Strengthening the communities we serve is an integral part of how we do business. “Our priority of improving health and wellness goes beyond our members,” says HCSC President and CEO Paula Steiner. “We believe it is vital that our company also invest in community programs and organizations that enhance everyone’s health and improve the health of the communities where we live and serve.”

In 2017, HCSC invested more than $20 million in our communities through charitable grants, sponsorships and in-kind donations.

Our employees also have a lasting impact where they live, work and play. Across our five states of Illinois, Montana, New Mexico, Oklahoma and Texas, our employees volunteered 117,784 hours of their time to support community organizations.
When Montana and Texas were hit by natural disasters, we took immediate action to help our members and employees. We also knew the road to recovery would be extensive. After hurricanes struck the Gulf Coast and Houston regions of Texas, we donated more than $2 million to organizations on the ground equipped to make the biggest difference. In Montana, we partnered with the American Lung Association to purchase and distribute air filters to schools in the areas where wildfires significantly compromised air quality.

HCSC also invested nearly $7 million in our Healthy Kids, Healthy Families® initiative, which supports hundreds of programs promoting healthy, active and safe communities across our states.
Since 2011, provided nearly 23 million health services and resources

Nearly $7 million invested in measurable and sustainable programs with 114 nonprofit organizations, impacting 1.2 million children

More than 1.2 million children were impacted through our investments and collaborations with 114 nonprofits that offer sustainable, measurable programs in our focus areas of:

- Supporting food sources
- Increasing physical activity
- Preventing and managing disease
- Promoting safe environments

The Healthy Kids, Healthy Families initiative also allows us to tackle social determinants of health — how the conditions in the places where people live, learn, work and play affect a wide range of health risks and outcomes. For example, poverty can make it difficult to get healthy foods, have safe and adequate places to exercise and play, and live and work in safe...
neighborhoods. We are working with our community partners to support programs that help everyone be healthier, safer and have access to quality health care.

Learn more about how social determinants can impact health outcomes.

See how HCSC has touched the lives of our employees, members and communities through these programs.
HCSC's purpose:

*To do everything in our power to stand with our members in sickness and in health.*

This doesn’t change when disaster strikes. In fact, it becomes even more important. By the time Hurricane Harvey made landfall on the Texas Gulf Coast in the early hours of Aug. 26, 2017, HCSC employees had been monitoring the storm for days and were ready to take action for our members and their co-workers. Nearly every department of HCSC was involved in preparing for the storm’s aftermath.
“I am humbled by the exceptional leadership and willingness to get things accomplished that I saw in everyone I interacted with before, during and after Hurricane Harvey,” says Dr. Bob Morrow, Texas market strategy president. “Every individual on our countless cells and email threads was selflessly eager to step in and offer their talents to be as supportive as possible for our members and our employees.”

“The Marshall service center showed up again to support those in need! We have a great deal of love headed to help in the areas affected by Hurricane Harvey. — Amy Hutsell, customer service employee, Marshall, Texas
• Our **Seasons of Life™ team reached out** to the hardest hit areas to check in with members and offer assistance with medical issues, from getting prescriptions refilled to finding a doctor or dialysis center.

• Community Relations provided sizable donations to the **American Red Cross**, the **United Way of Greater Houston**, **Greater Houston Community Foundation** and **Feeding Texas**, among others.

• Mobile assistance centers were set up at shelters to offer free immunizations and help members with questions about using their benefits.

• Locations across the company organized employee drives to gather diapers, baby wipes, hygiene items and clothing to send to community donation sites.

To further assist impacted employees, Human Resources created a new policy allowing employees to donate their paid time off to co-workers impacted by the disaster, and increased the allowed grant distribution from the **Blue Bear Employee Relief Fund℠** to $10,000.

All told, HCSC donated more than $2 million to support disaster relief efforts in the Gulf Coast and Houston area.
Updates in the weeks after the hurricane provided more good news than bad. Employees were accounted for, members expressed appreciation, providers could treat patients with more flexibility, and employer groups were getting what they needed.

Learn more about how our employees in Texas work to help the community in times of crisis and natural disasters.
When Hurricanes Harvey and Irma hit Texas and wildfires spread devastation across Montana, HCSC employees stepped in to help their co-workers who live in the affected areas.

Lending a hand was easy with donations to the Blue Bear Employee Relief Fund℠, a program that has offered short-term assistance to our employees since 2012.

The Blue Bear Employee Relief Fund received $383,890 in donations throughout 2017.

Last year, the Blue Bear Employee Relief Fund assisted almost 300 HCSC employees experiencing significant financial need due to unexpected and unavoidable emergencies. Almost 50 percent of aid went to help those affected by home catastrophes and natural
disasters. The maximum grant amount was raised so those affected by natural disasters could receive up to $10,000 in assistance.

Since the inception of the fund, contributions have totaled over $1.43 million.

**Blue Bear Employee Relief Fund**

$363,000+ in donations

298 employees received emergency financial relief

49 percent of aid went to those affected by home catastrophes and natural disasters.
Employee Giving Campaigns

$712,000+ donated through giving campaigns

133 donations drives for for clothes, food and school supplies

"I was able to get back to work and help our members who were facing greater issues than me. – Julie Hepburn, Texas employee"

Our employees’ generosity extends beyond employee assistance. Employees across the company, both active and retired, make contributions through an annual giving campaign and various fundraising events. They donated over $712,000 through our annual giving campaigns in 2017, including $408,978 to the United Way.

Employees also led 133 donation drives around the company for items such as food, clothes and school supplies to be donated to our nonprofit partners.

