



2016 ANNUAL REPORT



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PSI helps chronically ill patients with unaffordable medical expenses.



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16-25 Years of Donations to PSI

Baxalta USA Inc.
Bayer Healthcare Pharmaceuticals Inc.
CVS Caremark
Factor Support Network

11-15 Years of Donations to PSI

American Service and Product
CSL Behring LLC Total
Eastern Pennsylvania Chapter, NHF
Florida Hemophilia Association
Genzyme Corporation
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Novartis Pharmaceuticals Corporation
Novo Nordisk, Inc.
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6-10 Years of Donations to PSI

AcariaHealth
Alexion Pharmaceuticals, Inc.
AlphaNet, Inc.
ARJ Infusion Services
BioRx
Boston Hemophilia Treatment Center (BWPO)
Dyax Corporation
Hemophilia of North Carolina
Hemophilia Outreach Center
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Specialty Therapeutic Care

1-5 Years of Donations to PSI

Accredo
Affinity Biotech, Inc.
Alcresta Therapeutics, Inc.
ARIAD Pharmaceuticals, Inc.
Avanir Pharmaceuticals, Inc.
BioMarin Pharmaceuticals Inc.
Biotek reMEDys
Boehringer Ingelheim Pharmaceuticals, Inc.
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Matrix Health Group
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PhRMA
Premier Specialty Pharmacy
Retrophin
The Hemophilia Alliance Foundation
United Therapeutics Corporation
US Hae Association Inc.
Valeant Pharmaceuticals, Inc.
Vanda Pharmaceuticals, Inc.

Government Sponsors*

Commonwealth of Kentucky
17 Years

Commonwealth of Virginia
20 Years

South Carolina Department of Health
8 Years

*Years of grants awarded to PSI

2016 Gala Sponsors

Accredo
AlphaNet, Inc.
Alpha-1 Foundation, Inc.
Amicus Therapeutics, Inc.
Baxalta USA Inc.
BioMarin Pharmaceuticals Inc.
BriovaRx
CVS Health
Drugco Health Ethical Factor, RX
Immune Deficiency Foundation
InTouch Pharmacy LLC
Novartis Pharmaceuticals Corporation
Shire Human Genetic Therapeutics, Inc.
The Coalition for Hemophilia B, Inc.

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Wells Fargo Community Support
Campaign
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How to Make a Tax-Deductible Donation

Since 1989, PSI has been fortunate to receive financial support from thousands of donors who simply want to help chronically ill patients afford the cost of their treatment. In 2016, PSI received its ninth consecutive 4-star Charity Navigator rating for being a leading symbol of transparency and accountability. "The continued success proves our efficiency and leadership in the nonprofit community," said Dana Kuhn, Ph.D., President and CEO of PSI. "We always aim to be a fiscally responsible organization while increasing the capacity and outreach of our programs to assist chronically ill patients in affording life-saving treatment." We hope that you will find it in your heart today to help us continue to provide a financial safety net to the chronically ill. Your contributions impact lives!

Ways to Give

Donate online: PSI welcomes donations of all sizes. Your generous gift will help patients pay for expensive premiums or co-payments that they otherwise wouldn't be able to afford. To make a secure online donation, visit www.patientservicesinc.org.

Donate by mail: To donate by mail, simply mail your check to Patient Services, Inc. at P.O. Box 5930, Midlothian, VA 23112.

Make a donation in someone's name: An Honorary or Memorial Donation offers a thoughtful way to honor the memory of a loved one or commemorate important occasions while supporting PSI. Your generous donation will directly support PSI's efforts in "Making the gift of health a lifetime benefit"® for all. Contact PSIDevelopment@unneedpsi.org for more details.



Program Development Staff

L-R: Mike Herbert, Director of Organizational Development;
Karen Middlebrooks, Coordinator of Program Development;
Art Wood, Vice President;
Mandy Herbert, MBA, Director of Community Outreach

Thank You for Your Support!

*On behalf of the PSI Board of Directors and staff,
the Program Development Department
would like to express our sincere appreciation
for your generous contributions. It is because
of donors like you that PSI is able
to help patients in their time of need.
We truly cherish your support and look forward
to providing patient assistance
for many more years to come.*

A Year in Review

During 2016, PSI and its Board of Directors encountered several challenges, yet remained



true to its mission and dedicated to providing access and affordability to chronically ill patients.

The Center for Medicare and Medicaid Services (CMS) decision to allow Marketplace insurers to reject health insurance premiums paid by charitable organizations on behalf of patients continues to go unresolved (the challenge started March 19, 2014). PSI spent much time gaining Congressional cosponsors to support the Access to Marketplace Insurance Act (HR 3742) introduced by Rep. Kevin Cramer (R-ND) and ended the 114th Congress with 147 bipartisan cosponsors. Although we did not gain the sufficient amount for a hearing or to pass the bill, we will endeavor to reintroduce the bill in the 115th Congress envisioned for success in 2017. This bill would

allow charities to be included in the carved-out entities such as State AIDS Drugs Assistance Programs, Indian Tribal Health, and any other state or federal premium assistance programs.

In our efforts to advocate for the chronically ill, we invited the leading national patient advocacy organizations to form a coalition to work together to protect non-profit premium assistance for chronic and life-threatening illnesses. This coalition became known as the Marketplace Access Project (MAP) representing 19 national patient organizations. We are so grateful that these organizations perceived the danger of this administrative policy which created prohibitions for charitable premium assistance in 38 states by approximately 60 insurers, and collaboratively joined the efforts to change the rule.

In 2016, we continued to work with the U.S. Office of Inspector General (OIG) to obtain a modification to our

current Advisory Opinion. As of this 2016 report, PSI expects to secure our positive modification in 2017.

