SERVING OUR COMMUNITIES

In 2017, we invested more than $20 million with partner organizations.

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.
In 2017, we invested more than $20 million in our communities.

Overall, our employees volunteered 117,784 hours to make our communities better.

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.
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 FundSM** 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:

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.

![Care Van Icon]

**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.

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.
We partnered with 26 local food banks and nonprofit organizations across 5 five states. Distributed more than 2.2 million pounds of food.

-Benefiting approximately 698,000 adults and children

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 Corps℠, 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 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)