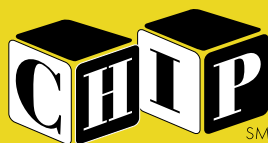


CHIP SAVES



ANNUAL REPORT 2008



CHIP of Virginia

“This program (CHIP) produces savings.

This program saves lives.

This program is part of the necessary infrastructure for Virginia’s future health care system.”

– **John Oliver**
Assistant City Attorney of Chesapeake



Dr. Levin is pictured with Angel, the son of Adriana who is an interpreter at CHIP of Chesapeake.

Adriana began her career at CHIP as a client. Along with the support she needed, she also found her calling: helping other pregnant women understand their special health issues and needs.

November 2008

Dear Friends,

These are times of profound financial uncertainty. People are losing their jobs, their homes, their savings, and their ability to plan for the future to ensure their family’s stability. CHIP families experience this type of uncertainty every day. CHIP families live paycheck to paycheck, decide which bills can be put off, pray no one becomes ill, and worry about being able to put gas in the car to get to work. But most importantly, they deal with the intense pressure of simply being able to provide the basic necessities for their children.

At CHIP of Virginia, we provide proven solutions to meet the ever growing demand for our services. This annual report shows returns on investment that range from 20-50%...**CHIP saves.** Investments in CHIP are low-risk with a high yield at a time when few such opportunities can be found.

Here are just a few ways that **CHIP saves:**

- Ensuring early prenatal care to increase healthy births
- Applying dental varnish to prevent tooth decay
- Teaching families how to use a medical home instead of the emergency room
- Empowering parents to be their child’s first teacher to improve school readiness
- Helping parents find dependable quality day care so that they can work

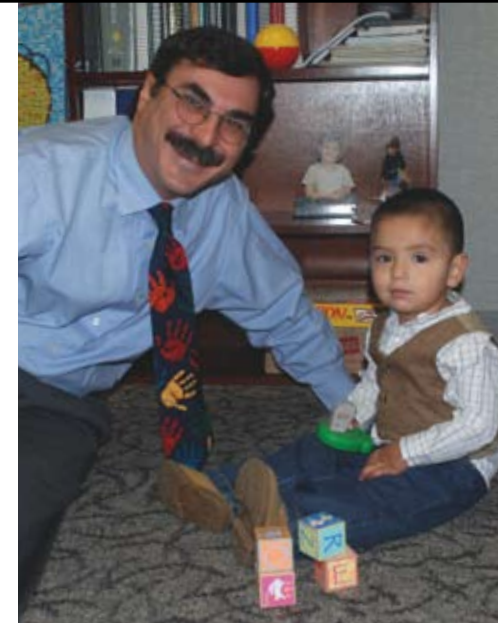
I encourage you to read our annual report to see for yourself the outstanding benefit an investment in CHIP yields, even in tough economic times. On behalf of the CHIP of Virginia Board of Directors and staff, I appreciate your investment and look forward to your continued support. Together we can continue to make a positive impact on the lives of children, their families and our communities.

Together we can be certain that **CHIP saves!**

Sincerely,



David M. Levin, MD
Chairman



CHIP SAVES

“Whenever I need them,
they are there. They don’t talk to me
as if they are better than me
or know more than me.
They give me respect and a lot of help.
They are true heroes in my book.”

– CHIP of Greater Richmond Parent

CHIP of Virginia represents

a network of 11 agencies in 30 Virginia localities who work with low-income families to assure that children from birth to age 6 receive the health care necessary for them to lead healthy lives, enter school ready to learn, and get the best possible start on a bright future.

All parents want good things for their children and CHIP provides them with the tools they need to raise healthy children. CHIP’s comprehensive approach improves the health of children, families and communities, promotes parental involvement, and strengthens each family’s ability to provide a stable environment where children grow up safe and ready for success.

Our work is based on a simple idea: get to know families, build on their strengths, connect them to the resources available in their communities, and empower them to raise healthier children. With support from CHIP home visiting teams, parents set their own goals and build on them month



CHIP gives children the stability of having a primary care provider. Here, a CHIP child receives a check-up at her pediatrician’s office.

by month. CHIP has a multigenerational impact, improving the lives of parents and children, now and in the future.

