



Lutheran Homes
of South Carolina
promoting the well-being of older adults



2021

ANNUAL REPORT

A YEAR OF
RESOLVE

A Year of Resolve

Frank Shepke, President and CEO



As the second season of Covid continued to plague our world in this past year, our Lutheran Homes of South Carolina Ministry stood strong and continued to move forward serving our older adults with a joyful heart and a servants' hand. We have never been more proud of our TeamMates and the selfless sacrifices and accomplishments they achieved keeping our Priorities (residents/patients/clients/members) safe, secure and satisfied. We had to overcome more challenges in the past year than perhaps the last twenty but our resolve, faith, and deep belief in our mission helped sustain us and continues to lead us into the future.

The lessons we've learned and the triumphs we've had will forever serve as guideposts and reminders as to how strong this organization can be and the results we can achieve when we work together as one. Our success is a testament to the hard work and dedication of our team and the grace of our Lord. We are truly blessed to be able to have served those who needed us and have come to think of us as a part of their family. May our good Lord bless all of you and thank you for taking the time to review the fruits of our efforts in this Annual Report.

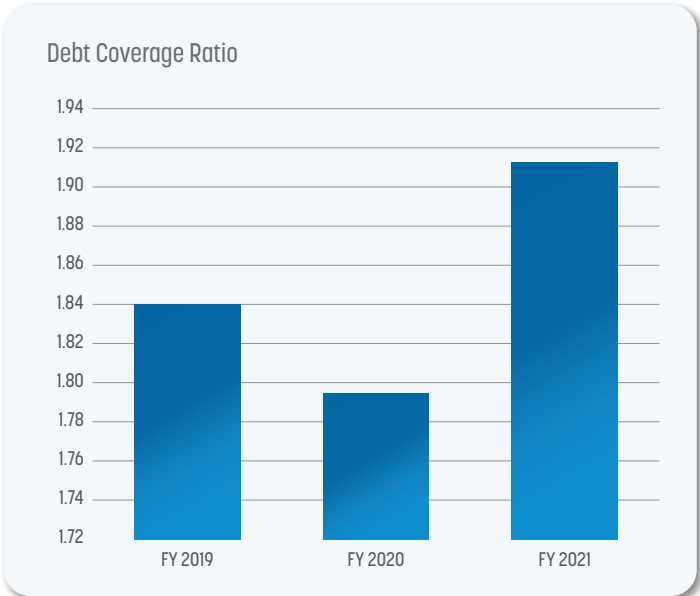
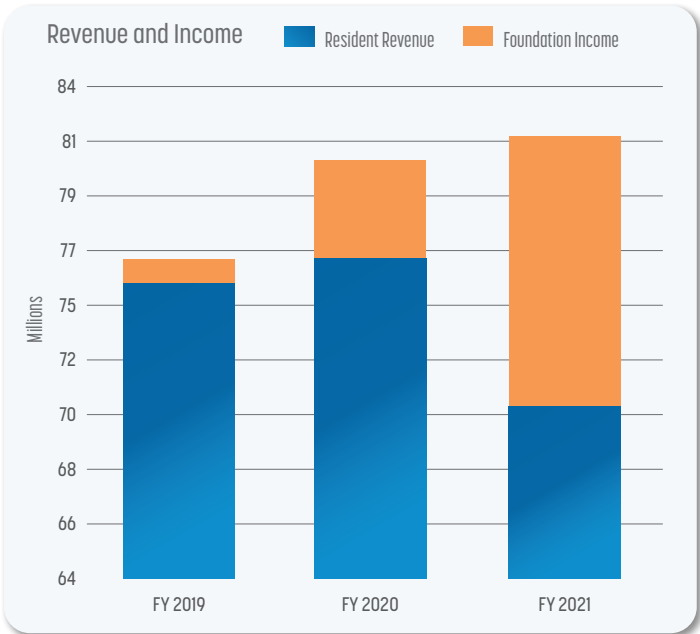
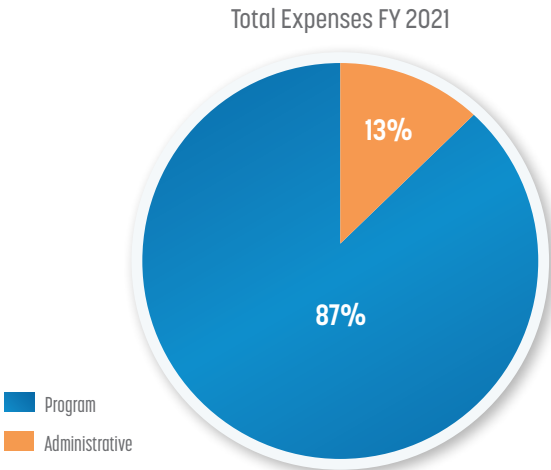
Let not your heart be troubled, neither let it be afraid."
John 14:27

Financial Overview

Lutheran Homes of South Carolina and Affiliates (LHSC) is proud to report favorable consolidated financial results for the fiscal year ending September 30, 2021. It goes without saying that 2021 was an unprecedented and challenging year for us and senior living providers nationwide.

