

#EverythingforRecovery #AshleyEverywhere



Everything for Recovery

800 Tydings Lane, Havre de Grace, MD 21078 1.800.799.HOPE | AshleyTreatment.org

MESSAGE FROM BECKY

Dear Ashley Family,

Since starting in January I have had an extraordinary experience getting to know all of you and learning how many lives have been touched because of our founders, Father Martin and Mae Ashley Abraham and the beautiful mission they created here at Ashley. One thing that has stuck out to me is the deep and abiding faith our founders had in helping others and the extraordinary efforts they went to in order to make Ashley happen. These great milestones would not have been possible without the numerous people that supported them in the beginning, starting with the Noble family who gave us the first million dollar contribution allowing Ashley to open its doors.

Mae and Father Martin were admirable in the way they gracefully accepted anywhere from a dollar to a million dollars with the same level of appreciation; it didn't matter how much or how little someone had, everyone that offered something to Ashley's efforts filled the founders hearts with deep gratitude.

I feel so blessed to have such a wonderful opportunity gifted to me and unbelievably fortunate that I have just a little something to offer at this particular moment in time. I have the privilege to honor both Mae and Father by doing the best I can and taking the skill-sets I've built throughout the decades to take Ashley through the next phase of its life. Ashley is an organization filled with the next generation of leaders in addiction



treatment. The level of commitment that exists here within this generation inspires me every day. Some of them are graduates of Ashley, some are just passionate about recovery, and some are on fire about helping human beings, but no matter what the reason, there is a plethora of next generation leadership in almost every nook and cranny of this organization. The excitement extends to the Board of Directors who have fully embraced the strategic planning process. Through every difficult time in our industry over the decades, the Board has stayed true to their fiduciary responsibilities and ensured that we are fiscally sound so that we can grow even during these challenging times in our field.

Ashley is an organization enthusiastic about our future and the future of addiction treatment. I am excited for all of the possibilities and to help Ashley grow and continue to help as many suffering people as possible. I hope that you all will continue on this journey with us and bring Ashley's message of hope to all those suffering from addiction.

Peace,

Becly

MESSAGE FROM DAVE NASSEF

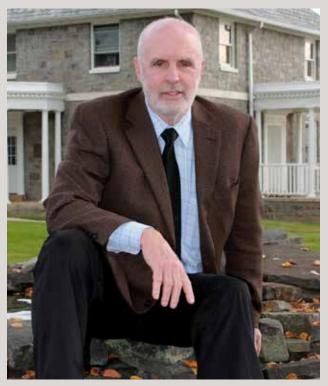
Looking back, I see this fiscal year as a pivotal year in the evolution of Ashley. I use the word evolution as opposed to change with intention. Evolution is the gradual development of something, and this something is the legacy of Father Martin and Mae Abraham. The Board has recognized that given obstacles in the industry of substance use disorder treatment, and the ever changing nature of the disease of addiction, we need to evolve the legacy of Ashley to meet those demands.

The reason Ashley has sustained as long as it has, 35 years, is because we took steps towards evolution and challenged stagnate beliefs. This has been the tradition at Ashely, for example, we were the first treatment center in the country to develop a clinical program exclusively dedicated to the treatment of relapse patients. There have been different times in the history of Ashley where we have recognized a need to evolve and expand our mission. I see this year as a year of the next steps in evolving Ashley, the legacy of Father Martin and Mae, and building on the foundation that they laid.

One element of Ashley that will never change is its soul. While we need to adapt to the present demand of our industry, we also need to maintain the essence of Father Martin and Mae's legacy: treat every alcoholic, addict, and their family with dignity and respect. And serving as examples to our patients by living with spiritual principles. I believe in the spiritual, medical, and clinical components that make up the Ashley System of Care. We must treat each element of that system with the same vigor, no one more important than the other in healing. With the introduction of Becky Flood, we are reemphasizing the spiritual element of that triangle, and we believe that separates Ashley from other treatment centers.

Finally, the Board is challenged to meet the passion of the staff as we move forward in this evolutionary process. I have spent a great amount of time at Ashley over the last several years, and there is a common denominator within every department, and that is the compassion and desire to help that each individual staff member has towards the sick alcoholic, addict, and their family. As we celebrate our 35th anniversary, and treating over 45,000 patients, we look to match the standards and exceed that the staff and Board members who came before us set, and continue to strive for excellence and evolution in the next 35 years.