“Our employee giving is a real source of pride for me,” says HCSC President and CEO Paula Steiner. “I believe it’s important for our company to donate to the communities where we do business. But it means so much more when I see so many employees be the hands, feet and hearts of our company through giving in meaningful ways during these times of need.”
Learning doesn’t just take place in a classroom or on a screen. When children have time to move and play outside, they are developing pathways to the brain. Children learn from experiences through play, experimentation, exploration and discovery.

*Research shows* that exploring, risk-taking, developing fine and gross motor skills, and absorbing knowledge can all happen through outdoor play. Unstructured physical play may also help reduce stress in children. Time outside allows children to make choices, plan and expand their creativity. It’s also important for physical activity, socialization and fun.

Through the Healthy Kids, Healthy Families® initiative, HCSC makes investments to give more children access to physical activity by building playgrounds in underserved neighborhoods.
But it’s not all child’s play. Adults need fresh air and exercise, too. So, we are supporting bike-sharing programs and major park development and renovation programs, as well.

5 We built KaBOOM! Playgrounds

7 Granted Imagination Playgrounds

2 Supported Community Parks

Sponsored 5,910 Bikes

A few of the programs we supported in 2017:

**Blue Cross and Blue Shield of Illinois** continued our sponsorship of the Divvy bike-share system. The blue bikes averaged more than 7,300 trips per day. Find out how we’ve supported the success of Chicago’s Divvy bike-share program.

**Blue Cross and Blue Shield of Montana** sponsored the Montana Bicycle Guild, an organization focused on trail advocacy, building and maintaining new and existing trails,
and bringing local mountain bikers together.

A stroll in the park

Blue Cross and Blue Shield of Oklahoma is a major supporter of Gathering Place: Tulsa’s Riverfront Park. The park provides space for people to play, relax and gather, with nature walks, two land bridges connecting the two sides of river parks, sporting areas and a pond.

Blue Cross and Blue Shield of Montana supports Prickly Pear Land Trust, an organization that inspires connections to the landscapes, water, wildlife, recreation and agricultural heritage of Montana.

“When children have time to move and play outside, they are developing pathways to the brain. Children learn from experiences through play, experimentation, exploration and discovery.”

Play all day

Since 2009, we’ve collaborated with KaBOOM!, a national nonprofit organization that works to give all kids in our communities safe places to play. Kids who live in low-income communities often lack safe play spaces. By partnering with KaBOOM!, we help make it possible for kids to learn, explore and grow.
In 2017 our employee volunteers partnered with KaBOOM! to build five new playgrounds, including four with shade structures to reduce harmful sun exposure and keep playground equipment cool during hot summer months. Additionally, seven KaBOOM! trademarked “Imagination Playgrounds” were granted to nonprofit partners to provide fun indoor play spaces.

Blue Cross and Blue Shield of New Mexico provided an Imagination Playground in a Cart™ to Borderland Boys & Girls Club in November. The Imagination Playground in a Cart is a kit of sand, water and loose building pieces that kids can use to build a playground of their own design, indoors or out.

Together, HCSC and KaBOOM! created new, safe play environments for more than 20,000 children in Montana, New Mexico and Texas in 2017.

KaBOOM! says thanks, HCSC!
Each year we recognize our outstanding employee volunteers who consistently show leadership initiative and are quick to mobilize others to support a cause. The Volunteer of the Year award winners are nominated by their peers. The honor includes a company grant to a nonprofit of their choice.

New winners also join past award winners on an advisory board that influences and guides the direction of HCSC’s Blue CorpsSM employee volunteer program.

The 2017 Volunteer of the Year award winners are:

**Tracy Trice-Watts**
Assistant Manager, Internal Audit, Blue Cross and Blue Shield of Illinois
Tracy has served the community since she was a Girl Scout. But she really found her purpose as a young adult, when she started teaching Sunday school and mentoring young teen girls. For Tracy, there is no greater goal than to help young women discover who they are in this world and help them navigate some of the pitfalls they encounter.

Find out what inspires Tracy to make a difference:

![Meet Tracy Trice-Watts BCBSIL 2017 Volunteer of the Year!](image)

Cliff McKay
Wellness Analyst, Blue Cross and Blue Shield of Montana

Cliff inspires his co-workers through his leadership qualities and contagious positive attitude. A modest and natural leader, Cliff leads others to improve their health in any way they can. He is a volunteer coach for the Capital High School Bruins wrestling team, and he continues to work with athletes in the off-season strength and conditioning program.

See how Cliff is making an impact in his community:
Doug Anaya
*Member Care Coordinator, Blue Cross and Blue Shield of New Mexico*

As the president of Hellfighters Soul Snatchers Unit — the Rio Rancho/Albuquerque chapter of the Hellfighters national motorcycle club — Doug started Mercy After Dark, a ministry that provides food and clothing to more than 350 homeless in Albuquerque. Doug and his family started the ministry five years ago, and they now have about 50 volunteers who join the outreach efforts each Saturday. They help teen runaways, veterans, families and others who have found themselves homeless in Albuquerque.

Learn more about Doug's volunteerism:
Pam VanMeter

Unit Manager, Medicare Government Programs Division, Blue Cross and Blue Shield of Oklahoma

Pam leads Volunteer Steering Committee meetings and motivates other employees to volunteer in the community. She makes countless personal contributions toward improving the quality of her community, including volunteering with Life Senior Services and Tulsa Quilts for Kids. Pam is a true humanitarian and inspires others every day to give back to the community.

Find out what makes Pam a Volunteer of the Year award winner:
Sebrena Bohnsack
Manager, Occupational Health Services, Blue Cross and Blue Shield of Texas

If you ever are out and about in Richardson with Sebrena, you will be amazed at how many people know her. She has made lasting connections through her involvement with many community organizations. You may find her stocking shelves at the local food pantry, preparing for the public library book sale, reading to preschoolers in an English as a second language program, cooking dinner for families at Ronald McDonald House or acting for a cause with a local community theater. She inspires others to give back to the local community by investing her own time.

