


TWO THOUSAND EIGHTEEN

P R O M I S E





“Some people see things as they are and ask why.

I dream things that never were and ask why not?”

—Robert Kennedy

we see THE PROMISE IN EACH OF OUR MEMBERS.



<p>04 Our Mission</p>	<p>06 Health Care Plans</p>	<p>08 Medicaid</p>	
<p>12 Marketplace</p>	<p>14 Medicare Advantage</p>	<p>16 Dual Eligible / MyCare Ohio</p>	<p>18 Life Services</p>
<p>24 Care4U</p>	<p>26 The Opioid Epidemic</p>	<p>30 Community Transition Program</p>	<p>32 Expanding Access to Care</p>
<p>34 The CareSource Foundation</p>	<p>38 By the Numbers</p>	<p>40 Our Promise</p>	<p>42 Family of Boards</p>

Better



We are all born into a life with barriers. It may be economic restrictions. It may be skin color. It may be education. It may be the community in which we are raised. But CareSource has always believed that the promise of every individual is absolutely limitless.

We are committed to helping our members find that promise.

To help them achieve their promise, we must make promises ourselves. In times that are filled with ambiguity, and in an industry that is constantly changing, we promise to do whatever we can to make a lasting difference in our members' lives by improving their health and well-being.

We promise to disrupt the status quo.

We promise to advocate for change.

We promise to put our members first.

We promise to create new pathways for their success.

I founded CareSource on these promises in 1989. Now, after 29 years at the helm, I will retire in 2018. I will eventually clean out my desk and drawers filled with reports, memos, charts and numbers. But the only number that I will ultimately take with me is 2,000,000. Two million members. That is a lot of hopes and dreams and promise realized. And I'm certain it will multiply in the years ahead with the next generation of CareSource leadership.

Inspired to create a brighter, happier and healthier tomorrow, we will continue to pioneer innovative health care solutions and life services for the people who need them the most. Because at its core, our mission is a promise we take to heart.

Pamela B. Morris

President & CEO, CareSource

We live our mission every day to make a lasting difference in our members' lives by improving their health and well-being.



Today in America, we argue about health care. And often lost in the heat of that battle are the very people engaged in a more desperate fight—the fight for access to health care. The fight for social equality. The fight for human dignity. The fight for their lives.

We want to do more than make our members' health care better. We want to make their *lives* better.

CareSource health plans certainly help our members fight illness and address medical concerns. But we believe that we owe them so much more. We continue to search for bigger solutions to the fundamental stressors that impact our members' lives. That's why our innovative Life Services division, our collaborative MyCare Ohio program and even our charitable CareSource Foundation are dedicated to address issues like poverty, education, mental health treatment, drug addiction and joblessness.

As a nonprofit health insurance company, we are a mission-driven organization. We answer to our members and not stockholders. We place people over profit. And we are focused on not just administering dependable health benefits for our members, but broad-based and innovative health care solutions for America. In the pages ahead, you will learn how CareSource is bridging the gap between health care and social work. How we are connecting the dots between health care and economic development. How we are taking a holistic approach to our members' health and well-being so they don't just survive within the system, but rise up and then out into a life of greater promise.

A young woman with dark hair pulled back into a bun, looking out a window. The background is bright and slightly blurred, suggesting an indoor setting with natural light. The text is overlaid on the right side of her face and neck.

picture a
brighter
tomorrow

CareSource maintains National Committee for Quality Assurance (NCQA) Accreditation in our Ohio, Indiana and Georgia Medicaid plans and our Ohio, Indiana, Kentucky and West Virginia Marketplace plans. CareSource has also been recognized as the Top Medicaid Managed Care Plan in Ohio by the 2017 Managed Care Plans Report Card with 12/15 stars.



a
lifetime
of support

MEDICAID

Ohio, Kentucky, Indiana and Georgia

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 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

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

Our members' lives are always changing. That's why CareSource offers health care plans for every stage of their lives. From our prenatal Babies First program for expectant mothers with Medicaid to our comprehensive Medicare Advantage options that help ensure a healthy retirement, we are always striving to make lives better.



What is a Medicaid company doing in economic development?

In the transitional and often turbulent world of health care reform, waivers are redefining and reshaping the landscape. Now, the debate on health care policy has moved from the nation's capital to the states. Currently there are nearly two dozen Section 1115 waivers being considered by the Centers for Medicare & Medicaid Services. The purpose of these waivers is to provide exemptions that allow states to test, evaluate and learn new ways to approach health care for the Medicaid-eligible population. In some instances, they even redefine who is eligible. The ultimate goal is to develop programs that result in more appropriate care, more efficient access to care and better health outcomes for the low-income population.

One area of exploration getting considerable attention is developing community engagement, often referred to as "work requirements." It's a move that would theoretically help states improve Medicaid enrollee health and well-being by incentivizing work and community engagement. Our JobConnect program is often cited as an early success story in this regard, as we help our members with schooling, training, developing skills and finding employment to rise out of poverty and gain true independence.

CareSource has a 29-year history of serving under-resourced populations across multiple states, and we continue to responsibly manage medical benefits to encourage members to proactively engage in their health. We are committed to working at the state and federal levels to find transformational solutions for health care and to help our members realize their potential.



OHIO

CareSource has been serving Medicaid members in Ohio since 1989. This experience translates into an understanding that extends our programs and services beyond doctors' offices, clinics and prescription coverage. Based largely on voluntary selection of plans, CareSource has more members than all of the other plans combined. We hold this as the most rewarding testimony of our relationship with our members and health partners.

KENTUCKY

Kentucky is the first state in the country to be granted permission to institute a "community engagement and employment initiative." The intent of this change to Medicaid-as-usual is to create a more consumer-centric model, which will allow members to see the cost of health care and encourage them to engage as consumers of health care as they participate in cost and quality decisions. We are collaborating with the Commonwealth to help implement a new 1115 waiver that will bring new emphasis to improving members' lives by encouraging them to proactively engage in their health care.

INDIANA

In January of 2017, CareSource began serving Hoosier Healthwise and Healthy Indiana Plan members. Our experience in working with the State of Indiana to launch HIP 2.0 is another recent example of our involvement in innovative thinking to enhance and maintain the viability and sustainability of Medicaid programs. Part of this innovation is our JobConnect program, helping people get and keep jobs, which has been favorably received on both sides of the aisle.

GEORGIA

Last year, beginning on July 1st, CareSource became the first nonprofit managed care plan to offer 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. We're excited about the opportunity to bring CareSource health care with heart to the people of Georgia. With a rewards program and Life Services providing new opportunities, we call it "Medicaid & More."



