Relaunching NAFC's Web Site
The biggest news among NAFC’s announcements in 2008 was the successful launch of a new Web site. After more than 18 months of planning, creating, proofing, editing, and beta testing, the new www.nafc.org was launched in a template far more easily navigable for visitors. Content was greatly expanded, including addition of a Hall of Fame to house all of our Continence Care Champions. Broken links to an extensive network of collaborative organizations were repaired, and creation of an e-basic packet for online requests greatly reduced reliance on the mailing of printed materials. The media packet is now online for journalists seeking statistics from us for articles. Most importantly, a user-friendly software has been tapped that allows the staff to easily make updates and changes, saving the organization both time and expense. The Find an Expert search engine and database of professional members are no longer remotely housed by a third party at a cost to NAFC, allowing us to make changes as often as they occur. The Web site has increasingly become a central and vital asset to all of NAFC’s communications. These and other changes allowed NAFC to swiftly earn Health On the Net© (HON) Foundation accreditation of the Web site. The Swiss-based foundation, created in 1995, is the leading global organization promoting and guiding the deployment of useful and reliable online medical and health information and its appropriate and efficient use. It is a non-profit, non-governmental organization, accredited by the Economic and Social Council of the United Nations. HON accreditation has long been a goal of NAFC, but it took recreating our site, including the addition of citations and mention of all authors of content, to meet the organization’s strict quality standards.

Web site optimization was undertaken after the site’s launch with the engagement of Prager Microsystems, applying a grant from Novartis. At the heart of this effort was development of keyword phrases aimed at boosting NAFC’s ranking by search engines on the Internet. This put NAFC in the top ten (first page) sites through natural (non-paid) searches for such words as “prolapse,” “bedwetting in children,”
and “enlarged prostate.” Similar results were achieved with keywords in Spanish. Over the course of the summer, NAFC secured a grant from Google™ to fund its ongoing use of Google Adwords™, allowing the staff to continually attract those surfing the net to NAFC’s site.

Centers of Excellence Initiative
Surgical Review Corporation (SRC) completed a six-month consultancy agreement with NAFC to assist the organization in planning the launch of a Centers of Excellence (COE) initiative. Although initially shaped after the COE program developed by bariatric surgeons to protect coverage and reimbursement fees for gastric bypass surgery in cases of obesity, NAFC’s COE program has since been retooled to be patient-centered and more focused on quality and service concerns of consumers in search of care for pelvic floor dysfunction and other voiding disorders. This program is actively underway but still in early stages.

Special Projects
Various other projects were undertaken, including a confidential new product evaluation by consumers with the help of nursing professor Dorothy Doughty, continuing education seminars in West Virginia for professionals in public health and social services, and monthly blogging on HealthCentral’s Web site. Throughout the year, NAFC accomplished its programs with the energy and dedication of four college interns assisting staff members: Nicole Capano, LaVonda Stokes, Melissa Walker, and Crystal Starks.

Advocacy Throughout the Year
On the advocacy front:
- NAFC was actively engaged with the National Council on Aging and the Home Safety Council to win new Congressional support of falls prevention funding.
- NAFC supported coding revisions for two devices to improve patient access to new, but proven, technology, meeting separately with Medicare carriers and the AMA Coding Committee.
- Attending the annual scientific conference of the International Continence Society in Cairo, NAFC provided a media kit and assisted in a briefing for the World Federation of Incontinent Patients, whose Web site NAFC, as a steering committee member, constructed and continues to manage.
- NAFC continued its involvement, as a founding member, in the Evidence Based Healthcare Workgroup and joined the Center for Information and Study on Clinical Research Participation (CISCRP) aimed at increasing consumer participation in clinical trials. In addition, NAFC continued involvement with the Pharmacy Quality Alliance Quality Metrics Workshop, participating in a sub-group on measurement of patient satisfaction with pharmacy services.
- Also during the year, the organization wrote letters to CMS expressing concern about the dangers of gainsharing (creating incentives to achieve short term savings at the possible expense of quality for patients) and, separately, celebrated the policy change by CMS of its coverage for single-use catheters.

For all of our supporters whose contributions facilitate such valuable activities and accomplishments — individual consumers, healthcare providers, and collaborative and industry professionals — NAFC is grateful. Recognition of names is noted separately in the year’s Annual Report.

Welcomed to assist in the governance of the organization are the following newly elected Board members in November 2008: John Adams, Cheryl LeCroy, RN, MSN, Judd Moul, MD, Orlando Padilla, and Alex Te, MD.

