

Davidson Homes INC.

ANNUAL REPORT

FY 09

Davidson Homes in 2009

A Year of Growth and Change

2009 marked the 11th year in business for Davidson Homes.

ACCOMPLISHMENTS

1. **CARF National Accreditation.** During FY 09, Davidson Homes, Inc was accredited by CARF (Council on Accreditation of Rehabilitative Facilities).
2. **Accessibility.** Davidson Homes, Inc has an Accessibility Plan for assisting with the removal of barriers to services and has allocated \$20, 000 in the budget to help pay for the accommodations.
3. **Outcome Assessment Report.** During FY 09, a new system for the tracking and reporting of special assignments was developed which includes the prioritization and scoring of each completed task as well as establishing benchmarks and/or goals for improvement.
4. **Health and Safety.** During 2009, an extensive health and safety program was implemented and includes a program of drill tickets (scenarios) for staff and consumers across all areas to practice routines in preparation for possible emergencies. The program also includes a systematic procedure of safety inspections and safety self-inspections.

Davidson Homes

Mission Statement:

We at Davidson Homes are committed to the highest quality of life for the people we support. Our goal is to assist individuals with developmental disabilities in the pursuit of independent living and reaching their personal goals while maintaining a person centered philosophy.



Please visit our website as it provides on-going information to keep you informed of our activities and events: www.davidsonhomes.org

The new LINCS Location and buildings



Owners, Directors, and QP's

John Davidson, Owner/President
 Cindy Davidson, Owner/Executive Director
 Gary Cagle, Deep Creek Owner
 Ron Waldroup, Deep Creek Owner
 Debbie Gale, Administrative Executive
 Colleen Hahn, Program Director/QP Supervisor
 Dave Piper, QA Director/QP
 Steve Moseley, LINCS Program Director
 Amanda Lee, Day Program Supervisor
 Ben Pimenta, QP
 Cindy Bradley, QP
 Stuart Moran, QP
 Stefanie Effler, QP
 Shannon Black, QP

COMMUNITY INVOLVEMENT

Buncombe Co. Emergency Preparedness
 Buncombe Co. Respite Coalition
 Care Partners
 Carmike Theater (supported employment)
 Cinjade's
 First Baptist Church
 Friends of Swannanoa Library
 Funshine Camp
 Grovemont Park
 Manna Food Bank
 McDonalds in Black Mt. (supported employment)
 Meals on Wheels
 Mental Health Partners
 North Carolina Providers Council
 Smoky Mountain Providers
 Special Olympics
 The Western Region Provider Collaborative (SMC)
 Welcome Table
 Western Highlands Providers
 UNC-Asheville (supported employment)
 Ryan's Steakhouse (supported employment)
 Ingles (supported employment)
 Marriot Courtyard (supported employment)
 Burger King (supported employment)

BENCHMARK (Goal) TRACKER

Title	Goal	Current	Criteria	Measures
Trainer evaluation	>90%	94.70%	Scoring of instructors by staff in training	Effectiveness
Activities for consumers	>50%	64.0%	Percent of special activities chosen by the consumers	Effectiveness
New staff training	<108	108	Number of days required from application to start of work	Efficiency
Service Delivery	>15.4%	15.40%	Percent of consumers achieving goals on their plans	Effectiveness
Utilization of services	>87%	90.0%	Percent of possible service units delivered	Efficiency
Employee Satisfaction	>87%	87.0%	Percent based over all items on employee satisfaction survey	Effectiveness
Incidents recorded	<12.9	13.3	Average number of incidents recorded each month	Effectiveness
Safety Drills	>97%	97.5%	Percent of satisfactory drills recorded across all areas	Effectiveness
Safety Inspections	<5	2	Number of items on safety inspections over 25% occurrence	Effectiveness

Davidson Homes Inc.

