



2024 ANNUAL REPORT

PROVIDING HOPE AND REBUILDING LIVES.



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Summary

A MESSAGE FROM THE PRESIDENT AND LEADERSHIP

THE FUTURE OF PARKDALE CENTER

As we reflect on the past year, we are filled with gratitude and a renewed sense of purpose in our mission to provide hope, healing, and recovery to those struggling with addiction and substance use disorders. At Parkdale Center, our unwavering commitment to compassionate, evidence-based care continues to transform lives, restore families, and strengthen communities.

This year has been one of growth, innovation, and resilience. We have expanded our services, embraced new therapeutic approaches, and deepened our partnerships with healthcare providers, community organizations, and advocacy groups. Our dedicated team has remained at the heart of our success—delivering life-changing care with empathy, expertise, and dedication.

We are incredibly proud of the lives we have touched, the milestones our clients have achieved, and the support networks we have fostered. Recovery is a journey, and we are honored to walk alongside those who entrust us with their healing. As we move forward, we remain committed to breaking the stigma of addiction, advancing best practices in treatment, and advocating for accessible, high-quality care for all who need it.

Thank you to our staff, partners, and community members. Your support fuels our mission and strengthens our resolve. Together, we will continue to make a lasting impact, one life at a time.



With gratitude and commitment,

Rodrigo Garcia

*MBA, APN-BC, MSN, CRNA
Chief Executive Officer*

*David Cummins, MD, FASAM
Chief Medical Officer*

*Claudia Garcia, MBA, BSN, RN, CADA II, LAC
Chief Operations Officer*

SUMMARY OF NATIONAL RESEARCH

The article *"Internet-based, continuously available Narcotics Anonymous meetings: a new resource for access to Twelve Step support for abstinence"* by Marc Galanter, William L. White, Brooke Hunter, and Jag Khalsa explores the emergence and impact of online Narcotics Anonymous (NA) meetings as a supplement to traditional in-person Twelve Step programs. The authors highlight how internet-based NA meetings provide a continuously accessible platform for individuals seeking recovery support, particularly those facing barriers to attending physical meetings, such as geographic limitations, health issues, or social stigma.

KEY POINTS DISCUSSED IN THE ARTICLE INCLUDE:

- * **Increased Accessibility:** Online NA meetings offer a way for individuals to engage in recovery support at any time, removing traditional constraints related to location and availability.
- * **Continuity of Support:** The ability to access meetings 24/7 enhances continuity in recovery by allowing individuals to receive support when they need it most.
- * **Technological Adaptation:** The rise of digital platforms for NA meetings reflects an evolution in addiction recovery support, accommodating a broader and more diverse group of participants.
- * **Potential Benefits and Challenges:** While online meetings improve accessibility, they may lack.

Overall, the article underscores the importance of integrating online recovery resources into traditional Twelve-step frameworks to expand access to support for individuals struggling with substance use disorders.

Reference

Galanter, M., White, W. L., Hunter, B., & Khalsa, J. (2024). *Internet-based, continuously available Narcotics Anonymous meetings: a new resource for access to Twelve Step support for abstinence*. *The American Journal of Drug and Alcohol Abuse*, 50(3), 321–327. <https://doi.org/10.1080/00952990.2024.2309648>

PARKDALE CENTER: AN ANSWER TO THE STUDY

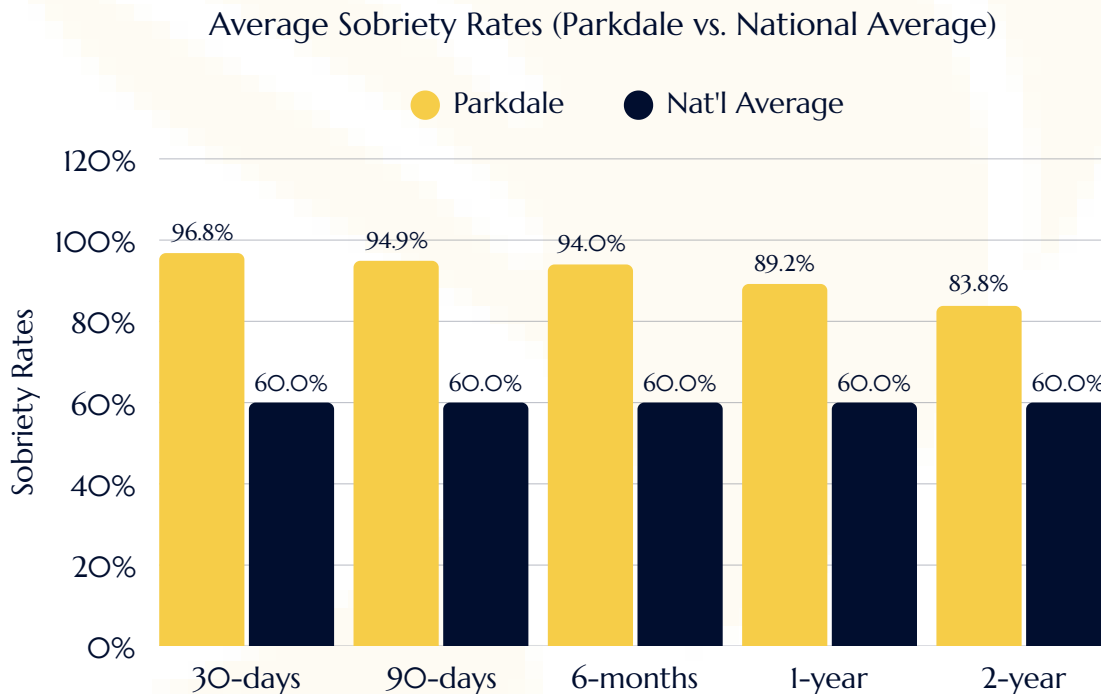
Since 2020, Parkdale Center has been breaking new ground in providing sobriety support to a community of individuals in need. While internet-based counseling and support groups are not new, they have become increasingly popular among professionals in high-accountability roles who are recovering from substance use disorders and addiction. Parkdale Center offers tele-counseling and support groups

through its Intensive **Outpatient Program (IOP)** and **Outpatient Program (OP)**, providing flexible and accessible treatment options.