Learn how Sebrena makes giving back a priority.
Diabetic Retinopathy

It's estimated that 29 million U.S. adults have diabetes. This chronic condition has many complications, including diabetic retinopathy, the most common cause of vision loss among people with diabetes.

Diabetic retinopathy often goes undetected until vision loss occurs. That's in part because people conventionally need to see a specialist for the annual, comprehensive eye exam that may prevent vision loss by catching it early. This means another appointment that requires more time and money.

In Illinois, we launched a pilot program to help improve the screening rates for diabetic retinopathy, particularly in areas lacking in health and economic equity. HCSC is improving
Screening rates by donating handheld digital cameras to two federally qualified health centers that provide primary care in underserved communities.

Images of the eye taken at the health centers are transmitted to eye specialists, who typically deliver a diagnostic report within 90 minutes. That means the patient doesn’t have to make a separate appointment to see an eye doctor for the screening, and any problems found can be discussed and next steps planned right away.

The participating health centers are providing free screenings for any patient who needs one, regardless of whether the patient is enrolled in a Blue Cross and Blue Shield health plan. Within five months of receiving the equipment, the centers had screened 800 patients.

Learn more about our diabetic retinopathy screening pilot program.

**Detection**
Detecting diabetic retinopathy traditionally involves an appointment with an ophthalmologist, eye dilation and bulky equipment.

**Childhood Asthma**

Since 2012, as part of our Healthy Kids, Healthy Families® initiative, we’ve worked with the American Lung Association to dramatically improve the health and quality of life for children with asthma.

In 2017, 28 health clinics participated in the Enhancing Care for Children with Asthma Project throughout Illinois, Montana, New Mexico, Oklahoma and Texas, to improve pediatric asthma care for high-risk patients. Using nationally recognized care guidelines to address inconsistencies in care, the partnership is providing specialized training at physician
offices, federally qualified community health centers, school-based clinics and primary care health centers.

The project is making a difference. On average, participating patients have seen a 50 percent reduction in hospitalizations and emergency-related visits.

The partnership also provides home visits for patients who suffer from poorly controlled asthma. Asthma educators visit the home to identify and remove environmental triggers, including carpet, dust and some cleaning products. To date, we've conducted more than 160 home assessments.

In 2017, HCSC was recognized by the U.S. Environmental Protection Agency (EPA) for its work to address environmental triggers as part of a comprehensive asthma program. We received the EPA's National Environmental Leadership Award in Asthma Management.

In the past five years, the Enhancing Care for Children with Asthma project has provided training and resources to more than 150 clinics and impacted an estimated more than 640,000 people.
640,826 individuals

Improved asthma management since 2012 thanks to “Enhancing Care for Children with Asthma”

Delivering training and resources to more than 150 clinics in five states

Identified and removed environmental triggers in 160 homes.

160 homes

Models for Success

The partnership with the American Lung Association goes beyond helping children with asthma and their families. We are now exploring how the asthma intervention model can be used to address other chronic conditions. In 2017, we began working with the American Lung Association in Texas to raise awareness for the prevention and early detection of chronic pulmonary obstruction disease.

Learn more: Community Investments Impact Public Health
Our ongoing collaboration has been crucial when unexpected events jeopardize the communities we serve. When wildfires swept through much of western Montana and seriously impacted air quality, we rallied with our American Lung Association partners to deploy our mobile Care Van and deliver air purifying filters to schools near the wildfires.

Learn more: As Wildfires Burn, Clearing the Air for Montana Schoolchildren

And as Houston and the southern port communities of Texas continue to recover from Hurricane Harvey, we are working together to educate area families on the increased respiratory risks due to excessive exposure to the mold caused by receding floodwaters.

Learn more: A Potential Health Impact from Harvey
The Centers for Disease Control and Prevention (CDC) estimates* that vaccines delivered to children born between 1994 and 2013 will prevent 322 million illnesses, 21 million hospitalizations and 732,000 premature deaths over the course of their lifetimes.

The more people who get vaccinated, the lower the risk that an outbreak of a vaccine-preventable disease will occur. Keeping a larger group of people immunized also helps protect people in the community who can’t get vaccines because of their age or health condition. This is known as “community immunity.”

Each of HCSC’s Blue Cross and Blue Shield Plans operates a Care Van® mobile health program to address significant health care needs by taking preventive health services into
the communities. In 2017, our 25 Care Vans drove to community centers, churches and schools across Illinois, Montana, New Mexico, Oklahoma and Texas, providing 140,884 immunizations and other health services.

Mobile preventive care complements traditional clinics by reaching uninsured and medically underserved children and adults. The needs in each state vary, so each Care Van program is unique. However, they share a number of priorities. While immunizations is our key focus, we also provide blood pressure screenings, HIV testing and dental services.

116,241 People served
68,773 Immunizations provided
72,111 other health services provided

In 2017:

- A new wheelchair accessible Care Van in Illinois joined the fleet to reach more clients
- Montana administered its 10,000th immunization, less than two years after launching their first van

- Care Vans were deployed after Hurricane Harvey in Texas and during the wildfires in Montana to provide assistance to the community

- New Mexico added a second van in December, expanding access to preventive care to more communities

- Oklahoma’s Caring Vans upgraded their technology to have real-time access to information that can help them respond to patients’ questions

See how the Care Van program in Texas is impacting the community.

*Centers for Disease Control and Prevention Health Security Report, 2017.*
PROMOTING SAFE ENVIRONMENTS

Working to provide safe and nurturing environments for families

Many factors affect the health of individuals and communities, including our city or town, the condition of our natural environment, genetics, our income and education level, and even our relationships.

