Dear Friends,

2018 was a transitional year for Akron Children’s Hospital – building upon past successes and setting the stage for continued advancements in quality, innovation and service.

In this annual report, we provide a high-level snapshot of Akron Children's strengths – our people, patients and supporters – in a new look that calls out a few of our many accomplishments. With quality as the core driver, we spent much of the previous year advancing our strategic objectives, primarily in the areas of growth and improving outcomes.

Some highlights from 2018 included the opening of our expanded Considine Professional Building, which brings together the majority of our Akron campus outpatient services in a family-friendly building designed to promote convenient, comprehensive care. We also continued to expand our primary care network into new communities and began construction on regional health centers in Mansfield, North Canton and Boston Heights.

As we open the doors to these health centers throughout 2019, we are meeting the needs of families in more areas of our state. Becoming an integral part of these communities is an important component of our mission, and we were pleased to celebrate 10 years of service with our patient families and partners in the Mahoning Valley.

We are also working to establish dedicated centers of excellence in key clinical areas to help patients find the expert care they need and enhance our reputation as a destination pediatric hospital.

2018 marked an important milestone for the hospital as William Considine was named CEO Emeritus after 39 years as president and CEO. As the hospital moves forward under new leadership, the seamless transition is a testament to the quality of our people and their commitment to our mission.

The work of our hospital is possible thanks to the outstanding support of our Foundation and their many generous donors, who ensure we have the resources necessary to implement and expand our clinical, research, education and community-based programs.

Akron Children's has a dedicated team, and we thank all of the stakeholders who support our mission to deliver exceptional care in a caring environment for our patients, families and staff.

We look forward to continuing the hospital’s legacy of providing innovative, community-based, family-centered care to improve the health and well-being of the children and families we are privileged to serve.

Grace Wakulchik  
President and  
Chief Executive Officer

John Orr  
Chairman, Board of Directors
“2018 was a transitional year for Akron Children’s Hospital – building upon past successes and setting the stage for continued advancements in quality, innovation and service.”

GRACE WAKULCHIK
PRESIDENT AND
CHIEF EXECUTIVE OFFICER
Grace Wakulchik named president and CEO of Akron Children’s Hospital

“Our culture ensures that we continue to fulfill our mission of serving our patients, their families and the community, and I am honored to lead Akron Children’s Hospital into the future.”

GRACE WAKULCHIK
PRESIDENT AND CHIEF EXECUTIVE OFFICER

After serving as CEO of Akron Children’s for nearly 40 years, BillConsidine was named CEO Emeritus in 2018. In his new role, he will champion advocacy programs and resources that support our most valuable resource, children.
A great place to work

The ASCEND Program provides a valuable educational experience, enables Akron Children’s to recruit more prepared nurses, and helps our workforce reflect the diversity of the patients, families and communities we serve.

KeyBank Foundation awarded $1 million to Akron Children’s ASCEND Program

The ASCEND Program provides a valuable educational experience, enables Akron Children’s to recruit more prepared nurses, and helps our workforce reflect the diversity of the patients, families and communities we serve.

People

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDICAL STAFF</td>
<td>1,119</td>
</tr>
<tr>
<td>EMPLOYEES</td>
<td>6,288</td>
</tr>
<tr>
<td>VOLUNTEERS</td>
<td>1,675</td>
</tr>
</tbody>
</table>

Top Workplaces award: The Plain Dealer; 4th year in a row.

NorthCoast 99 best places to work in Northeast Ohio award 11 years in a row.
Caring for kids in northern Ohio and beyond

With the help of School Health Services, Bradrick Corley, who has multiple special needs, including a tracheostomy, is able to attend preschool just like other kids his age.

Akron Children’s School Health Services were provided in 181 school buildings in 31 districts in eight counties.

In 2018, Akron Children’s primary care locations received national Patient-Centered Medical Home recognition.

18,011 surgeries in 2018
Patient Visits

<table>
<thead>
<tr>
<th>Service</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>OUTPATIENT TOTAL</td>
<td>1,125,607</td>
</tr>
<tr>
<td>SCHOOL HEALTH</td>
<td>568,417</td>
</tr>
<tr>
<td>PRIMARY CARE (ACHP)</td>
<td>465,698</td>
</tr>
<tr>
<td>SPECIALTY VISITS</td>
<td>319,741</td>
</tr>
<tr>
<td>HOME CARE</td>
<td>54,989</td>
</tr>
<tr>
<td>EMERGENCY</td>
<td>104,338</td>
</tr>
<tr>
<td>URGENT CARE</td>
<td>29,820</td>
</tr>
</tbody>
</table>

More than 60 locations in Ohio

Legend:
- Specialties or multiple services in one location
- Hospital
- Primary Care
- Health Center
- Urgent Care

Map showing locations across Ohio, with icons indicating services available at each location.
There was a growing demand for our outpatient and subspecialty services, so we expanded the existing Considine Professional Building by 230,000 square feet to relocate these practices under one roof, making visits easier for families.