“It reminded me again that God has me in the perfect job, working with amazing people. I am blessed.”

– Kelli Soard

For many Medicaid members, the relationship with their health insurance company is sadly limited to sporadic phone calls or claims paperwork in their mailbox. But CareSource has an entire team dedicated to meeting people on their own ground. Our Kentucky team member Kelli Soard witnesses firsthand the special change this kind of attention can affect. She shares one such story:

“I was at a homeless shelter and I had the privilege to meet Luther. He had moved around a lot over the last couple of years and unfortunately let his Medicaid coverage expire. Luther is a 55-year-old man with stage 1 lung cancer. Sadly, he lost his mother and his wife to cancer this year as well. He didn’t like the idea of doctors, chemotherapy or medication because—as he said—“I’ve seen what it did to my mom.”

We talked a long time. I told him that I would help him reactivate his card so he could get to the doctor. He said, “I don’t want to go to the doctor, Ms. Kelli. I’m just gonna leave it in God’s hands.”

As we continued, he eventually revealed that he couldn’t read or write. Dealing with his “medical card” was embarrassing to him. I reassured him that I do not judge, and that we would work through it together. Long story short: we reactivated his Medicaid coverage. I’m praying he changes his mind about going to the doctor, and I’m making it my mission over the next few weeks to work on him, even if I have to take him to the doctor myself.”

As a nonprofit health care plan, CareSource is driven by a mission. Luther is covered again, seeing a doctor regularly and grateful that people like Kelli live our mission every single day.

CareSource
Medicaid
coverage is
so much
more than
a card in a
wallet. We
are dedicated,
quite literally,
to meeting
members
where they are.

KELLI SOARD

Kelli Soard has been a CareSource Community Education Representative in Kentucky since 2013. She spends her days building strong relationships in the communities she serves and educating partners on the ever-changing world of Medicaid. She strives daily to be an approachable face to the underserved to ensure health information is disseminated quickly and efficiently. Kelli looks at people holistically as fellow travelers on the journey of life, and she views her profession as a gift. We thank her for sharing her gift with us.



At CareSource, *Health Care with Heart* means

more than a quick phone call. It's a steady and relentless

commitment to improving the lives of our members.

An unwavering

Commitment to Affordable Care

When health insurance companies across America launched their Affordable Care Act plans in 2013, one of the very first Health Insurance Marketplace members in the country selected CareSource. And in 2017, when most of those same companies were fleeing the Marketplace leaving one rural county in America with no Marketplace plan, we stepped up to the plate again. When CareSource was founded nearly three decades ago, we believed that nobody in America should be without health insurance. That commitment remains unchanged.

In 2017, the health insurance landscape was under siege. While politicians debated and commercial plans were restructured for greater shareholder gains, consumers became tangled in the ensuing chaos. Amidst all of this uncertainty, they feared they would have less choice and that Marketplace premiums would skyrocket. Indeed, when some commercial carriers pulled out, there were fewer options on the market. But every consumer in America still has the opportunity to select a Marketplace plan. In fact, a number of consumers even qualified for subsidies that actually lowered their premiums in 2018.

For instance, a music store owner in Louisville, Kentucky, paid \$800 a month for his plan with a large commercial insurer. When they pulled out, he enrolled in a CareSource plan. With all he had heard about the uncertainty of the Marketplace, he was concerned that his premium would rise like it had every year before. But, he was pleasantly surprised when he learned that his premium would actually drop significantly from \$800 per month to \$300 per month with CareSource.

CareSource understands why larger commercial for-profit health insurance companies retreated from the Marketplace. Simply stated, the plans are not profitable in their business model. These companies look to their financial statements—quarterly profits, earnings statements, dividends and shareholder equity—to measure their performance. These metrics tell them everything about how their company is doing. At CareSource, we are more concerned about why we are doing it.

We answer to our members and not shareholders. We place people over profit. And we remain committed to offering all of our members affordable health care.



our heart, in the right place

After a lifetime of hard work, Carla finally retired and was looking forward to what the future had in store. What she didn't anticipate was a devastating heart attack. Fortunately, she had just recently enrolled in a Marketplace plan from CareSource. At the age of 63 and too young to enroll for Medicare, she knew that this would help her maintain affordable health care coverage in the interim. She would later learn that the value of our services would far outlast those two years.

CareSource not only provided the medical coverage she needed to get back on her feet, but also the tools to help her remain healthy and happy long after her surgery. We helped educate Carla about her medications and provided invaluable wellness materials that will allow her to enjoy her retirement to the fullest. Before the Health Insurance Marketplace, many Americans like Carla were left with no options for health coverage. But now, they can have stability, peace of mind and affordable health care with heart.

CareSource believes that health care should be affordable for everyone, restricted for no one and always delivered with heart.

A close-up photograph of a woman in a blue swim cap and goggles, adjusting her cap while in the water. She has a slight smile and is looking directly at the camera. The background is a bright, slightly blurred body of water.

navigating
uncharted
waters

Peace of Mind for All that the Future Holds

Many of our senior members are finally finding the free time to enjoy their lives. They travel, they spend time with their grandchildren and often have memorable experiences that they could never imagine in their youth. Many are just now realizing their promise, and CareSource is devoted to helping them thrive.

The culmination of our continuum of health care plans is CareSource Medicare Advantage. These comprehensive plans offer peace of mind for seniors who are re-defining the golden years as the most fulfilling times of their lives. These members require health insurance that is reliable and easy to use. And they want more extensive health benefits than basic Medicare provides. Our three Medicare Advantage (Part C) plans provide all of the benefits of Part A and Part B, plus prescription drug coverage (Part D.)

But we offer our senior members more than dependable health benefits. We provide peace of mind. The Medicare landscape is undeniably confusing. But our members know they can receive expert one-on-one assistance to help them make the most informed decisions at a time when they will likely be using our benefits the most. We guide them through paperwork, we answer their questions and we free up their time to enjoy the retirement that they deserve.

We understand that, now more than ever, this is a time for our members to enjoy their lives with as little worry as possible. Our CareSource Medicare Advantage plans help clear their path to happiness and a life of greater fulfillment.

Maria had lived most of her life working full-time and never worrying about health insurance. But when she lost her job just a few years before retirement, she found herself in uncharted waters. She couldn't afford her prescriptions, so she stopped taking her medication. Her health declined. Then, with her back against the wall, she finally decided to secure a Medicaid plan from CareSource. It was a decision that would change how she would view health care for years to come.