SOBRIETY SURVEY

Each year, Parkdale Center conducts an **Annual Sobriety Survey** to assess the effectiveness of post-treatment support in sustaining long-term recovery. In 2024, the center evaluated the success of its recovery pathways by tracking participants in its **PHP, IOP, and OP**. Surveys were distributed to all individuals who received services between 2021 and 2024, helping to measure program impact and improve treatment outcomes. There was a 16% return rate, which is better than the national average for surveys. Parkdale is committed to exploring ways to increase this response rate each year to provide a broader dataset for evaluation.

For illustrative purposes, in this 2024 Annual Report we compared Parkdale's sobriety rates to the national average sobriety rates, which are estimated to range between 40% and 60%, according to the National Institutes of Health. The more favorable Parkdale sobriety rates, even when compared to the highest end of the national estimated average, suggests that Parkdale patients who complete the continuum of care (PHP, IOP, Aftercare/Individual Counseling) are positioned to achieve far better sobriety outcomes.

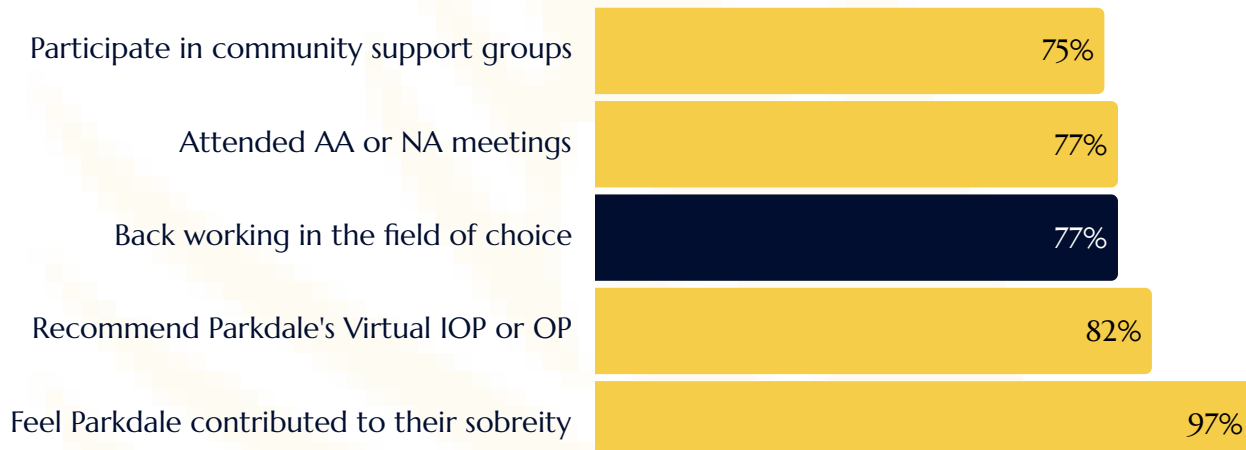


(a) Parkdale's sobriety rates are the average of four years of sobriety reports. All timeframes represent the time from the patient was discharged from Parkdale's PHP or IOP Programming.

(b) National Average Sobriety Rates, based on the best available data, are estimated to be between 40% & 60%.

The three key factors reported in maintaining sober living were social support, community support, and an affiliation with a 12-step organization, such as AA and/or NA. Parkdale Center recognizes that support groups provide many benefits that contribute to maintaining sobriety.

Results of Other Questions Asked in the Sobriety Survey



Reference

NIDA. 2020, July 6. *Treatment and Recovery*. Retrieved from <https://nida.nih.gov/publications/drugs-brains-behavior-science-addiction/treatment-recovery> on 2025, March 29

COMMUNITY OUTREACH AND EDUCATION

In 2024, Parkdale participated in over 100 conferences and community outreach initiatives. Parkdale Center believes community outreach is essential to addiction and substance use disorder (SUD) programming because it helps bridge the gap between individuals struggling with addiction and the resources they need. Furthermore, many individuals and families lack knowledge about addiction, treatment options, and harm reduction strategies. Parkdale's robust outreach efforts help dispel myths and provide evidence-based education about SUD. Lastly, Parkdale's effective outreach efforts involve partnerships between healthcare providers, law enforcement, social services, and community organizations. This collaborative approach strengthens the overall support network for those in recovery. A few of our outreach programs are listed below.

Jan 8, 2024: Northern Illinois Employee Assistance Professionals Association (NIEAPA).

Feb 15, 2024: Employee Assistance Professionals Association Indiana, (EAPA Indiana 01).

Mar 6, 2024: Judges and Lawyers Assistance Program (JLAP) Staff, Indianapolis, IN.

