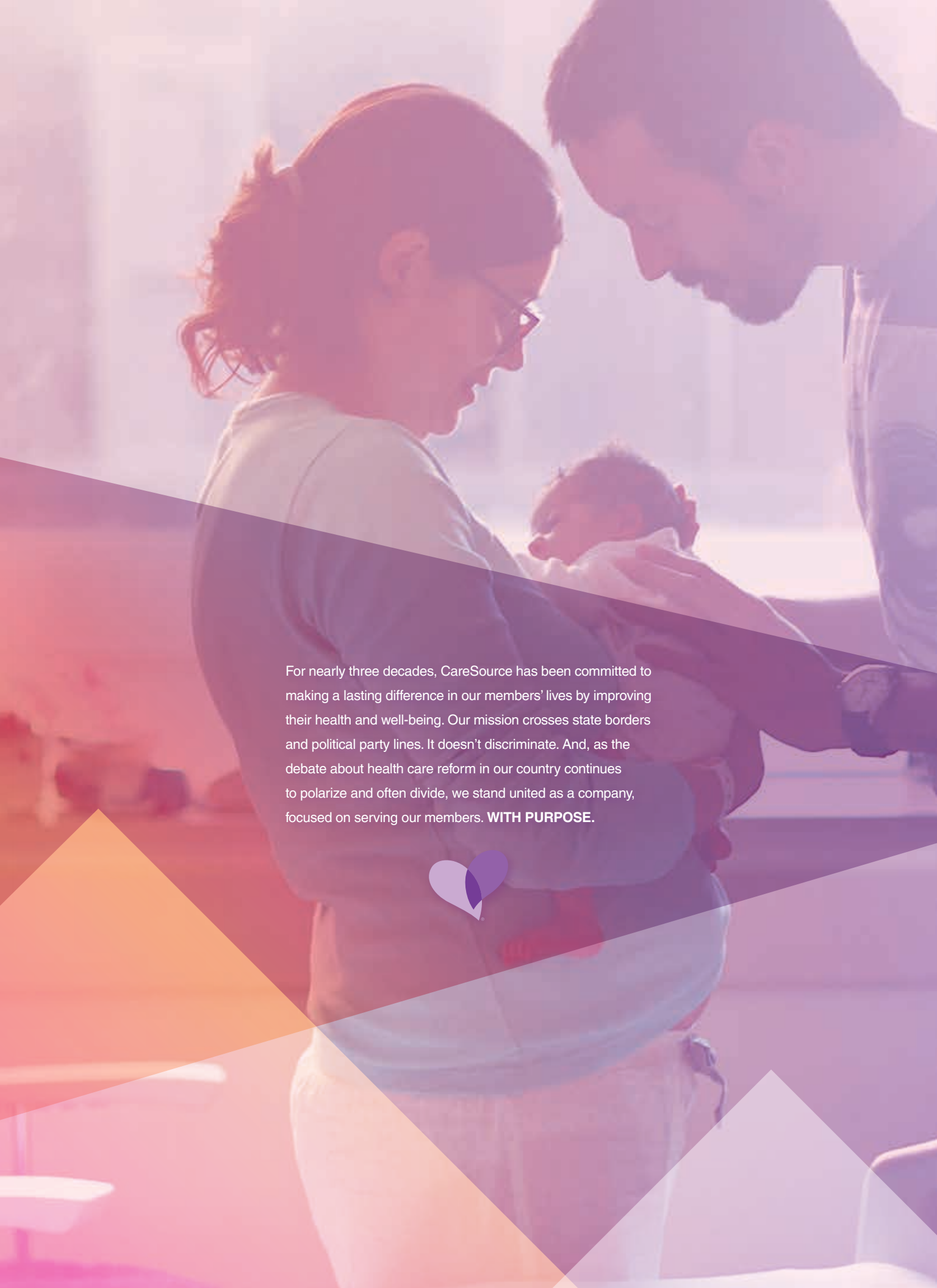




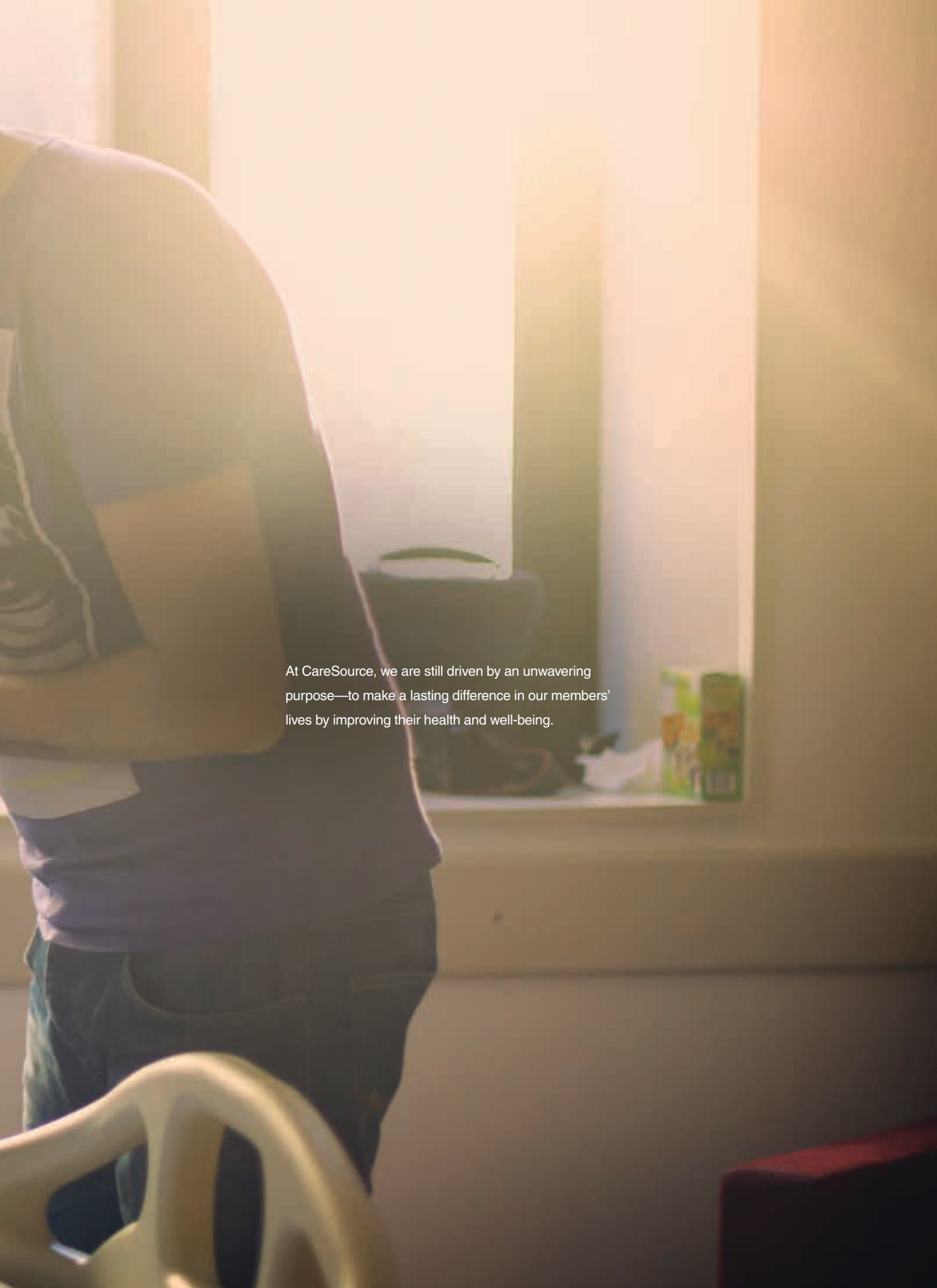
ESOP

TWO THOUSAND SEVENTEEN



For nearly three decades, CareSource has been committed to making a lasting difference in our members' lives by improving their health and well-being. Our mission crosses state borders and political party lines. It doesn't discriminate. And, as the debate about health care reform in our country continues to polarize and often divide, we stand united as a company, focused on serving our members. **WITH PURPOSE.**



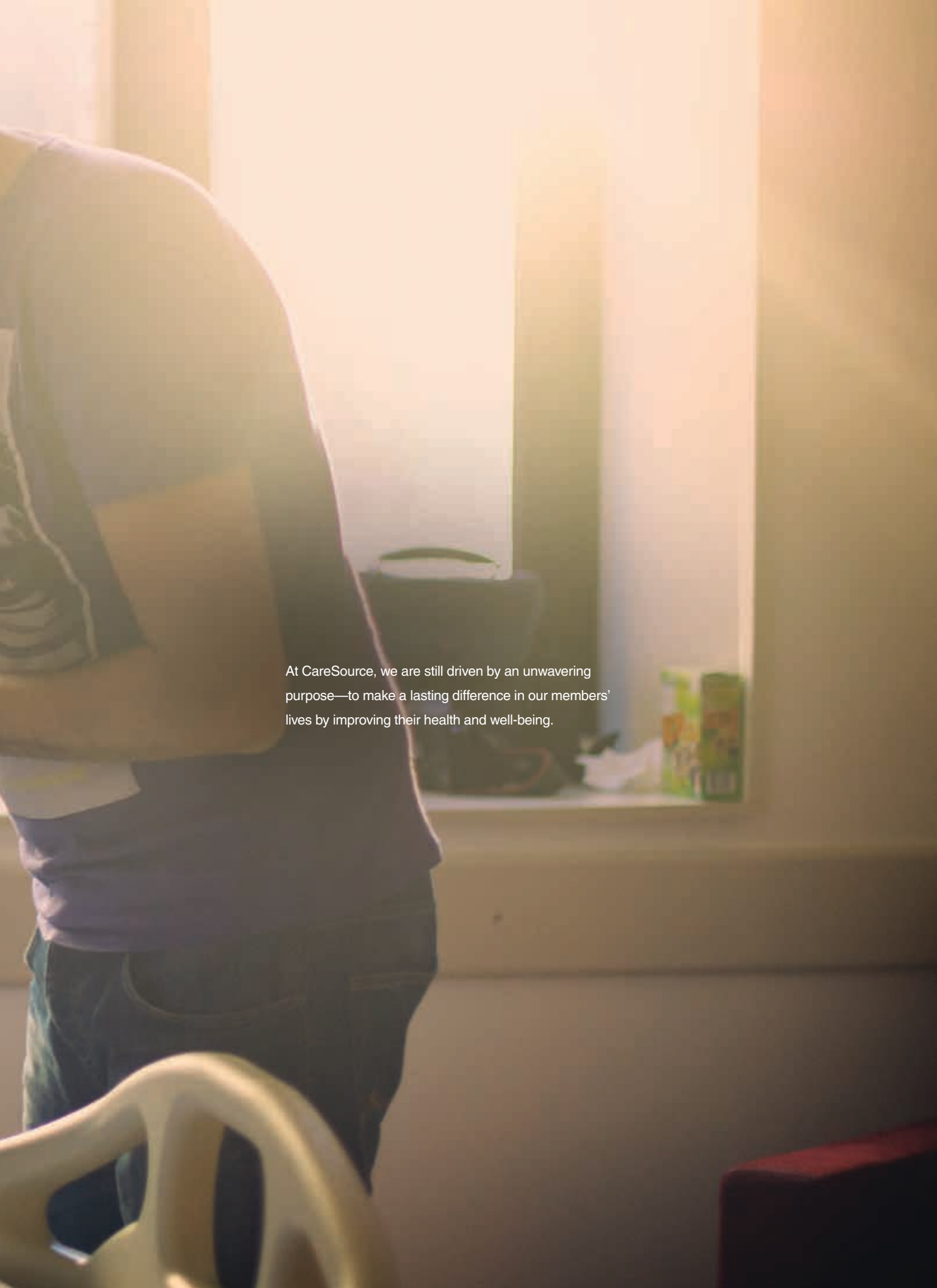


At CareSource, we are still driven by an unwavering purpose—to make a lasting difference in our members' lives by improving their health and well-being.



PURPOSE IS WHAT UNIQUELY DEFINES EACH OF US.

It is our purpose that provides strength and optimism in the face of uncertainty. It is our purpose that defines clear direction and guides principled action in times of change and challenge.



At CareSource, we are still driven by an unwavering purpose—to make a lasting difference in our members' lives by improving their health and well-being.

LEADING WITH PURPOSE.

FOLLOWING OUR HEARTS

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When CareSource was founded in 1989, I anticipated that we were meant to fulfill a unique purpose in the health insurance arena. As a nonprofit organization in a landscape dominated by for-profit companies, we came in with an uncommon point of view: that we would ultimately not answer to shareholders, but rather to our members' well-being.

Twenty-eight years and 1.6 million members later, I'm fiercely proud that CareSource has not only managed to stay true to that purpose, but that we've also been instrumental in setting the stage for what I believe to be the future of health care. Our purpose dictates that we fearlessly create our own path to the future. And our members' needs will inevitably guide that journey.

