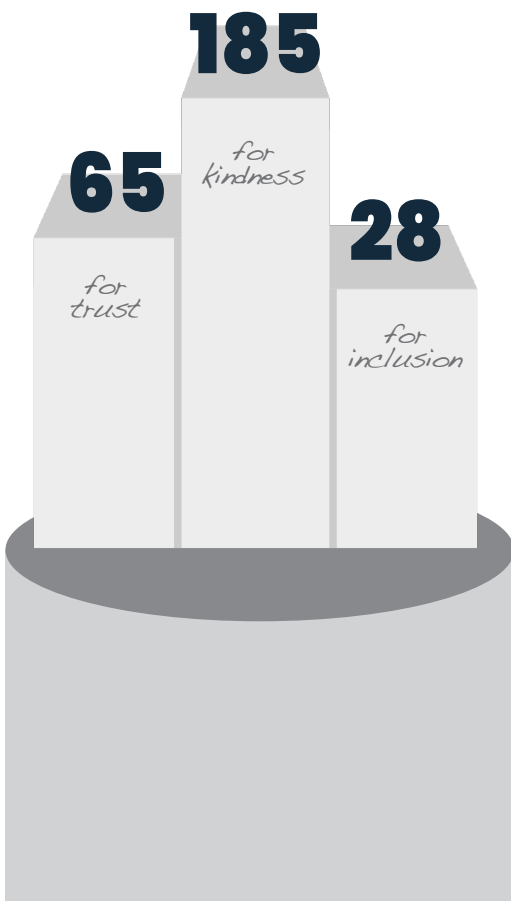
We continued to deliver on our vision of **"creating a world we all want to live in"** through the creation of the Volunteer Services department. The actions of this department resulted in a 57% increase in employees who utilized the company benefit of Volunteer Time Off (VTO) to serve causes meaningful to them.



The Golden Caboodle Award

We strive to maintain a culture that reflects our values and we utilize a staff recognition program titled **KIT 'n' Caboodle Awards** as one way to recognize staff who are the "Whole KIT 'n' Caboodle", as they have made significant contributions to the culture of kindness, inclusion, and trust. Awards recognized staff for building strong relationships with new hires, living the values of LCI daily, and building rapport with members, allowing them to feel seen, heard, and safe; just to name a few.

Kit 'n' Caboodle Awards



Annually, we present **The Golden Caboodle Award** for an entry that showcased value-based action which shines above the rest.



In 2022, Katie Bussian was recognized with this award. Katie is a Care Manager whose nomination explained how her professional excellence ensured a member's safety and security and prioritized their needs. After a member suddenly lost care on a weekend, Katie stepped up for emergency placement to ensure the member's health and safety were not in jeopardy during the lapse in care. Katie prioritized the member's needs over her own family event, providing service that truly goes above and beyond in living our mission.

The mission, vision, and values apply to the members and communities we serve, but also to our staff. In 2022, we implemented an Engagement Focus Group, providing staff the opportunity to offer their feedback and insight to enhance engagement throughout the organization. We took the feedback and insights gained from the focus group and implemented new ways to lead, new ways to team, and ways we could adjust our current practices. As a result, we saw our overall Gallup Engagement survey rank increase 6% from the previous year. Within the survey, staff are also given the opportunity to identify what they feel is a major strength of the organization. Our staff continuously responded that the culture and relationships we have throughout the organization is a major strength.

**To create
a world
we all want
to live in.**

PERFORMANCE AND TALENT

In a continued effort to attract and retain the best talent, we have implemented a performance development philosophy that focuses on leveraging staff members' strengths and increasing their effectiveness and career satisfaction.

To best strengthen staff effectiveness in 2022, we:

- ◆ Identified work outcomes and performance measures for every role within the organization to give staff clear expectations and necessary tools to achieve personal success and contribute to organizational goals.
- ◆ Held leadership summits to concentrate on creating and embedding action inspired by our values, competencies, and leadership pillars.
- ◆ Enhanced the exit interview process to better understand future opportunities for improvement.