Apr 9, 2024: Women's Mental Health Professional Alliance Networking Event, Oakbrook, IL

May 28, 2024: Family Concern Counseling, Valparaiso, IN.

Jul 18, 2024: MAAC Foundation Committee Mental Health Initiative Meeting, Valparaiso, IN.

Aug 14, 2024: Northern IN Mental Health & Addictions Professionals Luncheon, Fort Wayne, IN.

Sep 4, 2024: Office of the Mayor Staff, Portage, IN.

Oct 10, 2024: Porter County Community Foundation/Hub Coalition Event, Valparaiso, IN.

Nov 15, 2024: Addiction & Mental Health Coffee Connections Event, Indianapolis, IN.

Dec 13, 2024: Indiana Mental Health and Addiction Symposium 2024.

QUALITY OUTCOMES AND INFORMATION TECHNOLOGY REPORT

The Quality Management Program at Parkdale Center systematically identifies key performance indicators across functional areas that influence operational effectiveness. It then develops the Utilization Management Project Plan to guide improvement initiatives for the upcoming year. Throughout 2024, these indicators were continuously monitored, analyzed for emerging trends and potential barriers, and addressed through strategic interventions to enhance performance.

This annual evaluation provides a detailed assessment of each goal and sub-goal, including completion status and recommendations for continued integration into the 2025 Quality Plan. Insights derived from this evaluation, combined with broader strategic planning efforts, will inform the development of the 2023-2025 Quality Plan to drive sustained organizational excellence.

Parkdale Center upholds the philosophy that enhancing patient satisfaction fosters greater adherence to medically prescribed regimens, ultimately improving health outcomes and supporting long-term recovery.

2024 Patient Satisfaction Survey Highlights: IOP and OP Programming

The Parkdale Team is dedicated to delivering exceptional care, as reflected in our 2024 patient satisfaction data for both our Intensive Outpatient Program (IOP) and Outpatient Program (OP). Our commitment to excellence is evidenced in the overwhelmingly positive feedback from our patients.

KEY PATIENT SATISFACTION ACHIEVEMENTS IN IOP AND OP:

* Intensive Outpatient Program (IOP):

Patients consistently rated their experiences at 98–100% across all categories, highlighting our excellence in:

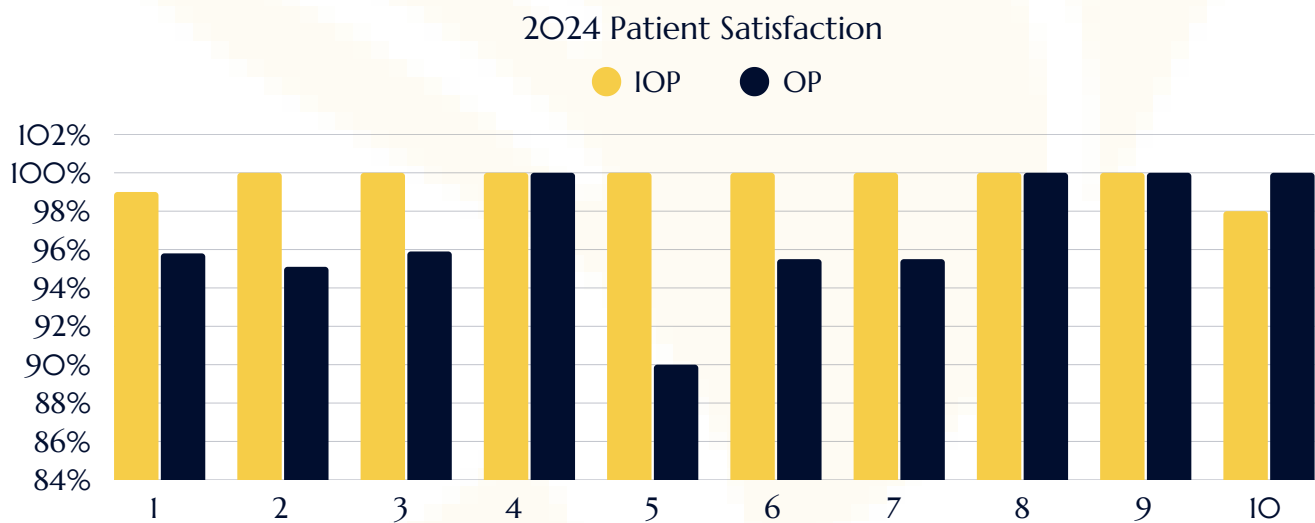
- Admission processes and clarity of information
- Staff courtesy and professionalism
- Effectiveness of tele-counseling
- Therapist attentiveness and support
- Patient involvement in treatment planning
- Tele-counseling for IOP and overall program quality received a perfect 100%

* Outpatient Program (OP):

While scores were slightly lower, they remained strong at 90–100%, with notable highlights:

- Tele-counseling for OP and overall program quality received a perfect 100%
- Therapist attentiveness scored the lowest but remained high at 90%

Both programs earned outstanding recommendations, with 98% of IOP patients and 100% of OP patients stating they would refer others to our services. This powerful endorsement underscores the impact and effectiveness of our programs in supporting patient recovery. At Parkdale Center, we remain committed to delivering the highest standard of care and continuously enhancing our services to meet the needs of those we serve.



1. During my admission, the process was explained to me in a clear concise manner.
2. During my admission, I received patient information about program expectations.
3. The admission staff was kind & courteous.
4. The Tele-counseling was convenient & met my needs
5. The therapist genuinely listens to my concerns.