It is with great sorrow we acknowledge the unexpected death of urologist Rodney Appell, MD. He served on the Board from 1989 – 2007 including a term as Chairman and had just been elected to rejoin the Board for a new term. He was instrumental in the formation of an Editorial Advisory Panel for the newsletter, authored and reviewed numerous articles for Quality Care®, and remained faithful to patient needs, quality in care, and integrity in all communications throughout his tenure in the leadership of NAFC.

G. Willy Davila, MD
Chairman of the Board
2008 – 2009
As the U.S. economy fell into a deep recession in 2008, consumer confidence faltered, and the housing market and banking sector collapsed, NAFC scrambled to cut expenses from budgeted levels to contain costs as the year unfolded. One-eighth of the original expense budget was eliminated in late March. Multiple zones of erosion in revenues, however, made it difficult to prevent a loss for the year. One of the greatest contributing factors behind the $23,925 reported loss shown as a decrease in net assets was the loss of three major Industry Council members who dropped their support in the form of unrestricted dues – two because of their strict interpretation of The Pharmaceutical Research and Manufacturers of America (PhRMA) guidelines preventing them from reaping benefits from such membership and one because of disappointing results from Phase II research of a new drug for treating urinary incontinence. Although industry continued to generously provide funding to support NAFC’s programs, the $102,025 in revenue generated in 2007 for the public educational forum, CME for primary care providers, and 25th anniversary celebration were not entirely replaced by sponsorships in 2008, as industry support overall was down $33,631, or 8.6 percent, including the loss of dues noted above.

Meanwhile, consumers continued to opt for the Internet as a free source of healthcare information, and paid newsletter subscriptions declined further in 2008, by 31.9 percent from 2007 levels, representing the steepest drop NAFC has experienced in any single year. With continued donations and purchases of booklets and educational CDs, however, the net decline in support from consumers was only $1,599, or 6.3 percent, from 2007 levels.

Our greatest percentage loss in funding, however, occurred in professional ranks. Worried about rising practice expenses and threatened fee structures from payers, professionals sharply reduced their renewal of memberships in NAFC, precipitating a net decrease in support of $11,372, or 26.3 percent, from prior year levels. These shortfalls, coupled with a write-off of $14,260 due largely to unrealized investment losses, caused total revenues reported in 2008 to be $66,438, or 12.6 percent, lower than in 2007. Considering this disheartening decline in revenues, it is remarkable how much the organization still produced and how many individuals it served, with quality and quantity in its output and its response. This was accomplished with an incredibly talented, nimble, and dedicated staff but also with strict expense controls. Salaries and related payroll costs were held constant for the year, fund development expense was decreased by 25.7 percent, and occupancy and other overhead costs were lower by 28.2 percent.

Spending on programs including allocated staff time, however, totaled $205,906, boosting it 25.9 percent higher than in 2007. In other words, 2008 was a year in which more was done with less. This was largely because restricted funding was secured for specific projects. The fourteenth edition of the Resource Guide®, a 120-page, comprehensive directory of products and services for bladder and bowel control, was published. It was reorganized for greater ease in use. Much of the year was also spent creating and updating various printed educational materials. In April, NAFC proudly added to its genre of disease-specific booklets with the release of 48-page Continence Care for People Living with Parkinson’s Disease, plus a Power Point® summary of the booklet posted on the Web site. Dr. Clare Fowler from the National Hospital of Neurology & Neurosurgery in London served as lead author. Half a dozen pamphlets were substantially updated and expanded, and new sections were added on the Web site, as well for non-surgical treatment of female stress urinary incontinence and overactive bladder, with input from numerous clinicians donating their time and talent.

continued next page...
New, gender specific, colorful pamphlets were created in Spanish by Accentmarketing under a grant from the Medtronic Foundation, with guidance from the Hispanic Outreach Task Force (Drs. Becky Rogers, Willy Davila, Cheryl Iglesia, John Zavaleta, Karl Luber, Elisa Rodriguez-Trowbridge, and Vivian Aguilar, and nurse practitioner Megan Eagle). These were mailed to members of the Hispanic Nurses Association and other collaborative groups. Public service announcements for radio and television were professionally produced in Spanish for broadcast nationwide on Univision stations. In addition, NAFC entered the online world of YouTube™ with a four-minute video interview in Spanish of urologist Jake Jacobo, MD.

Consequently, the value of inventories of printed materials increased significantly, from $31,314 in 2007 to $77,980 in 2008, or by 149.0 percent. The deficit forced the organization to utilize a portion of its investments to cover operational needs. This, coupled with erosion in value due to unfavorable market conditions, lowered the balance sheet asset account for investments by $86,807. The organization ended the year with net assets of $258,430, 82.7 percent of which were unrestricted.

