

Risk Management is a discipline for dealing with the possibility that some future event will cause harm.

Responsible financial managers will seek to answer these questions:

- *What could go wrong?*
- *What will we do?*
- *How will we pay for it?*

Risk management tools such as insurance are used to protect against unexpected large expenses.

General statistics show that;

The likelihood of a fire is 1 in 200

The likelihood of a car accident 1 in 14

The likelihood of a person becoming addicted to a substance and needing substance abuse treatment is 1 in 10

Most health insurance programs do not cover the costs of addiction treatment.

That is why Guest House developed the Cost Assurance program. Membership protects you from the high costs of quality residential treatment to treat those individuals in need.



COST ASSURANCE PROGRAM (CAP)

Reduce your financial risk during these uncertain financial times!

The CAP program is designed to minimize your financial risk and reduce the costs associated with treatment for priests, sisters or other vowed religious who develop alcoholism or chemical addictions. (It is estimated that 1 in 10 people will develop life threatening addictions to alcohol or drugs.)

How it Works:

A five year contract is entered into with your diocese / community and Guest House. During the 5 year period the CAP membership entitles you to send any number of members to Guest House for substance abuse treatment. (Travel and medical expenses are not covered.)

Membership costs are calculated based on the number of priests / sisters in your diocese / community and the current CAP membership rate per individual. The rate per individual is fixed for the duration of the 5 year contract. The current membership rate is \$ 9.78 per member.

For example, if you had 50 priests or sisters in your diocese / community, the cost would be calculated as follows: 50 people X \$ 9.78 per person equals a monthly payment of \$489 for a CAP membership.

Advantages:

- † Financially, the costs of treatment will be allocated monthly. This helps with budgeting concerns and avoids large unexpected expenses down the road.
- † Enjoy peace of mind knowing that members will be receiving the high quality treatment services that Guest House is known for. In fact, Guest House has successfully treated more priests, sisters, brothers and religious than any other single organization. Our longevity and experience translates to the best chances of success for your members.
- † Unlimited usage during the five year contract.

How to get started:

Simply fill out the agreement using the sample agreement provided. Provide a list of covered members that includes name, birthdates and the last four digits of the social security number. Include a check for a minimum of one month's membership fees. Send the completed items to: Guest House Attn. Ron Keller 1601 Joslyn Road, Lake Orion, MI 48360. You will receive a signed copy of the agreement after your agreement is processed. If you have any questions call 1 800 626-6910.

AGREEMENT

THIS AGREEMENT is entered into this 1st day of February, 2010 by and between GUEST HOUSE, INC. a Michigan nonprofit corporation with offices in Lake Orion, Michigan and Rochester Minnesota having its principal office at 1601 Joslyn Road, Lake Orion, Michigan 48360 (hereinafter Guest House) and ABC Diocese.

WHEREAS, Guest House provides residential treatment services for Catholic clergy and religious suffering from alcoholism and other addictions to members of the ABC Diocese; and WHEREAS, the ABC Diocese has a need for services for its members; NOW, THEREFORE, in consideration of the mutual promises more particularly set forth herein, the above Parties have entered into this Agreement, agreeing as follows:

1. Guest House will provide primary care residential alcoholism and other addiction services by its staff at its location to the registered members of ABC Diocese who meet the Guest House criteria for admission during the term of this Agreement. A registered member is on the list submitted by ABC Diocese, with the name, date of birth and social security number for each registered member.

The following services are included:

- A. Private room and meals
- B. Individual addiction therapy
- C. Group interactive counseling
- D. Group didactic therapy
- E. Psychological evaluation
- F. Individual psychotherapy
- G. Exercise program services
- H. Nursing services
- I. Recreational activities
- J. Local transportation
- K. Local telephone service
- L. One re-entry visit to local community
- M. After care counseling as indicated
- N. Admitting routine laboratory services
- O. Assessment and evaluation services for alcoholism and other addictions on a residential basis
- P. Dietary consultation services
- Q. Services of the staff addictionologist
- R. Admitting history and physical examination

The following items are excluded and billed separately:

- A. Transportation to and from local community
- B. Medical services provided off-site from the facility
- C. Psychiatric and psychological services provided off-site from the facility
- D. Ambulance services
- E. Pharmaceutical services
- F. Additional re-entry services
- G. Extended care program services
- H. Non-routine laboratory services

The client (patient) shall be billed separately and be responsible for non-medical excluded items including transportation, long distance telephone calls, and other personal items.

