



CLARE | MATRIX

*Saving Lives Through Recovery*

CELEBRATING OUR MERGER

ANNUAL REPORT 2017-18

# Stronger Together





A man with short dreadlocks is smiling and looking towards the camera. He is wearing a light green martial arts gi with a black belt. The gi has a circular patch on the chest with a tiger and the text 'KARATE' and 'SHITAE'. He has tattoos on his left arm. He is sitting at a wooden table in a room with orange walls and wooden chairs. The text 'What if we were one?' is overlaid on the right side of the image.

What if  
we were  
one?

## A Message from the CEO, Dr. Lisa Steele

*We embarked on a venture that looked  
at the possibility of, What if we were one?  
And the answers that emerged were telling.*



**A**s I think back over the year, it centered on our team, board and supporters joining forces to yet again save more lives through recovery. But I never thought that my first year as CEO of CLARE Foundation would be a time when all of these leaders and allies would endeavor to explore a merger.

In September 2017, I was approached by an esteemed colleague and friend, Jeanne Obert, who founded the Matrix Institute on Addictions, about the idea of a strategic partnership. There are few opportunities in life that present you with the ability to have a greater impact on assisting those with substance use and mental health challenges. This was a once in a lifetime opportunity.

Thus, we embarked on a venture that looked at the possibility of, What if we were one? And the answers that emerged were telling. As we embraced and wrestled with our shared values and unique assets, it became clear that we would be better together. As one, we could save even more lives by:

- providing more effective solutions to an increased number of people in need;
- sharing with the community our best practices from our trainings, treatment programs and research projects; and
- leveraging our two rich histories to expand our platform, both domestically and internationally, as advocates for people with addictions and mental health challenges.

With 85 years of combined experience, together we are creating a culture that serves as a place of hope and recovery as well as a best place to work. And we're creating a better system for underserved populations without the financial means to access substance use and behavioral health services to get their lives back on track.

As we forge ahead on this journey as one organization, I want to thank all those who made it possible for us to work together to provide critical services to thousands each year. In honor of your support, we will continue our commitment of providing a compassionate place where those in need can find healing and restoration.

A handwritten signature in black ink that reads "Lisa Steele, PhD". The signature is fluid and cursive, with a large initial "L" and a stylized "S".





# Becoming One

In 2018, two esteemed Los Angeles nonprofits dedicated to recovery from substance use – CLARE Foundation and the Matrix Institute on Addictions – joined forces to become CLARE|MATRIX. With more than 85 years of combined experience, CLARE|MATRIX is now positioned to deepen and expand its impact in treatment, prevention, behavioral health support, research and training.

The CLARE|MATRIX leadership team recently sat down with Kevin Fahy, board president of the former CLARE Foundation, and Jeanne Obert, founder of the Matrix Institute on Addictions, to discuss the past year's journey of merging into one powerful organization.



**What key strengths did the former CLARE Foundation and the Matrix Institute on Addictions have that made it a strategic move to form CLARE|MATRIX?**

**JEANNE:** We felt that both organizations had real strengths for the merger. Matrix was an internationally known outpatient treatment organization but we knew we needed to expand to different levels of care or partner with somebody that had done that. CLARE had such a good reputation and we had worked with them in the past.

**KEVIN:** We at CLARE were excited about the idea of getting some expertise in the outpatient segment of recovery. For decades, we've provided inpatient, detox and sober living services for those who didn't have a lot of financial resources. It was a natural mix because both organizations had good reputations in this industry and provided quality services.

**What areas were the most difficult during this transition?**

**JEANNE:** I didn't realize how many obstacles there would be in bringing two cultures together. CLARE relied mostly on staffers in recovery while Matrix had licensed professionals and interns we trained. But I think that these differences really helped us.

Also, there was the issue of medication versus no medication. Matrix originally started to deal with stimulant addiction that doesn't require meds. But years ago, we were approached by UCLA to take over a research methadone clinic. So Matrix had a history of using medications in treatment while CLARE had a history of not doing that.

**KEVIN:** We had several discussions about Medication Assisted Treatment (MAT) and 12 Steps. We concluded that there is such a need for services, who are we to say how somebody gets help? It's not up to us to deprive anyone of their recovery when MAT has shown that it works well under proper supervision and as directed.



## A Conversation with Kevin Fahy & Jeanne Obert



A PREGNANT CLIENT CHECKING IN AT THE CLARE|MATRIX HUB IN LOS ANGELES.



A RESIDENT IN THE MEN'S TREATMENT PROGRAM AT CLARE|MATRIX.