As we ended the year with a surprising election, we will continue our efforts to work with this new administration to change the CMS rule and obtain our positive OIG modification. With concerns about the stability and viability of healthcare moving into 2017, PSI will remain vigilant in protecting premium and copayment assistance. Additionally, PSI will continue to advocate for the most vulnerable populations affected by healthcare decisions—the sick, retired, disabled and the poor. Allowing our mission to lead us to “help chronically ill patients with unaffordable medical expenses,” PSI will forge and advocate into 2017 seeking to make a difference in the health of thousands of patients.

Dana A. Kuhn, Ph.D.
President and Founder

It is hard to believe that another year has flown by. Over the past year, PSI has helped 45,521 patients in about 35 different disease areas.



All of these patients are folks like you and me. They work hard, but then are struck with a devastating chronic illness

which dumps extreme, unanticipated costs upon them. Most of them tell us that they would not be able to continue their treatment were it not for PSI.

Many of our donors don't get to hear the stories of these patients, but we try to communicate with all those who provide funding the appreciation which is expressed to us. If you have been involved as one of those providing support for these patients in the past year, we send our deepest gratitude.

As in any year, PSI faced several challenges. The regulatory environment has become increasingly restrictive which makes it harder for PSI to interact with donors. PSI continued to work on our modification to the Office of Inspector General (OIG) Opinion which was given to PSI back in

2002. All foundations have been working with the OIG to update the information on the programs provided and the parameters by which these programs would operate. It is anticipated that the modification for PSI will be completed in early 2017. In addition to these challenges, five of our programs ended at the end of 2016. Even with these bumps in the road, PSI added some new programs and anticipates adequate funding for all current programs to continue to serve those presently on service through 2017.

The unique thing about PSI is that we don't just provide financial assistance to patients. We also advocate strenuously for them in order to help overcome any barriers to accessing treatment. You can read more about this in the Government Relations report; however, it is wonderful to see many of our patients working side by side with us on Capitol Hill to present their stories to Congressional leaders. In other words, the patients we serve are very committed to insuring that PSI can continue to assist them. We greatly appreciate all who read this report and are as committed to the same.

Art Wood
Vice President

The unique thing about PSI is that we don't just provide financial assistance to patients. We also advocate strenuously for them in order to help overcome any barriers to accessing treatment.

PSI Patients Lead to Advocacy Success

PSI's Government Relations Department proved to have a strong year in 2016. The mission of our department is to promote access



James Romano, MPA, MBA, Director of Government Relations, and Kyle Rosner, Government Relations Associate

to needed healthcare and remove barriers for patients with rare diseases and chronic illnesses. PSI partnered closely with the patients we serve and patient

advocacy groups that represent those patients to develop an agenda that keeps the needs of patients on the forefront.

The PSI Government Relations team is made up of James Romano, Mark Hobraczk and Kyle Rosner. Kyle Rosner is the newest member of the Government Relations Team and started at PSI in 2016 as Government Relations Associate. Kyle comes from state government in Virginia and has jumped right in to working with the team on the important initiatives facing PSI patients. He joins PSI Government Relations veteran Mark Hobraczk. Mark is the Senior Government Relations Associate. Mark is a public policy expert specializing in developing the PSI GR Update. Mark also works closely with state advocacy groups to design advocacy days in state capitals

across the United States. Mark and Kyle form the backbone of the PSI Government Relations team.

In 2016, the PSI Government Relations department launched the Marketplace Access Project (MAP) coalition. This collection of 19 patient advocacy groups was started to respond to the CMS Rule Third Party Payment of Qualified Health Plan Premium. This rule and subsequent affirmations allow health insurance providers to prohibit third party health insurance premium assistance from charitable organizations like PSI. PSI has worked with these patient groups to highlight the importance of patient assistance programs in the lives of patients with rare diseases and chronic conditions. In concert with PSI's media consultants and MAP coalition members, we worked to develop and place needed op-ed pieces in media outlets across the country praising nonprofit patient assistance programs. These media pieces proved critical in obtaining Congressional support for this issue. We look forward to continuing this effort in 2017.

In response to the CMS rule, PSI worked with Congressman Kevin Cramer (R-ND) and introduced the *Access to Marketplace Insurance Act* (H.R. 3742) in late 2015. In 2016, this legislation gained momentum acquiring 146 additional cosponsors. PSI built strong bonds with our patients through our PSI Patient Coalition and generated 7,300 letters

to Members of Congress regarding H.R. 3742. This was instrumental in the success of 2016. PSI hosted our 2016 Advocacy Day in April. This important event brought together 40 patient advocates from across the United States in Washington, D.C. These advocates met with close to 80 Congressional offices to discuss our important issue. PSI also organized specific targeted advocacy days with patient advocates during the year for states like Illinois, Pennsylvania, North Carolina, New York and Florida. The Government Relations team met with over 350 Congressional offices during the year and look forward to expanding this number in the coming year.

As we move forward in 2017, the Department will continue to build consensus on the premium assistance issue and continue to advocate for the success of patient assistance programs. PSI will continue to lead on Capitol Hill with regard to the *Access to Marketplace Insurance Act* and looks forward to its re-introduction. The Department is building important relationships with Children with Special Health Care Needs programs and looks forward to expanding our state partnerships. As we move into 2017, our team will continue to work toward future successes.

James Romano, MPA, MBA
Director of Government Relations

With an ever-changing healthcare system, PSI is always looking for innovative ways to efficiently assist patients. Our goal is to remain at the



cutting edge of the healthcare industry to provide timely assistance. To do so, each year we build upon and streamline

our current processes to advance turnaround time of eligibility determination and claim processing. Within the Operations Department, this process is similar to building a house. The foundation of the organization (our house) started in 1989, and over time, we have added multiple items to turn our house into a mansion. We methodically add windows, walls, doors and other core items to the structure. These items are necessary and equivalent to PSI's information technology, payment methods and integration of systems to quickly approve patients for

assistance.

