Medical Care Development, Inc.
2011 Annual Report

… Instilling hope

… Reclaiming lives

… Attaining dreams

Medical Care Development, Inc.
11 Parkwood Drive ~ Augusta, ME 04330
48 Free Street ~ Portland, ME 04101
2 Market Street ~ Portland, ME 04101
8401 Colesville Road, Suite 425 ~ Silver Spring, MD 20910
www.mcd.org

August 2012

Mark Battista and Evelyn Kieltyka

On behalf of MCD's highly participative Board of Directors and the management team, sincere thanks to our 750 caring and hard-working employees from Silver Spring, Maryland, to Bucksport, Maine, to Bioko Island, Equatorial Guinea. As we've said in prior years:

"You are the heart and soul of MCD. It is because of your skill, dedication and passion in designing and delivering programs and services that MCD improves both population and individual health outcomes and directly supports many vulnerable, at-risk men and women. You embody and deliver on MCD's mission."

Also, we could not do this work without the financial support of our generous funding partners and donors, whether from the for-profit sector, government, individuals, foundations or multilateral institutions. Here is our commitment to you:

- We will never take your support for granted.
- We will work ever harder to make every dollar you've entrusted to us go farther.
- We will hold ourselves accountable to fully meet and hopefully exceed expectations.
- We will continue to be transparent with you, sharing both successes and challenges.
- If we see our progress lagging or make a mistake, we'll tell you that too, along with what we learned from the problem, how we're addressing it, and what we're doing systemically to strengthen our organization.
- We'll collaborate fully with you and all stakeholders in the funded initiative.

As always, we are also grateful to our many implementing partners for their collaboration and the complementing expertise they bring to the initiatives we work on together.

We welcome all stakeholders to visit any of our many sites, to scrutinize our financials, to ask for detail on our programming, and to critique our performance against program standards and other benchmarks. Most of all, we seek and value your constructive input on how MCD can continue its growth toward our goal of being a preferred provider of innovative solutions, whether in the public health context (US and Africa) or in our Maine-based efforts to serve with dignity and in ways that optimize the functional independence of the frail elderly and those with intellectual disabilities, mental health challenges or other special needs.

This report highlights the organization's 2011 financial performance. MCD's website, www.mcd.org presents detail on the activities of MCD's three operating divisions: Community Living; MCD Public Health (US-based); and MCD International.

Like 2010, 2011 was a challenging year for many of the same reasons, including global recession; pressure on federal and state budgets; and increased and better competition for fewer or more restricted funding opportunities. In addition, political partisanship at both state and federal levels has generated uncertainties and reduced funding opportunities, and

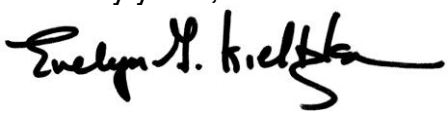
we've seen a continued trend by some donors to further reduce allowable overhead in grant and cooperative agreement budgets.

As MCD increases scale and scope, and as competition gets more vigorous, our business processes need to be even more efficient and cost-effective. To that end, our Human Resources processes, including Payroll, are now virtually entirely paperless and employees are/soon will be able to do many related functions on-line – from address changes to benefits elections to review of their payroll records – that previously were not only paper-bound but required an HR professional to process. For example, all employees now receive their pay electronically, instead of MCD mailing checks every two weeks. MCD is actively evaluating system replacement options to better serve our Finance-related business needs. The organization is increasingly using Microsoft's Sharepoint to make information more accessible to internal users. And, many of MCD's Community Living facilities now use electronic documentation for more efficient, cost-effective and higher quality care, and our more medically-intensive assisted living communities use an electronic medication administration system.

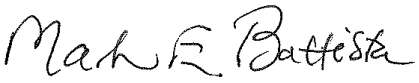
Notwithstanding revenue challenges, rising costs and infrastructure investments, MCD had another solid year financially. As planned, we reduced long-term debt and increased net worth and will continue down that path: we know a very strong financial footing is essential to MCD's ability to thrive long term in order to bring further value to those we serve.
In the end, though, Medical Care Development must be judged by how well we impact those we serve. No day goes by without someone surfacing a wonderful example of heart-warming actions by employees or documentation of hoped-for outcomes surpassing program objectives, improving quality of life for individuals, or achieving major reductions in the burden of disease at the population level. And we will keep raising our own performance bar.