THE BOTTOM LINE

After a year in CHIP, children are more likely to have:

- health insurance
- a medical home
- up-to-date immunizations
- parents who have completed high school and/or are employed

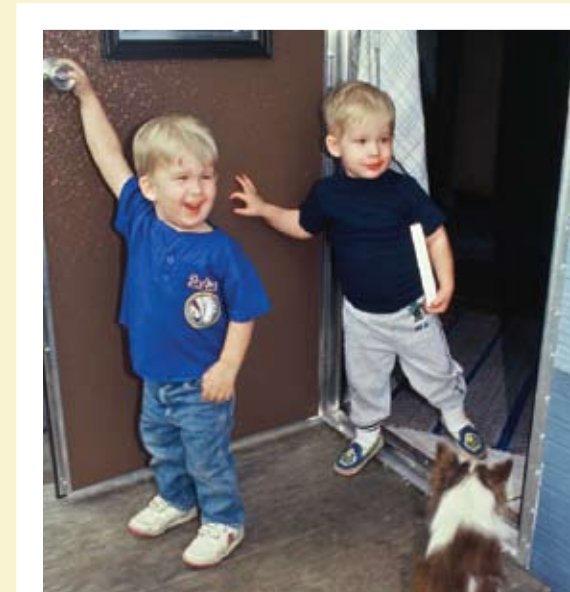
By establishing these basic fundamentals for success, CHIP not only saves families, CHIP saves valuable tax dollars at the local, state and national levels. Everybody benefits.

THE RIGHT TIME

CHIP is hard at work even before birth. We are providing prenatal guidance and advice to ensure babies are born healthy. We are also there to assist in the crucial first years of life when the child’s brain is growing at a faster rate than at any other time in life.

THE RIGHT PLACE

CHIP home visiting teams of registered nurses and outreach workers work with families in their homes and on their terms, providing a positive impact where it is needed most. This empowers families to build a plan that addresses their health, nutrition and home safety needs, as well as positive parenting, coping and life skills. All with the goal of becoming more self-sufficient.



CHIP outreach workers reach Virginia children and parents where they need it most—in their own homes.

THE RIGHT WAY

- CHIP nurses and outreach workers work together in a cost-effective, collaborative team approach. They develop relationships that make change seem possible by focusing on the positive and not highlighting the negative aspects of their lives.
- CHIP has a comprehensive view of health and recognizes that a child’s health issues will not be well managed if parents are struggling to meet other pressing demands related to their family’s well-being.

THE RIGHT STUFF

- Education and support services enable parents to strengthen parenting skills, learn about child growth and development, and respond effectively to their children.
- Health assessments and early developmental screenings identify developmental delays or chronic medical conditions so children can be connected to the appropriate services.
- Coordination with primary and specialty care providers ensures effective management of chronic health conditions.
- Community referral services assist families in accessing appropriate local resources, including health care, mental health care, Medicaid or other insurance, employment resources, and other social services.
- Follow up, including transportation when needed, assures necessary services are received and are effective in meeting the needs of families.

OUR MISSION:

To improve young children’s health and promote wellness and self-sufficiency in low-income families, through partnerships with local communities.

\$12,480 x 279 = \$3.5 million

30 hours/week at average wage of high school graduate

CHIP parents that enter employment each year

Potential earnings to stimulate Virginia’s economy

WHO CHIP HELPS

Those who need it most.

“What I like most about the CHIP program is how they helped me to feel more confident about being a parent.

They have also helped me to find the resources to make myself a better parent and a better person.”

– CHIP of New River Valley Parent

A Success Story: Heather & Elley

Heather came to the CHIP office in Russell County in April, 2007. She was pregnant, scared, and homeless. With help from Sandra, her CHIP outreach worker, they outlined Heather’s immediate needs (housing and prenatal care), and set longer term goals. Without a car, accessing services in her rural community was almost impossible for Heather, but Sandra provided transportation as needed. She helped Heather find a place to live and get regular prenatal care, food stamps, and the benefits of the Women, Infants and Children (WIC) program. Sandra worked closely with Heather, teaching her about the importance of having a healthy pregnancy, and laid valuable groundwork about being a good parent.

One year and seven months later Heather is excited about what she has accomplished for herself and for her daughter Elley. With CHIP’s support, Heather found a full time job and enrolled in college. Elley is a healthy, curious toddler who loves to climb on



CHIP provides parents with resources to enrich their children’s early childhood learning.

furniture and read books to her stuffed animals. Heather makes sure that they never miss a well-child visit and all of Elley’s immunizations are up to date. They’ve never had to use the emergency room. Heather knows she can call her pediatrician after hours if necessary.