### What were the most exciting revelations that emerged out of this transition?

**KEVIN:** Matrix simply couldn't offer the 12 Steps program the way CLARE does because we are an inpatient service. And a big part of Matrix is the research aspect, which CLARE had not dabbled in at all. Another thing that excited us about the merger is that we would have a whole other avenue of materials and research available to us that would allow us to capture a wider audience of people wanting help.

**JEANNE:** CLARE had also done a lot in mental health, and we knew we needed to expand into that area. But we didn't have the capacity to do that because we were relatively small. And to stay competitive, it's hard to take the time to expand. So the fact that CLARE

moved forward in developing a mental health capacity and capability was a big motivator for Matrix, as well.

### Were there any lessons or surprises that surfaced from the forging of these two organizations?

**KEVIN:** One challenge was re-educating ourselves about what it is to be in recovery. The people on the CLARE side are very clear with the 12 Steps based program. We had to put on our learning caps and realize there is a bigger way of doing things if you want to grasp a bigger audience.

**JEANNE:** We could not have done it without hiring a professional firm to walk us through the process. Without their assistance and negotiating, things would have been much more difficult. Through Public Counsel, we received assistance from two law firms that represented each organization.

## Merger Timeline

### 2016

#### SEPTEMBER - DECEMBER

- A Matrix board member approaches CLARE's CEO with the idea of a potential strategic partnership or merger.

- The merger concept is presented to the officers and boards of both organizations, who convene a joint gathering to gauge whether sufficient synergies exist between the two organizations to continue the merger exploration.
- CLARE board members visit the Matrix Opioid Treatment Program, and Matrix board members visit CLARE's residential treatment programs.

### 2017

**JANUARY:** Matrix and CLARE enter into an "intent to merge" agreement, seek funding through the Nonprofit Sustainability Initiative, and develop an ad hoc committee comprised of CLARE's CEO and four board members, and three Matrix board members and three executive staff.

**MAY:** Engage LaPiana Consulting to assist with the merger exploration. Begin structured meetings to vet philosophical and clinical perspectives, operations, board governance, and fund development, and to create a joint vision for the future.



RESIDENTS GATHER FOR A DISCUSSION WITH THEIR COUNSELOR AT THE **CLARE|MATRIX MEN'S TREATMENT PROGRAM**.



THE **CLARE|MATRIX PREGNANT AND POSTPARTUM WOMEN'S PROGRAM** PROVIDES RESIDENTIAL TREATMENT FOR WOMEN AND THEIR CHILDREN.

### How do you hope CLARE|MATRIX will use this new organization to make an even greater impact?

**KEVIN:** We are really breaking ground here, we are trailblazers. We don't have all the answers, but I know as we look to capture more of the audience and as more challenges come up, we are going to be able to pass along that information and be the pioneers in this industry. We may not be the biggest, but given what we are doing and the amount of people we are trying to help, I believe we are *creating* this – not copying what has already been done.

**JEANNE:** I don't think there are many organizations that can do what we are trying to do – combining the public versus private, meds versus no meds, drugs and alcohol versus mental health services. Very few organizations can pack all these things into one package. As we are able to do this, we will be blazing a trail for other organizations to do something similar. And that means a lot more people will get treated because together we can meet more people's needs.

*We are really breaking ground here,  
we are trailblazers.*

**OCTOBER:** Begin financial due diligence, complete pre-merger conversations, and arrive at a recommendation to merge pending a formal vote and legal due diligence.

**DECEMBER:** With the assistance of Taproot, connect with two law firms to conduct legal due diligence: Arnold & Porter to represent Matrix, and Latham & Watkins to represent CLARE.

## 2018

**JANUARY:** Bring consulting firm Hudson and Holland on board to help guide the two organizations through structural integration and action planning, including hands-on involvement by eight committees comprised of representatives from both organizations.

**MARCH:** Complete legal due diligence and vote to merge.

**APRIL 2:** Merger becomes legal.

**MAY-DECEMBER:** Continue merger integration process with new branding. Engage 2B Communications to conduct a brand assessment, make name and branding recommendations, and create the new CLARE|MATRIX logo and visual identity.









# Making a greater difference together



**C**LARE Foundation merged with the Matrix Institute on Addictions in 2018 to provide expanded treatment services, critical research data and results-driven training programs that would ultimately save more lives. Here are some of the strategic ways that CLARE|MATRIX is harnessing the power of one progressive organization to advance the substance use field.