Aligning with the belief that together, we build better lives, all divisions and departments have committed to work together to make a positive impact in reducing staff turnover and increasing employee engagement. Positive strides have already been made with our average quarterly turnover at just 5.6% and overall Gallup engagement score increasing to 4.17 out of a possible score of 5.

“ This organization does not focus on trying to mold individuals to fit their vision, they **allow each individual to explore precisely who they are and what they do best** and by doing so they enhance the organization as a whole. They truly believe each individual is important and brings something to the table and they take that information and **help you grow and succeed** as a person. Here we are family, not just numbers on a spread sheet. ”

- Anonymous response from Employee Engagement Survey

90-DAY TURNOVER **10.6%**
in 2022

(well below the industry average of 33%)

We focused on reducing employee turnover by centralizing the interdisciplinary team (IDT) hiring process, continuing to reduce the already low 90-day attrition rate.

NEW HIRES **70 new positions**
60 internal movements
198 external hires

(146 IDT caring directly for members)

We focused on supporting staff in 2022 by supporting internal movement, increasing overall number of positions, and making significant strides in hiring additional IDT staff to provide care directly to members in the form of casual staff, behavioral health, transportation and more. Through these efforts, we were able to alleviate workload concerns and encourage growth opportunities for existing staff members.

TIME TO FILL **40 days Organization-Wide**
42 days RN Care Managers
38 days Care Managers

We are extremely proud of our success in ensuring proper staffing during a changing and challenging labor market. With an intentional focus on finding qualified candidates to fill critical positions, we ensured continuity of care and services for members.

STATE OF THE INDUSTRY AND LAKELAND CARE, INC.

State of the Industry

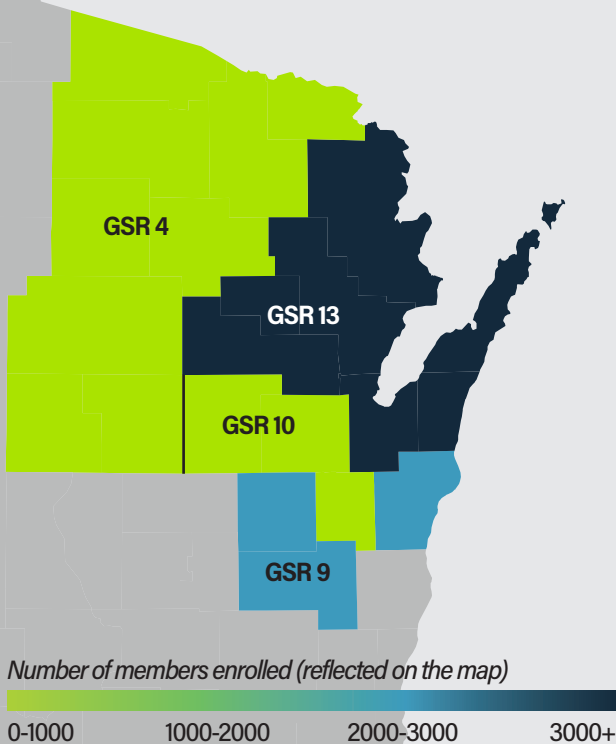
Wisconsin's Family Care program began the year with 51,501 members and gained a net of 1,550 members throughout 2022, marking an impressive percentage increase of 3%. Apart from Family Care's success, IRIS and PACE programs have also showcased participant increases, with IRIS recording a net increase of 4.9% and PACE with a net increase of 4.2%. The Partnership Program showed a reduction in members, down by 1.5% through 2022.