And while we can’t solve every problem, we’re supporting programs that create safe social and physical environments for the people in our communities. Through our Healthy Kids, Healthy Families initiative, HCSC supports a wide range of programs that meet the needs of local communities.

For example, we work with organizations that address mental illness around Montana where the teen suicide rate is among the highest in the country. In Illinois, we collaborate with nonprofits that deliver violence prevention and trauma treatment programs for at-risk youth.
And in **New Mexico**, we’ve established local partnerships to support displaced and homeless families.

Creating safe, stable and nurturing environments is critical to long-term health and well-being in our communities. Some of our community partners helping us tackle this challenge include:

**Illinois**

*Mikva Challenge’s Chicago Youth Health Activism Initiative, UCAN’s North Lawndale Violence Prevention and Trauma Treatment Project,* and the Youth Guidance *Becoming A Man and Working on Womanhood* programs, all of which strive to change the trajectories of young men and women exposed to violence and dangerous behavior.

**Montana**

*Healthy Mothers, Healthy Babies – The Montana Coalition,* which supports new mothers and babies, and *Mountain-Pacific Quality Health Foundation,* which helps reduce youth suicides through a targeted education and awareness campaign.

**New Mexico**

*Children’s Grief Center of New Mexico,* which provides free support groups for children, and *St. Martin’s Hospitality Center’s HopeFound program,* which rapidly re-houses families with children experiencing homelessness in Albuquerque.

**Oklahoma**

*A Chance to Change Foundation’s Chance to Succeed* program, which provides substance use prevention, early intervention and education for middle and high school students, staff and parents.

**Texas**

*Texas Casa,* a program that recruits and trains volunteer advocates for abused and neglected children.

*We’re supporting programs that create safe social and physical environments for the people in our communities.*
Addressing the Opioid Crisis

On average, 115 people die from an opioid overdose each day in the United States*, according to the Centers for Disease Control and Prevention. Many of these deaths involve prescription opioids, and more than 1,000 people each day are treated in emergency rooms for misusing these drugs.

At HCSC, we are taking our role in addressing this crisis seriously. We believe our greatest impact will come from helping individuals with the proper use and disposal of prescription opioid medication. We do this by building on the relationships we already have with our care providers, pharmacists and communities.

We actively promote National Prescription Drug Take-Back Day in our communities twice a year — part of a nationwide effort sponsored by the U.S. Drug Enforcement Administration. Safe medication disposal is one of the best ways to ensure medications are not accidently used or intentionally misused by someone else.

To ensure access for people to safely dispose unwanted medication, we are partnering with Walgreens to expand the existing Walgreens Safe Medication Disposal Program. This partnership will increase the number of drug take back kiosks at Walgreens stores in Illinois in 2018, making the disposal of unwanted medications more convenient and accessible for our members.

Learn what HCSC is doing to combat the opioid crisis.

*Understanding the Epidemic, Centers for Disease Control and Prevention, August 2017
About 13 million U.S. children live in households that lack consistent access to adequate food.* This food insecurity, as defined by the U.S. Department of Agriculture, is a daily challenge for many families. Kids who don’t have enough to eat may have a harder time at school, and they’re more likely to experience developmental delays in language and motor skills. They’re also more likely to suffer from anemia, asthma and other health problems that can send them to the hospital.
In 2017, HCSC supported organizations and programs addressing hunger and food insecurity through our Healthy Kids, Healthy Families® initiative. We partnered with 26 food banks and other community partners that distributed more than 2.2 million pounds of food across our five states, benefitting nearly 698,000 adults and children.
We’ve also broadened our partnerships to address nutrition education and how to grow healthy foods. We support programs like the Northern Illinois Food Bank Nutrition Education Program, which is teaching kids how to make healthy meals and snacks for themselves.

In New Mexico, we support The Community Pantry’s Growing a Greener World Project, which educates families on gardening and healthy eating.

*Feeding America, Child Hunger Fact Sheet, Sept. 2017*
Since our volunteer program, Blue CorpsSM, began in 2008, employees have volunteered more than 500,000 hours. In June of 2017, Texas employee Arlene Grimes carried the company across this impressive milestone by logging the 500,000th hour.

Employees volunteer in their communities for a variety of causes. Arlene dedicates much of her free time to a local animal shelter. She has volunteered at adoption events and helped raise awareness through social media for more than four years. At work, Arlene is an IT process design and governance analyst in our Richardson office.
4,744 employees volunteered

117,784 hours
cash equivalent of more than $2.8 million

Supported 395 Nonprofit organizations

$429,110 in matching dollars

“I know everyone is pressed for time,” Arlene says. “It doesn’t matter what you do or how much time you put in, you will get so much right back. If our company shows enough effort to support you volunteering, then I am going to do it.”

Other employees volunteer their time coordinating 5Ks, organizing food drives, planting community gardens and hundreds of other activities, even teaching flamenco dancing to seniors. Anna Pena, a quality management specialist, teaches Spanish folk dance each month at the WellMed Charitable Foundation Senior Community Center in Austin, Texas.

This year also marked the beginning of a pro bono legal assistance program, with many of our company’s attorneys participating. Through this effort, our attorneys are supporting the following organizations:
• **Cabrini Green Legal Aid**, Chicago: Volunteers assist low-income and immigrant populations in expunging minor legal offenses from their records so they can better access jobs and housing.

• **Equip for Equality**, Chicago: Volunteers help families of children with disabilities to help them better access placement in special education programs.

• **National Immigrant Justice Center**, Chicago: Volunteers counsel immigrants and asylum seekers, and fight for fair immigration reform and an end to inhumane immigration detention.

• **Tulsa Lawyers for Children**, Tulsa: Volunteers assist children who have been abused and are in state custody to help them access legal, medical, educational and mental health rights.
Arlene, Anna and our attorneys are just some of our company’s 4,744 volunteers, who provided 117,784 hours — an economic equivalent of more than $2.8 million* invested in the community in 2017.