While others in our industry focus on maximizing profits at the expense of their members, we use CareSource earnings to invest in ours. I believe that by investing in our members, we provide more than health insurance. We provide the strength of purpose for them to embark on a better life.

I'm proud to say that CareSource provides health insurance for those who need it the most. Unquestionably, our benefits packages stack up favorably against our competitors. But our vision extends beyond doctors' offices and waiting rooms. We inspire our members to move beyond dependency and find jobs. We offer coaching and mentoring. And we provide the resources they need to rise up and out of the system and into a life of greater possibility.

Our purpose pushes us to act more boldly, compassionately and urgently than ever before. CareSource will continue to create innovative new approaches to health care, remain a force for positive and disruptive change and to carry on our legacy of improving health care so that we can make a positive impact in this world—one member at a time.



Handwritten signature of Pamela B. Morris in black ink.

Pamela B. Morris
President & CEO, CareSource



OUR PURPOSE

Our purpose is clear.

We will faithfully and responsibly provide dependable health insurance coverage for our members, but also help them clear a path and break down the barriers that keep them from realizing their potential. While others in health care focus on maximizing their profits for shareholders at the expense of their members, our purpose creates new pathways for our members. While others bow out of the Marketplace arena because of their inability to turn a profit, our purpose pushes us to plan more boldly, respond more compassionately and

act more urgently than ever before to create innovative new approaches to make it better. And we creatively collaborate with a number of health care partners to assure that the quality of our member care remains excellent. To date, there are more than 65,000 health partners and 380 hospitals in our network. In the end, both our CareSource members and our employees share the same point of view: Everyone deserves a fair chance, a life with dignity and health care with heart.



As a nonprofit health insurance organization, we are wholly and uniquely committed to the well-being of our members.

OUR PLEDGE

A pledge is just a group of words. It is only real when it transforms into action.

That means that we don't simply pledge to make our members' health better. We take their calls at 3 a.m., guide them to the care they need and follow up to make sure that they maintain healthy habits. We don't just pledge to help our members break free from a cycle of poverty and hopelessness. We help them find jobs, fight addiction and assure that they live in a safe and healthy environment. And we don't simply pledge to work responsibly with legislators. We go to Washington, walk the corridors and foster dialogue to help build bridges and find better health care solutions for everyone.

We have programs to improve the health and well-being of CareSource members across all markets and products. We maintain National Committee for Quality Assurance (NCQA) Accreditation for our Ohio Medicaid plan and our Ohio, Indiana and Kentucky Marketplace plans. We are NCQA Interim Accredited for our West Virginia Marketplace plan. CareSource has also been recognized as the Top Medicaid Managed Care Plan in Ohio by the 2016 Managed Care Plans Report Card with 13/15 possible stars.

Quality is at the heart of our work. Whether it is ensuring our members are getting preventive screenings and immunizations or controlling chronic illness, **we measure our success through the outcomes that are achieved and the improvement in our members' health.**



We do more than pledge that our members' needs will always take priority. **We prove it every day.**

A SEAT AT THE TABLE

In the mid 1980s, an Ohio social worker, frustrated with years of struggle in accessing health care for her low-income clients, found her ultimate purpose.

After years of painstaking planning and collaboration, she would end up in Washington, D.C., fighting to create a new model for managed health care in America that would become CareSource.

What began as a simple pilot project is now one of the **nation's largest managed care organizations**, helping to shape health care dialogue in the United States.



What began as a lone voice in Dayton is now a transformative force of **3,100 employees** and **more than 1.6 million members**.

This year, CareSource CEO Pam Morris returned to our nation's capital for a seat at the table with our nation's Health and Human Services Secretary and Centers for Medicare & Medicaid Services Administrator. This time, however, she wasn't campaigning for the life of her company, but rather advocating for the health care of people all over America.

We believe that the CareSource model can shape the future of managed care. Our JobConnect program is moving people from Medicaid to the workplace and could be a solution in state reforms. We are confident that our Life Services program will become a model for a more holistic approach to Medicaid services, and that our efforts to combat the opioid epidemic will make a legitimate impact in America. But, in this uncertain political climate, nothing is certain. However, we are always ready to lend our expertise and insight to help find common ground in health care reform.



GOING BEYOND

At CareSource, we move beyond what is believed to be true about health care, beyond expectations, above and beyond the status quo to genuinely see people, hear people, help people and make it clear that they will never be alone in the fight. **THE RESULT IS CARESOURCE LIFE SERVICES.**



LIFE

SERVICES

BEYOND HEALTH CARE

The members we serve through Medicaid endure a number of challenges that expand well beyond the realm of health care. Perhaps nothing illustrates the CareSource commitment to the whole individual better than our Life Services program.

Life Services re-envision CareSource's role in our members' lives by balancing our traditional health care models with a new social determinants health program to offer individualized assistance toward total, lasting well-being. Our objective is to stabilize and assist members in their individual journey out of poverty by addressing the member-specific obstacles impeding their pathway to self-sufficiency. Established as a pilot program in Ohio and then expanded into Indiana and Georgia, we anticipate that Life Services will launch in Kentucky in 2018.

Notably, Life Services offers assistance in finding work and training for jobs. Our Life Coaches help make members job-ready by teaching interview skills and finding dependable transportation. We assist in finding reliable childcare for when they are at work, and then teach them budgeting, financial skills and stress management for when they are home.

Our ultimate goal is not to just improve our members' health, but to improve their lives. By helping them work out of Medicaid and into a life of greater independence, we fulfill that greater purpose.

MEASURING THE IMPACT



Nearly 3,000 members have attended an event or inquired about the program



46% of those who have inquired have opted into the program and met with a Life Coach



24% of those working with a Life Coach are employed



86% of those employed were retained after 90 days



End of first full year of member engagement resulted in Life Services members having a 60% decrease in inpatient utilization costs



Life Services members saw a 16% decrease in emergency department utilization



20% of the members received Clinical Case Management after engagement with Life Services to get support on untreated health issues



80% of all Life Services members who began employment have transitioned off of Medicaid and into employer-sponsored insurance

1

2

OPERATIONALIZING THE MODEL

PRE-ENROLLMENT

Members enroll in Life Services by completing the Health Risk Assessment, calling our toll-free line, emailing or being referred by a community partner.

ASSESSMENT & STABILIZATION

A personal Life Coach assists the member in establishing an inventory of current resources, skills, talents and wishes for long-term employment.

3

4

5

EDUCATION

The Life Coach works with the member to assess current education level, past job experience and training to recommend an education path that will increase the member's likelihood of securing career employment.

EMPLOYMENT

Once education and necessary supports are in place, the Life Coach connects the member directly with employment opportunities.