In 2016, we focused on implementing enhancements to our structure and adding feng shui to ensure harmonization with our mission. One of our enhancements involved implementation of an electronic fax system to streamline internal processes for our representatives. Our Patient Service Representatives (PSRs) are the core of the organization and strive to systematically assist patients; and this enhancement allowed them to do so.

As we look into 2017, we are excited about new payment assistance methods for our patients, which include assistance cards and electronic deposit for patient reimbursement. These enhancements are essential as we continue to position ourselves as pioneers in the patient assistance industry and provide speed to therapy for our patients.

Tiara Green, MSEd
Director of Operations

Our Patient Service Representatives (PSRs) are the core of the organization and strive to systematically assist patients.

PSI Operations Department





(Active Patient Profiles)

Acaria Health Financial Assistance Program

Average age of patient	35
Average income of patient population	\$10,243.20
Average number of dependents	1

Adagen Patient Assistance Program - Eligibility

Average age of patient	16
Average income of patient population	\$18,882.83
Average number of dependents	3

Adagen Patient Assistance Program - Copay

Average age of patient	24
Average income of patient population	\$51,695.36
Average number of dependents	3

Alpha-1 Antitrypsin Deficiency

Average age of patient	59
Average income of patient population	\$37,627.77
Average number of dependents	2

ASAP Bleeding Disorders

Average age of patient	16
Average income of patient population	\$19,861.52
Average number of dependents	2

Baxter Alpha-1 Antitrypsin Deficiency Copay/ Coinsurance Assistance Program

Average age of patient	55
Average income of patient population	\$47,612.91
Average number of dependents	2

Bleeding Disorders

Average age of patient	31
Average income of patient population	\$43,223.10
Average number of dependents	3

Boston Hemophilia Treatment Center (BWPO) - 340B

Average age of patient	50
Average income of patient population	\$41,796.90
Average number of dependents	2

Breast Cancer MRI Screening

Average age of patient	41
Average income of patient population	\$41,059.26
Average number of dependents	3

Management of Cancer

Average age of patient	64
Average income of patient population	\$31,790.65
Average number of dependents	2

Cardiovascular Copay Program

Average age of patient	67
Average income of patient population	\$26,149.60
Average number of dependents	2

Center for Bleeding and Clotting Disorders (CBCD) - 340B

Average age of patient	54
Average income of patient population	\$7,765.00
Average number of dependents	1

Chronic Inflammatory Demyelinating Polyneuropathy (CIDP)

Average age of patient	56
Average income of patient population	\$27,460.54
Average number of dependents	2

Chronic Myelogenous Leukemia (CML)

Average age of patient	74
Average income of patient population	\$29,516.86
Average number of dependents	2

Circadian Rhythm Disorders

Average age of patient	56
Average income of patient population	\$17,556.53
Average number of dependents	2

Complement Mediated Disease (CMD)

Average age of patient	42
Average income of patient population	\$43,461.41
Average number of dependents	2

Corneal Cystinosis

Average age of patient	19
Average income of patient population	\$40,285.24
Average number of dependents	3

Cystic Fibrosis (with Pseudomonas)

Average age of patient	49
Average income of patient population	\$23,296.68
Average number of dependents	2



(Active Patient Profiles)

Diplomat Bleeding Disorders

Average age of patient	47
Average income of patient population	\$45,094.67
Average number of dependents	3

Ethical Factor RX

Average age of patient	32
Average income of patient population	\$63,766.62
Average number of dependents	5

Exocrine Pancreatic Insufficiency

Average age of patient	58
Average income of patient population	\$20,510.00
Average number of dependents	2

Fabry Disease

Average age of patient	39
Average income of patient population	\$38,295.36
Average number of dependents	2

Factor Support Network (FSN) Bleeding Disorders

Average age of patient	52
Average income of patient population	\$55,010.78
Average number of dependents	2

Gastrointestinal Stromal Tumors (GIST)

Average age of patient	74
Average income of patient population	\$29,921.78
Average number of dependents	2

Gaucher Disease

Average age of patient	41
Average income of patient population	\$34,290.55
Average number of dependents	2

HAE/Hereditary Angioedema Programs

Average age of patient	42
Average income of patient population	\$43,906.02
Average number of dependents	3

Hemophilia Center of Georgia, Inc. (HoG) - 340B

Average age of patient	30
Average income of patient population	\$36,971.41
Average number of dependents	3

Hemophilia Center of Western PA - 340B

Average age of patient	44
Average income of patient population	\$23,112.80
Average number of dependents	3

Hemophilia Outreach Center (HOC) - Wisconsin - 340B

Average age of patient	39
Average income of patient population	\$32,361.83
Average number of dependents	2

Hetlioz Patient Support Program

Average age of patient	40
Average income of patient population	\$49,749.00
Average number of dependents	4

Hizentra-Ancillary Financial Assistance Program

Average age of patient	35
Average income of patient population	\$51,258.72
Average number of dependents	3

Hypoparathyroidism

Average age of patient	59
Average income of patient population	\$62,098.75
Average number of dependents	2

Iclusig Premium Assistance Program

Average age of patient	42
Average income of patient population	\$14,900.00
Average number of dependents	2

Idiopathic Pulmonary Fibrosis

Average age of patient	75
Average income of patient population	\$37,943.68
Average number of dependents	2

Indiana Hemophilia and Thrombosis Center, Inc. (IHTC)-340B

Average age of patient	36
Average income of patient population	\$22,199.86
Average number of dependents	2

Inhibitors in Bleeding

Average age of patient	24
Average income of patient population	\$50,852.64
Average number of dependents	3

InTouch Pharmacy Premium Program

Average age of patient	34
Average income of patient population	\$12,025.00
Average number of dependents	1



(Active Patient Profiles)

Kedrion Connect Program

Average age of patient	22
Average income of patient population	\$36,715.28
Average number of dependents	2

Kidney Stones

Average age of patient	66
Average income of patient population	\$38,418.73
Average number of dependents	3