(Picture on the right: David Nassef, Ashley Chairman)



ASHLEY'S BOARD OF DIRECTORS

David (Dave) Nassef - Chair James (Jim) Denvir - Vice Chair Charlie Fenwick John Finnerty Becky Flood George Gould



Phyllis Raskin Hadley Robert (Bob) Johnson Russell (Rusty) Noble William S. Queale Mary Spearing

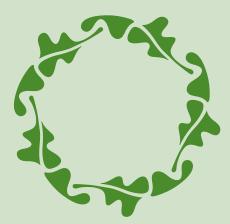
HONOR ROLL DONORS

THANK YOU TO OUR CORPORATE, FOUNDATION AND INDIVIDUAL DONORS!

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CONTRIBUTIONS \$2,500 AND OVER FOR JULY 1, 2017 THROUGH JUNE 30, 2018



FINANCIAL HIGHLIGHTS

INDIVIDUALS SERVED

Inpatient Treatment - 1,371 Elkton Outpatient - 565 Bel Air Outpatient - 751 Family Wellness Services - 1,005

TOTAL EXPENSES \$30.2 MILLION

Program Activities 80% General & Administrative 16% Fundraising 4%

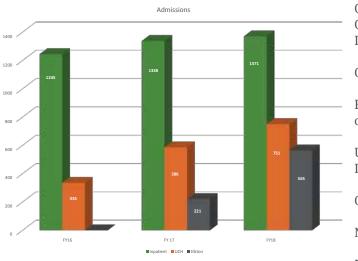
ANNUAL CHARITY CARE \$3.3 MILLION

This amount is equivalent to 12.6% of Ashley's net patient revenue.

247 patients and families benefited from charity care.

STATEMENTS OF FINANCIAL POSITION

| | | | PAYOR MIX | | |
|----------------------------------|---------------|---------------|---------------|--|--|
| ASSETS | JUNE 30, 2018 | JUNE 30, 2017 | 7.8% | | |
| Cash and Cash Equivalents | 1,660,627 | 2,826,507 | | | |
| Accounts Receivable, net | 2,130,118 | 2,229,280 | 9.6% | | |
| Board Designated Investments | 68,867,219 | 64,435,157 | | | |
| Property and Equipment, net | 34,351,183 | 35,742,297 | | | |
| Other Assets | 838,564 | 1,022,822 | | | |
| TOTAL ASSETS | 107,847,711 | 106,256,063 | • Scholarship | | |
| | | | Self Pay | | |
| LIABILITIES AND NET ASSETS | JUNE 30, 2018 | JUNE 30, 2017 | • Insurance | | |
| Liabilities | 2,077,152 | 3,086,980 | 82.6% | | |
| Commercial Loan | 4,906,682 | 5,136,682 | | | |
| | 1.2 | | | | |
| Net Assets | 100,863,877 | 98,032,401 | | | |
| TOTAL LIABILITIES AND NET ASSETS | 107,847,711 | 106,256,063 | | | |
| | | | | | |



| STATEMENTS OF ACTIVITIES Operating Revenue Operating Expense Loss from Operations | JUNE 30, 2018 26,112,335 28,905,850 (2,793,515) | JUNE 30, 2017 24,041,141 26,853,559 (2,812,418) |
|---|---|---|
| Contributions and Other, Net | 2,285,333 | 3,234,047 |
| Excess (Deficit) of Revenue Over Expense | (508,182) | 421,629 |
| Unrealized Gain on Investments, Net | 3,339,658 | 6,014,051 |
| Change in Net Assets | 2,831,476 | 6,435,680 |
| Net Assets, Beginning of the Year | 98,032,401 | 91,596,721 |
| NET ASSETS, END OF THE YEAR | 100,863,877 | 98,032,401 |

CLINICAL OUTREACH

The Clinical Outreach department at Ashley plays an important role in connecting people to receive treatment. As connectors, their job involves attending and participating in conferences and events to collaborate with other treatment centers and resources. We have also had the honor of accompanying and hosting our clinical and mental health professionals as they present their expertise to our industry.

In May, CEO Becky Flood, presented at the National Association of Addiction Treatment Providers' Conference in Denver, Colorado about compliance and regulation in the addiction treatment field. She highlighted the steps that providers need to take to ensure they are abiding by all of the rules and laws put in place to protect people seeking treatment and guarantee they are receiving quality care.



In June of this year, our Chief Medical Officer, Dr. Greg Hobelmann, presented to clinicians at the Summit for Clinical Excellence in Pittsburgh about how Ashley treats patients suffering from chronic pain and substance use disorder. He addressed treatment methods that heal patients physically, emotionally, cognitively, and spiritually.