The impacts of Covid on occupancy, workforce, and costs of infection control was tremendous, but each of our locations managed the crisis admirably. The combined operating performance was less than budget, but the investment income of the Foundation was one of the best years ever. Opening the new independent living Courtyard pocket apartments at the Heritage at Lowman in February was a bright spot financially as they are fully occupied.

Looking ahead, we will continue to manage these difficult circumstances toward improvement and reinvest in facilities to remain competitive.



Mission and Philosophy

Believing in the presence of God, the value of human life and the dignity of the individual, the mission of Lutheran Homes of South Carolina, Inc. as a ministry of the church, is to promote the well-being of older adults by providing residential, health care and hospice services.

Vision Statement

As a ministry built on trust, Lutheran Homes of South Carolina will be:

- The premier provider of quality residential, health care and hospice services for older adults in South Carolina;
- A model for innovation and compassionate care provided by our caring, professional and competent staff;
- Committed to respecting and valuing our teammates and our partnership in this ministry;
- Respectful of the dignity and worth of the individual;
- Financially strong due to disciplined operational and financial management and control, combined with the continued growth of the LHSC Foundation;
- Effective in the use of our endowment to address the needs of our residents, patients, clients, communities and services;
- Effective and disciplined in development of strategies that are responsive to the needs of the community;
- Committed to providing facilities and services that are efficiently and thoughtfully designed to meet the needs of the community.

Values



Ministry

LHSC is a ministry of the South Carolina Synod of the Evangelical Lutheran Church in America. We demonstrate our faithfulness through the provision of programs and services that reflect our Christian heritage and commitment to holistic care for people of all faiths and beliefs.



Respect

We value and respect our Priorities (residents, patients, clients and their families), our TeamMates (employees, volunteers), donors and other partners.



Integrity

We adhere to our values and are honest and ethical in all communications and actions.



Accountability

We accept our fiduciary and stewardship responsibilities. We efficiently manage resources of LHSC in order to be a financially strong organization. We utilize measurable outcomes and a system for reporting of progress toward goals attainment. We comply with all laws, rules and regulations and promote a quality living and work environment.



Commitment to TeamMates (Employees)

LHSC commits to provide its TeamMates a safe working environment, competitive compensation, opportunities for training and development, and the leadership to achieve LHSC's mission and vision for the future.



Person-Centered Focus

LHSC offers a continuum of care and services focused on the individual needs of our Priorities (residents, patients, clients and their families).



Quality

Our commitment is to continuously improve quality through processes that support the delivery of our care and services through teamwork, staff development and empowerment of our TeamMates.



Strategic Market Focus

LHSC utilizes a disciplined strategic management process to implement planned development strategies based on current and future needs of our target populations.