Lysosomal Acid Lipase Deficiency

Average age of patient	21
Average income of patient population	\$19,395.19
Average number of dependents	1

Matrix Health Financial Assistance Program

Average age of patient	55
Average income of patient population	\$17,832.58
Average number of dependents	2

Medex BioCare Financial Assistance Program

Average age of patient	40
Average income of patient population	\$26,501.45
Average number of dependents	2

Mucopolysaccharidosis (MPS 1)

Average age of patient	15
Average income of patient population	\$39,419.05
Average number of dependents	3

National Cornerstone Healthcare Services (NCHS) Bleeding Disorders

Average age of patient	39
Average income of patient population	\$36,352.22
Average number of dependents	2

Paradigm for US

Average age of patient	28
Average income of patient population	\$116,109.26
Average number of dependents	3

PIDD Premium - Hizentra

Average age of patient	34
Average income of patient population	\$19,946.00
Average number of dependents	1

Pleural Effusions and Malignant Ascites (PEMA)

Average age of patient	59
Average income of patient population	\$17,022.27
Average number of dependents	2

Pompe Disease

Average age of patient	46
Average income of patient population	\$40,402.78
Average number of dependents	2

Premier Specialty Pharmacy

Average age of patient	61
Average income of patient population	\$18,338.94
Average number of dependents	1

Primary Immune Deficiency (PIDD)

Average age of patient	51
Average income of patient population	\$37,364.34
Average number of dependents	2

Pseudobulbar Affect (PBA) and Underlying Neurological Disease Fund

Average age of patient	71
Average income of patient population	\$35,746.84
Average number of dependents	2

Renal Cell Carcinoma

Average age of patient	54
Average income of patient population	\$55,912.00
Average number of dependents	2

South Carolina Bleeding Disorders

Average age of patient	21
Average income of patient population	\$52,004.26
Average number of dependents	3

Toxoplasmosis Copay Assistance Program

Average age of patient	63
Average income of patient population	\$27,590.73
Average number of dependents	2

University of PA Medical Center Hemophilia Program - 340B

Average age of patient	41
Average income of patient population	\$10,858.98
Average number of dependents	1

Virginia Bleeding Disorders

Average age of patient	25
Average income of patient population	\$30,200.92
Average number of dependents	2

With the implementation of new network systems and applications in 2015, the IT Department was able to continue to build greater stability, diversity and efficiencies for both our internal



call center representatives, as well as our referral entities, physician offices and donors. Our core offerings are

still there for our patients and referral entities; however, we've expanded our platform to include quicker payment methods and implemented email encryption to ensure that our communications are HIPAA compliant. That's just a few ways that PSI is continuing to forge forward in technology. Preparing for the future has become a new way of life. As technology-inspired innovation brings us everything from the ability to get our patients a quicker

turnaround for their assistance to cloud computing, the information technology department must continually prepare for an uncertain and ever-shifting future.

Over the course of 2016, PSI offered more payment options to our patients with the introduction of a new credit card and the ability to digitally disperse funds to the patient within a day of the request. We've taken all appropriate steps to become fully HIPAA compliant to ensure patient data is secure and held private. We've implemented new software to help streamline certain internal processes for our Operations Department which allows them to place patients on service quicker. We've also implemented a more efficient internal financial system that allows for scalability and greater reporting needs for our donors and constituents.

Looking ahead, we all realize that the future will bring change and that

the rate of change is ever increasing. Innovation comes along more quickly, and investments in technology that offered 10-year investments are now outdated after five, three and even two years. Though necessary change has become an essential part of providing information technology and services that best meet the growing needs of our patients, referral entities and donor base, in a compliant way, we are evermore committed to thoughtful innovation coupled with basic principles of customer service and support, with professionalism for those we serve. As we prepare for the future, we will keep in mind the tradition of excellence. After all, that is what has allowed PSI to stay at the forefront of the healthcare, non-profit community for over a quarter of a century.

Stacey Pugh

IT Project Manager

PSI IT Department



*“The journey
of a thousand miles
begins with a
single step.”*

CONFUCIUS



PSI-ACCESS had 122 disability clients at the close of 2016. Our attorneys appeared at 53 hearings nationwide during the past year, and we completed a total of 96 claims. Of the cases that were adjudicated, we were able to get benefits for 69% of our clients. This compares favorably with the national average for all applicants, of whom only 36% were successful.

With the incidence of disability decreasing in certain populations due to advances in treatment, more emphasis has been placed on counseling our clients with regard to legal protections in the workplace and access to health care coverage.

Since launching in May of 2013, the PSI-ACCESS Legal Support Hotline has fielded over 300 calls, with nearly half of those calls being received in the past year. The hotline

Our current caseload by disease states that we serve:

Bleeding Disorders.....	38%
Immune Deficiency.....	34%
Pulmonary Hypertension	1%
Alpha 1	26%
Neurological (ALS).....	1%

provides expanded counseling to the bleeding disorders and Alpha 1 communities on a range of issues related to disability, accommodations at school or work, medical leave and changes in health insurance.

We expect that it will become even more challenging to qualify our clients for disability benefits, as the national trend toward denying more and more applications continues. Wait times for resolving these claims

are also likely to increase. There is presently great uncertainty as to how high-risk populations will qualify for or afford health care. In this changing environment, our goal is to continue exploring expansion of services to our core communities (and to new ones), while preserving the high quality of the assistance we provide.

Bill Leach
A.C.C.E.S.S. Supervisor and Attorney

PSI A.C.C.E.S.S. Team



L-R: William Leach, A.C.C.E.S.S. Supervisor/Attorney; Jocelyn Zimmet, Clerk/Receptionist; Kathy Crowe, Senior Disability Claims Specialist; and Terry Staletovich, Attorney

We are thankful to the generous support of our donors for another successful year at PSI. In



2016, we provided financial assistance to 20,738 patients for a total of \$100.2 million in direct program services. PSI

increased the number of patients receiving financial assistance by 6% and provided an average of \$4,832 per patient assisted.