2. In consideration for the services provided by Guest House, the ABC Diocese agrees to pay Guest House at the rate of \$ 9.78 per month, multiplied by the number of registered members, for the five years of this Agreement. The number of registered members can be increased or decreased monthly, by notifying the Guest House Accounting department with the name, date of birth and social security number of the person added or deleted from membership.

The payment is to be made in a check drawn on a chartered bank in the United States on or before the first day of each month. The ABC Diocese also will pay separately for any of the excluded items listed above which are provided to its members. Guest House will bill for these services monthly.

3. **Complete Agreement.** This written Agreement reflects the complete Agreement between the parties. Any previous written, oral or implied contractual relationship, including the Gift or Promise Programs, between the parties is superseded by this Agreement. The terms of this Agreement may be amended only by written Agreement signed by Guest House's Chief Executive Officer or its delegate and the representative of the ABC Diocese authorized to execute agreements on its behalf.

4. **Term of Agreement.** This Agreement shall expire on the 31st day of January in the year 2015 and is not terminable before then. This Agreement will be automatically renewed for successive five year terms, and the membership fee in effect at that time, unless one party at least 90 days prior to expiration of a term gives the other party written notice that the Agreement will not be renewed.

5. In the event that either party becomes insolvent, discontinues its operations, and goes out of business, this Agreement will be null and void as of date with no further obligation by either party.

GUEST HOUSE, INC.

ABC Diocese

AUTHORIZED

BY: _____

TITLE: _____

DATE: _____

AUTHORIZED

BY: _____

TITLE: _____

DATE: _____

AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, _____ by and between GUEST HOUSE, INC. a Michigan nonprofit corporation with offices in Lake Orion, Michigan and Rochester Minnesota having its principal office at 1601 Joslyn Road, Lake Orion, Michigan 48360 (hereinafter Guest House) and _____.

WHEREAS, Guest House provides residential treatment services for Catholic clergy and religious suffering from alcoholism and other addictions to members of the _____; and WHEREAS, the _____ has a need for services for its members; NOW, THEREFORE, in consideration of the mutual promises more particularly set forth herein, the above Parties have entered into this Agreement, agreeing as follows:

1. Guest House will provide primary care residential alcoholism and other addiction services by its staff at its location to the registered members of _____ who meet the Guest House criteria for admission during the term of this Agreement. A registered member is on the list submitted by _____, with the name, date of birth and social security number for each registered member.

The following services are included:

- A. Private room and meals
- B. Individual addiction therapy
- C. Group interactive counseling
- D. Group didactic therapy
- E. Psychological evaluation
- F. Individual psychotherapy
- G. Exercise program services
- H. Nursing services
- I. Recreational activities
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The following items are excluded and billed separately:

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- H. Non-routine laboratory services

The client (patient) shall be billed separately and be responsible for non-medical excluded items including transportation, long distance telephone calls, and other personal items.

2. In consideration for the services provided by Guest House, the _____ agrees to pay Guest House at the rate of \$_____ per month, multiplied by the number of registered members, for the five years of this Agreement. The number of registered members can be increased or decreased monthly, by notifying the Guest House Accounting department with the name, date of birth and social security number of the person added or deleted from membership.

The payment is to be made in a check drawn on a chartered bank in the United States on or before the first day of each month. The _____ also will pay separately for any of the excluded items listed above which are provided to its members. Guest House will bill for these services monthly.

3. **Complete Agreement.** This written Agreement reflects the complete Agreement between the parties. Any previous written, oral or implied contractual relationship, including the Gift or Promise Programs, between the parties is superseded by the Agreement. The terms of this Agreement may be amended only by written Agreement signed by Guest House's Chief Executive Officer or its delegate and the representative of the _____ authorized to execute agreements on its behalf.

4. **Term of Agreement.** This Agreement shall expire on the _____ day of _____ in the year _____, and is not terminable before then. This Agreement will be automatically renewed for successive five year terms, at the membership fee in effect at that time, unless one party at least 90 days prior to expiration of a term gives the other party written notice that the Agreement will not be renewed.

5. In the event that either party becomes insolvent, discontinues its operations, and goes out of business, this Agreement will be null and void as of date with no further obligation by either party.

GUEST HOUSE, INC. _____

AUTHORIZED

BY: _____

TITLE: _____

DATE: _____

AUTHORIZED

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TITLE: _____

DATE: _____