GRACE WAKULCHIK
PRESIDENT AND
CHIEF EXECUTIVE OFFICER
The Timken Foundation of Canton awarded Akron Children’s a $1.5 million grant to support the new health center in North Canton as part of their commitment to investing in children and communities. The A. Altman Company, developer of the new facility, will donate the building to Akron Children’s after the completion of a 30-year lease.

Since 2008, Akron Children’s Beeghly campus has added programs and services, demonstrating our commitment to provide top-notch pediatric care, close to home.

Testa Development’s Julie Testa Thomasson and Joel Testa are donating the $15 million Boston Heights Health Center to Akron Children’s at the end of a 30-year lease. The center is set to open in 2019.

Akron Children’s achieved HIMSS Stage 7, ranking in the top 6% of hospitals for EMR implementation.
Research and quality improvement

Forging the new frontier of tissue engineering

Ananth Murthy, MD, FACS, director of pediatric plastic and reconstructive surgery, is researching tissue engineering in an effort to grow ear tissue that will look and behave like a normal ear.

Research by the numbers

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>New patients enrolled in studies</td>
<td>430</td>
</tr>
<tr>
<td>New clinical trials</td>
<td>29</td>
</tr>
<tr>
<td>External funding</td>
<td>$2,042,446</td>
</tr>
<tr>
<td>Peer-reviewed publications</td>
<td>113</td>
</tr>
<tr>
<td>Presentations</td>
<td>107</td>
</tr>
</tbody>
</table>

Research to relieve acute headaches in kids

The goal of the Pro-2-Cool™ concussion research study is to determine if icing the brain shortens the course of a concussion, and in doing so, reduces the risk of long-term side effects.

While adults have access to prescription migraine medications, children aren’t so fortunate. M. Cristina Victorio, MD, pediatric neurologist and director of the headache program in the NeuroDevelopmental Science Center, is using research to find a migraine treatment for younger kids through a national, collaborative clinical trial to treat acute migraines in children ages 6 to 11.
Administration of HPV vaccine in primary care patients

Improved identification of overweight and obese children

Increased use of evidence-based screening for depression in children 12+ during well-child visits
2018 Board of Directors

OFFICERS

John C. Orr  
Chairman  
President & CEO  
Myers Industries, Inc.  
(Retired)

Stephen E. Myers  
Vice Chairman for Finance Chairman  
Myers Industries, Inc.  
(Retired)

Grace A. Wakulchik  
President & Chief Executive Officer  
Akron Children’s Hospital

William H. Considine  
CEO Emeritus  
 Akron Children’s Hospital

Michael P. Trainer  
Chief Financial Officer & Treasurer  
Akron Children’s Hospital

Kirsten R. King  
Secretary  
Women’s Board of Akron Children’s Hospital

Anthea R. Daniels  
Assistant Secretary  
Vice President & General Counsel  
Akron Children’s Hospital

DIRECTORS

Virginia C. Addicott  
President & CEO  
FedEx Custom Critical

Donna J. Axson  
1st Vice President  
Women’s Board of Akron Children’s Hospital

Robert C. Berk  
Vice President  
Creative Technology

Norman C. Christopher, MD  
Noah Miller Chair  
Department of Pediatrics  
Akron Children’s Hospital

Patrick M. Covey  
President & CEO  
The Davey Tree Expert Company

John P. Crow, MD  
Chairman  
Department of Surgery  
Akron Children’s Hospital

John P. Delaney  
President  
GDS Express, Inc.

Paul M. Dutton  
Partner  
Harrington, Hoppe & Mitchell, Ltd.

Tammy A. Gersman  
1st Vice President  
Women’s Board of Akron Children’s Hospital

William M. Hopkins  
Vice President  
The Tire Technology & Strategic Initiatives  
Goodyear Technical Center  
(Retired)

Duane L. Isham  
Attorney; Senior Partner  
Roetzel & Andress (Retired)

William Kelleher  
General Manager  
Manufacturing Strategy  
The Timken Company

Dale Koblenzer  
Senior Vice President  
Wealth Management Advisor  
Koblenzer, Orendorf & Associates

Kathy V. Lane  
President  
Women’s Board of Akron Children’s Hospital

Scott R. Levin  
President of European Business  
GOJO Industries, Inc.