As the leading provider of financial assistance to patients with chronic illnesses, PSI is committed to controlling operating costs and leveraging technology to maximize

the dollars available for program services. In 2016, 94% of total functional expenses went to program services to help individuals and families in need.

Our financial statements and programs are audited annually by an independent accounting firm and we continually receive an unqualified audit opinion (the best opinion available). A copy of our 2016 audited financial statements and associated communications can be found on our website at www.patientservicesinc.org. The financial information below provides an overview of our financial performance for 2016.

Michael Hurley
Director of Finance

PSI provided financial assistance to 20,738 patients for a total of \$100.2 million in direct program services.

Summary Statement of Financial Position December 31, 2016 and 2015

ASSETS	2016	2015
Current Assets	\$102,739,143	\$117,618,580
Property and Equipment	2,349,261	2,360,860
Other Assets	1,536,166	1,470,933
Total Assets	\$106,624,570	\$121,450,373
LIABILITIES AND NET ASSETS		
Current Liabilities	\$978,145	\$1,138,828
Unrestricted net assets	18,187,043	16,671,982
Temporarily restricted net assets	84,459,382	103,639,563
Total Liabilities and Net Assets	\$106,624,570	\$121,450,373

Statement of Activities (2016 and 2015)



	Unrestricted	Temporarily Restricted	2016	Total 2015
REVENUES AND OTHER SUPPORT				
Contributions	\$10,727,187	\$83,362,964	\$94,090,151	\$127,014,579
Fees for contracted services	84,911	823,747	908,658	1,019,900
Interest income	171,954	–	171,954	214,557
Miscellaneous income	53,950	–	53,950	90,359
Gain/(Loss) on investments	212,340	–	212,340	(328,158)
Net assets released from restrictions	100,222,142	(100,222,142)	–	–
Total Revenues and Other Support	<u>111,472,484</u>	<u>(16,035,431)</u>	<u>95,437,053</u>	<u>128,011,237</u>
EXPENSES AND LOSSES				
Program services	103,470,939	–	103,470,939	101,416,741
Fundraising	1,076,379	–	1,076,379	1,303,363
Management and general	5,383,659	–	5,383,659	4,133,991
Total functional expenses	109,930,977	–	109,930,977	106,854,095
Uncollectible pledge expense	16,083	144,750	160,833	391,488
(Gain)/Loss on disposal of equipment	10,362	–	10,362	(13,321)
Total Expenses and Losses	<u>109,957,422</u>	<u>144,750</u>	<u>110,102,172</u>	<u>107,232,262</u>
Change in Net Assets	1,515,062	(16,180,181)	(14,665,119)	20,778,975
NET ASSETS				
Beginning	16,671,981	103,639,563	120,311,544	96,638,244
Ending	<u>\$18,187,043</u>	<u>\$87,459,382</u>	<u>\$105,646,425</u>	<u>\$117,417,219</u>

The financial information reported here is for PSI only and does not contain consolidated subsidiary information. A complete copy of the Consolidated Financial Statements with a certified report from our independent auditor, Keiter, is available by calling 1-800-366-7741 or by visiting our website, www.patientservicesinc.org.

PSI Accounting & QA/QC Team

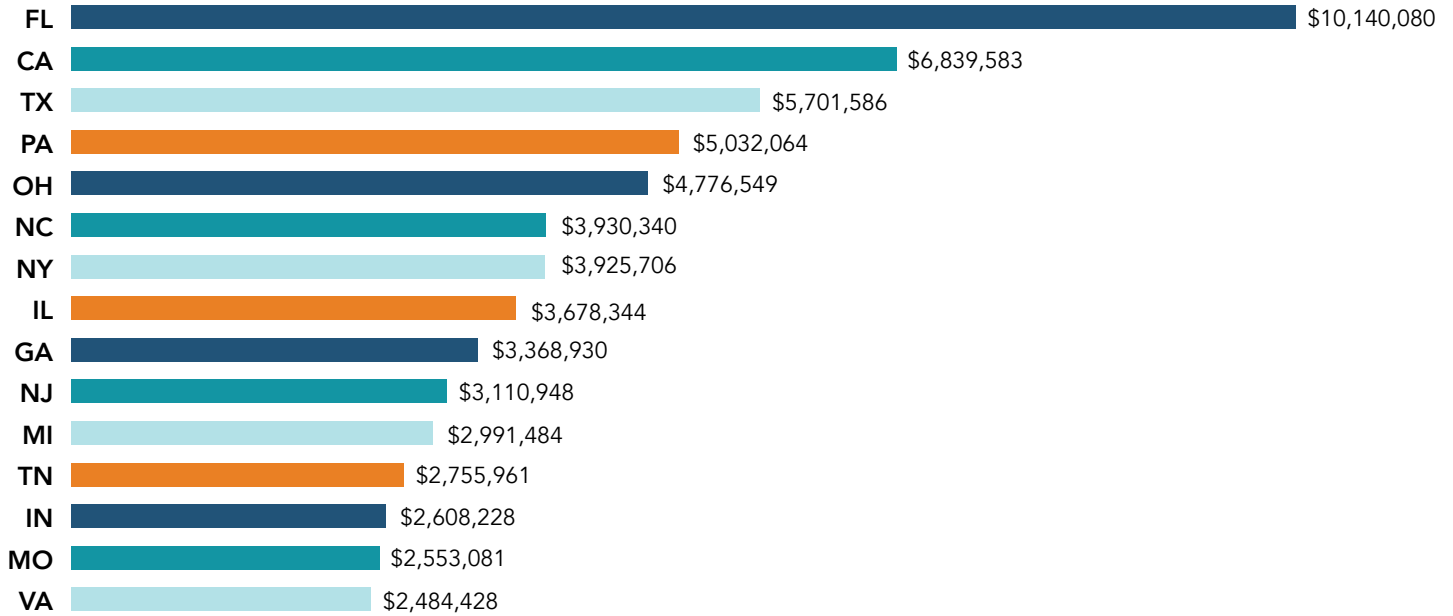
L-R, Back Row: Tammy Martin, Daniel Wise, Steven Diehl, Michael Hurley.
L-R, Front Row: Dawn McCall, Michelle Robinson, Jennifer King, Renee Simmons, Lamont Brown