LAKELAND CARE, INC. NOTABLE NUMBERS

- 7,317 Family Care Members**
- 22 Wisconsin Counties Served**
- 2 Federally Recognized American Indian Tribes**

Lakeland Care, Inc. Family Care Member Enrollment

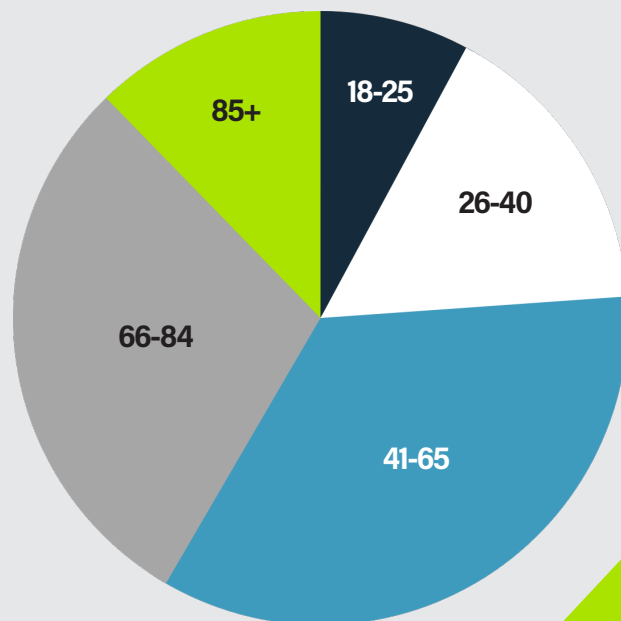
By Geographic Service Region (GSR)



Age of Lakeland Care, Inc. Members

QUICK FACTS!

Youngest member: 18
Oldest member: 106
Average age: 59



FINANCIAL REPORT

Financial Outlook

Due to the improved capitation rates and successful pay-for-performance initiatives issued in the Family Care program, the organization ended the year with 21 million in increased revenue.

In support of our mission, this revenue was reinvested with key stakeholders and was also used internally to invest in the growth and development of staff to ensure they can meet the current and future needs of all members.

2022 Financials Lakeland Care, Inc. (unaudited)

Statement of Activities Year ended December 31, 2022

NET ASSETS	2022
Operating Revenues	
Medicaid Capitation	\$343,195,354
Room and Board	26,384,630
Cost Share	9,232,113
Other	<u>(2,320,112)</u>
Total Operating Revenues	376,491,985
Operating Expenses	
Member Service Costs	312,671,502
Care Management Expense	39,079,840
Administrative Expense	<u>11,865,352</u>
Total Operating Expenses	363,616,694
Change in Net Assets Operating	12,875,291
Nonoperating Revenue (Expenses)	
Prior Year IBNR Adjustment	917,056
Interest Income	19,490
Other Nonoperating Income	<u>(46,795)</u>
Capital Nonoperating and Revenue (Expenses)	889,751
CHANGE IN NET ASSETS	\$13,765,042
Net Assets - Beginning of Year	\$36,806,080
Net Assets - End of Year	\$50,571,122

EACH MEMBER'S EXPERIENCE MATTERS

Our commitment to the members we serve remains central to all we do. In 2022, we ensured members had the opportunity to have their voice heard through a member survey. The annual Department of Health Services survey randomly selects a sampling of members and their legal representatives to provide feedback. While the 2022 results will be released in 2023, the 2021 results show exceptional marks in the way we treat members as central to their care plan decisions.

NOTABLE NUMBERS 2021 Results of the DHS Member Satisfaction Survey

78%

answered **extremely/very often** when asked how often does your Care Plan include things that are important to you.

76%

feel they are **extremely or very involved** in making decisions about their care plan.

83%

of members responded that services **meet their needs**.

84%

indicated their care team **explains things to them clearly**.

92%

responded that their care team **treats them respectfully**.

Mission Moment

Jamie, a 46-year-old woman from Fond du Lac, is an example of Lakeland Care, Inc.'s mission at work. In 2022, Jamie's efforts to an independent life came to fruition when she signed the lease for her very own apartment.

Jamie's journey toward an independent life began more than 24 years ago when her family chose to move out of the area while she desired to stay. Her support network began in a residential facility where she was offered opportunities to learn and grow her independent living skills and demonstrate safety while doing tasks independently. She participated in community enrichment, Special Olympics and learned how to use the bus system to navigate her community. In 2019, Jamie joined a Community Supported Living program and after working with her entire support team and creating a thorough transition plan, Jamie's dreams were becoming a reality.