Kara C. Lewis  
Vice President  
Bernstein Private Wealth Management

Philip H. Maynard  
Chairman  
ASW Properties, LLC

Greg A. McDermott  
President  
GAMcDermott, LLC
Robert S. McGregor, MD  
Chief Medical Officer  
Akron Children's Hospital

Laura A. Pollauf, MD  
President, Medical Staff  
Akron Children's Hospital

Richard S. Rogers  
President & CEO  
B.W. Rogers Co.  
(Retired)

Donald R. Schneider  
President  
FirstEnergy Solutions

David M. Showers  
President  
Strausser Investments

Glen L. Stephens  
President  
G. Stephens, Inc.

The Honorable  
Elinore Marsh Stormer  
Judge  
Summit County Probate Court

Laura K. Thompson  
Executive Vice President & CFO  
The Goodyear Tire & Rubber Co.

Barbara J. Varley  
Treasurer  
Women's Board of Akron Children's Hospital

Robert J. Wells  
Senior Vice President, Corporate Communications & Public Affairs  
The Sherwin-Williams Company

William D. Wooldredge  
Chief Financial Officer  
Kings Medical Group  
(Retired)

DIRECTORS  
EMERITUS

Richard R. Grigg*  
Executive Vice President & COO  
FirstEnergy Corp.  
(Retired)

Richard L. Hardgrove  
President  
First National Bank of Ohio  
(Retired)

William R. Holland  
Chairman & CEO  
FirstEnergy Corp.  
(Retired)

Charles L. Horn  
President  
Firestone, Park & Evans Insurance Agency  
(Retired)

HONORARY DIRECTORS

Joseph M. Clapp  
Chairman & CEO  
Roadway Services, Inc.  
(Retired)

Estelle F. Kaufman  
Associate Member  
Women's Board of Akron Children's Hospital

Thomas A. LaRose  
Chairman  
The House of LaRose  
(Retired)

Robert T. Stone, MD*  
Pediatrician  
Pediatrics of Akron, Inc.

The Honorable  
James R. Williams  
Judge  
Summit County Court of Common Pleas  
(Retired)

*deceased
2018 Foundation

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$34.7 million</td>
</tr>
<tr>
<td>Growth over 2017</td>
<td>$14.6 million</td>
</tr>
<tr>
<td>Number of Donors</td>
<td>11,076</td>
</tr>
<tr>
<td>Number of Gifts</td>
<td>14,537</td>
</tr>
</tbody>
</table>

Dollar Amount**  Percentage***

2018 Gross Patient Service Revenue*

<table>
<thead>
<tr>
<th></th>
<th>Dollar Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>$768,444</td>
<td>43.0</td>
</tr>
<tr>
<td>Medicare</td>
<td>$23,232</td>
<td>1.3</td>
</tr>
<tr>
<td>Other Governmental</td>
<td>$19,658</td>
<td>1.1</td>
</tr>
<tr>
<td>Medicaid</td>
<td>$943,578</td>
<td>52.8</td>
</tr>
<tr>
<td>Self-Pay</td>
<td>$32,167</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,787,079</strong></td>
<td></td>
</tr>
</tbody>
</table>

Net Revenue*

<table>
<thead>
<tr>
<th></th>
<th>Dollar Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Patient Services Revenue</td>
<td>$813,636</td>
<td>90.2</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$78,143</td>
<td>8.7</td>
</tr>
<tr>
<td>Contributions</td>
<td>$6,492</td>
<td>0.7</td>
</tr>
<tr>
<td>Net Assets Released</td>
<td>$3,711</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$901,982</strong></td>
<td></td>
</tr>
</tbody>
</table>

Total Expenses*

<table>
<thead>
<tr>
<th></th>
<th>Dollar Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Benefits</td>
<td>$552,181</td>
<td>65.5</td>
</tr>
<tr>
<td>Supplies, Services and Other Expenses</td>
<td>$231,499</td>
<td>27.4</td>
</tr>
<tr>
<td>Depreciation and Interest</td>
<td>$59,811</td>
<td>7.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$843,491</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Consolidated  **In thousands  ***Allocate from Revenue Payor Mix

Total endowment: $146 million
Total endowment: $146 million