## SUCCESSFULLY COMBINING EVIDENCE-BASED WITH 12 STEPS



Understanding that each person's struggle with substance use is unique, we knew the importance of offering a diverse range of treatment approaches. By coming together, we could codify and cross train staff to provide a holistic treatment program that has historically yielded effective results. There is a clear correlation between using scientific methods and spiritually based principles to treat a person's recovery journey. Our research and evidence-based methods, like the Matrix Model, are scientifically proven to help individuals break addictive behaviors and develop healthy habits that allow them to live a life free from addiction and other destructive patterns. And when combined with the 12 Steps program, individuals can synchronously access the structure, spiritual healing and social support needed to reconnect with others and maintain meaningful relationships. By combining our efforts, we're delivering a scientific and spiritual modality that is proven to set more people on a path of hope and healing.

## MEET MORE PEOPLE WHERE THEY ARE



As we continue to evolve and serve a wider spectrum of people, we want to remain true to each organization's philosophies: To provide a place for vulnerable populations to receive quality behavioral health and substance use services, while sharing important research findings. Through this merger, our combined expertise enables us to offer a broader selection of options along the continuum of care, particularly for those who are homeless or housing instable. In addition to providing residential care, we offer individuals the opportunity to transition to outpatient services that will support them as they rebuild their lives. The merger also expands our community locations, tailors more services to the needs of our clients, and provides training programs that increase the capacity of our staff.

## MEDICATION ASSISTED TREATMENT SAVES LIVES



Over the last decade, opiate prescriptions and heroin use in this nation have doubled, and are linked to a significant rise in overdose deaths. And with overdose rates rapidly rising in Southern California, we couldn't sit on the sidelines. Instead, we became committed to providing new treatment services that would strongly address this crisis. Medication Assisted Treatment (MAT) is universally supported by leading health and substance use service agencies. Despite its stigma, the reality is that MAT saves lives. People struggling with these types of substance use are eight times less likely to die under MAT services than those who don't. Given this fact, we realized that our future as a combined entity would be able to employ treatments like MAT to save more lives.

*By combining our efforts,  
we're delivering a scientific and spiritual modality  
that is proven to set more people  
on a path of hope and healing.*

## Expanding Our Capacity to Serve, Train and Lead

# Inspired by Growth



**CRISTINA MEADOWS**  
AT HER DESK AT THE  
CLARE|MATRIX CALL CENTER.

In her role as a call center coordinator, Cristina Meadows inspires a team to compassionately answer calls from people who reach out to CLARE|MATRIX in need of help. Cristina admits that she's also inspired – not only by her team's important work, but also by her department's growth that resulted from CLARE Foundation merging with the Matrix Institute on Addictions. "Since the merger, our call center has grown from a team of two people to a team of six," she said. "We're now able to better manage the nearly 23,000 calls we receive annually."

Cristina juggles her roles as an active mother to her 10-year-old son and her job at CLARE|MATRIX, where she's been employed for more than two years. "I found it exciting to work at an organization that is definitely taking a step forward in the treatment industry," she said. "Now that we're one larger organization, we can share with our callers about our expanded treatment modalities that are evidence-based."

Cristina is passionate about her job, especially given that she once contacted the same call center when she was in desperate need of treatment. "I get to be the person offering the precious help I once received," she said. She saw the merger as an opportunity to help more people through the expansion of services, as CLARE|MATRIX is now better equipped to face the complexities of substance use and co-occurring disorders.

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*Now that we're one larger organization, we can share with our callers about our expanded treatment modalities that are evidence-based."*



# Moving Beyond Boundaries



**DR. J. ROCKY ROMERO**  
IS A MATRIX MODEL TRAINER  
WHO ALSO OVERSEES  
OPERATION  
NEW MEXICO HOPE.

Since opening Operation New Mexico Hope three years ago, Dr. J. Rocky Romero has implemented the Matrix Model's evidence-based practices as part of its services to help individuals find hope after struggling with substance use. The Albuquerque clinic's growing number of success stories confirms that the Matrix Model treatment approach is on the right track.

"The Matrix program has given me the opportunity to make an impact on communities affected by the drug epidemic," he said. "Particularly in rural areas, like Native American communities here in New Mexico that don't have much access to treatment resources."

Dr. Romero first learned about the Matrix Model in 2003, when he worked with a local university to open a community substance use treatment clinic where students could conduct research. When the university's treatment facility opened a few years later, Dr. Romero incorporated the Matrix Model as part of its standard treatment plan. The approach worked: The state witnessed a 12% decline in the recidivism rate within a decade of the treatment clinic's opening. "That was a pretty significant outcome since our client population has a high rate for DUIs and other substance use related offenses," he said.