Volunteering at HCSC also comes with a donation check for many organizations. Through our Blue Corps matching dollars program, we donate $20 for every hour volunteered with one of our health-related nonprofit community partners, doubling the impact of our employees’ time. This resulted in awarding 395 community partners more than $429,000 in matching dollars across our five states in 2017.

And now that we’ve passed the half-million mark with our volunteer hours, we want to do more. We are challenging our employees to make a huge community impact by doubling that number over the next three years. Our new target is to volunteer one million hours by 2021. To get there, we will ask each employee to pledge at least eight hours of volunteer time per year.

* One hour of volunteering has a $24.14 cash equivalent, as calculated by Independent Sector from data provided by the U.S. Bureau of Labor Statistics (2017)
Motiva®, HCSC’s employee wellness program, engaged employees last year with monthly educational campaigns centered around the five pillars of well-being. Each month, Motiva encouraged them to practice self-care, eat mindfully, be present, save money and live a purposeful life.

The Motiva® team collaborates with divisions across the company on opportunities for employees to participate in their own health and well-being by:

- Coordinating screenings and shots to help prevent illness
- Sharing weekly news, healthy recipes, tips and webinars with more than 14,000 employees
- Providing employees with healthy cafeteria and vending food
• Planning events and walks to get people moving

• Encouraging volunteerism to enhance community and well-being

Motiva® reminds us that the most important thing we can do is take good care of our health so we can, in turn, take care of our families, perform our jobs well and feel good at the end of the day.

Core to our program is a network of employee health and well-being champions who spread positive messages and brought them to life with wellness celebrations, meditation sessions, walks, community service projects and more.

"Our Motiva® team collaborates with divisions across the company on opportunities and ideas to engage our employees in their own health and well-being."

Some highlights from 2017 include:

• **San Angelo, Texas:** Employees transformed an old training area into a creative, high-energy break space where team members can de-stress through exercise and activities.

• **Quincy, Illinois:** Champions organized a “Pounds with a Purpose” challenge. They awarded “Purpose Points” for challenges focused on physical, financial and community well-being. As a result, teams contributed more than 4,000 nonperishable food items to a local community food bank.

• **Marshall, Texas:** “Tracks to Fill Backpacks” combined physical activity with a fundraiser. Teams were challenged to walk 20 miles each week, and the team with the least number of miles each week donated $10 worth of school supplies to two elementary schools. Employees accumulated 4,500 walking miles during the challenge.

• **Danville, Illinois:** “Leap into Walking” encouraged employees to reduce stress by pairing walking challenges with mindfulness-based stress management activities. They
emphasized kindness, social support and lifelong learning.

- **Albuquerque, New Mexico:** Champions organized a “Salad in a Jar” activity with more than half the staff participating.

- **Tulsa, Oklahoma:** Employees partnered with a local farm to have fresh produce delivered to the office weekly.

- **Helena, Montana:** A bike-share program provided bikes for employees to get lunch, run errands and ride after work.

As a result of our well-being efforts, we received the Gold Level Award from the National Business Group on Health as a “**Best Employer for Healthy Lifestyles.**”

Watch how our employees at Blue Cross and Blue Shield of New Mexico learned to make healthy salad in a jar.
The web is full of misinformation about health and wellness.

Having an accurate, timely and reliable source cut through the noise is vital. That's why we empower our members with a variety of digital resources that help them take an active role in their health and get the most out of their health plan.

Connect

On Connect, we host a social community featuring blogs, videos and infographics that engage members and prospective members in conversations around health, wellness and coverage. Registered Connect users can follow their favorite topics, like posts, add comments and ask questions.
Connect also provides culturally relevant content in Spanish for our Latino communities, as well as articles and resources on topics that are important to our Medicare members.

In 2017, Connect increased its reach, sharing community updates, health and wellness information, health insurance coverage guidance and more with over one million views.

Visit Connect, and join the conversation: Connect Illinois, Connect Montana, Connect New Mexico, Connect Oklahoma and Connect Texas.

Connect en Español: Connect Illinois, Connect New Mexico, Connect Oklahoma and Connect Texas.

LifeTimes

Our award-winning LifeTimes newsletter is emailed to more than 2 million members each month. The articles, videos and interactive tools help members improve their health and learn how to use their benefits to get the most for their health care dollars.

*The site is easy to navigate and it's easy to find what I need - very helpful, especially with my busy schedule.*
IS THERE A SECRET RECIPE FOR A GOOD NIGHT’S SLEEP?

Learn More

Anyone can find current and past articles on the LifeTimes website. Visit LifeTimes online: Lifetimes Illinois, Lifetimes Montana, Lifetimes New Mexico, Lifetimes Oklahoma, and Lifetimes Texas.

Spanish sites: Lifetimes Illinois, Lifetimes Montana, Lifetimes New Mexico, Lifetimes Oklahoma and Lifetimes Texas.
Every day, a special group at HCSC assists families dealing with the loss of a loved one. The Seasons of Life℠ team takes on the burden of medical paperwork during this difficult time, ensuring claims are filed properly, resolving billing issues with providers and other insurance companies, and handling details like transferring other family members to a new policy.

The team is also on point during disasters such as fires and floods to make sure members who suffered losses, or were injured or displaced, have help with medical and insurance needs such as finding medical providers, getting prescriptions filled and obtaining new insurance cards.
In 2017, the Seasons of Life team had more than 6,300 cases and made more than 11,000 outreach phone calls during Hurricane Harvey relief efforts alone.

The Seasons of Life team’s work goes hand in hand with our company’s purpose, to do everything in our power to stand with our members in sickness and in health.