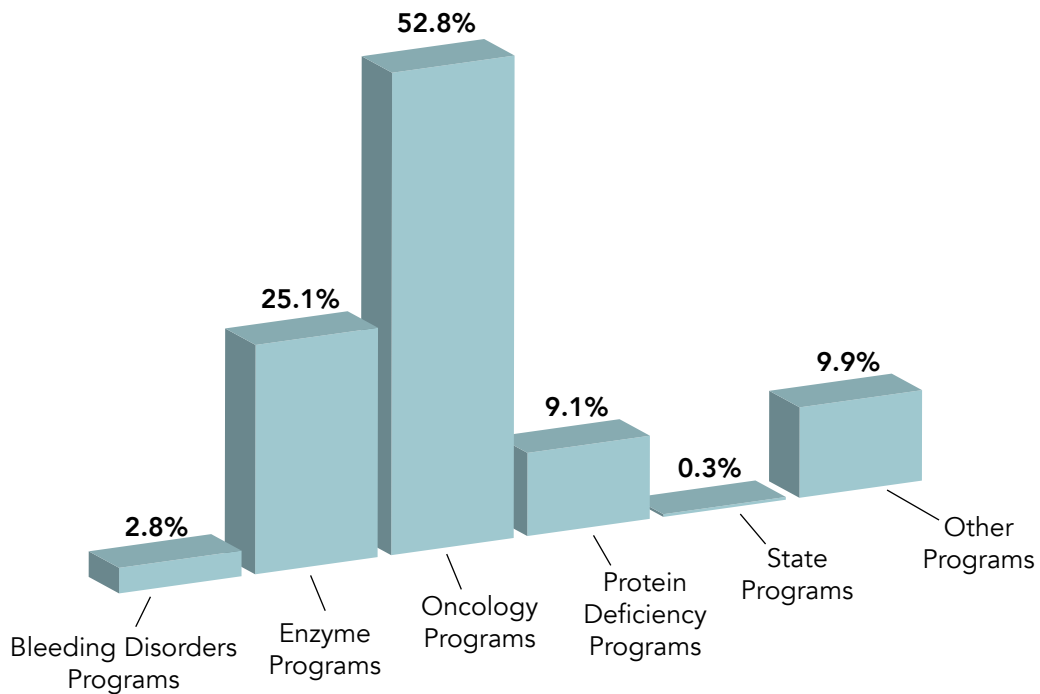
(Year Ended December 31, 2016)