ADVANCEMENT

Once employment begins, the Life Coach will continue to meet with the member for up to 24 months to assist in retention efforts.

LIFE SERVICES

REDISCOVERING HER PURPOSE

When Lenora received her Master's degree in education, she never anticipated that she would end up where she did: unemployed, dependent on Medicaid benefits and unsure every day of what the future held for her family. So, when a CareSource postcard arrived detailing the Life Services program, Lenora made the call, and CareSource case manager Tania responded, offering her assistance with her health care and so much more.

"After we managed Lenora's health issue, it was time to set goals," explains Tania, "and Lenora's goals were to find employment in her field and purchase a home."

Tania worked closely with Lenora, performing mock interviews and assessments. She helped Lenora apply for jobs and even found a free business suit for interviews.

The effort paid off. Lenora now teaches full time. But our work is still not done. Lenora has begun a two-year mentorship with another CareSource team member who will assist her in making the right decisions and setting further goals. Lenora is beyond grateful for Life Services.

"TO ME, IT WAS A GODSEND. To say, you are one of our members, we care about you, we care about your success and we want to lend a hand and help you get out of that... thank you just isn't enough."

 Watch Lenora tell her story at [CareSource.com/connect/member-stories/life-services-member-stories](https://www.caresource.com/connect/member-stories/life-services-member-stories)





FACING OPIOID ABUSE FEARLESSLY

Over 33,000 Americans died from opioid overdose in 2015, and on average 91 Americans die every day from an opioid overdose. More people die from opioids today than died from AIDS at its peak.

Our members find themselves in the epicenter of the opioid epidemic in America. For the last three years, Ohio, Kentucky and Indiana have led the nation in opioid-related overdose deaths. Prescription drugs were responsible for approximately 22% of the over 3,000 overdose deaths reported in 2015.

As the numbers of prescriptions of opioids for pain management increased significantly in the last decade, so did their misuse for non-medical purposes. This misuse of non-prescription opioids results in addiction in vulnerable individuals. There is no single age range, income level or socio-economic profile, and there is no one-size-fits-all solution. This problem continues to grow and the number of deaths continues to rise.

Unfortunately, across America, some providers have become “pill mills” in managing pain for patients. Currently there are no national standards for quality in this area, but we are working to define these standards. Our approach includes efforts to significantly reduce the number of opioid prescriptions. To date we have reduced the number we cover by more than one third, and our goal is to cut the number in half by 2018. And while we monitor providers, it’s also important to remember that the number one source for opioid drugs for children is their home medicine cabinet.

THE EPIDEMIC



A CareSource provider education program **reduced daily morphine equivalent dose by 4 million MED or over 271,000 Hydrocodone 15 mg pills.**

Why is CareSource involved?

Treating members and working to find innovative solutions for this epidemic comes directly out of our mission. Our purpose is to make a lasting difference in our members’ lives by improving their health and well-being. It would be difficult today to find a more dangerous life scenario where people’s health and well-being are more at risk than with this challenge that is killing tens of thousands of people year-after-year.

What are we doing to help?

Certainly, there are no easy answers or quick fixes, so CareSource plans to address this epidemic using a holistic approach that combines comprehensive clinical care and access to opioid treatment and detoxification. At the same time, our unique Life Services division provides additional support, such as housing, transportation, economic stability and social networks. Most importantly, it supports our members’ journey to maintain health and achieve self-sufficiency.

THE SOLUTION STARTS WITH ACCESS TO QUALITY CARE.

CareSource's Substance Use Disorders and Opioid Program is an integrated Medication Assisted Treatment (MAT) program that is grounded in a strong and expanding provider network and committed to provide access to quality care. Our strategy includes:

Partnering with Providers to Improve Access and Outcomes

Medication Therapy Management (MTM), where specially trained pharmacists work collaboratively with prescribers and members to enhance medication safety and substance use disorder prevention

An open benefit design that requires no prior authorization for traditional outpatient services and imposes no benefit limits

A gold carded program, which allows us to eliminate prior authorizations for providers exhibiting quality performance

Improving Quality and Compliance

Provider monitoring through investigations and education by our Special Investigations Unit

Provider Lock-In program to assure one pharmacy and/or prescriber per member for use of multiple prescriptions and to monitor overuse of services not deemed medically necessary

Utilization edits and alerts for pharmacists and treating providers to inform their treatment plan

Analytics for quality monitoring for promotion, prevention and quality care

Improving Engagement and Retention in Care

Self-management resources, including online tools and communities

Care coordination through community-based, face-to-face care management programs

Facility liaisons integrated into hospitals, emergency departments and behavioral health providers to engage members in treatment and facilitate community care management

Coordinated services care managers who work with providers and members on behalf of our Lock-In members and programs

Prevention through Intervention and Education

Screening and identification, which includes promoting and paying for mental health, physical health, substance-related disorders and social needs—this also includes health surveys and referrals for assessment and treatment

Education for medication 'take-back' programs

Narcan opioid overdose rescue prescription

Encouraging functional scales to better determine member benefit and use of opioids by providers

Tool kits with CDC guidelines, tapering tools and predictive analytics to assist providers with determining risk of overdose



CARESOURCE IS ALL IN.

2017 & 2018 Goals:

Decrease opioids through targeted outreach and benefit design

Increase provider quality through establishing MAT best practices and lab best practices

Improve member experience through enhancing the network, increasing communications and coordinating referrals

In the battle against opioid abuse, CareSource is all in. We have listened to our members and providers and we are taking action. We are streamlining processes and making it easier than ever to get help. This is a battle that's far from over, but we fully intend to continue the fight with all of our resources.



“Purpose is also really important. One man who has been in recovery for seven years told me, ‘Most addicts have destroyed personal relationships, stolen from their family members, sold their cars for drugs, and they have to rebuild all of that.’

We have to help them develop **A SENSE THAT THEY HAVE A GOAL** in life, and we have to do it one addict at a time.”

— Mark Zuckerberg, CEO, Facebook



In an effort to gain a broader understanding of the opioid crisis, Facebook CEO Mark Zuckerberg recently visited CareSource to meet with local leaders in the fight against opioid abuse, plus local addiction specialists and addicts themselves.

TRANSFORMING CARE THROUGH INNOVATION

The Power of the CareSource Care4U Model

From our very beginning, CareSource has been an innovative force in the landscape of health care. Our business was built upon the unwillingness to accept the status quo and insisting there was a better way. Our innovative programs lead health care in a new direction. One of the most noteworthy recent efforts in that regard has been the roll out of Care4U.