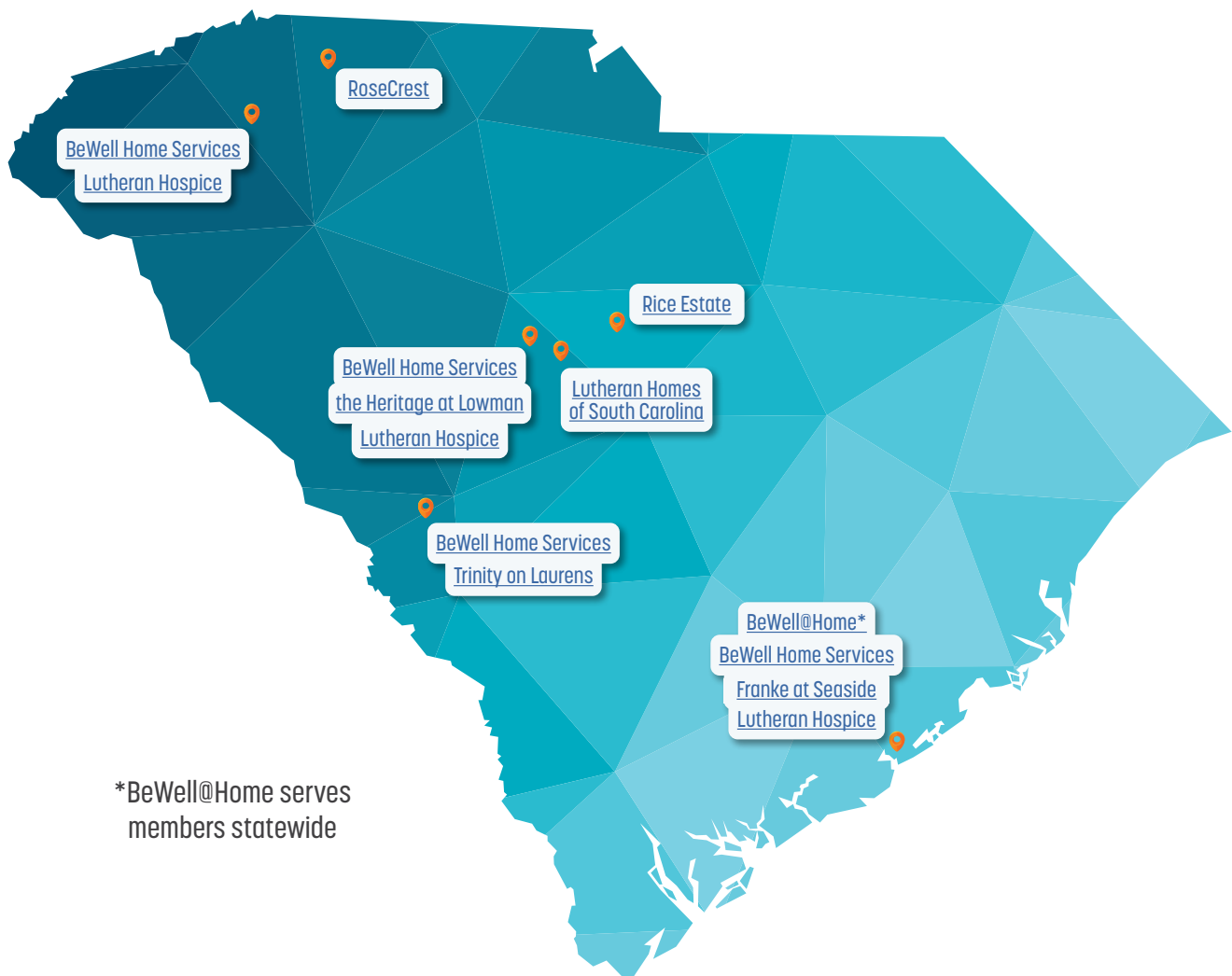
Operations

LHSC operated five Continuing Care Communities (CCRC), both a multi-county hospice program and a non-medical home services (NMHS) program and a Continuing Care at Home (CCAH) program. Our programs and campuses are as follows:

Total Priorities Served in FY 2021: 2,804

- the Heritage at Lowman: CCRC - 551 Priorities served
- Franke at Seaside: CCRC - 550 Priorities served
- Rice Estate: CCRC - 464 Priorities served
- RoseCrest: CCRC - 401 Priorities Served
- Trinity on Laurens: CCRC - 96 Priorities served

- Lutheran Hospice - 478 Priorities served and 1,434 families served
- BeWell Home Services: NMHS - 168 Priorities served
- BeWell@Home: CCAH - 96 Priorities served



All LHSC campuses and programs were in good standing during the year from a regulatory standpoint and continued to successfully operate even in the midst of many operational challenges posed by staffing, census fluctuations and the Covid virus which was at the center of many of those challenges. Executive leadership was stable at all locations and in all programs. Much of the success of these operations is attributed to the dedication and hard work of our leaders and the great TeamMates who serve LHSC Priorities.

Human Resources

We call our employees and volunteers TeamMates at Lutheran Homes. It signifies we are equally important and interdependent as the success of our organization relies on our unified team. Staffing was a challenge in FY 2021 and our organization did much to increase wages, incentives and other rewards to motivate and acknowledge the hard work of our TeamMates. This was a challenge in an industry where we cannot easily pass on the costs of these efforts to our consumers and the cost of doing business escalated exponentially this year due to the continuing impact of Covid and all that came with it. TeamMates are at the center of our success and the organization continued to review and implement new and innovative approaches for recruitment, on-boarding, retention and rewarding of our people.