In August, Ashley hosted a CEU event on our campus in conjunction with Surfside Sober Living. James Ryan, Assistant Program Director, presented to referents and clinicians from the area about treating emerging adults, and how this population requires approaches that differ from traditional adult substance use disorder treatment.

From Denver to Pittsburgh to right on the Ashley campus #AshleyEverywhere

(Pictures left to right: Dr. Greg Hobelmann, James Ryan, LCPC)





ALUMNI CORNER

It's been a fun and busy summer in the Ashley Alumni Department, and we're looking forward to an equally exciting fall.

We kicked off the summer with our Annual Alumni Golf Tournament at Rolling Road Golf Club, where Alumni and friends gathered for a day of golf and fellowship, even in the sweltering heat. The proceeds from this event went directly towards the Ashley Scholarship Fund. These scholarships are often the only way many patients can afford to get the treatment they desperately need, and find a chance at a new life.

Alumni and staff had a blast watching baseball at our annual Recovery Night at both Nationals Park in DC on June 19th and Camden Yards in Baltimore on July 9th. By booking a block of seats together, the Alumni department was able to create an atmosphere that encouraged our friends in recovery to go out and enjoy a safe and sober life.

In August, we welcomed musician and friend, Matt Butler, to campus, who performed a live concert for the inpatient community. Matt was able to convey the story of his addiction and recovery through song. His talent and powerful story had a huge impact on the community, and we cannot wait to welcome him back as he tours the country.

In between all of our summer outings, the Alumni department spent a great deal of time planning for a busy, recovery-filled fall. While Mother Nature forced us to cancel our annual Homecoming, which takes place each September, we are excited for the next few months which will be filled with events focused on recovery and education.

The Alumni department loved spending the summer with our enthusiastic recovery community, and is excited for the community that we are continuing to build. For more information on all of the work we are doing and to stay up to date on all of our upcoming events, visit our website at www.AshleyTreatment.org/recovery-support. See you soon!



TESTIMONIAL

Taking my 21 year old son Sam to Ashley was not something I envisioned when I was raising him. As we pulled up to Skip's Hall, I looked at him and saw the fear in his young face. As we walked into Ashley we were met by the staff who were kind and thoughtful.

I love my son for all he is, and all he is not. I know that Sam can be difficult, and when we arrived, he was in fight or flight mode. Sam had agreed to go to treatment, he understood how important it was to go, however, as all who have walked the path to addiction treatment before him, he was resistant.



Sam didn't want me to leave and was making it difficult. Ashley's well-trained staff recognized our unhealthy interaction and stepped in to help. They made me feel comfortable and at ease while validating Sam's fears at the same time. I felt secure in the knowledge that Sam was going to be cared for and looked after with patience and compassion.

I dropped him off on Wednesday and was called on Thursday with an update on how he was doing, and received weekly calls thereafter. My son was not a just another patient, he was someone the staff had taken the time to get to know and spend time with.

He can be difficult, but they never gave up on him. His therapist was able to develop a trusting relationship with Sam, and after 3 weeks at Ashley, he told me that it was the best thing he had ever done in his life.

Sam was fortunate to be offered a spot in their Extended Care house in Churchville. It was a bigger investment than I anticipated making; however, I could not deny my child the opportunity to learn to live a healthy and productive life. Sam was taught how to get along with others, to cook, do laundry, take responsibility for himself and be accountable.

Sam fought the staff recommendations at every turn. Sam didn't want to go to rehab, but he went, and he was glad. Sam didn't want to go to Extended Care, but he went, and he was glad. Sam didn't want to go to a half-way house, but he went, and he is glad, not always, but mostly, and I am glad. We have a healthier relationship and we are working towards a more respectful relationship.

The staff not only gave my son a second chance, they taught him patience and compassion. They returned to me my loving, sweet and thoughtful boy I thought I had lost to addiction.