Four years later, when Maria became eligible for a Medicare Advantage plan, she had no hesitation about staying with CareSource. The switch eliminated any gap in her care and prescription coverage. It also proved timely because, when Maria broke her neck in a fall in her home last year, her CareSource Medicare Advantage policy covered her home health care, physical therapy and occupational therapy. Her rehabilitation services lasted twenty days. Her doctor's visit copays remained \$10. Her prescriptions still cost less than \$4.

Maria enjoys a close relationship with her Care Manager, Jayme, and appreciates that regardless of her plan and regardless of any troubled waters that may lie ahead, CareSource will continue to go above and beyond to meet her needs.

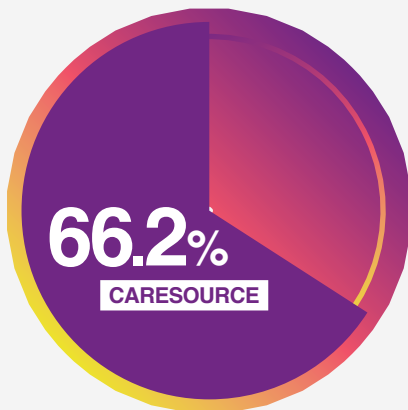
CareSource
was a life raft
when Maria
needed
one most.

Coordinated Care for Better Outcomes

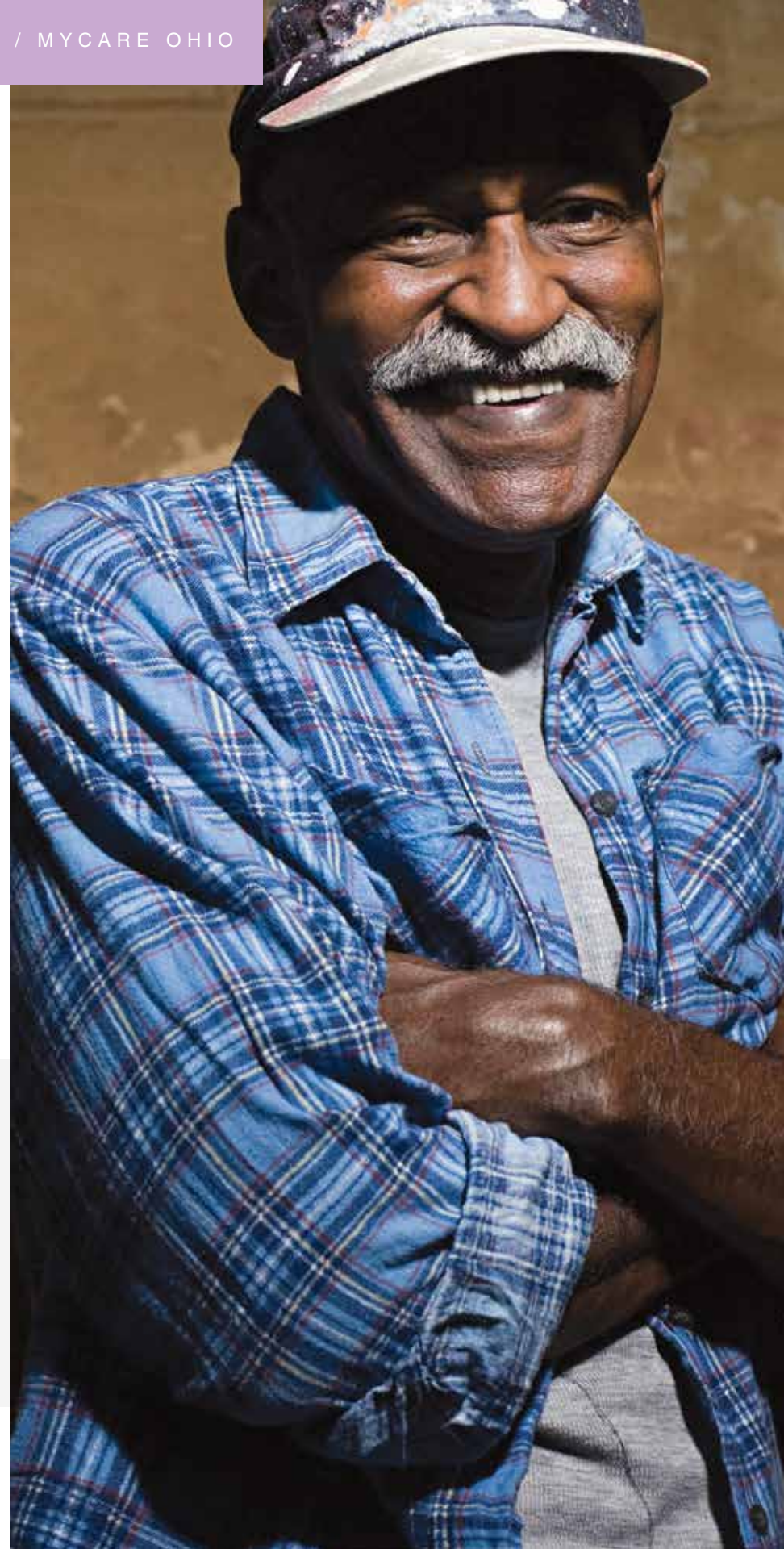
People who are dually eligible for Medicare and Medicaid are among the most vulnerable members we serve. Many have multiple chronic health conditions. More than half have cognitive or mental impairments. And most of them face daily struggles to manage complicated health care needs. Trying to navigate both Medicare and Medicaid can leave our members and their caregivers overwhelmed and underserved. In this population, it is explicitly evident that there is no one-size-fits-all approach to providing care.

The CareSource dual eligible program integrates the benefits of both Medicare and Medicaid into a single health care plan. Because of this program, our members receive truly coordinated managed care with very little duplication of effort in doctor and hospital visits, mental health services and long-term care services provided in nursing homes, assisted living facilities or in-home care services. In fact, many members benefit so greatly from this focused attention, they have actually moved from nursing homes to independent living facilities or even back to their own homes.

CARESOURCE DUAL ELIGIBLE MARKETSHARE



Since launching the CareSource MyCare Ohio program, CareSource has had the **highest voluntary enrollment** statewide among other dual eligible plans in the regions served.

