



Annual Report

2018

316 Station St. #100

Bridgeville, PA 15017

412-221-1091

773 Pershing St.

Ellwood City, PA 16117

724-201-0850

Revenue and Expense Trends 2018

Revenue Trend

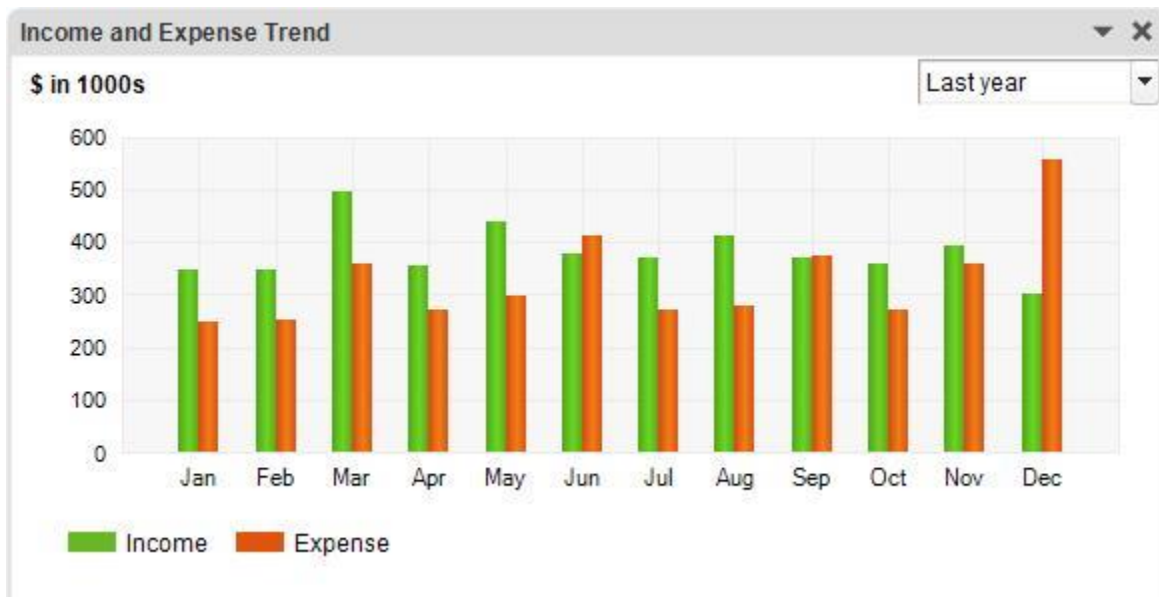
5.8% growth in revenue over 2017

\$4.25MM to \$4.5MM

Expense Trend

15% increase in Operating expenses over 2017 (does not include debt service)

\$3.5MM to \$4.0MM



Factors:

Improvements made to Ellwood City Facility

Overall upgrade of outdated servers and Microsoft Office software

Employee Bonuses

Increase in Employee Healthcare Costs

Increase in required Supervision costs

Necessary Increase to Advertising Budget as there is far more competition

Normal increase in Expenses due to increased Variable Costs

Freedom Healthcare Services continued to grow in 2016, Ellwood City location increased in census to over 100 patients

The Ellwood City location completed its second full year of operation. It is licensed to treat 140 buprenorphine/vivitrol patients and 70 drug free patients.

Overall FHS admitted 600 patients through the year down from 680 in 2017 and treated in excess of 1100 individuals

FHS strongly believes that patients should be treated in a warm, safe and relaxing environment. Furthermore, it is critical to provide a comfortable safe and up to date work environment. This leads to lower turnover of staff, and a more stable treatment environment for the patients. For this reason, we continue to upgrade facilities, with amenities like streaming content to the waiting room, a high expectation of the cleaning company, clean bathrooms, clean carpet, and clean facilities.

Freedom Healthcare has a staff of more than 40; and Freedom Healthcare treats more than 500 patients weekly.

FHS patient census breakdown as of 12/31/2018

- 54% Female, 46% Male no change from 2017
- 90% Medicaid, 10% Private insurance, .01% self-pay (transitional status)

L. Hunter Farmer III; President