Every six months, Elley’s CHIP nurse applies dental varnish to aid in the prevention of dental decay and future cavities. Heather suffered from dental problems when she was a child, and she is determined not to let that happen to Elley. She follows her CHIP nurse’s suggestions by playing toothbrush games to get Elley to open her mouth, and won’t let Elley fall asleep with a bottle—a major cause of tooth decay in young children.

With newfound optimism, Heather and Elley can look forward to a more promising future.

CHIP reaches children who will benefit most from its services.

AT HOME WITH CHIP

Partnering to build a healthy, happy home.

The cornerstone of the CHIP model is the relationship between the CHIP outreach team and the families they serve. The team is made up of a registered nurse and an outreach worker who visit the family in their home.

CHIP workers and families both benefit from meeting in the home. Families find that coaching is more customized and relevant when CHIP staff are able to observe and assess the family’s strengths and challenges in their home environment. CHIP staff are then able to provide support specifically tailored to the family.

HOW CHIP HELPS

- Coordinates the family’s health care and assures that families have a “medical home”—a regular provider of prevention-oriented health care who will get to know the children and follow their progress.
- Provides early detection and intervention for health and developmental concerns.
- Teaches healthy habits and positive parenting.
- Helps families secure and maintain health insurance coverage.
- Makes use of appropriate community resources and helps parents cope with poverty related issues, including substandard housing, domestic violence, substance abuse, chronic disease management, lack of transportation, etc.



“If every disadvantaged child had a CHIP home visitor team to help their parents the moment they came home from the hospital, more children would arrive at school immunized, healthy and socially, emotionally and cognitively ready to succeed. The schools can’t do it alone. **It has to start at home.**”

– **Dr. Mark Emblidge**
President,
Virginia Board of Education

AVERAGE HOUSEHOLD HELPED BY CHIP:

has **2** children

32% have two parents in the home

27% have no phone

20% are teen moms

30% have a family member with a chronic medical condition (asthma, diabetes, etc.)

21% do not speak English as a primary language

23% moved more than once in the prior year

46% of moms do not have a physician

IN 2008:

CHIP helped **3,827** children and **582** pregnant women in **2,871** families.

CHIP met with families **33,951** times including **28,274** home visits.

CHIP reduces health care costs by providing children with a stable medical home.

$$\text{\$2,650} \times 21.7\% = \text{\$575} \times 64 = \text{\$36,800}$$

Cost of medical care

Reduced cost by having a medical home

Annual savings per child

Children who did not have a medical home at enrollment

Annual savings for new CHIP enrollees

CHIP WORKS

The numbers prove it.



CHIP's staff support and empower parents. Here, a CHIP mother discusses her son's health with a CHIP nurse.

“CHIP gives me the courage to talk to doctors in a better way.

Before, I was afraid to ask questions, but now when they tell me something is wrong, **I ask questions so I know what to do.”**

– CHIP of Roanoke Valley Parent

Evaluation is the hallmark of every high-quality non-profit organization. CHIP is no exception. Year after year, CHIP produces measurable results on a variety of indicators of child health and family stability.

HEALTHIER MOTHERS & BABIES

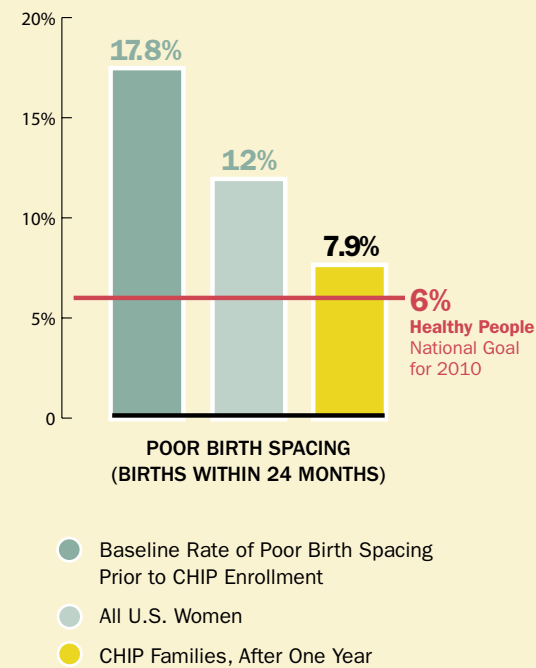
CHIP's Partners In Pregnancy program provides pregnant women with home visits and case management from CHIP nurses and outreach workers. In addition, CHIP helps establish a medical home and regular nurse consultations through Optima Family Care.