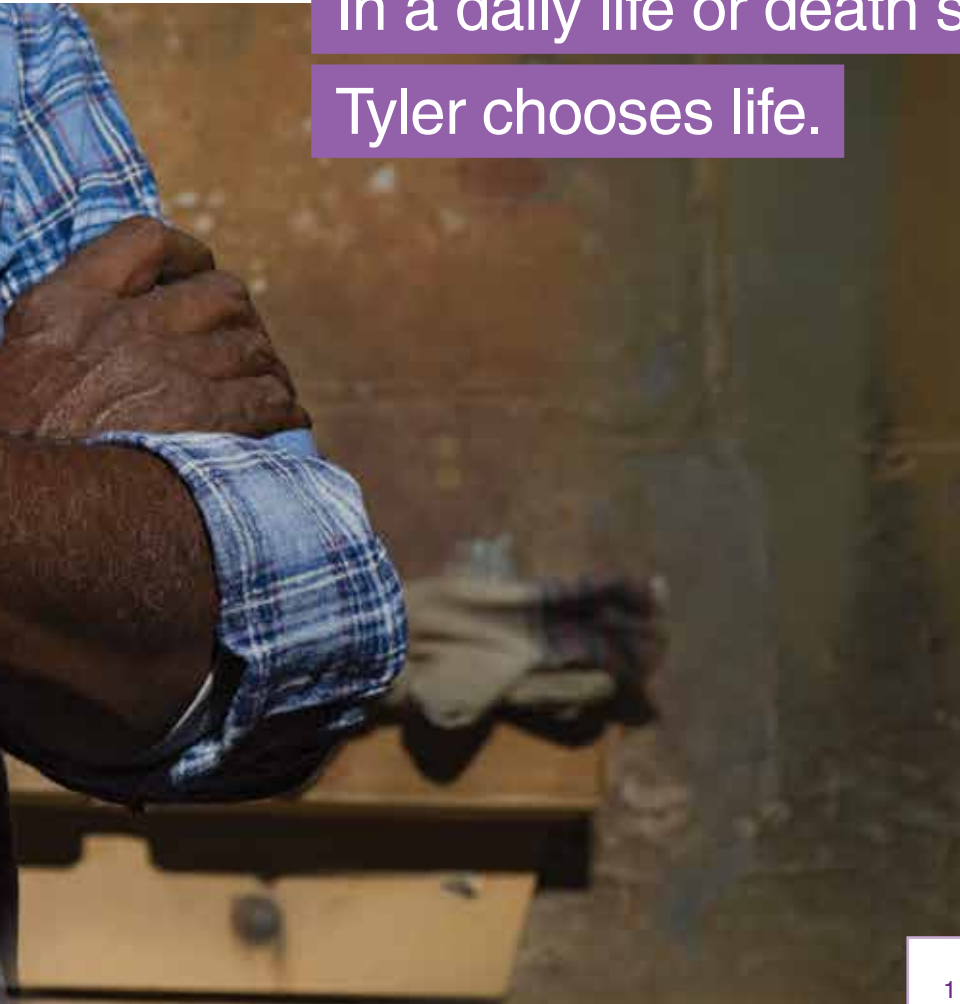


By nearly any measure, Tyler's life was troubled. Several times a year, he would try to take his own life and land in a hospital for treatment. When he wasn't battling alcoholism or smoking two packs of cigarettes each day, he was perpetually lethargic, sometimes sleeping away half of his day. He badly needed guidance by a steady and sure companion. He found it with CareSource.

Tyler's Care Manager enrolled him into a specialized care management program, connecting him to critical mental health

resources and helping him adhere to a medication plan. Over time, his suicide attempts subsided. He also began to see a psychiatrist and managed to better control his drinking and smoking.

Sadly, there is no on/off switch for mental health disorders and addiction. There have been relapses. Tyler's life continues to be a constant struggle. But thanks to the coordinated preventative care of the MyCare Ohio Program, Tyler is healthier, more energetic, spending less time in the hospital and more time chasing the light after a lifetime of darkness.



In a daily life or death struggle,
Tyler chooses life.

finding
light after
darkness

CareSource extends
our services well beyond
doctors' offices, clinics
and hospitals... even
beyond health care.

Life Services

We believe that if we can help
members address broader
economic, behavioral and social
challenges, **we can significantly
improve the quality and
experience of their health
and overall well-being.**

LIFE SERVICES

health care.
through a wider
lens

focusing on the bigger picture



Every day, CareSource addresses access to healthy food, safe housing, dependable childcare and reliable transportation. At the same time, we combat anxiety from joblessness, financial stress and lack of support. An abundance of supporting evidence suggests that non-medical factors like social and economic barriers impact health outcomes. We believe that tackling these upstream social determinants, which are in many cases the root cause of poor health, can improve our members' lives more holistically and more permanently.

CareSource calls this approach Life Services.

It's a commitment to the whole person. We consider Life Services to be a disruptive force in the landscape of health care and a poverty safety net that can help move members from a life of deficiency and dependency to self-sufficiency and promise. And the rest of the country is watching.

Working to Connect our Members with Work.

Perhaps the most sought-after program within Life Services is **JobConnect**. CareSource offers assistance in education, training and finding work. Our Life Coaches help get members job-ready by teaching interview skills and finding dependable transportation. We assist in finding safe and reliable childcare, clothes for work and then coach them in budgeting, financial skills and stress management for life situations. Established as a pilot program in Ohio, we have expanded Life Services offerings into Indiana and Georgia and will soon launch in Kentucky.

Washington Takes Notice.

In early 2018, a number of CareSource leaders were invited to Washington, D.C., to discuss how we address the barriers that stand between our members and their good health and well-being. Then, within a few weeks, the Principal Deputy Assistant Secretary and the Acting Assistant Secretary at Health & Human Services' Administration for Children and Families traveled to Dayton, Ohio, to learn more about Life Services and see the JobConnect program in action.

During his visit, the Assistant Secretary was taken to an affordable housing complex where he met with a Life Services member who recently returned to work thanks to our JobConnect program. Our JobConnect members prove that implementing Life Services without external funding was a risk worth taking. Their stability, health and well-being is our return on investment.

THE FACE OF JOBCONNECT

10,834 - IN - **3**
PEOPLE STATES

OHIO

Jan.
2015**5,888**
MEMBERS*

INDIANA

Jan.
2017**4,411**
MEMBERS*

GEORGIA

July
2017**535**
MEMBERS*

**Includes members who have expressed interest in or attended a JobConnect event.*

1

2

3

4

5

PRE-ENROLLMENT

Members enroll in JobConnect 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 aspirations for long-term employment.

EDUCATION

The Life Coach works with the member to assess education level, past job experience and training to recommend an education path to increase 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 support the member for up to 24 months.



beyond health care

In a matter of months, Becky's life was turned entirely upside down. She lost her job and found out she was pregnant. Unsure of her next move, she moved back in with her mother and enrolled in the Healthy Indiana Plan through CareSource. She knew that she and her child would now have dependable Medicaid benefits, but she was only beginning to learn about the extra lift she would receive by choosing CareSource as her insurance company.