Again, we invite you to follow our progress at www.mcd.org. MCD is a special, caring, passionate community committed to transparency, prudent management and continuous improvement. Thank you for your involvement, your interest, and your support. Please do be in touch with either of us if you have suggestions for enhancing the organization's effectiveness, reach or funding.

Sincerely yours,



Evelyn Kieltyka
Board Chair



Mark Battista
President and CEO

Mission Statement

Medical Care Development's mission is to improve the health and well-being of people both nationally and internationally. We do this:

- *In partnerships with communities, organizations, and governments.*
- *By developing and operating creative, compassionate, and practical programs.*
- *By providing technical advice and assistance to enhance the capacity of others.*

Our Funding Partners, Who Enable Us To Carry Out Our Work

African Development Bank
Aid for Africa
Betterment Fund
Catholic Relief Services
Canadian International Development Agency
Chemonics/USAID
City of Portland Department of Health and Human Services
Davis Family Foundation
DentaQuest Foundation
Eastern Maine Healthcare Systems
Global Fund for AIDS, TB, and Malaria
Global Sanitation Fund
Hannaford
Healthy Casco Bay
Healthy Portland
Maine Dental Association
Maine Dental Association Foundation
Maine Department of Health & Human Services
Maine Health Access Foundation
Maine Office of Substance Abuse
MaineHealth
Marathon Oil Corporation
Marathon Oil Foundation
Martin's Point Health Care
National AIDS Fund
National Semiconductor
New England Rehabilitation Hospital of Portland
PEW Charitable Trust
Resource Triangle Institute (RTI)
The Bank of Maine
The Bingham Program
The World Bank
U.S. Department of Health & Human Services
- Health Resources and Services Administration
- National Heart Lung and Blood Institute
- Office of Women's Health, Region I
- Substance Abuse and Mental Health Services Administration

United States Agency for International Development
- PMI
- PEPFAR
- UNICEF

University Research Corporation/AID
World Learning/USAID

Charitable Giving Program

Instilling hope, reclaiming lives, attaining dreams … as our employees and partners advance our mission of improving people's health and well-being in the US and in many developing countries.

- Community Living Services – helping Maine's elderly and disabled live with dignity, respect and independence.
- MCD Public Health (US-based) – helping people and populations reduce their risk factors and lead healthier lives.
- MCD International (in 15 African countries) - – helping to improve child survival rates, provide clean water, and through prevention and treatment, reduce the burden of malaria and other diseases.

Yes, I want to help!

Please make your check payable to "MCD Charitable Giving" or charge your gift to your credit card, either using our website (www.mcd.org) or by completing the following form:

This contribution is tax deductible to the extent allowed by law.

❑ Visa ❑ MasterCard

❑ $25	❑ $50	❑ $100
❑ $500	❑ $1,000	❑ $_____

Exp. Date: ☐☐ ☐☐ V-Code: _____

Month Year

Name on Card (please print): _____

Address: _____

Signature: _____

Special Gifts:

You can help ensure that MCD's mission continues for many years by making a gift of securities or by creating a future gift of intention.

- Making a gift through a trust
- Providing for a gift to MCD in your will

For more information about special gifts or to indicate which program or service you would like MCD to support with your donation, please contact Mark Battista, MD, JD, President and CEO, at 207-622-7566, x. 236 or at mbattista@mcd.org.

Please mail to: MCD Charitable Giving Program, 11 Parkwood Drive, Augusta, ME 04330.