Read more about how the Seasons of Life team helps our members in their time of need.
OUR DIFFERENCES MAKE US STRONGER
Empowering our workforce with diversity and inclusion

At HCSC we support an environment where all employees feel valued, empowered and recognized for their unique talents, perspectives and differences. To do this, our Center for Diversity and Inclusion (CDI) embeds a commitment to diversity throughout all areas of the company, from how we hire, manage and interact with employees, to how we serve our customers and provide for our communities.

We strive to maintain an inclusive work environment where all employees experience
equity. This means employees know that when they come to work each day, they will be treated fairly and with the respect they deserve. We see our organization as one united by our differences and empowered by the various strengths we each bring to the table.

"We come to work each day confident that our organization supports our unique ideas, perspectives and characteristics," says Manika Turnbull, vice president and chief diversity officer. "I am proud to support an organization that values its employees. Starting with the chief executive officer, on down to each and every employee, we are dedicated to helping our organization maintain an inclusive environment by showing respect and acceptance for one another."

The CDI is also committed to equipping employees with diversity-related knowledge, resources and programs on diversity and inclusion. Our vision of "uniting talent from all lines of difference to benefit all lines of business" recognizes that employees’ diverse contributions create better solutions and greater business outcomes for our members and our company.

"We know we can better serve our customers when we appreciate them both as individuals and as a community," says Paula Steiner, HCSC president and CEO. "We extend this appreciation to our colleagues at work as well."

Hear from Paula Steiner about why HCSC focuses on diversity and inclusion and what it means for the company.
Learn more about Our Commitment to Diversity in our 2017 Diversity and Inclusion Annual Profile.
For the past 15 years, HCSC has recognized employees who exemplify the spirit, principles and actions of diversity and inclusion in their workplace and community by presenting the Raymond F. McCaskey Diversity and Inclusion Award. This award was inspired by former HCSC President and CEO Raymond F. McCaskey. With a growing number of HCSC employees going above and beyond to exemplify these qualities, we have adapted our award to recognize employees at two levels, leadership and individual contributor.

**Raymond F. McCaskey Leadership Award**

The 2017 winner of the leadership award was Mercedes Millberry Fowler. Mercedes is a unit manager in the community relations department of our Tulsa, Oklahoma, office. She has
always been interested in social justice and equality and appreciates that HCSC has a strong philosophy of diversity and inclusion.

“I am fortunate that HCSC supports me as I continue to learn more about how we can engage all our employees to bring their authentic selves to work,” Mercedes says. “The company can benefit from embracing the diversity of perspectives and experiences that our employees possess.”

Mercedes has been with HCSC for eight years, first in the public relations department, working on outreach efforts related to the Affordable Care Act. She is now in community affairs, where she interacts with nonprofits in Oklahoma that work to address social determinants of health.

Mercedes is a member of four of our nine Business Resource Groups, employee-driven groups organized around a particular characteristic of diversity. “Diversity and inclusion are critical to the future survival of all companies as demographics and cultural norms change and grow,” she says.

Mercedes chairs the business services committee of the Tulsa Regional Chamber Mosaic Group, the chamber’s diversity council. Blue Cross and Blue Shield of Oklahoma (BCBSOK) has been recognized a Mosaic Inclusive Workplace recipient for the past four years.
"Companies that embrace diversity by actively encouraging it in peer companies, customers and partners will be the companies that shape the future and build trusted relationships that will last. – Mercedes Millberry Fowler"

Raymond F. McCaskey Individual Contributor Award

Ben Thierry, a business analyst for the information technology group at our Chicago headquarters, was the recipient of the individual contributor award. Ben is a member of HCSC’s Pride Alliance, our Business Resource Group for employees who are lesbian, gay, bisexual, transgender, queer/questioning (LGBTQ) and LGBTQ allies.

“I believe living authentically is key to the advancement, visibility and protections of people who identify as LGBTQ,” Ben says. Ben is a project co-lead/founder of an initiative to create the Authentically Blue Oasis℠, an inclusive space for HCSC employees. He’s also the project lead on the company’s LGBTQ web presence project. One of his goals, he says, is to “promote a world in which all LGBTQ youth are free to be who they are.”

Meet our past Raymond F. McCaskey Award Winners in our previous Social Responsibility Reports.
HCSC has received recognition for the past five years from DiversityMBA, a national leadership organization focused on integrating diversity and inclusion with talent management. DiversityMBA awards companies with compelling stories, strategies, successes and best practices. We are proud to have advanced to No. 2 from No. 6 on its 2017 rankings of the Best Companies for Women and Diverse Managers to Work, also known as the 50 Out Front.

HCSC was also honored to have two employees recognized as DiversityMBA Top 100 under 50 recipients. The awardees were Dr. Esteban Lopez, Blue Cross and Blue Shield of Texas chief medical officer and southwest Texas market president, and Margaret Trietsch, senior director of content strategy and delivery.
Our 2017 Awards and Recognition include:

**National**

* DiversityMBA
  - 50 Out Front: No. 2 Best Companies for Women & Diverse Managers to Work
  - 50 Out Front: Best Companies to Work for Women and Diverse Managers Ranking in five categories:
    - Workplace Inclusion and Retention
    - Accountability
    - Board Diversity
    - Representation
    - Succession Planning

* G.I. Jobs
  - Military Friendly Employers Designation and Bronze Status

* Human Rights Campaign Foundation
  - Awarded 100 percent on the Corporate Equality Index – Best Places to Work

* National Business Inclusion Consortium “Best of”
  - The 2017 Best Corporation for Inclusion

* National Gay & Lesbian Chamber of Commerce (NGLCC)
  - Best of the Best Corporation for Inclusion

* US Business Leadership Network (USBLN)
  - Awarded 100 percent on the Disability Equality Index

**Regional**

* HCSC named DiversityMBA No. 1 Regional Company
* Blue Cross and Blue Shield of Oklahoma recognized as Tulsa Regional Chamber of Commerce Mosaic Top Inclusive Workplace Culture
* Blue Cross and Blue Shield of Illinois recognized as the Phoenix Center’s Springfield Community Partners PRIDE Award recipient (the Phoenix Center is an LGBTQ
Business Resource Groups

How does a large organization help employees feel connected, respected and valued? At HCSC, we developed Business Resource Groups (BRGs) for employees to engage with others who share common perspectives and goals.