FINANCIAL REPORT

FY 09

Davidson Homes in 2009

Status

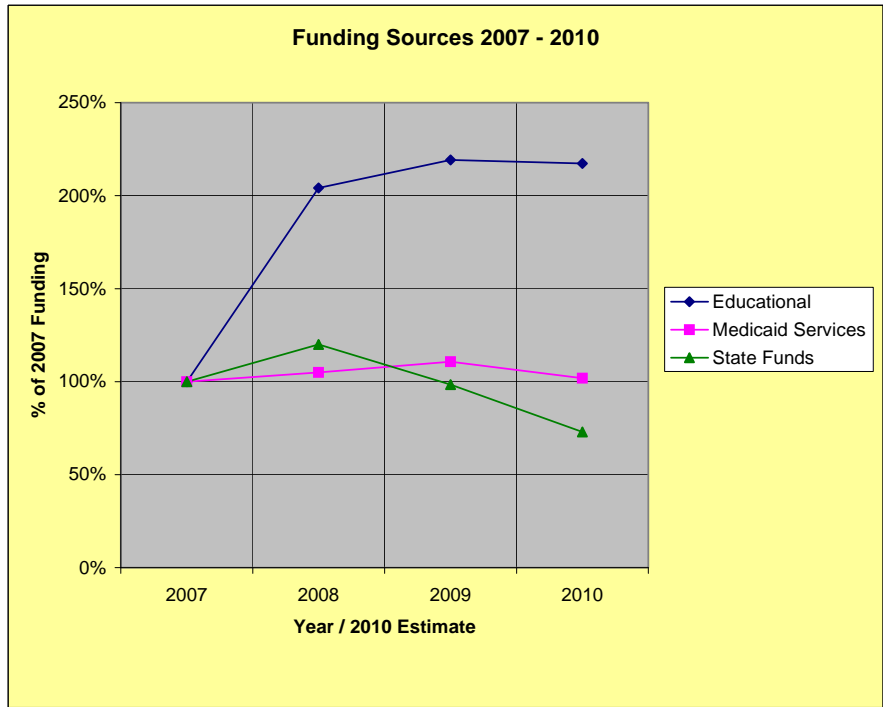
The Financial Performance and Stability of any company is of key importance to all stakeholders in the company. Davidson Homes has demonstrated financial stability through over ten years of operation. Davidson Homes has provided financial stability to the persons served and employees during these years in operation. As funding for services has changed over time Davidson Homes has adapted to the changes by providing new services and seeking new funding for the persons we serve. As with our economy in general over the past few years funding challenges had been realized in all economic areas not just the areas of mental health. Davidson Homes has recognized the challenges and through financial planning and management has taken action to adapt to these challenges and changes.

Challenges (please refer to the graphs on page 4 and 5)

During the past year significant changes in state funding for residential and periodic services has occurred. Although Medicaid Funding has also been somewhat reduced there have been some opportunities to compensate for lost State Funding with Medicaid Funding available for alternative services.

Funding Sources

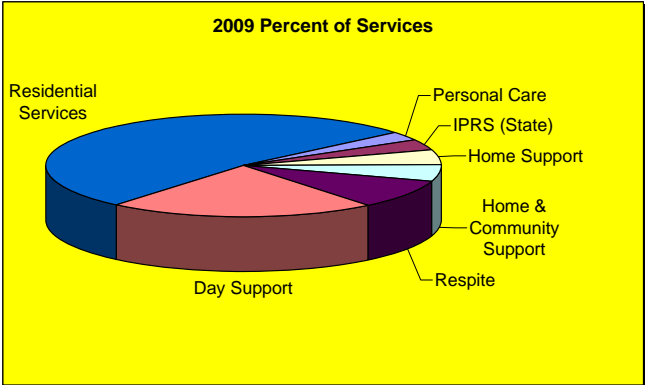
*The table and chart on the following page illustrate the funding changes since 2007. All years after 2007 are compared to 2007 funding. 2010 data is estimated based on the 2010 budget projections. Please note the chart and graph displays percents rather than actual revenue. The most significant issue has been the loss of State Funds for Residential Programs. The trend began in 2009 and has continued into 2010. Although some funding losses have been realized in certain Medicaid Programs, Davidson Homes has been able to obtain some Medicaid Service funds for those individuals who lost State Funds.
(cont. pg. 4)*