6. I was involved in my Master Treatment Plan.
7. The administration team genuinely listens to my concerns
8. I am an active participant of my treatment program.
9. The quality of the IOP programming was very good.
10. I would recommend Parkdale Center to my friends & family

2024 Patient Satisfaction Survey Highlights:

PHP The 2024 patient satisfaction data for our Partial Hospitalization Program (PHP) at Parkdale Center reflects exceptional patient experiences across all aspects of the program. We are proud to share the following highlights:

KEY PATIENT SATISFACTION ACHIEVEMENTS IN PHP:

* Admission Experience:

100% of patients reported that the admission process was clear, concise, and well-organized. They felt well-informed with the necessary materials, including handbooks, and praised our admission staff for their kindness and courtesy, fostering confidence in the process.

* Safety and Engagement:

An impressive 97% of patients felt safe and secure in the program, with 100% feeling actively engaged in their treatment plans. This underscores our commitment to patient empowerment and individualized care tailored to meet their needs.

* Staff Attentiveness:

Our therapists received a remarkable 97% rating for attentiveness, while doctors earned a perfect 100% for truly listening to patient concerns. Additionally, our administrative team also achieved a perfect score in this area, further reinforcing the high level of care across all departments.

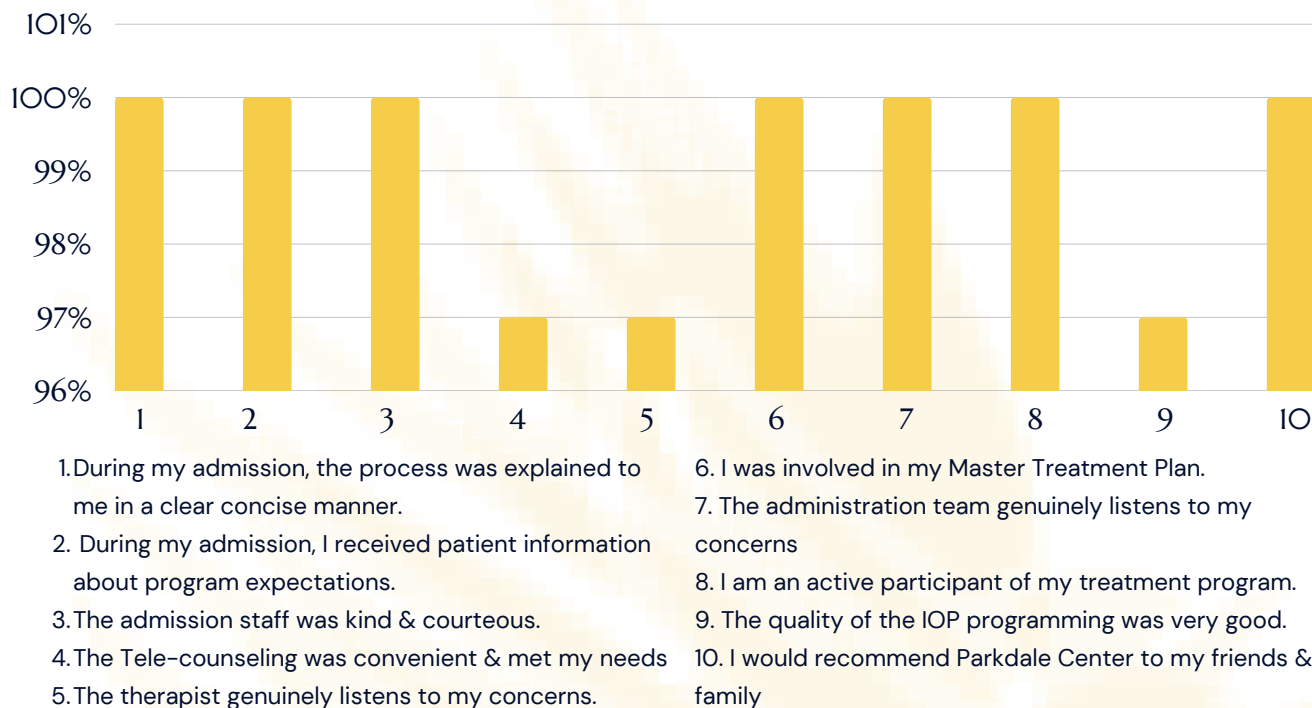
* Patient Recommendation:

A 100% recommendation rate confirms that every surveyed patient would recommend the PHP program to friends and family, highlighting the trust and satisfaction they place in our services.

Overall Patient Satisfaction Insights:

The data reveals exceptionally high patient satisfaction across all program areas, with minor opportunities for improvement in perceived safety and therapist attentiveness. We are committed to addressing these areas to continue providing the highest quality of care and support for our patients.

PHP



2024 Employee Engagement Survey

The Employee Engagement Survey has been conducted annually since 2016, with responses collected anonymously via email. The goal is to achieve a response rate of 75%. In 2024, the survey had a response rate of 86.7%, down from 100% in 2023, but up from 71.4% in 2022. The target for both the Employee Engagement Index and LEAD Index is 3.5. In 2024, the Engagement Index was 3.4 and the LEAD Index was 3.3, falling short of the benchmark. In 2023, both indices were above the target, with the Engagement Index at 3.7 and the LEAD Index at 3.4.

SURVERY HIGHLIGHTS:

* Interpersonal Relationship with Administration:

100% of respondents in 2024 were satisfied with their relationships with administration, surpassing the 95% target (94% in 2023 and 2022).