In FY 2021, the following is a breakout of our team:

- 1,506 hourly TeamMates including PRN status
- 98 exempt level or management leaders

Diversity is a top priority for LHSC and the following is our breakdown:

- 975 African American
- 580 Caucasian
- 23 Two or more ethnicities
- 19 Hispanic
- 5 Asian
- 2 American Indian



Oveida Wright, Culinary Server
Franke at Seaside - 30 Years



Tommy Cheatham, Dir. of Environmental Services
Robert Sessions, Life Enrichment Dir.
Trinity on Laurens

TeamMate of the Year

LHSC launched the Five to Thrive (5TT) initiative and the High Five Club to create a culture of customer service excellence paired with TeamMate appreciation.

Olivia Ballinger, RN at the Heritage at Lowman is LHSC's 2021 High Five Club TeamMate of the Year!

Joining the Heritage at Lowman in 2019, Olivia earned this distinction for her compassion, dedication and commitment to the care and comfort of her Priorities under her care. Based on a Priority's nomination Olivia received TeamMate of the Month at the Heritage, and advanced to earn LHSC's TeamMate of the 3rd Quarter.

Olivia's attributes were proven one night when a Priority was discharged late from a hospital and admitted to the Rehabilitation and HealthCare Center without one of her main medications. Realizing how important this medication was, Olivia took it upon herself to drive several miles to the afterhours pharmacy to have the prescription filled. Going the extra mile to fill this major medication greatly relieved the Priority's anxiety and gave her the peace of mind to have a restful night and begin her recovery.

We applaud Olivia for living the ICARE Principles of Five to Thrive.



A Focus on Ministry

A key element of services at LHSC is our focus on ministry and spiritual support for our Priorities, TeamMates and those served through the organization. The following is a “day in the life” of our chaplains serving people of all faiths and beliefs:

- One-on-one pastoral care and visits to Priorities
- Sunday worship and special days of devotions and celebration
- Bible studies, devotions and other structured opportunities for spiritual awareness and growth
- Pastoral care visits for hospitalized Priorities
- Nurturing the sick and dying and helping them in their transition
- Funerals, memorials and wedding services
- Orienting new Priorities and TeamMates to the spiritual purpose and focus of LHSC services
- Devotions and pastoral care for TeamMates
- Distributing crosses, Bibles and other spiritual resources upon request
- Serving those of all denominations and backgrounds

We are indeed blessed to be a part of a larger faith-based community and our mission shines most brightly in the chaplaincy work and pastoral care that we provide.



Chaplain Mark S. Bredholt, DMin
Rice Estate



Reverend Alvin Shrum
Franke at Seaside

How Are We Doing?

Each year LHSC surveys residential and healthcare Priorities and family members about their perception of their community's staff, life enrichment activities, grounds, buildings, meals, direct care and services, and other factors that affect life at their residence. The surveys help us focus on areas to improve and celebrate our successes. Altogether our communities' two most valued questions received very high marks:

What is your overall satisfaction
with Lutheran Homes of SC?

92.40%

Would you recommend
Lutheran Homes of SC to others?

92.73%

LHSC Priorities and families share their positive feedback:

- We are very pleased to have an apartment in the Courtyards. It's great here. [the Heritage at Lowman](#)
- I feel my loved one is safe and valued.
- Love [RoseCrest](#). Staff is great.
- The administration and staff here at [Trinity](#) go above and beyond in meeting requests and issues.
- I appreciate the care received and especially the safety guidelines in place for Covid, which I feel have been excellent. [Rice Estate](#)
- Wonderful facility, people and services. Consistently meets and exceeds our expectations. [Franke at Seaside](#)

In summary, from a family member, "to do this work is more than a job, it's a calling, and a most important one."

Home & Community-Based Services

BeWell@Home Beyond Expectations

This past year BeWell@Home (BW@H) continued to grow in both membership and TeamMates. We welcomed our 97th member making BW@H among the larger Continuing Care at Home (CCaH) programs in the country.

Two full-time wellness coordinators serve our members, with one located in Columbia providing service to Up-state and Midlands members and one

serving the Lowcountry. The wellness coordination remains a strong component of the program's success and is evidenced by our member care costs being less than anticipated.