Care4U is our care management model that leverages a population health management approach. Regional, community-based, multi-disciplinary care management teams personalize our members' wellness journey through a variety of programs and interventions across all of our product lines in all of our markets.

In short, we evaluate the needs of members holistically, so we can assure they're getting the best care possible. Our model integrates both social and clinical insights into how to improve the health and overall well-being of the populations we serve.

In the end, the ultimate goal is to not only provide better health benefits for our members but also better health. We improve their member experience individually, while at the same time, making their future plans better by using the analytic and predictive data. Numbers and data often seem cold and clinical when discussed in our business, but we firmly believe they help us provide even more heart in our health care.





CARE4U



A LIFETIME OF CARE

Some of our members have Medicaid coverage. Some have Medicare. Others are dually-eligible. Still others are simply looking for affordable coverage in the Health Insurance Marketplace. CareSource offers a number of dependable health insurance plans designed to fit any stage of our members' lives.

MEDICAID

Ohio, Kentucky, Indiana and Georgia (July 2017)

Health coverage for low-income people, families and children, pregnant women, the elderly, people with disabilities and those receiving home and community-based services (HCBS); Medicaid and Medicaid Expansion programs vary by state.

MARKETPLACE

Ohio, Kentucky, Indiana and West Virginia

Qualified Health Plans offered through the Health Insurance Marketplace providing low-cost comprehensive coverage for individuals and families.



DUAL ELIGIBLE / MYCARE OHIO

Ohio

Primary, acute, behavioral health and long-term care services for those who are dually-eligible for Medicaid and Medicare.

MEDICARE ADVANTAGE

Ohio, Kentucky and Indiana

Plans that provide all of the Medicare benefits for doctors and hospital coverage (Parts A & B), combined with Medicare prescription drug benefits (Part D).



PERHAPS WE ARE THE ONLY MEDICAID
COMPANY WORKING TO **GET PEOPLE
OFF OF MEDICAID.**

CERTAIN LEADERSHIP IN UNCERTAIN TIMES

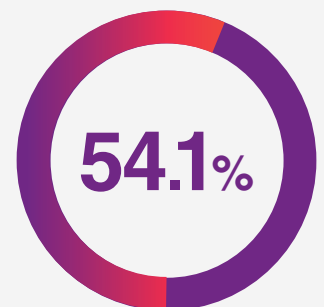
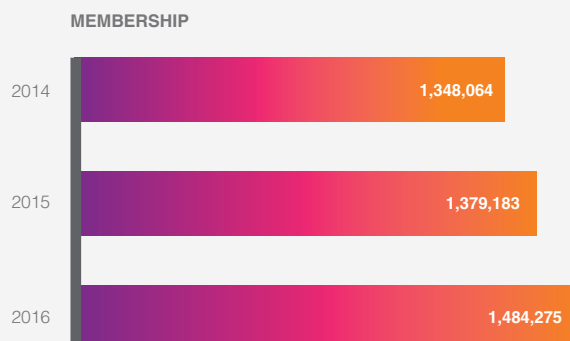
In this landscape of continuing unpredictability around health care reform, and the ongoing debate about the viability of Medicaid programs, CareSource remains purposefully committed to working at the state and federal levels to find healthy solutions for everyone.

CareSource has a 28-year history of serving under-resourced populations across multiple markets. We continue to responsibly manage medical benefits to encourage and incentivize members to proactively engage in their health. At the same time, we are driving innovation and transformation with programs to help maintain the long-term sustainability of vital Medicaid programs.

As one of the largest Medicaid plans in the nation, our benefits transcend doctor's office visits and prescription copays. They include CareSource24[®], our 24/7/365 nurse advice line, Babies First, a program that rewards pregnant mothers for healthy habits, and our Life Services program, giving members the skills and tools they need to gain true independence again. **Perhaps we are the only Medicaid company working to get people off Medicaid.**

Medicaid has gone through a number of changes in recent history and will likely endure several more in the years to come. But what won't change is our commitment to stay true to our purpose and provide the best possible care to our low-income Medicaid population that needs it the most.

CARESOURCE MEDICAID BY THE NUMBERS



Over half of all Ohio Medicaid members are enrolled in CareSource

OUR MEMBERS DRIVE OUR MISSION

As a nonprofit health plan and national leader in managed care, CareSource is an innovative force in the Medicaid managed care delivery system. We provide essential health services as well as helpful Life Services that assist members in overcoming barriers and finding a job.

OHIO

Our experience in Ohio pays dividends for our members. CareSource has been recognized as the Top Medicaid Managed Care Plan in Ohio by the 2016 Managed Care Plans Report Card with 13/15 possible stars.

INDIANA

In January 2017, we began serving Hoosier Healthwise and Healthy Indiana Plan members. Our Life Services program has been favorably received by both our members and legislators on both sides of the aisle.

KENTUCKY

In Kentucky we are collaborating with the commonwealth to help implement a new 1115 Waiver that will bring new emphasis on improving members' lives by encouraging them to proactively engage in their health care.

GEORGIA

CareSource is excited to bring health care with heart to Georgia, offering benefits to Georgia Medicaid and PeachCare for Kids® members enrolled in the Georgia Families® program and women enrolled in the Planning for Healthy Babies® program starting on July 1, 2017.

TOUCHED BY ANGEL

Working in health insurance, we become acutely aware that not all of our member stories will have happy endings. But we also take great satisfaction when we can work with families to bring the most life to their years.

Angel was born missing nearly 80 percent of her brain tissue. She can look around, but does not focus on objects and doesn't always follow them. She cannot walk, talk, crawl or reach for objects. Yet, she smiles, coos and laughs easily and is a constant source of inspiration for her mother Hope and everyone with whom she comes in contact.

Taking care of Angel isn't always easy, and we would never let Hope navigate her daughter's complicated health care issues alone. That's why our care team helps coordinate Angel's care, making certain that her supplies, therapy appointments, screenings and medications are covered. We schedule nurse visits to their home. And now, we're working to provide her with a new wheelchair for better mobility. Hope remains thankful for CareSource and the assistance provided to help her daughter.

“Although there will come a day when Angel’s condition takes her life, **I JUST APPRECIATE EVERY DAY I HAVE WITH HER.** CareSource has made it possible for me to give Angel what she needs.”





PEOPLE BEFORE PROFIT

Since the Affordable Care Act was signed into law, there has been no shortage of debate on how to best provide affordable health care insurance for Americans. Indeed, it continues to be a hot topic everywhere from legislative assemblies to corporate boardrooms. Unfortunately, most often lost in the rhetoric are the people for whom the law was passed in the first place.