* Communication from Administration:

78% of respondents in 2024 felt satisfied with communication from administration, short of the 95% target (80% in 2023 and 66.67% in 2022).

* Relationships with Co-workers:

100% satisfaction in all three years, meeting the 95% target.

* Contribution to Organizational Goals:

100% of employees in all three years agreed their work contributed to organizational goals, meeting the 95% target.

* Job Alignment:

100% of employees in 2024 and 2023 (up from 93% in 2022) agreed they were doing the job they were hired for, meeting the 95% target.

* Job Satisfaction:

100% of employees in 2024, 2023, and 2022 were satisfied with their jobs, meeting the 95% target.

* Compensation and Pay:

This question did not meet the 95% target in any year (2022, 2023, or 2024), with 76% satisfaction in 2024, a decrease from 80% in 2023 and 85% in 2022.

* Organizational Culture:

192% of employees in 2024 and 80% in 2022 were satisfied with the culture, falling short of the 95% goal. 100% satisfaction was recorded in 2023.

* Mission, Vision, and Values:

92% of respondents in 2024 felt the organization operated according to its mission, vision, and values, a decrease from 100% in 2023.

* Recommendation to Others:

100% of respondents in all three years would recommend the organization to friends and family, consistently meeting the 95% target.

Summary: Overall, while most questions met the 95% satisfaction goal, areas such as compensation and pay, communication, and organizational culture showed some room for improvement. The response rates and satisfaction levels generally reflect strong employee engagement, but attention to specific concerns could help achieve higher overall satisfaction in future surveys.

HUMAN RESOURCE REPORT

Parkdale remains committed to rewarding, recognizing, and competitively compensating employees. Attracting and retaining qualified talent is a challenge that continues to persist in the healthcare industry. Thanks to Parkdale's strong total compensation package compared to the local market and the addiction treatment industry and a Leadership Team that proactively plans for staffing contingencies, Parkdale continues to responsibly navigate the industry-wide healthcare staffing challenges.

In 2024, for the fifth consecutive year, Parkdale Center awarded staff an aggregate total of approximately \$10,000 in bonuses and holiday gifts.

In 2024, Parkdale continued offering a 401(k) retirement plan, group health insurance (including dental, vision, life, short-term & long-term disability, and AD&D), paid time off, and professional development reimbursement opportunities to eligible employees. Details of some of these benefits offered in 2024 are described below.

- Parkdale offered a maximum 80% match on up to 5% of an employee's elected salary deferral into the retirement plan. For example, if an employee contributes 5% of their salary, Parkdale will contribute 4% of that employee's salary to their retirement plan. In 2024, Parkdale made over \$15,000 of matching contributions to employee retirement plans, up ~26% from 2023. Approximately 57% of eligible employees participated in Parkdale's 401(k) Plan, up ~26% from the 2023 participation rate of ~45%.
- Parkdale continued contributing to the cost of employees' health insurance premiums by covering 50% of employee-only coverage.
- At the request of many employees in the fourth quarter of 2024, Parkdale plans to offer a high-deductible health insurance plan in 2025 to lower monthly premiums and provide employees with the option to capture the tax benefits of using an HSA (Health Savings Account).
- Parkdale continued providing a flexible paid-time-off policy.
- Parkdale continued encouraging employees to participate in the company's Professional Development Expense Reimbursement Program to help offset costs to maintain education, training, or licensure costs required to retain professional certifications.

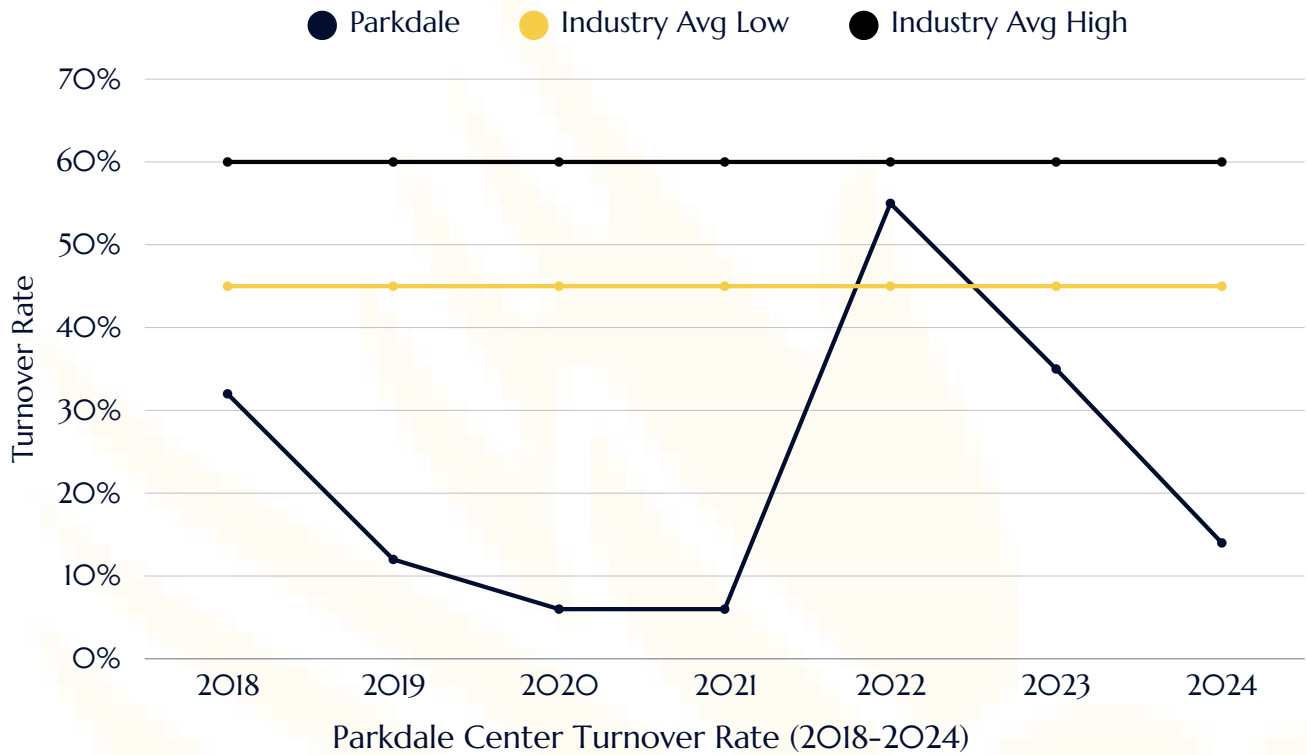
Employers' total benefit packages continue to be an important talent attraction and retention tool in the healthcare industry. Parkdale understands this competitive environment and remains committed to annually evaluating the company's total benefits package and modifying it as appropriate.