Jamie leased her very own apartment in 2022, is thriving in her new environment, and takes pride in the home she has been able to create for herself. Jamie's team from Lakeland Care, along with her provider partners, continue to adjust her care plan to ensure she has the support she needs while retaining the highest level of independence possible.

PARTNERING WITH PROVIDERS

We remain committed to investing in meaningful relationships with providers that consistently deliver high-quality and cost-effective care for members. In 2022, our Provider Relations and Contracting Division worked diligently on cultivating strong partnerships with provider partners. We have earmarked dedicated resources to reinvest in these core partnerships and have explored innovative payment models that can further serve members efficiently. Ultimately, we work to build a strong network of support composed of high-caliber providers so members get continued access to the best level of care possible.

There were several **key highlights** to strengthening provider partnerships in 2022:

We increased rates for **Supportive Home Care and Transportation Providers**.

We also began planning to bring more providers into the Acuity-Based Residential Rate Model in 2023 which increases consistency and support for providers to remain **sustainable long-term**.

We worked hard to leverage our valuable relationships with providers to **address provider needs** regarding noncompliance with the Centers for Medicare and Medicaid Services and Home and Community Based Service rules, helping providers **to sustain Medicaid funding**.

We focused on simplification of the provider contracting and credentialing processes. Simplification included **increasing provider education** around contracting and removal of barriers, **creating efficiency and ease for interested providers**.

We are proud to share that in 2022 we acquired **90 newly contracted provider partnerships**. These partnerships increase member choice within the Family Care program.

We are committed to sharing profits received back to providers. We delivered on our promise, which resulted in over **\$2 million being reinvested** in our provider network.



LOOKING TO THE FUTURE

In 2022, we set our sights on becoming a more robust organization, expanding our focus areas to include services beyond our roots in Family Care. Lakeland Care, Inc. is now an umbrella organization for both our nonprofit and for-profit lines of businesses that support the communities we serve.

Lakeland Care, Inc.

the registered nonprofit, includes **Family Care, Tribal Care Management, Care Plus, and Lakeland Care Consulting.**

Lakeland Care Plus, Inc.

is a for-profit line of business, currently built on serving businesses outside of the Long-Term Care industry through its consulting services, **Lakeland Care Plus Consulting.**



Lakeland Care, Inc.

With long-standing roots as a managed care organization (MCO), we continued to provide long-term care support and services to eligible frail elders and individuals with physical, intellectual, or developmental disabilities through Wisconsin's **Family Care** program. In addition, we proudly celebrated the fourth anniversary of our successful partnership with the Menominee Tribe and Oneida Nation as part of Wisconsin's Family Care **Tribal Care Management** program.

We have also expanded our care management services with



Care Plus, a new line of business designed to serve individuals who are unable to

utilize the Family Care program. Through private care management, individuals will work with Care Plus staff to navigate the complex health service system and access appropriate care and services to live the life of their choice.

Using our organizational success as inspiration, we launched **Lakeland Care Consulting** in 2022 through workshops titled PEP (Prepare, Engage, and Positively Impact) Up Your Organization and STEP (Strengths, Talent, Execution, Partnership) To Success. These workshops offer Lakeland Care, Inc. provider partners the tools and skills to support staff recruitment, engagement, and retention.

Lakeland Care Plus, Inc.

In 2022, we expanded to include a for-profit line of business, **Lakeland Care Plus, Inc.,**



LAKELAND CARE PLUS CONSULTING

and launched **Lakeland Care Plus Consulting.**

Lakeland Care Plus Consulting offers focused training and coaching experiences to community businesses and individuals. We are excited to leverage our organizational strengths for business sustainability and to make a significant impact on the community in 2023.

Overall, we are confident that the strengths-based approach of expanding lines of business will continue to drive growth and success for the entire organization and the communities we serve. We are very excited about the progress made over the past year and the opportunities that lie ahead.

We are grateful for the support of staff, members, providers, and community partners and look forward to continuing to serve the needs of local communities with excellence.