Sources of Support – Financial Summary

2011 Revenue:

Project Grants and Contracts	$22,160,688
Resident Services	20,126,991
Rental Elderly Housing	130,623
Sales of Goods and Services	86,000
Interest and Other Income	753,120
Donations	235,091
Total Revenue:	**$43,492,513**

2010 Revenue:

Project Grants and Contracts	$35,943,070
Resident Services	5,931,196
Rental Elderly Housing	467,788
Sales of Goods and Services	365,836
Interest and Other Income	347,682
Donations	17,465
Total Revenue:	**$43,073,037**

2009 Revenue:

Project Grants and Contracts	$34,074,966
Resident Services	6,159,756
Rental Elderly Housing	444,312
Sales of Goods and Services	159,784
Interest and Other Income	770,338
Donations	259,448
Total Revenue:	**$41,868,604**

MCD's Executive Team

Mark Battista - President & CEO

Joseph Carter - Director, MCD International

DonnaLee Cloutier - Executive Administrator and Assistant to the President

Maureen Conley - Director of Operations

Eric Dimbleby - Director, IT

Edward Miles - Chief Financial Officer

Kevin Norwood - Director, Human Resources

Kathleen Perkins - Director, MCD Public Health

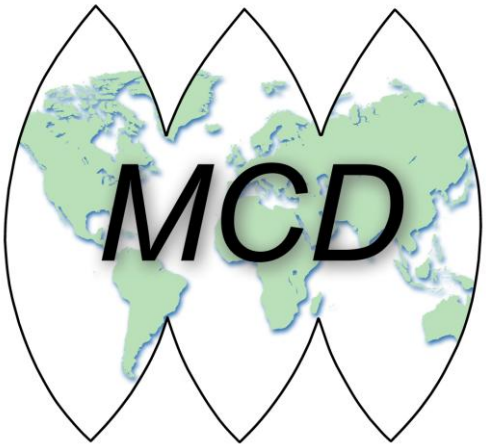
MCD Board of Directors

***Chair*: Evelyn Kieltyka, FNP, MSN, MS,** Senior Vice President of Program Services, Family Planning Association of Maine
***Vice Chair*: Michael G. Wygant,** Retired, Foreign Service Officer and Vice President, World Affairs Council of Maine
***Treasurer*: Daniel P. McCormack,** CEO, InterMed
***Secretary*: Gary Bisson,** Retired, Attorney and Foreign Service Officer
Russell C. Barbour, PhD, Co-Director for Statistical Analysis, Center for Interdisciplinary Research on AIDS, Yale School of Medicine
Alan J. Barker, MD, St. Andrews Hospital and Health Care
Doris Browne, MD, MPH, President and CEO, Browne & Associates, Inc.
Linda Crawford, Consultant and Public Policy Expert (as of May 2012)
Jack Ginty, Retired Executive
Craig Gray, Head of Return to Work Solutions, Aetna
Alfred W. Hoadley, PhD, MPH, Independent International Consultant
Lenard W. Kaye, DSW, PhD, Professor, School of Social Work; Director, UMaine Center on Aging (through May 2012)
Donald J. McCrann, Jr., MD, Obstetrician
Donna T. Mundy, Retired Corporate Executive
Gregory Nevens, EdD, Health Psychologist
J. Michael Taylor, MD, MPH
Angela Westhoff, MA, Executive Director, Maine Osteopathic Association

Members of the Corporation (and their representative to MCD):

American Cancer Society, Maine Division - Donald Magioncalda, MD
American Heart Association, Founders Affiliate - Dennise Whitley (through 2011)
Maine Dental Association - James P. Dunn, DMD
Maine Hospital Association - Steven Michaud
Maine Medical Association - Gordon Smith
Maine Municipal Association – Stephen W. Gove
Maine Osteopathic Association – Angela Westhoff
Maine State Nurses' Association, Evelyn Kieltyka, FNP, MSN, MS
The Bingham Program - Lisa Miller, MPH
University of Maine System– Leonard W. Kaye, D.W.S., Ph.D.

President: Mark Battista, MD, JD
Assistant Secretary: DonnaLee Cloutier
Assistant Treasurer: Edward W. Miles
Clerk: Joseph Kozak, Esq., Kozak & Gayer



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Medical Care Development is an equal opportunity organization.