Vacancy:

On 12/31/24, for the fifth consecutive year, Parkdale's vacancy rate was 0%, meaning there were zero vacant positions for current needs. A consistently low vacancy rate demonstrates Parkdale's ability to anticipate staffing changes and address needs proactively.

Turnover:

In 2024, Parkdale's turnover rate returned to a more typical rate (for Parkdale) of 14%, down from a company high of 55% in 2022 and 35% in 2023. As illustrated in the chart below, Parkdale continues to considerably outperform the industry's average turnover rate.



The average turnover rate in the industry, according to a September 2022 article from the National Association of Addiction Treatment Providers(a) and based on the best information available to Parkdale at the time, is estimated to be between 30% – 60%.

1. Growing a strong, well-performing company-wide team with a turnover rate that consistently outperforms the addiction treatment center industry.
2. Ongoing evaluation of when and how to expand clinical, administrative, and professional staffing.
3. Building a culture that emphasizes regular, transparent communication between staff and leadership.
4. Providing staff with professional development opportunities that pertain to their roles and responsibilities within the organization

Reference

<https://www.naatp.org/resources/blog/workforce-turnover-substance-use-disorder-organizations-why-it%E2%80%99s-happening-and-how>

FINANCE REPORT

Patient Services Provided

In 2024, Parkdale provided patient services in five key areas:

- 1) Evaluations (initial and back-to-work)
- 2) PHP (Partial Hospitalization Program)
- 3) IOP (Intensive Outpatient Program)
- 4) Aftercare
- 5) Individual Counseling

Considering all service lines, Parkdale served 14% more distinct patients in 2024 than 2023 (255 in '24 vs 224 in '23). The 255 distinct patients served in 2024 represent a 64% growth from the 155 distinct patients served in 2021.

The growth in the number of distinct patients served mirrors the growth in PHP patients because nearly all IOP patients first went through Parkdale's PHP program. (That is, there were only a few distinct patients who participated only in IOP in 2021).

Patients Served: PHP

In 2024, the number of patients served in PHP modestly decreased by 3% compared to 2023 (from 137 in '23 to 133 in '24). This reduction is a result of Parkdale's efforts to diversify its revenue streams across all service lines as well as consumers having less financial flexibility (than years past) to afford treatment. Parkdale Leadership considers the number of PHP served remaining relatively flat in 2024 a success given how the economy's inflationary pressures adversely impact patient's ability to afford treatment – even with insurance.

Patients Served: IOP

Parkdale served 17.5% more patients across all IOP Programs in 2024 than 2023 (141 in '24 vs 120 in '23). On-site IOP patients served increased by 13% (from 80 in '23 to 90 in '24). Virtual IOP patients increased by 28% (from 40 in '23 to 51 in '24).

Parkdale anticipates the virtual IOP service line to continue growing faster than on-site IOP, especially once Indiana's interstate compact for mental health services opens up.

Patients Served: Aftercare

The number of patients served in Aftercare remained steady from 2023 to 2024, with 55 patients each year. Parkdale does not anticipate strong growth from the Aftercare service line because many patients are instead electing to receive Individual Counseling.

Parkdale strongly encourages patients to complete the ‘continuum of care’ by participating in an Aftercare program for at least one year after successfully completing the PHP and IOP programs. (The one-year recommendation is because the first year after treatment is evidenced to be the period of highest relapse risk).

Patients Served: Individual Counseling

Parkdale served 85% more patients for Individual Counseling in 2024 compared to 2023 (89 in ‘24 vs. 48 in ‘23). Individual Counseling, for the second consecutive year, remains Parkdale’s fastest-growing service line. More details on the growth of Parkdale’s Individual Counseling is discussed in the revenue analysis below.

Payor Mix

Parkdale evaluates its payor mix using two approaches. The first approach, termed the ‘All Services Payor Mix’ looks at the payor mix for all services Parkdale provides, including medical services and additional non-medical services, including fees for structured living, professional advocacy, and family support services.

As evidenced by the All-Services Payor Mix chart below, in 2024 Parkdale’s payor mix was 65% insurance and 35% private pay. This is a slight difference from 2023 when the payor mix was 62% insurance and 38% private pay. The trend towards a larger percentage of payments coming from insurance payors, especially Anthem (30.7% in 2023 vs. 36.7% in 2024), is influenced by relationships Parkdale continues to develop with employers, unions, and other professional associations whose members are covered by Anthem.