If CHIP expanded its Partners In Pregnancy services to an additional 200 women at risk of having low-birthweight babies, it could produce a net savings of \$457,400 and help decrease the number of low-birthweight babies.

\$8,945	Cost of high-risk pregnancy & delivery
– \$6,658	Cost of high-risk pregnancy & delivery with CHIP
\$2,287	Savings per pregnancy & delivery
x 200	Additional pregnant women
\$457,400	Potential savings per year

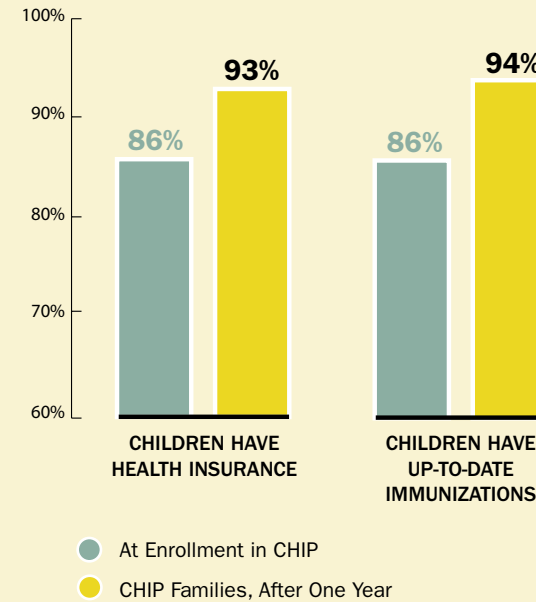
IMPROVED BIRTH SPACING

Research indicates that women with good birth spacing (at least 24 months between births) lower their risk of giving birth early or having a low-birthweight baby.



IMPROVED HEALTH ACCESS AND DISEASE PREVENTION

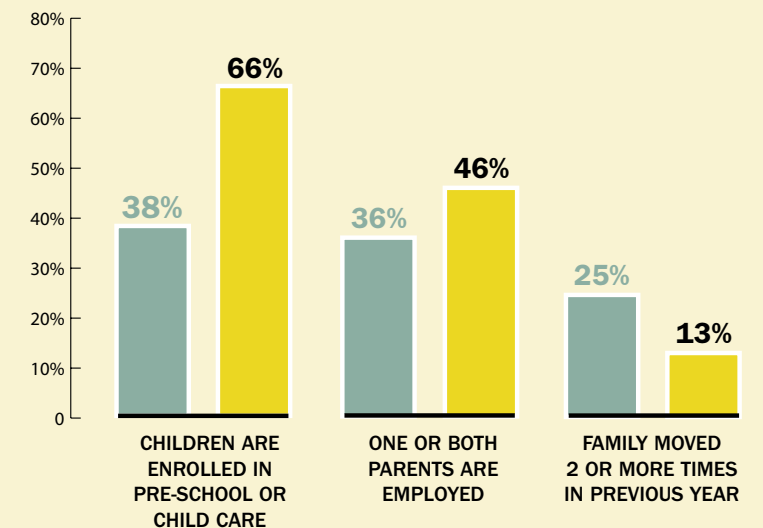
Access to a medical home has been proven to reduce child health expenditures by 22%. At enrollment, 87% of children have a medical home, and one year later 95% of CHIP children do. The 8% increase in CHIP children that gain access to a medical home each year creates a savings of \$177,690 in healthcare costs each year.



HEALTHIER FAMILIES

By helping parents solve problems, CHIP improves the home environment for children. Working together, CHIP staff and parents can develop goals and chart brighter futures for families.

CHIP uses the Parents as Teacher's curriculum, a national parenting education model, during their home visits. PAT has been proven to reduce the rates of grade retention and number of children requiring special education.



“Because of CHIP, I have a GED, a driver's license and a job.”