CareSource offered our first Marketplace plan in 2013 because it fit so naturally into our purpose of serving our members' health and well-being. We knew from the onset that the financial model had its challenges. In fact, many for-profit insurers, after dipping their toes in the water, backed out of the Marketplace entirely for that reason. But they answer to their stockholders. We answer to our members.

While heated conversation continues about the future of affordable care, our members worry about how they will provide for their families. They are concerned about making their ends meet in the event of even the smallest medical emergency. We won't let them down. That's why, while other insurers retreat from the Marketplace, we are pushing forward and embracing it. In fact, in 2016 in Kentucky alone, we tripled the number of counties we serve.

The debate will inevitably continue. The future on Capitol Hill is uncertain. But, the future of CareSource is not. We will remain focused on compassion and caring. We will continue to make a positive difference in our members' lives. And we remain true to our promise that we have kept from the very beginning: We will always place people before profit.

SHERESE FINDS HER MISSING PIECE

Like many CareSource members, Sherese had a dream, but finances often obstructed her path to success. As a single mom, dependent on Medicaid, she devoted the time, pooled her resources and concentrated her energy so she could attend college and gain her undergraduate degree. Upon graduation, she found employment with full-time benefits. But she soon learned that her company's family plan would cost over \$1,000 per month. Having no other options, she enrolled and then struggled to make ends meet.

But, in 2014, when the Marketplace opened to the public, she made the fortuitous decision to compare plans to see if she could find a better option. Sherese found a CareSource Marketplace plan for a fraction of what she had been paying. The extra money she saved allowed her to return to college and pursue her Master's degree, opening up another world of possibilities for her and her family.

“CareSource was the missing piece,” Sherese explains. “The piece that I needed to be encouraged to go forth with my dreams. **THE CARESOURCE MARKETPLACE COVERAGE WAS DESIGNED FOR ME.**”



Watch Sherese tell her story at [CareSource.com/connect/member-stories/marketplace-member-stories](https://www.caresource.com/connect/member-stories/marketplace-member-stories)





DOUBLE THE COVERAGE, HALF THE EFFORT

Despite their best intentions, both Medicaid and Medicare can often be difficult and confusing for the consumer to navigate. And the task is doubly complicated when trying to understand both at the same time. CareSource members with both Medicare and Medicaid coverage typically have extremely complicated health care needs, so it seems unfair that these people who are struggling with so much should also have to find their way through the Medicaid and Medicare maze alone.

The CareSource dual eligible program contracts with both Medicare and Medicaid to combine the benefits of both into a single health care plan. Ohio was the third state in the nation to earn federal approval for its Dual Demonstration, and is already considered a national leader. Our members and their caregivers appreciate its convenience. But they are also thankful for our individualized, integrated care that provides one-on-one assistance every step of the way.

Each of our dually-eligible members is assigned a CareSource personal Care Manager who serves as both an advocate for the member's needs and a guide to help them clear any hurdles that may stand in their way. At the same time, our personal Care Managers assure that our members' needs don't fall through the cracks between the two programs.

The CareSource dual eligible program has been met with enthusiasm from members and their caregivers alike. For instance, since launching MyCare Ohio, a five-year demonstration program ending in 2019, CareSource has established the highest voluntary statewide enrollment among other dual eligible plans in the region.

When we coordinate Medicare and Medicaid into one convenient plan, we certainly reduce a number of administrative burdens, but more importantly, we create better outcomes for our members. We assure that they get more quality, accessibility and reliability in their care, and we assure that our most disadvantaged members seamlessly receive health care with heart.

BACK FROM THE BRINK

Anne felt like she was helplessly spiraling out of control. After battling depression most of her life, her mental and physical health issues were compounded by her alcoholism, and on her darkest day, she contemplated ending her life. But, in a brief moment of clarity, she opted instead to call CareSource24, our 24-hour nurse advice line.

On the other end of the line she met Sherita, one of our Behavioral Health Care Managers, and Anne began her long journey back from the brink. First, Sherita called the local police and asked them to check on Anne.

Then, Anne was admitted to a hospital where Sherita visited and helped her find an agency and intensive program that could help her with her struggles. Anne now receives the mental health support she needs. She attends Alcoholics Anonymous meetings and has also started taking better care of her diabetes.

Despite ongoing health challenges, she is grateful to have met Sherita and credits her with not just saving her life, but for providing the ongoing inspiration she needs to help face her next hurdle.





ADDITIONAL COVERAGE? ADVANTAGE, CARESOURCE

After paying into Medicare for so long during their working lives, our members often look forward to retiring and taking advantage of the benefits they richly deserve. What they often find, however, is that basic Medicare coverage is inadequate for their needs. To address those concerns, CareSource offers Medicare Advantage, an additional plan that helps to provide more health care security as the Baby Boomer generation ages.

Simply stated, our Medicare Advantage plans offer more benefits than basic Medicare. Our three Medicare Advantage (Part C) plans provide all of the benefits of Part A and Part B, plus prescription drug coverage (Part D).

While our benefits stack up attractively against our for-profit competitors, that is not typically where our members notice the CareSource difference. Our difference is found in the personalized attention to service and one-on-one assistance they receive when navigating the challenging Medicare landscape. Medicare can be confusing. Many of these new members have never needed to think about a managed care plan. We find that our experience and our dedication to their best interests set their minds at ease and help them make intelligent decisions.

With the addition of our Medicare Advantage plan, CareSource literally offers health care with heart to people of any age. And, it cements our purpose of improving the health and well-being of each of our valued members.

CONFIDENCE REWARDED

Sharon and CareSource go way back. In fact, years ago, when she worked as a service coordinator for a birth-to-age-three screening and advocacy program, she enthusiastically referred mothers to enroll in Medicaid through CareSource because of our Babies First program. “CareSource consistently delivered for our clients,” she remembers.

When she turned 62, Sharon, employed as a service provider for those with developmental disabilities, enrolled in our affordable Marketplace plan and was thrilled to retain that same enthusiasm as a member. So, when she turned 65 and began shopping for a supplemental Medicare package, she was happy to see that CareSource was, once again, an option.

Like most first-time Medicare recipients, Sharon had a number of questions about her coverage and her plan, but her anxiety was allayed by her “fantastic, extremely helpful Customer Service Representative who broke it all down in a way that I could understand so I knew I was making the right choice for me.”

From Medicaid
advocate to Medicare
member, **SHARON**
REMAINS LOYAL
TO CARESOURCE.





celebrating healthy happy people



PARTNERS IN PURPOSE

RETAIL CONVENIENCE

The lives of many of our CareSource members are complicated. While parents and caregivers often juggle multiple jobs and responsibilities, their health and their family's health often falls to the bottom of their long to-do lists. It's no secret that CareSource cares deeply about our members' health—and equally about their lives. To that end, we look for any chance to team with community retail partners to help them more easily access care.