CHART: PAYOR MIX FOR ALL SERVICES

PAYOR	FACILITY NETWORK STATUS	2023	2024	VARIANCE
ANTHEM	IN	30.7%	36.7%	6.0%
PRIVATE PAY	N/A	38.0%	35.5%	-2.4%
UHC	IN	13.9%	10.5%	-3.4%
ALL OTHERS	VARIES	7.6%	7.4%	-0.3%
CIGNA	IN	2.4%	3.1%	0.6%
AETNA	OUT	3.1%	2.4%	-0.7%
TRI-CARE	IN	1.9%	2.1%	0.2%
COMMUNITY HEALTH	IN	1.8%	1.3%	-0.5%
IU HEALTH	IN	0.6%	1.0%	0.4%

As evidenced in the chart below, Parkdale’s Medical Service Only Payor Mix is more heavily reliant on insurance payors (83% insurance; 17% private pay) compared to the All Services Payor

Mix, which is 65% insurance and 35% private pay. This distinction between the two approaches of evaluating payor mix demonstrates the Parkdale Leadership's Team effort to reduce the risk of relying heavily on insurance payors.

CHART: PAYOR MIX FOR MEDICAL SERVICES ONLY

PAYOR	FACILITY NETWORK STATUS	2023	2024	VARIANCE
ANTHEM	IN	39.8%	47.4%	7.7%
PRIVATE PAY	N/A	19.7%	16.7%	-2.9%
UHC	IN	18.0%	13.6%	-4.4%
ALL OTHERS	VARIES	9.9%	9.5%	-0.4%
CIGNA	IN	3.1%	3.9%	0.8%
AETNA	OUT	4.0%	3.0%	-0.9%
TRI-CARE	IN	2.5%	2.7%	0.3%
COMMUNITY HEALTH	IN	2.3%	1.7%	-0.7%
IU HEALTH	IN	0.8%	1.3%	0.5%

A final point of analysis on Parkdale's Payor mix considers the percentage of total insurance revenue that comes from each insurance company. The chart below provides this breakdown. The increased reliance on Anthem as an insurance payor is, as mentioned previously in this section, is driven by the Parkdale's strategic relationships with employers, unions, and other professional associations whose members are covered by Anthem.

CHART: PERCENT OF TOTAL INSURANCE REVENUE BY INSURANCE PAYOR

PAYOR	FACILITY NETWORK STATUS	% OF ALL INSURANCE IN 2023	% OF ALL INSURANCE IN 2024	VARIANCE
ANTHEM	IN	49.5%	57.0%	7.5%
UHC	IN	22.4%	16.3%	-6.1%
ALL OTHERS	VARIES	12.3%	11.4%	0.9%
CIGNA	IN	3.9%	4.7%	0.8%
AETNA	OUT	4.9%	3.7%	-1.3%
TRI-CARE	IN	3.1%	3.3%	0.2%
COMMUNITY HEALTH	IN	2.9%	2.0%	-0.9%
IU HEALTH	IN	1.0%	1.6%	0.6%

Parkdale continually monitors its insurance payor mix and is working to diversify it by going in-network with more insurance companies. However, given the prominence of Anthem's insurance network in the United States, Anthem will likely remain the largest insurance payor for medical services provided by Parkdale for the foreseeable future. Recognizing this, Parkdale Leadership has emphasized growing value-added non-medical services, such as structured living, professional advocacy, and family support services, to reduce some of the reliance on a single payor.

Revenue Performance (all data based on accrual):

In 2024, Parkdale Center increased its annual revenue by ~6% over 2023, achieving its highest annual revenue since opening in 2015. Parkdale exceeded its 2024 budgeted revenue expectations by ~4%.

Individual Counseling is Parkdale's fastest growing service line. In 2024, Virtual Individual Counseling grew ~305% while In Person Individual Counseling grew ~133%, compared to 2023. The affordability and ease of access to virtual counseling sessions is proving a draw for many new patients. Such growth is reflective of the broader theme embraced by US consumers that emphasizes affordability and staying at home.

Combined, Parkdale's PHP and on-site IOP programs remained Parkdale's top revenue-producing service lines and generated ~4% more revenue in 2024 vs 2023.

Net Operating Income Performance:

In 2024, Parkdale Center's unadjusted net operating income was down by ~4% compared to 2023. On an adjusted, normalized basis, after backing out one-time restructuring costs, Parkdale increased its net operating income by ~15% compared to 2023.

Parkdale's 2024 normalized net operating income was within 1% of expectations. Achieving this Earnings performance in the face of economic pressures, including rising labor and insurance costs, shifting consumer behavior toward less spending, and limited increases in contracted rates with insurance payors, is a testimony to Parkdale's ongoing emphasis on prudent fiscal management and good planning.

Key Financial Improvements and Plans:

Parkdale's Finance Team remains committed to continuously improving and streamlining its billing, collection, receivable, and expense management and reporting functions through talent acquisition, talent development, ongoing training, and embracing new technology solutions.

In the second quarter of 2024, Parkdale hired a part-time Senior Accountant to assist with the growing complexities associated with internal and external financial reporting and analysis.

In 2025, the finance team's focus will be on streamlining accounts receivable management and reporting by leveraging technology resources and creating automated systems and processes to identify accounts that need attention more quickly.