In 2015, CareSource established our revolutionary Life Services program to look beyond traditional health care and address the social determinants of health in order to help our members reach their full potential. In Indiana, for instance, our members have urgent needs stabilizing and connecting with viable employment opportunities. Now, we address their needs head-on with our JobConnect initiative.

Through JobConnect, Becky gained the life skills and independence she direly needed to begin the next chapter of life. Becky's Life Coach helped with her resume, assisted her in finding job opportunities, located childcare for her son and even found transportation options to get her to work and back each day. Today, Becky is a Certified Nursing Assistant, pursuing her bachelor's degree in nursing. She'll graduate as a Registered Nurse in 2022.

Inevitably, Becky will no longer need the Medicaid benefits that sustained her when she needed help the most. For Becky and all of our members enrolled in our Life Services programs, we look forward to that day. CareSource may well be the only Medicaid company working this hard to get our members off of Medicaid.



It was a moment that changed her life.

Karin VanZant was a frightened, pregnant, 20-year-old on Medicaid facing an emergency C-section at the hospital. But the operation was held up for four hours while administrators worked to sort out her insurance coverage.

“The surgeon told me, ‘We’ve got to figure something out because Medicaid doesn’t cover what we need it to cover,’” she recalls. “I thought, I never want to be the doctor that has to tell somebody you’re too poor to get the best care. And I’ve been trying to fix that really broken system ever since.”

A year earlier, Karin had been a hard-charging college student with hopes of going to medical school. When she returned, she changed her major from pre-med to social work, a discipline that would lead her to a remarkable career devoted to helping lift people out of poverty.

In 2005, she started Think Tank, Inc., a Springfield, Ohio-based nonprofit that works with churches and neighborhood groups to alleviate poverty and strengthen the community.



“What we found is that with the right kinds of community support and the right kind of social support, people who have lived two or three generations subsidized can actually break that subsidy cycle in less than five or six years,” she said. “But there has to be support in a community that says children going to bed hungry is completely unacceptable in this country.”

Karin’s community work resonated with CareSource CEO Pam Morris, a long-time believer that socio-economic and behavioral factors influenced health and well-being, so it was no surprise when she appointed Karin to be VP/Executive Director, Life Services for CareSource. Today, Karin is a nationally-recognized authority on social determinants and has provided testimony to the United States House of Representatives Ways and Means Committee.

“We really want to change the way Medicaid recipients are viewed,” VanZant said. “We want them to be viewed as assets in the community. We want them to be viewed as not being generationally subsidized but temporarily subsidized on a path toward self-sufficiency.”

One of “Those People”

For Karin, the stigma of being labeled one of “those people” on Medicaid ignited a fire to break down the stereotypes of the Medicaid population. Now, she devotes her life to helping them forge a path to greater independence.

Every CareSource member has unique needs. We work every day to learn how we can improve their outcomes.

Our model integrates both social and clinical insights to improve the health and overall well-being of the populations we serve.

Care4U

finding the
heart
inside
big data

Healthy Numbers

CareSource is a health insurance company that is built on heart. We offer individualized care and compassion in a field that is often known for its one-size-fits-all approach. But to administer this health care with heart, we rely on a significant amount of data analytics in advance. We need to learn from the data of yesterday and today to help create better patient outcomes for tomorrow. That's the basis for our Care4U holistic care coordination program.

Care4U uses a population health management approach that allows us to analyze member data from multiple health information and socio-economic resources to identify opportunities to partner with members in their care. This helps us to create a more robust, yet actionable approach to improving health outcomes by focusing services on what matters most to our members.

Our Care4U team is comprised of a multi-disciplinary team of health professionals collaborating with community and health partners to support better managed care for our members and improved wellness overall. In short, it helps our members through all stages of their health—from self-managing their chronic conditions to transitions from a hospital stay back home—all the while helping avoid unnecessary and costly duplication of services.

Our unique approach integrates both social and clinical insights, revealing better ways to improve the health and well-being of the populations we serve. By evaluating the needs of members in this holistic manner, we can assure they're getting the best possible care.

With Care4U, CareSource continues to lead health care in an innovative direction. We're transforming our care model with analytic and predictive data to meet the needs and improve the overall health of our members. It's a thoughtful approach to health care for the future that is equal parts brain and heart.



the opioid epidemic

knows no social or
economic boundaries.

Undoubtedly, our nation is in the grip of an opioid crisis and CareSource is doing whatever it takes to give our members the tools and treatment they need to survive. CareSource offers an array of non-opioid medications, alternative benefits and resources, which provide our members with options to avoid taking potentially addictive prescription medication.

Beyond traditional health care, we know that preventing addiction takes a holistic approach. CareSource Life Services works with our members to connect them to community resources and employment opportunities. We also address the social determinants—things like food insecurity and unstable housing—that can be obstacles for people facing addiction. We know that support systems are critical for our members. By lending a helping hand, acting as a mentor and being a friend, we are able to guide our members on the path to recovery.

CareSource is fully engaged in the battle against the opioid epidemic. As a nonprofit health insurance organization, we are wholly and uniquely committed to the well-being of our members. It is our mission, our purpose and the reason we continue to fight the grip of addiction in the communities we serve. This battle has never been more intense, and CareSource will continue to fight with our members to help them overcome addiction in the journey to good health and self-sufficiency.

According to the CDC, in 2016, West Virginia, Ohio and Kentucky were among the **top 5 states** for drug overdose deaths in America.

**WEST
VIRGINIA**




OHIO



KENTUCKY





Facing the Opioid Crisis Head On

Finding the
hope
to replace
hopelessness

David began taking OxyContin when he was only 14-years-old. Following an all-too-common path, he became addicted to the powerful opioid and soon switched to heroin. That addiction eventually led to an arrest for possession.

After five failed rehabilitation attempts, he entered court-ordered treatment, and he finally resolved to stay clean. David went through an inpatient program at a local treatment center, which included Medication Assisted Treatment (MAT), group therapy and individual counseling. Upon exiting that program, he moved into transitional housing while he continued his treatment plan. It was there that he met Eric, a CareSource Life Coach.

Eric was able to support David through his recovery and also help him find a job. David became certified as a peer support specialist so he can now help others facing similar struggles. And, for nearly two years, David has been sober and back in control of his future—a future that now includes his fiancée and a child due later this year.