– Jefferson Area CHIP Parent

CHIP's parenting education program prevents expensive grade retention:

\$10,854 – **\$1,475** = **\$9,379** x **126** = **\$1,181,754**

Virginia's cost of grade retention per child Cost of CHIP's PAT program per child Potential savings per child Half the number of CHIP children expected to be retained based on Virginia rates Potential savings per year

STRATEGIC PLAN 2008–2015

“The CHIP program helped me build my confidence
as a person and **especially as a mother.**”

– Jefferson Area CHIP Parent

EXCELLENCE, SUSTAINABILITY, GROWTH

Being strategic is always important. In tight economic times, focused strategic work is even more critical. During 2008, CHIP of Virginia completed a strategic planning process that included input from almost 100 stakeholders across the Commonwealth. Although expanding our services to reach the thousands of families in need is important, growth must be thoughtful and well planned.

In examining our strengths, weaknesses, opportunities and challenges, it became apparent that our first priorities were to cement our commitment to quality, diversify our funding, and ensure that our state and local infrastructure could support expansion. With a solid foundation in place, we will be able to embark on targeted growth in the future.

GOALS

- Enhance the provision of quality services and positive outcomes for CHIP families and their young children.
- Increase the number of young children in low-income families receiving CHIP services to 6000 per year by 2015.

QUALITY IMPROVEMENT

CHIP of Virginia will strengthen its ability to ensure that the highest quality services are being provided.

SUSTAINABLE EXPANSION

By strengthening current local program capacity for growth through improved program efficiency, CHIP of Virginia will increase the number of children served within the current network and replicate the model in additional communities in Virginia.

RESOURCE DEVELOPMENT/SUSTAINABILITY

In order to support program expansion while maintaining high quality services, CHIP of Virginia will increase and diversify its funding base.

CHIP's comprehensive approach improves the health of children, families and communities.

“**Honestly, I don't know where I would be without my CHIP family.**

They helped me be a better mother to my kids; my son is a scholar-roll student, and has perfect attendance ... all because of CHIP.”

– CHIP of Greater Richmond Parent

FINANCIAL OVERVIEW



“CHIP is an influential and **positive force** in my life.”

– CHIP of Arlington Parent

CREATING A STRONG STATEWIDE NETWORK

CHIP of Virginia provides training and technical assistance, evaluation, quality assurance, public relations and resource development to fulfill our legislative mandate to develop, expand and operate the CHIP network of public-private partnerships.

CHIP of Virginia is committed to seeking a diversified funding base.

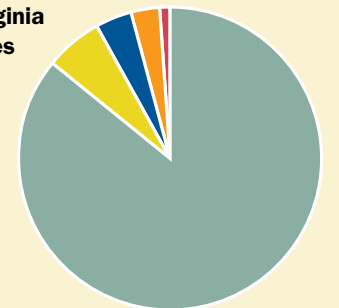
- We serve as a conduit for funding from the General Assembly, providing central accountability, oversight and quality assurance.
- We support local CHIP sites in their resource development efforts by providing training, information sharing, and evaluation.
- We build relationships with managed care organizations and negotiate contracts for services for multiple CHIP sites when possible.

FINANCIAL SUPPORT: SECURING PRIVATE INVESTMENT

Each of the 11 CHIP sites secures local resources and supplements the funding received from CHIP of Virginia. Management and organizational structures vary; four CHIP sites are independent, non-profit corporations and the remaining CHIP sites are part of larger host agencies.

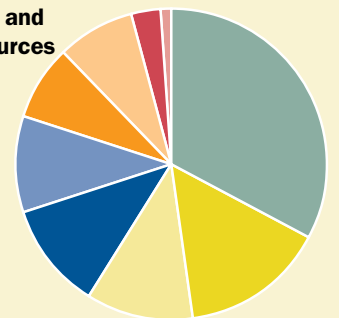
An independent, external audit is completed each year. Audited financial statements are available upon request.

CHIP of Virginia Expenditures by Function FY08



Local Program Assistance	\$2,366,261	86%
Evaluation	152,010	6%
Public Relations/Communications	105,754	4%
Management	81,644	3%
Fundraising	30,458	1%
Total	\$2,736,127	

CHIP State and Local Resources FY08



VA General Assembly	\$2,712,890	33%
Local Government Support	1,259,946	15%
Hospitals, United Way & Corporate Contributions	915,278	11%
Federal & State Grants	895,428	11%
CHIP Partner/Host Agency Support	868,025	10%
Fundraising—Events/Individuals	674,505	8%
Contract Revenues	627,410	8%
Foundation Grants	228,445	3%
Other	76,078	1%
Total	\$8,258,005	

A CHIP of Williamsburg mother and daughter enjoy an autumn day.