Parkdale continues to emphasize investing in its facilities and infrastructure with the goal of providing patients with the best possible environment for recovery. Since opening in 2015, Parkdale has invested ~\$600k into facility improvements, including ~\$120k in 2024. Parkdale does not anticipate any significant improvements in 2025.

TECHNOLOGY IMPROVEMENTS

In 2024, Parkdale Center initiated a comprehensive technology upgrade to enhance operational efficiency, improve employee productivity, and better serve our patients. This report outlines the key components of the technology upgrade, the rationale for the improvements, the implementation process, and the outcomes achieved.

The main objectives of the 2024 technology focused on improving:

1. Operational Efficiency: Streamline workflows and reduce manual tasks.
2. Data Security: Implement stronger security measures to further protect sensitive information.
3. Employee Tools: Utilize more effective software and hardware to support employees' work.
4. Patient Experience: Strengthen patient-facing platforms to promote a more user-friendly experience.

Key Technology Upgrades:

1. Software:

* Improved Revenue Cycle Software:

Expanding on the new billing system implemented in 2022, in 2024, Parkdale improved its revenue cycle reporting capabilities, real-time data synchronization, and easier integration with other business tools.

* Customer Relationship Management (CRM) Software:

In 2024, Parkdale implemented the CRM segment of its EMR to better track patient interactions, manage the patient pipeline, and strengthen communication channels and documentation.

* Project Management Software:

Utilization of this segment of Parkdale's EMR was initiated in 2024 to promote more efficient task management, collaboration, and time tracking across departments.

2. Cybersecurity:

* New Firewall Implementation:

Deployment of a next-gen firewall system to better protect against external threats.

* Encryption Software:

Installed end-to-end encryption software for sensitive communication and file storage.

* Multi-Factor Authentication:

Rolled out multi-factor authentication across critical software platforms for added security.

3. Website and E-Commerce Platform:

* Website Enhancements:

Improved user interface (UI) and user experience (UX) design for amore intuitive navigation experience.

* E-commerce Platform Upgrade:

Expanded use of patient online payment system within EMR to improve functionality, payment security, and enable better customer data tracking.

Summary: The technology upgrades in 2024 were a significant step forward for Parkdale Center, enhancing our ability to serve patients and support employees. The improvements in efficiency, security, and overall performance will position Parkdale for continued growth and success.

INFRASTRUCTURE IMPROVEMENT REPORT

Healthcare facilities must maintain their property and equipment to ensure patient safety, operational efficiency, and regulatory compliance. Proper maintenance reduces the risk of equipment or other malfunctions that could lead to delays in care or compromised patient outcomes. Parkdale Center believes a well-maintained facility creates a safe and hygienic environment, minimizing infection risks and enhancing overall patient and staff well-being. Additionally, following maintenance protocols helps Parkdale Center comply with accreditation standards and legal requirements, preventing potential fines or liabilities. Regular upkeep also extends the lifespan of equipment and infrastructure, reducing long-term costs and promoting uninterrupted, high-quality patient care.

Below are a few key improvements facilitated by John Woods, Parkdale's Manager of Facilities.

- All drives and parking lots were repaved and upgraded with new striping and curbs.
- Rewired lift station alarm system to improve reliability and signaling.

- All drives and parking lots were repaved and upgraded with new striping and curbs.
- Media computer and screen improvements. New PCs for lectures, groups, Zoom Workplace, and Teams Remote sessions. Additional and improved camera/audio systems.
- New high-speed intranet system switch added to Genesis increasing speeds and reliability for equipment in counseling building.
- Whole House surge protection added to all 3 Utility panels.
- Two house water heaters upgraded to increase supply and reduce energy consumption.
- Replaced all forced air ductwork in original house building for better quality
- Completion of the changeover to LED lighting complete. Fixtures in basement replaced to accept the LED systems.
- Upgraded emergency lighting in extreme weather shelter area for power outages.
- Acquired and refinished additional office spaces for individual counselors.
- Upgraded main office printer/fax/scanner/copier; old main office printer system was moved to IOP office.

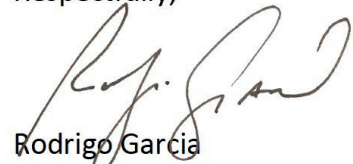
SUMMARY

The previous three have been a rollercoaster of increased demand for addiction treatment, rehabilitation services, stringent infectious disease control measures, staffing concerns, while maintaining the highest CARF accreditation standards. Despite all the challenges, Parkdale Center received another 3-year accreditation for PHP, IOP and OP programs. This is not surprising since for the past 8 years, Parkdale Center provided services that engage, stabilize, prepare people to rejoin society, and mend the broken pieces with parents, spouses, children, co-workers, and their communities.

We are proud of our contribution to the health and well-being of thousands of dedicated professionals and highly accountable adults. We're equally proud of the innovative enhancements to the evidence-based treatment models we offer and the community partners that share our mission, vision, and values. Our approach to treatment and recovery recognizes that addiction is a chronically relapsing disorder and that providing social support is essential for long-term recovery. This belief is seen in our high 1-year and over 1-year sobriety rates.

As the CEO and President of Parkdale Center, I would like to thank all of those who have continued believing, giving, and supporting us during these unprecedented times. I look forward to working with each of you as we continue to grow and develop new relationships and appreciation with each other and the patients we serve.

Respectfully,



Rodrigo Garcia
CEO and President
Parkdale Center, LLC