Health Care Clinics

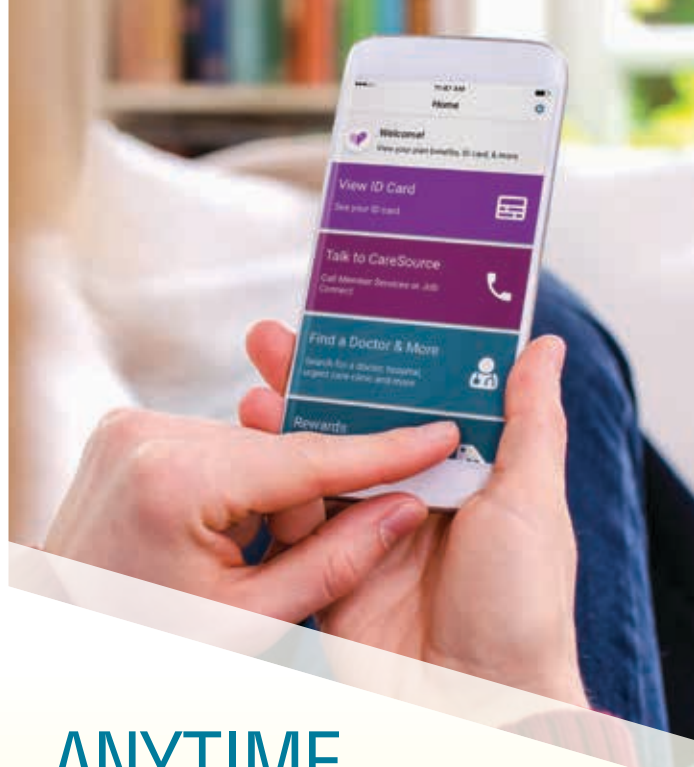
We feel that one of our most important responsibilities is to make it easy for our members to get medical help when they need it most. To that end, CareSource members are eligible to receive care at Walgreens Healthcare Clinics, MinuteClinic® and Walmart Care Clinics to see board-certified Family Nurse Practitioners for services, including treatment for minor illnesses and injuries, wellness visits, vaccinations and health screenings, without leaving their neighborhood. Most clinics are open 7 days a week and walk-ins are welcome, so our members can get the care they need, even when their Primary Care Physician's (PCP) office is closed. And some of our retail partners are even addressing the chronic needs of our members, 18 and over, as their PCP. These chronic clinics have helped provide access to care in locations where provider offices are not convenient.

Telemedicine

Now, our members can use their phone, mobile app or computer to see a board-certified physician anywhere, anytime when their primary care provider is not available. This 24/7/365 service can be used to consult, diagnose and prescribe medicine when needed for common illnesses, such as cold/flu, allergies, rashes, cough, congestion and many more.

Life is hard for many of our members. We will continue to leverage retail partnerships to make their lives easier. While these programs are new, our motivation harkens back to our original mission as an organization to improve our members' lives. And we will continue to pursue that mission with purpose.

healthcare clinic



ANYTIME, ANYWHERE

Research bears out that our members are always on the go and often their primary access to the internet is their mobile device. Now, CareSource plan members can enjoy the convenience of having their health plan information (including their ID card) with them everywhere they take their phone.

The CareSource mobile app lets our members:

View their digital insurance ID card

Access their secure My CareSource® account

Find a doctor, hospital, clinic, urgent care or pharmacy nearby

Check claims, copays, deductibles and balances

Make a payment

Call CareSource24 and speak with a nurse 24 hours a day, 7 days a week

Speak with Member Services

Explore health rewards opportunities

By making their health care information more convenient, we offer our members even more reasons to stay on top of their health concerns while managing an often hectic life schedule.



COMMUNITY TRANSITION PROGRAM

The criminal justice system affects the lives of some of our members, their families and our communities. The impact of incarceration hits hardest on families and communities facing the most economic challenges. The result has been dire health outcomes, generational poverty and hopelessness.

There are complex reasons for incarceration, and the solutions are equally complex. CareSource is committed to being part of that solution to improve the lives and health of our members and support vibrant communities of hope.

Why Criminal Justice Services?

The current landscape is ripe for innovation. Medicaid Expansion has provided new access to health coverage and opportunities to think creatively about how to improve health outcomes for new populations. We know that our members with justice-involvement face disproportionate rates of chronic health conditions and behavioral health needs, especially addiction. Our members also face the challenges that arise from the disruptions caused by arrest and incarceration—eviction, job-loss and the trauma of being separated from family support. The result is destabilization, worsening health conditions and far too often, return to jail or prison.

Rebuilding what has been lost during incarceration requires a holistic approach, one that focuses on providing opportunities that lead to economic stability. The challenge for CareSource is to create a path back from justice-involvement to a productive life of health, well-being and social connection. CareSource is building pathways to success.

Through partnerships with the State of Ohio, individuals returning from Ohio prisons are connected to needed resources in the community.

Offender Reentry Program

Through this innovative program, we provide pre-release care planning and post-release follow-up to CareSource members identified by the Ohio Department of Corrections with high acuity needs. The Offender Reentry Program seeks to improve the linkage of returning citizens to needed community-based health care.

Community Transition Program

CareSource, through a competitive grant process, also began administering the Community Transition Program (CTP) in 2016. CareSource, under contract with the Ohio Department of Mental Health & Addiction Services, designed and implemented a state-wide reentry program to support returning citizens with substance use disorder.

The program provides the following services:

Pre-release care-planning and linkage to **community-based services**

Access to recovery services, including housing, supported employment, peer recovery support, transportation and life skills

Supportive housing services

Substance use treatment for Medicaid and non-Medicaid eligible populations

Statewide provider network to assist members with reentry

Training to providers on evidence-based practices to reduce recidivism

Access to overdose-reversing **Naloxone kits**



DIVERSION:

Prevention, police/crisis intervention & courts

JAIL/PRISON:

Intake, coordination of care & discharge and sharing of medical information

REENTRY:

Reduce risk factors for recidivism, improve stability & impact long-term health outcomes

MAKING AN IMPACT

Our program is committed to reducing our members' contact with the criminal justice system and improving outcomes. CareSource believes that person-centered systems promote success, and we are committed to creating a restorative model of care for our members.



The program will serve **OVER 2,000 RETURNING CITIZENS** in its first year and is designed to support the state's efforts to reduce recidivism and improve the health of Ohio communities.