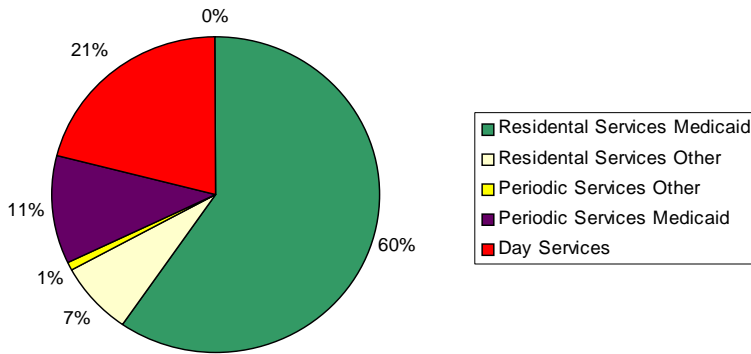
Funding Changes Since 2007 by Source

	2007	2008	2009	2010
Educational	100%	204%	219%	217%
Medicaid Services	100%	105%	111%	102%
Other	100%	488%	388%	245%
State Funds	100%	120%	98%	73%
Total	100%	108%	111%	100%

Service	%'s	Notes
Personal Care	2.58%	
IPRS (State)	3.25%	Includes state funded residential, PC, and RC
Home Support	4.79%	
Home & Community Support	5.00%	
Respite	8.93%	
Day Support	21.64%	Both DSG and DSI
Residential Services	51.40%	All levels for Residential Services



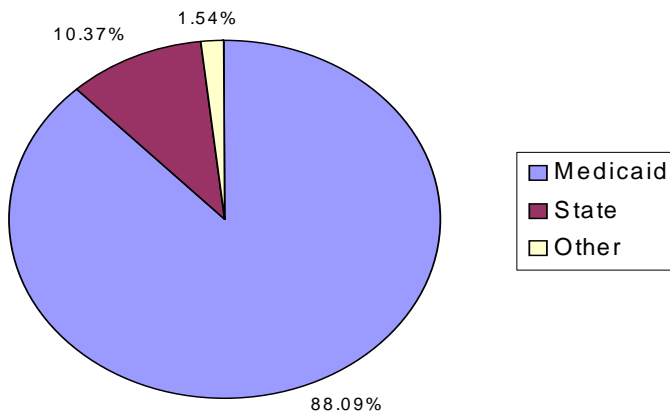
2009 / Funding by Program



The 2009 Funding is illustrated for Davidson Homes by funding source. The Medicaid funded Residential Program is the largest program and the Day Program is the second largest program. The LINC'S Day Program has grown in significance over the years and is expected to continue to realize growth.

Davidson Homes, Inc. : 2009 Funding Sources

Funding is Primarily from Medicaid CAP Services



The Chart displays the source of service funding for 2009 for Davidson Homes, Inc. The primary funding source is from Medicaid for Community Alternative Program services. State services comprise the majority of the remaining funding.

Looking Forward to 2010

During the coming fiscal year, Davidson Homes, Inc. will continue to improve the quality of its service delivery through the achievement of the following goals:

1. We will continue to utilize our new system of **Outcome Assessment** to record our activities and establish goals/benchmarks. The results will be published on our website and the annual report.
2. We are confident that **CARF** will again see our strengths and grant us extended accreditation in July.
3. Davidson Homes, Inc. has established **goals** or **benchmarks** (listed on page 2). We will continue to seek to improve each of these in 2010.
4. We will become much more pro-active and will continue to improve our **Safety and Health** programs and **Emergency Management**.
5. **Positivity** is one of our basic strengths. In 2010, we will strive to make this a part of our programs, image, staff attitude, and above all, evidenced through and in the persons we serve.



DHI CONTACT INFORMATION

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DEEP CREEK DAY PROGRAM:

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Andrews, NC 28901
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