David credits Eric with his long-term success, saying, “We need people like Eric because he knows that anyone can overcome their addiction. He had hope that I didn’t have in myself.”

making progress, making a difference

CareSource is engaged in dialogue on national, state and local levels to develop policy and advocacy work. Everyone in the supply chain of prescription opioids has a responsibility and a role. CareSource is leading a collaborative effort to address the opioid crisis within our markets. We are collaborating with our members, health partners and the community at-large to address this epidemic with a comprehensive, integrated approach to addiction. We are making progress on the four fronts below:

2017 Results

IMPROVING ACCESS & OUTCOMES

25%

increase in members engaged
in Medication Assisted Treatment
(MAT) year-over-year

ENSURING QUALITY & COMPLIANCE

36%

reduction in the Morphine
Equivalent Dose (MED) prescribed
to CareSource members

REDUCING POTENTIAL HARM

8%

more primary care providers
offering Substance Use Disorders
(SUD) treatment year-over-year

ENGAGING MEMBERS IN CARE

10-30%

reduction in Emergency Department
and Inpatient stays for members
engaged in care coordination

2017 & 2018

Goals

Decrease
OPIOIDSthrough targeted outreach
and benefit design***Increase***
PROVIDER
QUALITYthrough establishing
Medication Assisted Treatment (MAT)
best practices and lab best practices***Improve***
MEMBER
EXPERIENCEthrough enhancing the network,
increasing communications and
coordinating referrals

In 2018, CareSource will build on our progress, as we plan to double most outcomes, including cutting opioid prescriptions in half, ensuring 100% of our health partners meet our new quality standards and improving access and connection to care.

Finding Promise Again

**The Power of
Partnerships**

Our health partners are on the front lines of this epidemic, and CareSource is committed to giving them the resources they need to succeed in treating our members. We provide educational materials and cut the red tape to make it easier for health partners to prevent and treat opioid addiction.

The CareSource website provides pain screening tools, national treatment guidelines and resources for doctors to help members gradually reduce dependency. In addition, health partners can contact us to sign up members for Care Management or Lock-In programs.

There are no easy answers or quick fixes to an epidemic of this magnitude, and it will take a truly collaborative effort to defeat opioid addiction. But we are encouraged by the early successes of our efforts and will continue to lead the fight for the best interests of our members.

In 2016, CareSource, under contract with the Ohio Department of Mental Health & Addiction Services, designed and implemented the Community Transition Program, a statewide program that supports citizens with substance abuse disorders who are leaving prison and re-entering the community. In its first two years, the initiative will eventually serve over 4,500 returning citizens.

In an effort to improve the health of our members, this initiative provides a number of services to help them battle addiction. But this program is unique in that it doesn't simply address health concerns, but also the multiple environmental factors that our members face after incarceration. To that end, we offer:

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

Access to recovery services, including 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 re-entry

Training to health partners on evidence-based practices to reduce recidivism

Access to overdose-reversing Naloxone kits





COMMUNITY TRANSITION PROGRAM

The Community Transition Program has secured housing for more than 400 returning citizens who were facing homelessness upon their release. Providing wrap-around, community-based supportive housing services to members reduces recidivism and increases engagement for high-need individuals.

The plan includes scalable tools, processes and infrastructure to promote the successful re-integration of citizens into communities. Members will have access to enhanced care coordination, innovative benefits and a quality provider network.

Each year, the prison system incarcerates individuals with documented substance use disorders or behavioral health issues. We know that with the proper opportunities, care and treatment, we can partner with state leaders and our health and social service providers to break the cycle of incarceration. CareSource has a unique opportunity with the holistic Community Transition Program to help these individuals overcome their addictions and regain control of their lives.



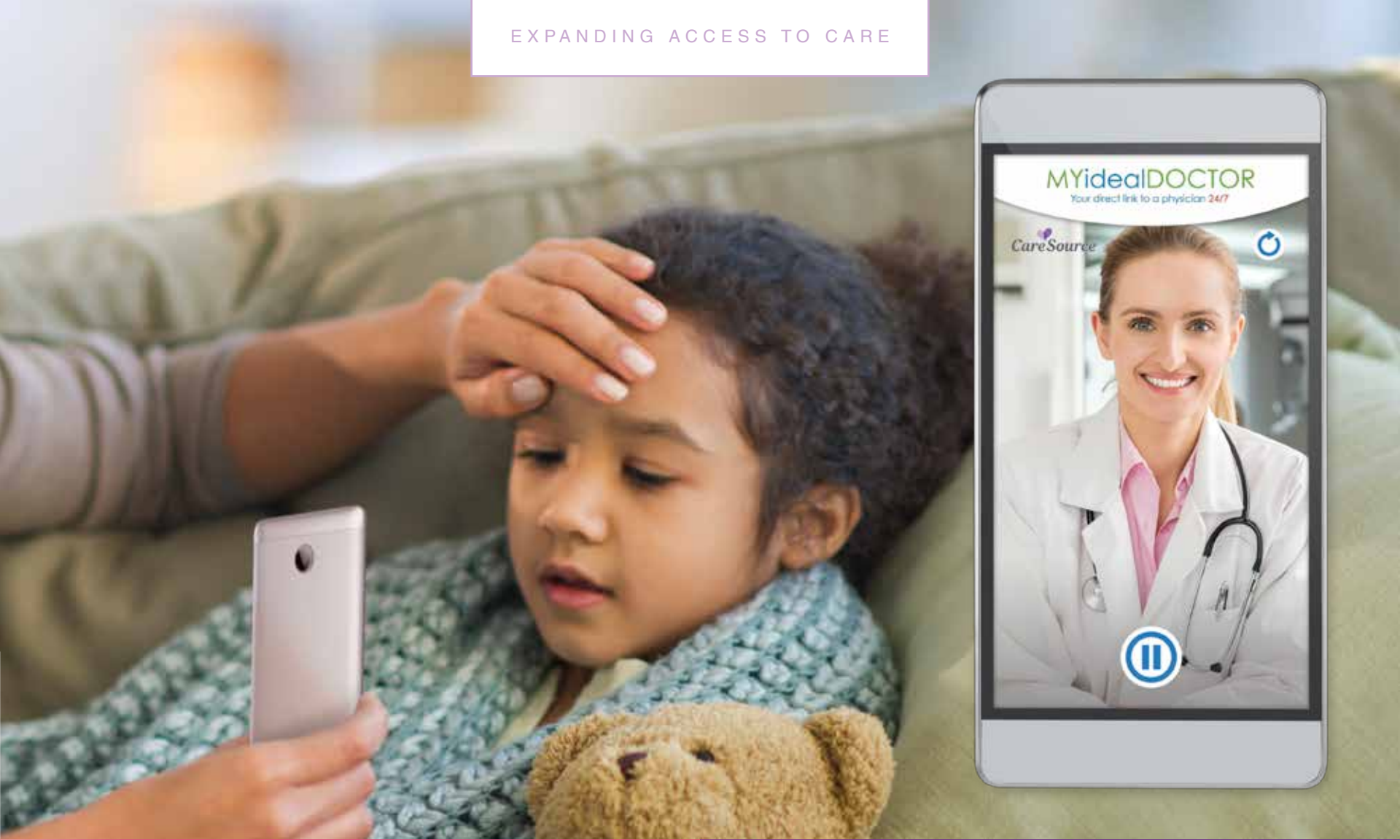
CareSource is building promising relationships with a number of retail partners. Our goal is to offer our members convenience, quality and unparalleled access to health care right in their neighborhoods... even in the palm of their hands.