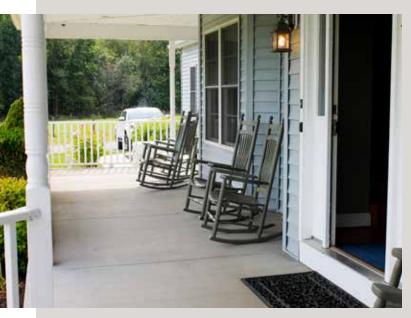
- Gina, Emerging Adult Parent

EMERGING ADULT EXTENDED CARE EXPANSION PROJECT

Ashley is a mission-driven organization dedicated to transforming and saving lives by integrating the science of medicine, the art of therapy, and the compassion of spirituality. Ashley is celebrating 35 years of offering patients and families a plan for lifelong recovery. In keeping with the Ashley promise of "everything for recovery" specialized services have been developed to address the needs of our most vulnerable patient population: emerging adults. These individuals are typically between 18-30 years old and have vet to develop an independent, high quality of life largely due to substance use disorders and a lack of sober life-skills. These patients commonly suffer from severe substance use disorders and co-occurring mental health disorders (e.g. depression, anxiety, and PTSD) making traditional treatment approaches inadequate.



Ashley developed the Emerging Adult Extended Care Program for young men in response to the increasing number of young adult deaths from addiction, relapse, and overdose. By targeting the specific needs of emerging adult males', ages 18 to 30, the extended care program adds an additional 60 days of treatment, increasing the chance for these individuals to achieve long-term recovery. Ashley's Emerging Adult Extended Care Program (EAEC) was started in July of 2016 on the main Ashley campus in Havre de Grace, MD. The program was transitioned to the Emerging Adult Extended Care Residence in November of 2017. The EAEC residence is on a 12 acre property in Churchville, MD, a short 20 minute drive from the Ashley campus. Since its inception, 83 patients have completed the program and the vast majority of them have reported enjoying recovery and a high quality of life when surveyed monthly following their discharge. Patients who have relapsed have been re-engaged in treatment and re-established recovery. Two of the first patients have recently come full circle, joining the Ashley team as staff members.



While participating in the EAEC Program, patients build a strong foundation of self-care through a structured daily schedule that emphasizes healthy sleep hygiene, good nutrition habits, and individualized exercise program. Young men are provided with the right balance of psychological assessment and therapy, clinical counseling, life-skills training and recreation activities to begin developing an independent, high quality of life. Patients are provided with these services on the Ashley campus, being transported from the EAEC Residence to the main Ashley campus six days a week. Patients and families are able to utilize their in-network, partial hospitalization insurance benefits to cover the services provided. Families are responsible for the dorm fee in addition to the insurance coverage. Prior to discharge, our experienced clinical staff collaborates with referents, family members and other specialists to provide a detailed continuing care plan for each patient.

The Emerging Adult Extended Care Program is staffed by a team of counselors, therapists, psychologists, and clinical technicians. The EAEC Residence is staffed by the wake staff (EAEC Techs) 24/7, 365. In addition to the 8 patients calling it home, we have goats and chickens, teaching the young men in our care about responsibility and caring for something besides themselves.

PROPOSED IMPROVEMENTS

The EAEC residence gives Ashley the ability to care for more patients, but remains limited in the number of young men able to receive these desperately needed services. Phase 2 improvements involve will allow for a census from 8 to 12 patients 60 day per cycle, a 50% increase in patients served per year. Improvements needed include finishing the basement so the gym, patient computer/phone room, and EAEC Tech Office can be moved. The basement will also house a meditation room and bathroom. The garage, currently utilized as a gym, will be transitioned into a meeting room for alumni and the local AA community to hold 12-step meetings. The second floor will be modified to include a third bathroom, an adjusted hallway, and an additional bedroom. These improvements will support the continued efforts of the Ashley team to provide the best possible care for our patients.



POSTAGE

Becky Flood 1234 Recovery Lane Sobriety City, MD 59786

"Welcome to Ashley, the nightmare is over." - Fr. Joseph Martin

- By Fr. Mark Hushen

In 1983, Joseph Martin, a quintessential Irish charmer, devout Catholic priest and person in long term recovery became one of the preeminent architects of addiction treatment when he instructed the Ashley staff to:

- Follow dictates of Golden Rule and treat others as we would be treated
- Practice empathy
- Hold great hope for the patient's recovery
- Respect the healing power of God
- Believe in the true therapy of Ashley--love
- Embrace the true spirit of the 12 principles of AA
- Exude charity
- Comfort the sorrowing
- Display great patience
- Extend kindness
- Pray for our patient's healing
- Pray for each other that our unity of purpose be strengthened

Thirty-five years later, inspired by Mae Ashley Abraham's clarion call of excellence, the present generation of enlightened staff transform and save lives by integrating the science of medicine, the

art of therapy and the compassion of spirituality. Each day we create an atmosphere of awakening by acting with integrity, accountability, compassion and total commitment so that where there is despair Ashley may bring hope.