CHIP leverages **\$2** for every **\$1** received from the General Assembly.

Thank You in recognition of CHIP's Valuable Supporters

FOUNDATIONS AND CORPORATE DONORS:

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Leonard Companies
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Mary Spangenthal
James and Katherine Van Dewal
Patricia Worley
Anonymous

Gifts received January 2007 – November 2008

CHIP Program Locations

CHIP of Arlington
Arlington Dept. of Human Services
3033 Wilson Boulevard., Suite 300B
Arlington, VA 22201
(703) 228-1284

Jefferson Area CHIP
1469 Greenbrier Place
Charlottesville, VA 22901
(434) 964-4700

CHIP/Healthy Families Chesapeake
1302 Jefferson Street
Chesapeake, VA 23324
(757) 543-9100

CHIP of New River Valley
New River Valley Community Action
644 West Main Street
Radford, VA 24141
(540) 633-2518 ext. 35

CHIP of Norfolk
Norfolk Department of Public Health
606 W. 29th St.
Norfolk, VA 23508
(757) 683-9244

CHIP of Petersburg
Petersburg Health Department
301 Halifax Street
Petersburg, VA 23803
(804) 862-8965

CHIP of Portsmouth
Portsmouth Community Health Center
662 Lincoln Street
Portsmouth, VA 23704
(757) 391-0606 ext. 343

CHIP of Greater Richmond
2922 West Marshall Street
Richmond, VA 23230
(804) 233-2850

CHIP of Roanoke Valley
1201 3rd Street, SW
Roanoke, VA 24016
(540) 857-6993

CHIP of Southwest Virginia
People Inc. of Southwest Virginia
1173 West Main Street
Abingdon, VA 24210
(276) 623-9000

CHIP of Greater Williamsburg
Child Development Resources
151 Point O'Woods
Williamsburg, VA 23188
(757) 566-3300

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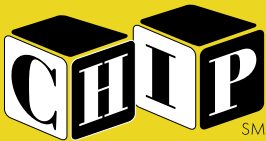
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Richmond, VA 23219
(804) 783-2667
Email: info@chipofvirginia.org
www.chipofvirginia.org

My name is Mae Turner, I am 16 years old. I am writing this letter for my mom his a hyan Turner because she can not read or write, but just a few words and prints her name. I want yo to keep the CHIP program, my little sister, hisa sue Turner would not be in head start and also she could have died from a rare disease that she got this past Febuary. The disease is named hawasaki just like the motorcycle named and also the Drs. found out she had another disease that keeps her from eating certain foods. That disease is celic. I stayed in the hospital with my mom and sister the whole time. Our case manager and nurse decided we could not wait to take hisa sue to the Dr. because she was so sick, Very high fever and rash and then took us home to get our clothes and reported back to the hospital (Roanoke Memorial) as fast as we could and my Sister was omitted. My sister was very sick and the CHIP case managers and the nurse called us every day and made we were o.t.s. did not have any money for food and the CHIP workers, Terri and the nurse Janet ~~called~~ ~~to~~ called the hospital and made sure we had food from the cafeteria every day. Both of the CHIP workers, Terri and Janet came to get us when my sister was better and took my sister for lots of appointments to make sure her heart and everything else was ok. I think sometimes if we did not have CHIP, my little sister would have not have gotten to the Dr. and been out in the hospital, she may not have been hear today. We were camping on a river when CHIP first met us and they put us in their programs. My mom was not getting any income in at the time, we have a warm house now and CHIP helped us learn how to live better. Terri makes sure my mom ~~gets~~ gets all her paperwork to get fuel in the winter and other stuff, and with programs. My mom is slow and tells people that she is mentally retarded and the CHIP workers and any workers like any case workers makes her feel good by telling her she does a good job most of the case workers give my mom the support she need, lik CHIP. They help out so much with everything.

Thank you very much, Mae Turner,

LISA LYNN TURNER



CHIP of Virginia

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