Retail Clinics

Our members now have access to over 400 retail clinic locations across our five states. Out of that number, nearly 30 locations serve as members' primary care providers (PCP). Those 30 clinics alone account for at least 50,000 members treated in the past year. The easy access retail clinic model is growing in popularity and continues to benefit our members who don't have the time or resources to visit a traditional PCP.

Telemedicine

Through a partnership with MYidealDOCTOR, CareSource now provides remote access to care through virtual medical consults. In our initial trial states of Georgia and Indiana, nearly 1,000 consults have taken place in a relatively short time period, yielding both an impressive member use and return on investment. The convenience of telemedicine and the promising partnership with MYidealDOCTOR assures this will be a popular member benefit as we grow for the future.



Banking Services

Because of financial limitations, many of our members have had adverse banking experiences. Through a CareSource collaboration with Fifth Third Bank, members can utilize the Express Banking product to make deposits, get a debit card, cash checks and access services from a reputable financial institution. This way, they can leave behind the predatory lending practices that they may have experienced when using payday loan establishments.

Optical Services

In 2016, CareSource and Walmart partnered to provide optical services to our 1.2 million members through the 135 Walmart Vision Center locations across the state of Ohio. Our members appreciate the convenience of receiving their eyewear, exams and basic necessities all under one roof. The program has been an overwhelming success. More than 60,000 claims have been processed for optical services since this partnership began.



CareSource Foundation

Building Lives of Greater Promise



the promise of a better future

CARESOURCE FOUNDATION GRANTS

2017

128

GRANTS

\$1.86

MILLION

2006 – 2017

1,208

GRANTS

\$16.4

MILLION

Through our 2017 mass food distribution and partnerships with food banks in each of our markets, **CareSource has helped to feed more than 1 million people.**

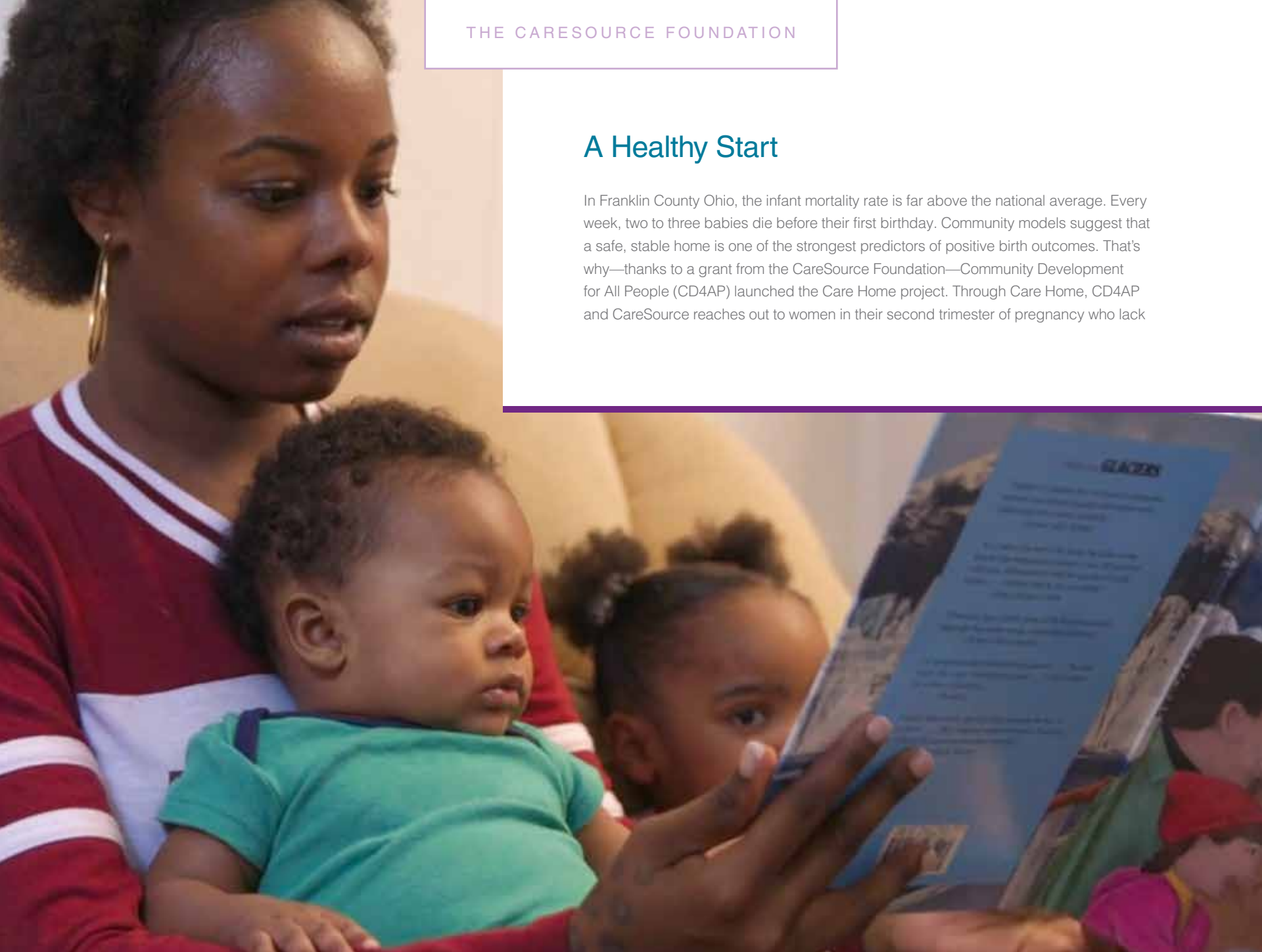
The CareSource Foundation exists to strengthen the critical social safety net in each of our markets. Strategically-placed investments ultimately help transform communities and lives through the work of outstanding nonprofit partners.

