



Trinity Hospice

Physical, Emotional & Spiritual Care



2005 FINANCIAL AND OPERATIONAL ISSUES

- **Compliance and regulatory matters – discharge of inappropriate patients**
 - **Billings and cash collections – ADR's**
 - **Increasing Medicare Cap liability**
 - **Lack of center leadership**
 - **Restructuring of Senior Management**
 - **Hurricane Katrina – Biloxi and New Orleans (95 patients lost due to evacuations)**
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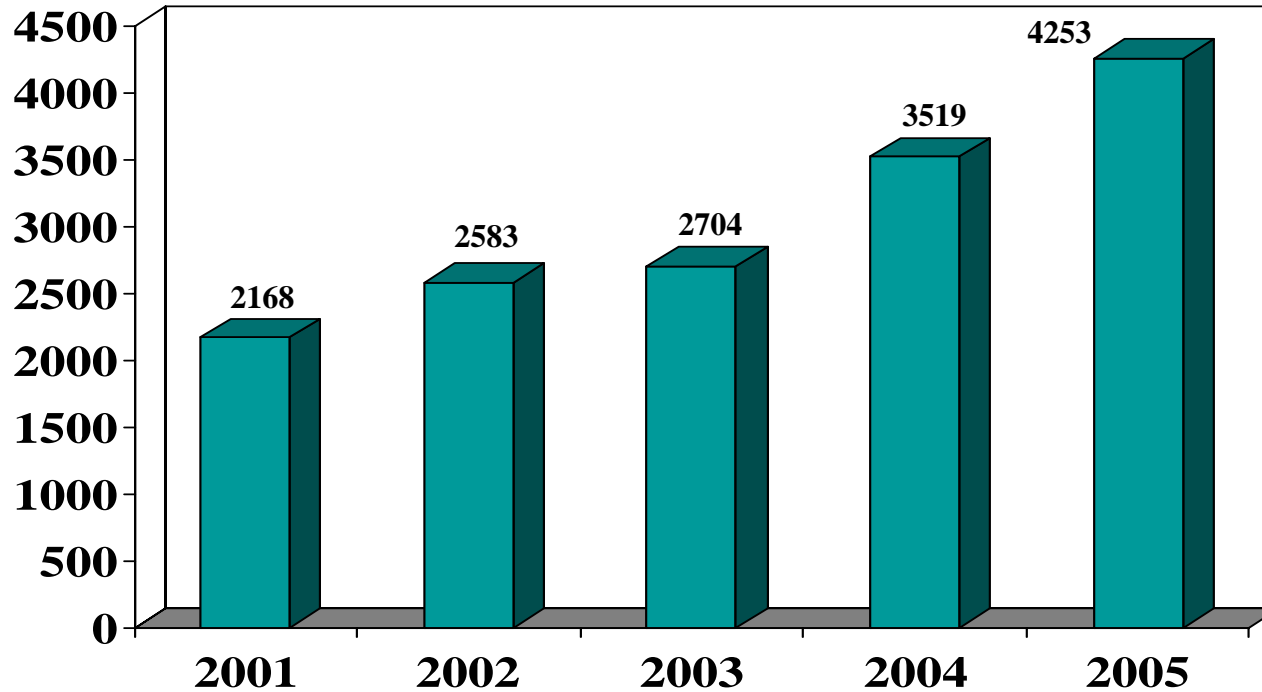


2005 TURNAROUND RESULTS

- **Corrected material compliance and regulatory matters – above average compliance scores and state results**
 - **Significant improvement in billings and cash collections – majority of ADR issues corrected**
 - **Medicare Cap liability – reduced from \$650k per month to \$150k per month**
 - **Hired and trained Program Administrators**
 - **Strong and competent Senior Management team**
 - **Biloxi operations became resourceful after Katrina and continue to grow faster than anticipated**
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5 YEAR ADMISSIONS TREND





2006 STRATEGIC INITIATIVES

- **Continued cost initiatives in labor, pharmacy, durable medical equipment and SG&A**
 - **Developed detailed sales plan for every Consultant in the country based on review of all referral and potential referral sources in respective markets**
 - **Extensive training and mobilization by Senior Management – Result = Program Administrators are profit and loss experienced with strong emphasis on sales and new business development**
 - **Recruitment of Medical Directors to replace non-performers**
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2006 STRATEGIC INITIATIVES

(Continued)

- **Creation of Regional Medical Directors to support sales growth**
 - **Recruitment of top Hospice Consultants from competition in major markets**
 - **Satellite opportunities in markets around strong Program Administrators**
 - **2006 estimated revenue, EBITDA and census of \$58.6m, \$6.6m and 1456 census (15% growth)**
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