These voluntary, employee-driven groups are formed around a common set of goals that relate to a certain dimension of diversity, such as race, gender or culture. The groups contribute to our business by creating an inclusive culture, enhancing community outreach efforts and strengthening employee recruitment and retention.

For example, Senior Vice President and Controller Jim Kadela says serving as executive sponsor of the Asian American Business Resource Group has given him insight into the
nuances across Asian cultures. “I have a better understanding of the unique perspectives each nationality brings to the table,” Jim says. And that insight, he says, helps him engage the members of his team as individuals.

Diversity and inclusion is an integral part of our workplace, and diverse teams drive innovative ideas and better serve our customers.

Our nine Business Resources Groups, with 41 chapters throughout the company, are:

- African Americans in Motion
- Asian American Business Resource Group
- Engaging Millennial Energy to Recognize Growth Enterprisewide (EMERGE)
- In-Abled
- Latinos for Advancement
- Pride Alliance
- Native Americans in Progress
- Supporters of Military Veterans
- Women Improving the Strength of the Enterprise (WISE)
Employee Networks

Our Employee Networks enhance the engagement of our workforce through social gatherings, events and activities organized around an affinity, talent or common interest.

“At a time when much in society attempts to divide us, employee networks provide a channel for us to stand with one another,” says Khurram Taufiq, a senior actuarial associate who serves as co-chairperson of The Diversity Forum in Richardson, Texas.

The Diversity Forum fosters an inclusive and culturally competent workplace in which employees share mutual understanding and respect for one another. The network “provides a platform for us to learn about one another,” Khurram says. “Whether through a simple forum discussion or a speaker during a cultural festival, we are also exposed to new information.”

These are a few 2017 highlights of our three Employee Networks:

- The Diversity Forum hosted a Lunar New Year festival that allowed employees the opportunity to understand the history behind the cultural festivities and participate in traditions celebrated by many East Asian countries.

- Europa, which works to increase employees’ knowledge of various European cultures, co-hosted a monthly Gastronomy Club with The Diversity Forum. Participants sampled different cuisines to better understand the connection between food and culture.

- Voices of Diversity, which spreads the message of diversity and inclusion through musical performances, honored our military veterans with performances on Memorial Day, Veterans Day and at the veteran job fair at HCSC’s Chicago headquarters.
Learn more about our commitment to diversity.
HCSC is shaping its future workforce today with practical experiences in science, technology, engineering and mathematics (STEM). With first-hand experiences and exciting opportunities in STEM-related fields for high school and college students, we’re bridging gaps in the STEM pipeline, attracting new talent and creating an inclusive culture.

“The more we can understand science, mathematics, engineering and technology, the better we can understand and adapt to the changing world around us,” says Melanie Simmons, a manager in integrated marketing at HCSC and a STEM programming volunteer.

Melanie says working with young people in these programs has taught her that STEM opens huge opportunities for people of all backgrounds. “It is the future and it’s an equalizer
for today’s youth.”

Our STEM programs and partners include:

- Boys and Girls Club of Richardson, Texas
- City Colleges of Chicago
- Dallas Independent School District STEM Expo
- Discovery Festival Event by Big Brothers Big Sisters of Central New Mexico
- Girl Scouts of Northeast Texas STEM Career Day
- Lumity One-Day Challenge
- Lumity STEM Career Day
- National Society of Black Engineers
- Project SYNCERE
- TutorMate Innovations for Learning
- UNCF STEM Scholarship
- Work-Study Program with Cristo Rey/Christ the King Jesuit High Schools
I have grown during my time with HCSC because I remember being here as a freshman and I was really shy and scared to talk to people. Now...I talk to more people and am more confident. I feel lucky to have this opportunity. - Evelyn S., intern

Building a pipeline of diverse talent in STEM fields is integral to our overall diversity and inclusion strategy.

Evelyn S., one of our interns from Cristo Rey Jesuit High School in Chicago, says the experience allowed her to meet people and work on real projects. She is now a senior and has interned with us all four years of high school.

“I personally think I have grown during my time with HCSC,” Evelyn says. “I remember being here as a freshman, and I was really shy and scared to talk to people. Now I talk to more people and am more confident. I feel lucky to have this opportunity.”

Evelyn works with the technology team in the human resources department. She has provided input on many projects and will leave with many new skills. “I was able to achieve more things than I could imagine,” she says.

We're thrilled to offer opportunities for Evelyn and many other young people who are looking to learn and grow in STEM-related careers.
We bring our commitment to diversity and inclusion to all levels of business operations. It’s why HCSC created a supplier diversity team, which maximizes opportunities for minority, women and other diverse-owned companies to do business with us.

When a need arises, the team seeks out qualified and competitive suppliers with diverse ownership. We don’t just hire these businesses for the immediate need, but also foster long-standing relationships for future opportunities. We look for suppliers that share our values and conduct business in the same ethical manner. All our diverse suppliers are certified and registered.