Because the treatment clinic was acknowledged for contributing to the lower recidivism rate, the State of New Mexico mandated that Matrix would be one of only four models that state-funded agencies could use in their medication assisted treatment.

Today, as a longtime Matrix trainer who now runs his own clinic, Dr. Romero annually conducts nearly 20 Matrix trainings across the country to make an impact on a national scale. As he notes, "The trainings have enabled me to contribute to the addictions industry on a macro level so that more communities in this nation will be better equipped to effectively treat this disease."

*"The Matrix program has given me the opportunity to make an impact on communities affected by the drug epidemic.*

*Particularly in rural areas, like Native American communities here in New Mexico that don't have much access to treatment resources."*



### AL-IMPICS 2018

Al-Impics is a one-day athletic event that brings together individuals representing treatment centers throughout Southern California to celebrate recovery through friendly competition and fellowship. CLARE|MATRIX was a proud participant of the 2018 Al-Impics, winning a team ribbon for *Best Choreography*.







## 2017-18 HIGHLIGHTS

# Events

*Above*

### COMEDY SHOW FUNDRAISER 2017

Comedian Steve-O performs at Laughing Matters, a CLARE|MATRIX comedy show fundraiser that headlined a star-studded line-up, including Margaret Cho, Jay Mohr and SNL alum Darrell Hammond.

### 9TH STREET HARD HAT TOUR 2018

CLARE|MATRIX CEO Dr. Lisa Steele greets staff and board members at an intimate tour event held to celebrate the near completion of the organization's newest expansion building at the Pico Campus. This newly renovated space serves as a residential program for individuals with co-occurring disorders.

### TRIBUTE DINNER 2017

(From left) Honorees Shawn Hezar, Bill Simon and Susan Burton at the 2017 Tribute Dinner, held in November at the Fairmont Miramar Hotel in Santa Monica.

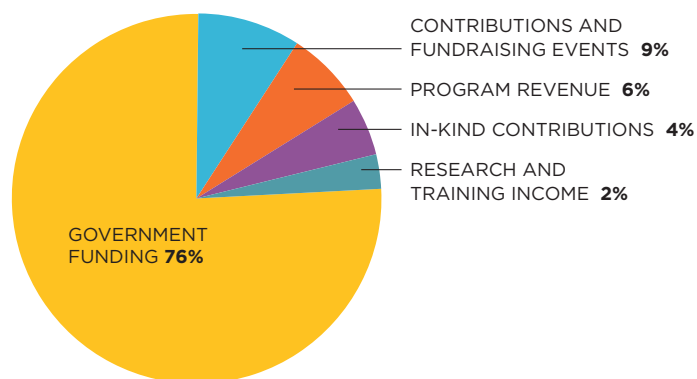
### WOMEN'S EVENT 2018

CLARE|MATRIX features a panel of prominent women at a special gathering to discuss issues concerning women in recovery.

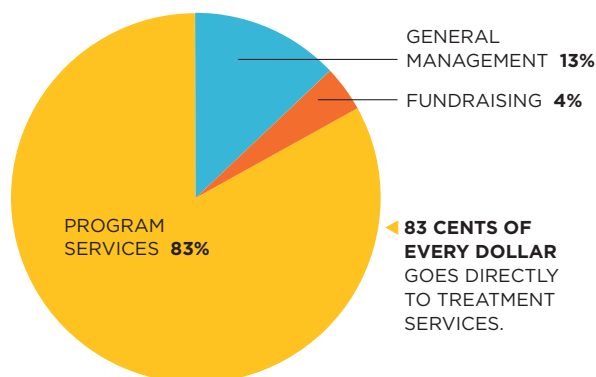
## Financial Summary 2017-18

In April 2018, CLARE Foundation and the Matrix Institute on Addictions officially joined forces as a single organization to become better equipped to serve more people than ever before. We are proud to report another year of generous support from our amazing donors and funders. As we look ahead toward growth through new revenue sources and opportunities with deeper involvement in our communities, we remain committed to fiscal prudence as we ensure sustainability and quality programming.

### Operating \$10,348,000



### Expenses \$11,500,000





# Thank you to our donors

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# CLARE | MATRIX

*Saving Lives Through Recovery*

**Our Mission** To change the lives of individuals and families, and strengthen communities affected by alcohol, substance use and behavioral health issues by providing proven and effective treatment, education, research and training.

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