Financial Statistics

Assistance by Top 15 States

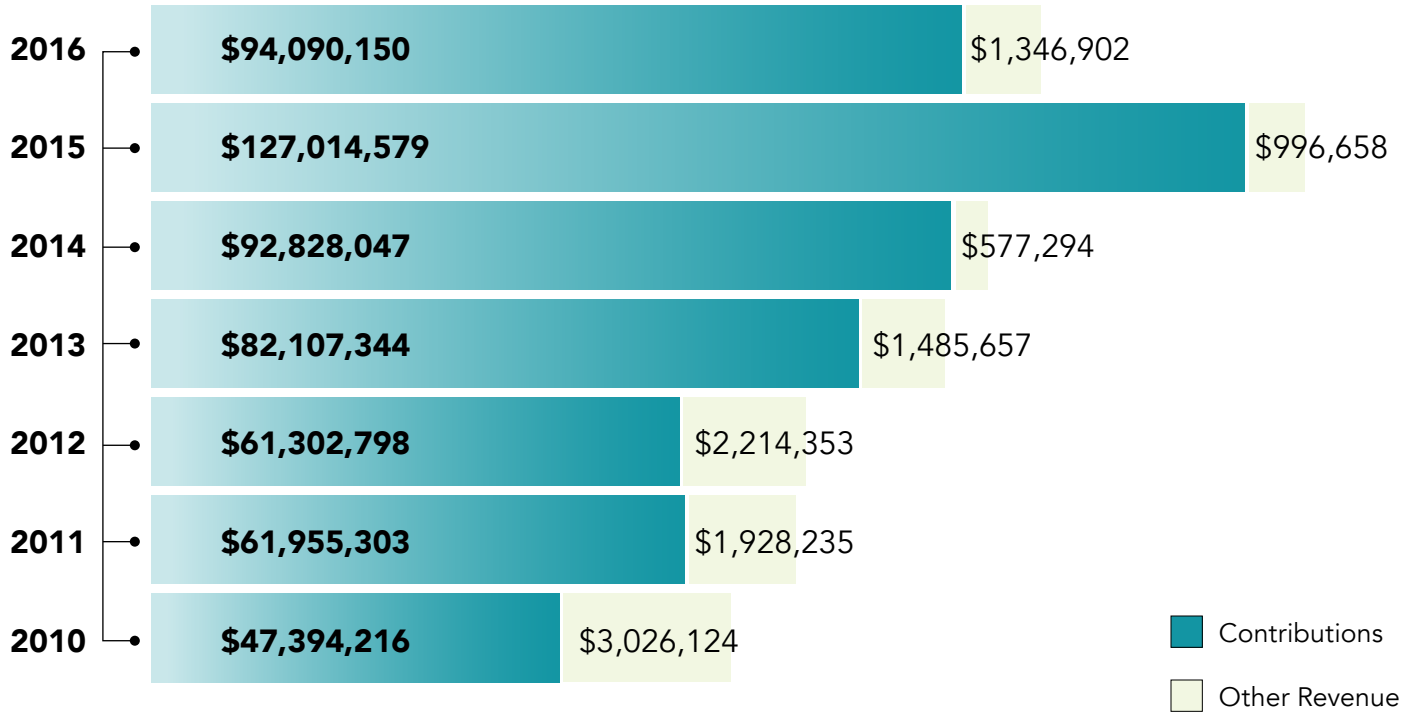


Assistance by Program Area

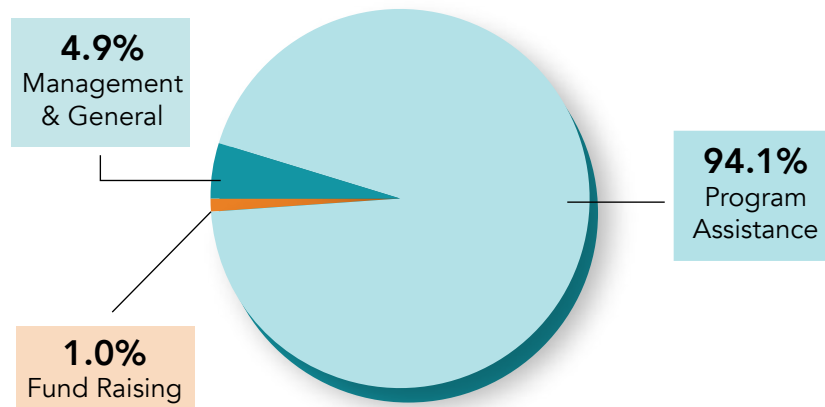


(Year Ended December 31, 2016)

Contribution History



Functional Expense



Dear PSI,

Your assistance has enabled me to live a better quality of life.

Among the many health issues I've learned to live with because of Secondary Progressive Multiple Sclerosis, Pseudobulbar (PBA) Affect disorder has been one that has been an embarrassing challenge to deal with. PBA, an inability to sometimes control one's emotions has affected every area of my life for over two decades—at home, work, and everywhere else—I never knew when it would appear.

After nearly a year of not being able to control the symptoms of PBA because of the cost of the medication, I discovered Patient Services, Inc.

PSI has meant the world to me. It may sound silly, but I think about this organization every time I take my medication; they have made such a huge impact on my quality of life, not to mention my wife's, who now has one less thing to worry about with my MS.

Tom Lewandowski

Dear PSI,

I would like to thank everyone who is working for such a valuable organization. PSI has helped three generations in my family as we all have Hereditary Angioedema. Without the help and understanding we receive from PSI, we would not be able to get our life saving medicine. I would like to thank you again for all that PSI has done for my family.

May God bless you all!
HAE Patient

Dear PSI,

I am writing to personally thank you for investing in my general health and well-being.

In May of 2015 I was diagnosed with a GIST tumor in my small intestine. My doctors were very positive about its removal, and the fact that most GIST tumors are benign. They also assured me that only a very small percentage of tumors found in the small intestine are cancerous. Even though the chances were very slim, when pathology reports were read, I have cancer. Surgery was performed in early June, and everything looked good! However, both my doctor at Blue Ridge Cancer Care and the doctors at Duke said I needed to be on a cancer drug that would prevent the GIST tumor from recurring. If it did, chances would be that it would show up in my liver or lungs. Obviously, I said "sure" and went on the drug in late July 2015. However, one small catch appeared on the horizon that I could not handle. The cost of one-month supply of my medication was over \$10,000. I don't care how good your insurance is or how much money you have set aside for retirement, not many people can afford that amount of money per month for a single prescription.

Enter PSI as my lifesaver, and they have not missed a beat of paying for my drug every month. I am grateful for their financial support but also appreciate that they stepped up to the plate when I needed help the most. If things continue to go well for two more years, and I'm still cancer free, I can stop taking the drug, and PSI can help another cancer patient.

Thank you PSI,
GIST Patient

* PSI has obtained consent to disclose patient names and stories in all literature and marketing materials. Patients who wish to share their story and/or image are required to sign a legal authorization form granting permission. A patient may revoke their authorization at any time by notifying Patient Services, Inc. in writing.

To whom it may concern,

In 2003 I had routine surgery to remove a non-malignant goiter that went very wrong. By the end of this procedure, I had no functioning parathyroid glands leaving me to suffer the many difficulties associated with Hypoparathyroidism and the very real threat of death without effective treatment. After much experimentation, my doctor was able to stabilize my case utilizing an off-label drug. This off-label use was approved by my insurance for several years. However, in 2013 we were denied coverage for this continued off-label product. Hope came when we heard about a new product coming on the market, a medication specifically made for the treatment of Hypoparathyroidism.

The drug has proven to be my medical miracle. This medication was to cost nearly one hundred thousand dollars a year. Even with our insurance accepting this new medication the remaining co-pay was going to break us. Enter PSI. A friend in the Hypoparathyroid Association alerted us to this wonderful organization providing financial assistance for patients requiring high cost medical therapies. Because of PSI's assistance, I can look forward to a financially secure healthy future.

God bless PSI for their vision and compassion.

Sincerely,
M. Michele Baumbach RN, Ret.

Dear PSI,

I have been fortunate enough to be part of your wonderful program since 2013 when it helped to pay for my CML medication. This was a great stress reliever! Last year I was diagnosed with IPF and was prescribed another very costly medicine. Again, PSI has "saved" us! Thank you for all you do to make life easier for people when they are most vulnerable! God bless you and your donors!

CML Patient

Dear PSI,

Thank you for helping me afford my medication for my idiopathic pulmonary fibrosis. I started using my medication in Jan. 2016. I had a doctor's appointment last week and it went well, my pulmonary function and CT scan were good. The physician said my lungs looked about the same. This drug may be slowing my progression down, which is a very good thing!