Sources of revenues and major categories of spending, based on 2008 independently audited financial statements, are reflected in the charts below.

Sincerely,

Nancy Muller
Executive Director

Summary Statements of Financial Position
As of December 31, 2008 and 2007 ($000)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2008</th>
<th>2007</th>
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</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$165.5</td>
<td>$131.2</td>
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<td>Investments</td>
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<td>Inventories</td>
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<td>Net Property and Equipment</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$301.2</strong></td>
<td><strong>$302.7</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
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<td>Accrued Expenses</td>
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<td>0.3</td>
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<tr>
<td>Deferred Revenue</td>
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<td>11.7</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$258.4</strong></td>
<td><strong>$242.4</strong></td>
</tr>
<tr>
<td>Net Assets</td>
<td>$258.4</td>
<td>$282.4</td>
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<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$301.2</strong></td>
<td><strong>$302.7</strong></td>
</tr>
</tbody>
</table>
NAFC Recognizes 2008 Donors With Gratitude

**FOUNDER’S CIRCLE ($50,000 AND MORE)**
- Univision*
- Medtronic Foundation
- Pfizer Global Pharmaceuticals

**BENEFACTOR ($20,000 TO $49,999)**
- Allergan
- American Medical Systems
- Coloplast Corporation
- Ethicon Women’s Health & Urology
- Medtronic, Inc.
- Novartis Pharmaceuticals Corporation
- Novasys Medical, Inc.

**ASSOCIATE BENEFACTOR ($10,000 TO $19,999)**
- C.R. Bard, Inc

**SUPPORTING PATRON ($7,000 - $9,999)**
- Uroplasty

**CONTRIBUTING PATRON ($3,000 TO $6,999)**
- Dorothy B. Doughty MN RN CETN
- HDIS, Inc.

**SPONSORING PATRON ($1,000 TO $2,999)**
- AUGS Foundation
- Guillermo Davila, MD
- Nancy J. Muller
- Karen and Christopher Payne Foundation
- Peter Shepard
- Charles E. Sigety
- Wendy Weiser
- Kristene Whitmore, MD

**SUSTAINING PATRON ($500 to $999)**
- Carolina Elite Soccer Academy
- Cheryl Iglesia, MD
- Irene L. Kumnick
- Doris Meehan
- Mary Pat O’Connor
- SoccerSolutions

**PATRON ($100 TO $499)**
- Theodore V. Benderev, MD
- CFDS, Inc.
- Ethel Chaffin
- Pleas Copas, JR, MD
- Anna M. D’Amico
- Hannah J. Fawver
- Jean Fourcroy, MD, PhD, MPH
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- Eric S. Rovner, MD
- Benson F. Smith
- Diane J. Smith, RN, MSN, CRNP
- Douglas Van Drie, MD
- Leigh R. Walters
- Victor Weinstein, MD
- Rolfe D. White, MD

(NAFC recognizes Industry Council dues, grants, sponsorships and donations among contributions of support. Excluded from the above calculations are professional memberships, newsletter subscriptions, paid industry advertising and bulk purchases of booklets, leaflets and pamphlets).

*Includes in-kind airing of public service announcements produced by NAFC.

Thanks to all who helped make our mission successful this past year!
NAFC gratefully acknowledges all of the individuals and companies who have graciously and generously served in a leadership capacity to enable the organization to successfully fulfill its mission with quality in content and integrity in communications.

NAFC Board of Directors
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Charles Sigety

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Novartis Pharmaceutical Corporation
Novasys Medical, Inc.
Pfizer Global Pharmaceuticals
Uromedica, Inc.
Uroplasty

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Karen Sasso, RN
Peter Shepard
Benson Smith
Alex Te, MD
Bill Westin

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Allergan
American Medical Systems
Astellas Pharma Inc.
Attends Healthcare Products, Inc.
C. R. Bard, Inc.
Coloplast Corporation
Ethicon Women’s Health & Urology
HDIS, Inc.

Our Mission
National Association For Continence is a national, private, non-profit 501 (c)(3) organization dedicated to improving the quality of life of people with incontinence.
NAFC’s mission is threefold:
1) To educate the public about the causes, diagnosis categories, treatment options, and management alternatives for incontinence, nocturnal enuresis, voiding dysfunction and related pelvic floor disorders;
2) To network with other organizations and agencies to elevate the visibility and priority given to these health concerns; and
3) To advocate on behalf of consumers who suffer from such symptoms as a result of disease or other illness, obstetrical, surgical or other trauma, or deterioration due to the aging process itself.