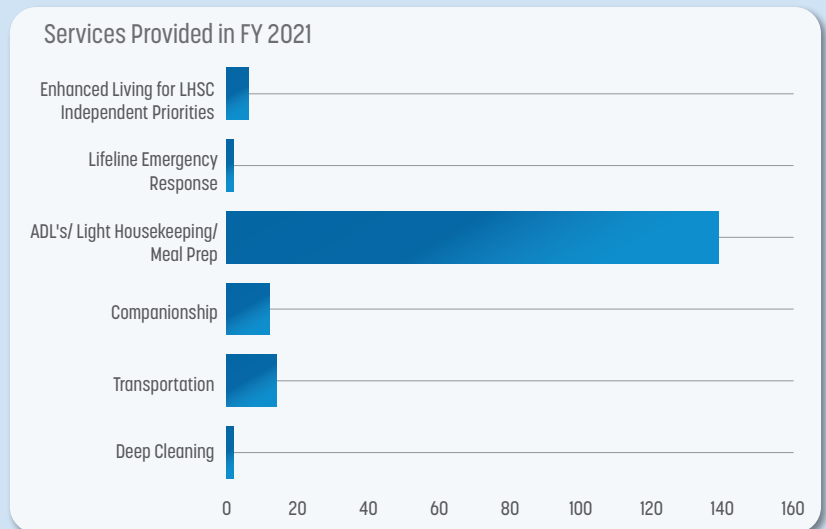
A full-time sales and marketing staff member was added to continue to grow membership. Covid restrictions limited in-person seminars and events and the team pivoted to offer a strong

digital marketing campaign and virtual educational sales seminars.

Beyond our original program and member assumptions, members moved into our Franke at Seaside Active Lifestyle program. Franke residents also joined the program which further illustrates the synergy between BeWell@Home and our Franke independent living community.

BeWell Home Services

In FY 2021, BeWell Home Services, LHSC's licensed, in-home services program, continued to persevere through the many aspects of the pandemic's impact on our client Priorities, their family caregivers and our TeamMates. BeWell caregivers provided Priorities assistance with activities of daily living (ADLs) supporting them to continue to live wherever they call home. The following nonmedical services indicated in the chart were provided to help Priorities remain at home and support family caregivers.



Lutheran Hospice



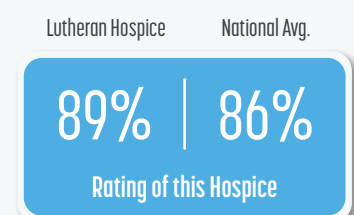
Lutheran Hospice's challenges multiplied immensely as they worked to support patients and their families where each different home came with its own set of rules, challenges and accessibility due to Covid.

Most healthcare facilities had to restrict visitors for periods of time which

affected our patients' ability to receive traditional psychosocial, emotional and spiritual support. The hospice teams adapted to offer video conferencing and face time with their loved ones. The teams advocated for the patient's family members to be able to make compassionate visits with their loved ones. We are so grateful for all people who worked diligently to make sure our patient's loved ones could be together at the end of their life journey.

Throughout FY 2021, Lutheran Hospice remained a dependable hospice provider. Quality measures and family surveys show that Lutheran Hospice

outperforms the national average in all CMS measured criteria even with the challenges of the pandemic.



Courtyards at Lowman Win National Design Award



We are pleased to announce that The Courtyards at Lowman has been named as Senior Housing News' (SHN) inaugural first-place winner in the Small

Footprint category in its ninth annual Architecture & Design Awards. The SHN recognizes cutting-edge design, excellence and innovation in senior living.

"This year's winning entries are a look at the future of senior living architecture and design," said George Yedinak, founder of Senior Housing News. "SHNA's showcase of best-in-class builds has yet again set a new precedent for senior living facilities as the industry shifts and new demographics flood the market."

The Courtyards are unique in South Carolina offering a new monthly rental option which allows residents to enjoy an independent lifestyle without a large up-front entrance fee. They are comprised of two pocket neighborhoods, each including ten

unique single-story, cottage-style apartment homes with common spaces to encourage a sense of shared experience among residents.

Each apartment cluster surrounds a landscaped common courtyard with livable front porches to enhance outdoor recreation and socializing with neighbors. A rear porch gives space for more private relaxing or golf cart charging. Ranging in size from 740 - 1,018 square feet, the apartments are designed for maximum flow and natural light. Community rooms for parties and group activities are incorporated into each courtyard. Walking paths and sidewalks were designed to interconnect and lead to the fireplace patio and community Wellness Center.

The Courtyards opened to residents in early 2021 and achieved full occupancy on schedule. Future development plans are to offer Courtyard apartments at other communities.

[Click here](#) to read more.