If it weren't for PSI, I never could have afforded the drug I am taking. In fact, when I first heard I had this disease and the cost of the drug, I did not have much hope. Thank you for all your services. Please keep up your good work. I and many other patients appreciate all PSI does for us.

Thanks!
IPF Patient

Dear PSI,

I want to send you a note to tell you what a difference your program has made in my life. I was diagnosed with Pompe Disease in October. For the last year, I have had to shift to part-time work because of the effects of the disease. Once I received the diagnosis, I worried about whether I could afford to get health insurance and pay my medical bills if I could only work part-time. Insurance premiums alone would eat up nearly half of my net income. I considered filing for disability so that I could eventually qualify for Medicare, but I love my work and I want to keep working. The support offered by your program now makes it possible for me to keep working. I cannot tell you what that means to me.

Thank you!
Pompe Disease Patient



Thank you

For more than two decades, PSI, a national non-profit charitable organization, has successfully offered a “safety net” to persons living with expensive chronic conditions and those who fall through the cracks of government health care programs, often helping them avoid financial ruin. PSI provides peace of mind to our clients by:

- Locating health insurance solutions in all 50 states
- Subsidizing the cost of premiums
- Providing pharmacy and treatment co-payment assistance
- Assisting with Medicare Part D co-insurance
- Providing advocacy with applying for SSI and SSDI through the PSI A.C.C.E.S.S.® program
- Providing health care reform information through our Health Policy newsletters, daily policy updates on Facebook and Twitter, presentations, and PSI Patient Coalition Advocacy
- Helping patients get their medications quickly and easily through the PSI Secondary Payment Card Program

2016 Assistance Programs

- Acaria Health Financial Assistance Program
- Adagen Patient Assistance Program- Eligibility
- Adagen Patient Assistance Program – Copay
- Alpha-1 Antitrypsin Deficiency
- American Service and Product (ASAP) Bleeding Disorders
- Baxter Alpha-1Antitrypsin Deficiency Copay/Coinsurance Assistance Program
- Bleeding Disorders
- Boston Hemophilia Treatment Center (BWPO) - 340B
- Breast Cancer MRI Screening
- Management of Cancer
- Cardiovascular Copay Program
- Center for Bleeding and Clotting Disorders (CBCD) - 340B
- Chronic Inflammatory Demyelinating Polyneuropathy (CIDP)
- Chronic Myelogenous Leukemia (CML)
- Circadian Rhythm Disorders
- Complement Mediated Disease (CMD)
- Corneal Cystinosis
- Cystic Fibrosis (with Pseudomonas)
- Diplomat Bleeding Disorders
- Ethical Factor Rx
- Exocrine Pancreatic Insufficiency
- Fabry Disease
- Factor Support Network (FSN) Bleeding Disorders
- Gastrointestinal Stromal Tumors (GIST)
- Gaucher Disease
- HAE/Hereditary Angioedema
- Hemophilia Center of Georgia, Inc. (HoG) - 340B
- Hemophilia Center of Western PA - 340B
- Hemophilia Outreach Center (HOC) - Wisconsin - 340B
- Hetlioz Patient Support Program
- Hizentra-Ancillary Financial Assistance Program
- Hypoparathyroidism
- Iclusig Premium Assistance Program
- Idiopathic Pulmonary Fibrosis
- Indiana Hemophilia and Thrombosis Center, Inc. (IHTC) - 340B
- Inhibitors in Bleeding
- InTouch Pharmacy Private Premium Program
- Kedrion Connect Program
- Kidney Stones
- Lysosomal Acid Lipase Deficiency
- Matrix Health Financial Assistance Program
- Medex BioCare Financial Assistance Program
- Mucopolysaccharidosis (MPS1)
- National Cornerstone Healthcare Services (NCHS) Bleeding Disorders
- Paradigm for US
- PIDD Premium - Hizentra
- Pleural Effusions and Malignant Ascites (PEMA)
- Pompe Disease
- Premier Specialty Pharmacy Private Premium Assistance Program
- Primary Immune Deficiency
- Pseudobulbar Affect (PBA) and Underlying Neurological Disease Fund
- Renal Cell Carcinoma
- South Carolina Bleeding Disorders
- Toxoplasmosis Copay Assistance Program
- University of PA Medical Center Hemophilia Program - 340B
- Virginia Bleeding Disorders



The *Gold* Standard Among Non-Profit Charitable Organizations

PSI MILESTONES

- Approved for 501 (c)(3) status by the IRS (1992, 1999).
- Registered with Dun & Bradstreet (1992).
- Qualified by Better Business Bureau as a Charitable Organization (1999).
- Four-Star rating with Charity Navigator, America's largest independent charity evaluator.
- Received a positive opinion from the U.S. Department of Health and Human Services Inspector General (2002).
- Received a positive opinion from CMS to assist Medicare Part D recipients with "Donut Hole" expenses (2004).
- Approved IRS "Facts and Circumstances" determination (2004).
- PSI's work affirmed in HHS Office of the Inspector General Advisory Bulletin (2005).
- Awarded the State Pharmaceutical Assistance Program (SPAP) for Virginia and offers Medicare Part D direct assistance counting toward TrOOP assistance to HIV/AIDS patients.
- Developed public-private partnerships with state drug assistance programs beginning in 1996. Provide premium assistance programs with VA, SC, PA and KY. PSI is VA's SPAP for their HIV/AIDS program.
- Provide Social Security and disability representation to patients in addition to helping patients navigate and obtain Medicare/SSDI through the PSI A.C.C.E.S.S.® Program.
- Became a GuideStar Silver Preferred Member for being a leading symbol of transparency and accountability (October 2013).
- Pioneer in patient assistance field.

"Making the gift of health a lifetime benefit"®



PSI[®]

Patient Services, Inc.

P.O. Box 5930 • Midlothian, VA 23112
800.366.7741 • www.patientservicesinc.org