National agencies whose certification HCSC accepts include:
• National Minority Supplier Development Council
• National LGBT Chamber of Commerce
• US Business Leadership Network
• Women's Business Enterprise National Council

Our supplier diversity team is proud to be entering the second year of participation in the Chicago United Five Forward 20/20 program. Chicago United is an organization whose mission is “to achieve parity in economic opportunity for people of color.” Participating companies commit to doing business with five minority-owned businesses in the Chicago area for five years. Our current Five Forward 20/20 suppliers are Anchor Staffing, Kairos Worldwide, Montenegro, Inc., Vivia USA and Wedgeworth Communications.

Learn more about our commitment to supplier diversity.
CARING FOR THE ENVIRONMENT
Planning for now, and for the future, by reducing energy consumption and lowering our carbon footprint

Our footprint may not be as large as a giant of industry or manufacturing. But we hold ourselves accountable for the size of our impact. Our sustainability efforts are focused on strengthening our recycling practices, increasing energy efficiency, using renewable resources, protecting wildlife and working to “green” the commutes of our employees. We believe that environmental responsibility means everyone must do their part, so we remind our employees that even the smallest actions can make a positive impact. Over time, our efforts add up to measurable results, not just for today, but for future generations.

Here are some programs we’ve implemented at various company sites that demonstrate our dedication to sustainability:
Lighting

- High efficiency fluorescent light bulbs for office lighting
- LED light conversion in common areas
- Motion sensor lighting

Recycling and Green Products

- Recycle paper, fluorescent light bulbs, wooden shipping pallets, aluminum cans and plastic bottles, and cafeteria grease
- Use green janitorial cleaning products and pest control products
- Participate in programs such as America Recycles Day, a national initiative of Keep America Beautiful

High-Performance Energy Efficiency

- Energy use reduction programs, such as co-generation and load shedding
- Low-flow toilets
- Automatic paper towel and soap dispensers

Using Renewable Energy

- Solar or wind source for half the electricity for all Illinois facilities and 25 percent for all Texas facilities, reducing air pollutants and greenhouse gas emissions
- Electric vehicle charging stations

Building Design and Green Building Programs

- ENERGY STAR certification for several buildings
- State-of-the-art building automation technology to minimize the cost and environmental impact of energy used by heating, cooling and lighting
- Green roof technology to reduce storm water runoff and urban heat island effect on many buildings
- Green landscaping design to reduce water consumption and capture rain water

Protecting Wildlife

Animals play an important role in our ecosystems. To help protect migratory birds from flying into our buildings, we participate in the Audubon Society's “Lights Out” program and
turn off our exterior lights at 10 p.m. in our Chicago headquarters. Since 2013, the number of bird collisions has decreased by more than 80 percent.

Our 2017 Company Recycling Programs Add Up

- 309,574 Gallons of oil saved
- 1,629,339 Pounds of paper recycled
- 13,849 Trees saved
- 3,258,678 Kilowatts of electricity saved
- 5,702,687 Gallons of water saved
HCSC has created a strong corporate environment of integrity, supported with a broad range of ethics and compliance initiatives that touch every employee and guide everything we do.

In 2017, our company was again named a World’s Most Ethical Company® by the Ethisphere® Institute, an independent center of research, best practices and thought leadership in corporate ethics. The honor is reserved for a small number of companies worldwide that demonstrate through their programs, policies and actions that corporate integrity stands alongside operational factors as a key business driver.
Award for superior achievement in culture, governance, training and communications, monitoring and auditing, risk assessment, social and environmental responsibility and leadership endeavors.

We believe being named a World’s Most Ethical Company reflects that we understand the importance of a strong ethical culture, and work to obtain that through senior leadership support, management involvement and formalized programs focused on achieving ethical business behaviors. “This recognition honors the work our employees do every day to operate with integrity in all areas of our business,” says HCSC President and CEO Paula Steiner.

We were also recognized by others in 2017 for our efforts, receiving two best practice awards from Health Ethics Trust — one for our Code of Ethics and Conduct and one for our Speak Up campaign. And HCSC’s compliance program was rated “outstanding to best practice” in the assessment of our overall program.

The reviewers commented on the nomination that they “have yet to review a program as consistently outstanding as the HCSC Compliance Program.”

This positive evaluation gives credit to the work the ethics and compliance department and the government programs compliance departments do above and beyond the minimum requirements to set ethical business standards.

From the Health Ethics Trust, a division of the Council for Ethical Organizations: Code of Business Ethics and Conduct and Speak Up Campaign.
LEADERSHIP VIEW

HCSC Chief Brand Officer Joel Farran reinforces the company’s commitment to providing access to quality health care for all Americans.

At HCSC we live by five core values: Integrity, Respect, Commitment, Caring and Excellence. We live these values every workday as a partner in the health and well-being of our members. We also live those values beyond our jobs.

While “Blue Cross and Blue Shield” is widely recognized, the word “of” is easy to overlook. Importantly, “of” identifies that we are part “of” something bigger — part “of” a community. We share our work lives and our home lives with our neighbors, friends and members of Blue Cross and Blue Shield of Illinois, Montana, New Mexico, Oklahoma and Texas.

Being part of our communities isn’t just what we do, it’s what we love to do. Whether it is leading by example, supporting local community partners to achieve their goals, creating resources, funding necessary community health programs or delivering needed
vaccinations and flu shots to underserved children, we have and will continue to put our heart into everything we do.

We recognize, however that despite our efforts, the product we sell — insurance — is unattainable for many in our communities. That’s why earlier this year we announced **Affordability Cures™** — our commitment to create solutions with staying power with a dedication to make our product more affordable. **Affordability Cures** will build on our storied history of protecting individuals and helping them to be their best.

On behalf of our more than 20,000 employees, it is with great pride that I invite you to read our latest stories of how Blue Cross continues to live our core values and how that commitment makes a difference in the lives of millions across our communities.

**Joel Farran**
Senior Vice President, Chief Brand Officer
Health Care Service Corporation