THE CARE FOUND

GIVING BACK, LOOKING FORWARD

The CareSource Foundation is a leader in cultivating partnerships that enhance and improve the health care and life services within our communities. Perhaps that is our smartest investment of all. Each of our CareSource grant recipients has been selected through a rigorous review process that evaluates innovation, impact and sustainability. We will continue to invest money and time into organizations that continue to devote their talents and resources to those with the greatest need.

CareSource is deeply engaged with the population that we serve.

We pay close attention to what our Care Managers, nurses, social workers and customer service representatives learn about our members' challenges and life struggles, so that we can help support the good people and organizations that help improve their communities and lives.

2016 marked our 10th anniversary of The CareSource Foundation. Since 2006, the Foundation has awarded more than 1,000 grants to nonprofits that are working to eliminate poverty, provide much-needed services to low- and moderate-income families, encourage healthy communities, develop innovative approaches to address critical health issues and enhance the lives of a diverse array of children, adults and families. We are proud of our partnerships and, ultimately, the impact we are able to make together.



1,066 GRANTS
\$14.

SOURCE ATION



SINCE 2006

5M

147 GRANTS IN 2016

\$2.8M



RECOGNIZING THE GOOD AROUND US

In 2016, we awarded a total of 147 grants. We would like to recognize select grant recipients and the inspiring work that they continue to do.

The CareSource Foundation provides Responsive Grants to nonprofit organizations that impact children, adults and families in areas that mirror the social determinants of health:

Economic stability

Safe, healthy homes and neighborhoods

Job skills and employment

Access to health care including physical, mental and behavioral health

Early childhood education and child development

Healthy behaviors and lifestyle concerns

Public policy impacting critical need health issues

Strategic public/private partnerships designed to create and influence healthy communities

In 2016, in honor of The CareSource Foundation's 10th anniversary, a total of **\$100,000** was given in surprise grants with each of the following 10 organizations receiving \$10,000.

AKRON-CANTON REGIONAL FOODBANK

CHANGING GEARS

CHILDREN'S DEFENSE FUND

THE CENTER FOR COMMUNITY SOLUTIONS – CLEVELAND

DAYTON CONTEMPORARY DANCE COMPANY WELLNESS INITIATIVE

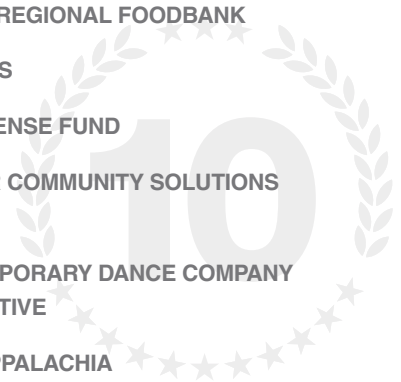
LIVE HEALTHY APPALACHIA

MOM'S HOUSE

NATIONAL ALLIANCE OF MENTAL ILLNESS (NAMI) CLEVELAND

REACH OUT MONTGOMERY COUNTY

PREVENT BLINDNESS OHIO





PRESCHOOL PROMISE

Early childhood education, particularly for low-income families, has proven to deliver significant benefits—from strengthening academic success to ultimately helping to secure long-term economic equality. The CareSource Foundation invested **\$250,000** to help create Preschool Promise, an innovative model designed to prove that theory. In partnership with city, county and suburban school districts, and other key regional influencers, Preschool Promise launched with a goal of providing affordable, high-quality preschool education to more than 600 children in a targeted area of Dayton, Ohio, which has a high concentration of low-income preschoolers.

COMMUNITY DEVELOPMENT FOR ALL PEOPLE

The CareSource Foundation invested **\$80,000** in a grant to Community Development for All People (CD4AP) to create “CareHome”—a safe shelter with supportive services for CareSource members who are pregnant, homeless or at risk of becoming homeless in high-poverty neighborhoods in Columbus, Ohio. CareHome provides 10 furnished apartments specifically for high-risk moms and their families. In addition, a team of support is wrapped around each family to ensure prenatal health, job training, home budgeting skills, transportation options, childcare and skills to help establish a sustainable future.

CHANGING GEARS

Opportunity doesn’t count unless you’re able to show up for it—which is why car ownership is both exceptionally necessary and empowering. Changing Gears rebuilds donated cars to provide reliable, affordable transportation for families who are working their way out of poverty in Southwest Ohio. As a result, car owners are now paving the road to a thriving future through their newfound ability to get to jobs, childcare, schools and health appointments.

LIVE HEALTHY APPALACHIA

Ohio’s 29 Appalachian counties have great diversity including farmlands, Cincinnati suburbs, the world’s largest Amish community and quaint river towns. These counties also have the lowest household incomes in the state. Appalachian children are 25% more likely to live in poverty. Live Healthy Appalachia works to promote healthy eating and active living for over 7,000 residents through educational opportunities and community partnerships.

REACH OUT MONTGOMERY COUNTY

Volunteer physicians, nurses, translators, medical students and an army of community support form Reach Out—a regional health care service for the underserved and uninsured. This safety net clinic in Southwestern Ohio offers a safe, trusted alternative to emergency visits for minor illnesses and chronic conditions that need immediate attention.

AS CARESOURCE GROWS AND EXPANDS, so does The CareSource Foundation. In our next decade, we anticipate an even greater philanthropic presence and more profound investment in our members within our entire service area. We realize that there will always be a need in our member communities for our support, and we will continue to put whatever resources we can to good purpose.



FACING THE FUTURE **WITH PURPOSE**

In America, the only certainty about the future of health care is that it is uncertain.

Times may change.
Legislation may change.
Programs may change.

But we will not.

At CareSource, we will continue to devote each day to making a lasting difference in our members' lives by improving their health and well-being.

On honor. On principle.

ON PURPOSE.



CARESOURCE FAMILY OF BOARDS

CareSource Board members are from diverse professional backgrounds, yet their commitment to CareSource members is steadfast. CareSource Board members have been a guiding force in ensuring we have never strayed from our mission. They have led us through obstacles and times of significant growth. While they have seen the best and most challenging of times, their commitment to the mission has been at the foundation of the company CareSource has become.

2016 BOARD OF TRUSTEES (OHIO)

Craig Brown	Chief Financial Officer, Standard Register, Retired
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Pamela B. Morris	President & CEO, CareSource

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RoNita Hawes-Saunders	Executive Director, Dayton Contemporary Dance Company
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William F. Marsteller, DC	Owner, Centerville Chiropractic
J. Thomas Maultsby	Chairperson, President & CEO, United Way of Greater Dayton
Pamela B. Morris	President & CEO, CareSource