The CareSource Foundation provides grants for innovative solutions in the areas of social determinants of health:

- Eliminating poverty/economic instability
- Collaborative partnerships to address critical health trends and build healthy communities
- Positive birth outcomes
- Domestic violence/child abuse
- Hunger and nutrition
- Sustainable housing solutions
- Population health issues
- Health disparities
- Mental and behavioral health

A Healthy Start

In Franklin County Ohio, the infant mortality rate is far above the national average. Every week, two to three babies die before their first birthday. Community models suggest that a safe, stable home is one of the strongest predictors of positive birth outcomes. That's why—thanks to a grant from the CareSource Foundation—Community Development for All People (CD4AP) launched the Care Home project. Through Care Home, CD4AP and CareSource reaches out to women in their second trimester of pregnancy who lack



“The issue clearly for our whole society isn’t just trying to provide medical care when people are sick. It is all about addressing social determinants of health and how that then impacts very real issues such as infant mortality. **And I’ve found that the leadership at CareSource are among the most forward-thinking people.**”

– Reverend John Edgar, Executive Director, Community Development for All People

safe housing and move them into a safe and affordable place to live. To help establish the firm foundation that they need, each participant also works closely with a CareSource Life Services Life Coach. The Life Coach helps find employment and address concerns like childcare and transportation that may be limiting their chance to succeed. The women living in Care Home with these strong supports gave birth to ten full-term, full-weight healthy babies. As a result, the CareSource Foundation recently invested in Phase II of the project that will now serve 100 women and their babies. It's the dawn of a new day in children's health. "It's been life changing," says first-time mother Alisha, "It's been life saving."

To learn more about the Care Home project and the CareSource Foundation's involvement, visit [CareSource.com/care-home-project](https://www.caresource.com/care-home-project).

Big Ideas with Big Impact

Welcome to the Shark Tank

What does your community really need? And what's holding you back from implementing the change? Typically, the Big Idea is easy to identify. It is the funding that is most difficult to secure. With that in mind, the CareSource Foundation partnered with the Ohio Community Development Corporation Association and their 240 member organizations to help move dreams forward. Through a statewide RFP, nonprofit organizations are showcasing their community innovations. The finalists will present their ideas in a setting similar to TV's popular Shark Tank. Ultimately, these social entrepreneurs will implement their plans thanks to a \$200,000 grant from the CareSource Foundation. And as we know, funding big ideas can be a real game changer.

Replenishing the Food Desert

Communities with limited access to healthy, fresh foods typically have the poorest health. The correlations are clear. So when residents of West Dayton lost their independent grocery store and statistics showed that 1 in 5 residents went hungry every single day, the community began to rally. With a \$220,000 signature grant, the CareSource Foundation became one of the first investors for The Gem City Market—a pioneer in co-op neighborhood stores designed to feed people, provide jobs and encourage ownership through sales of shares. This partnership is an important example of a community coming together to generate long-term, positive change. With the doors opening in late 2018, we are convinced this will be a fruitful partnership.

National Attention for Serious Issues

Facebook CEO Mark Zuckerberg had a big goal for 2017. He planned to meet people from each of the 50 states who could shed light on the country's major social issues. The CareSource Foundation assisted the Zuckerberg team in two states—Ohio and West Virginia. First, he met with members of the addiction and recovery community in Ohio to explore the growing opioid crisis. Then, in West Virginia, he met with health professionals and advocates at the Cabin Creek Health Center to understand how technology could increase access to health care in rural areas. Both visits resulted in ongoing engagement to address those critical issues.

As a nonprofit health care plan, we do not measure our success by what we offer shareholders, but rather our members. **We determine our ultimate success by the number of lives that we change every day.**



Since the beginning in 1989, the CareSource nonprofit model of managed care has steadily attracted more members across more states. By the year 2004, on our 15th anniversary, CareSource was the sixth-largest Medicaid managed care plan in the United States. Today, CareSource is the largest Medicaid plan in Ohio and one of the largest in the country serving more than 2 million members in five states.

SINCE OUR BEGINNINGS IN 1989,
**CARESOURCE HAS
 SERVED OVER
 5 MILLION
 MEMBERS**

\$8.8
BILLION

2017 REVENUE

In 2017, almost **92%** of the revenue that came into CareSource went right back out to provide care and services for our members. **At CareSource we do not pay dividends to shareholders. Our investments are in our members.**

Total Medicaid
 Enrollment*

up

21%

Total Marketplace
 Enrollment*

up

74%

Medicare Advantage
 Enrollment* in Ohio

up

125%

*January 2017 – January 2018

the promise in us all

For every accomplishment that we help our members achieve,
for every challenge we help them conquer,
for every finish line we help them cross,
there is still so much more promise they have yet to fulfill.

Our goal every day is to help our members get their future
in focus and their dreams within reach.
We believe everyone deserves good health, happiness
and a future filled with promise.

While we can't
promise to fix all of our
members' problems,
**we *can* promise that
they will never have
to face them alone.**



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.

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About the Painting (cover)

INSPIRATION:

The artwork for this cover hangs in CareSource Headquarters in Dayton, Ohio. It was created, like most of our other artwork, by a talented local artist.

ABOUT THE ARTIST:

Kathleen M. Bertolone
Dayton, Ohio

Kathleen M. Bertolone graduated Magna Cum Laude with a Bachelors of Arts degree from Wright State University in Dayton, Ohio, and has since produced a lifetime of exquisite work. She has won numerous awards in both juried and invitational exhibitions, has her work in many private and corporate collections and is featured in Nita Leland's books on color and creativity.

ABOUT THE PAINTING:

Knowledge – Life's Energy

Oil on canvas, 48" x 48"

Ms. Bertolone chose a theme of knowledge and growth. She describes the painting as an abstracted landscape, with the sun rising—a time of beginning. Both knowledge and growth develop and thrive. A rising sun has that same sense of hope.

From the colors of compassion to the texture of caring, we believe this art is a reflection on the palette of promise that is CareSource. We thank her for sharing her talent.

**“The art personifies
who we are—a
source of caring
and hope for those
most in need.”**

— Pamela Morris

*As a nonprofit organization,
CareSource would like to thank
The Hennegan Company for
their partnership in printing
this book.*

