



2018 Report to Our Communities



Keeping Seniors Healthy and Independent

A Defining Year

Coming off our 40th anniversary in 2017, we spent 2018 deep in strategic planning. While change has been a constant for us over the years, the changes in the healthcare industry today are happening rapidly. We took a detailed and thoughtful look at the environment, our constituents, our industry, the data and more to determine our future course.

Keeping seniors healthy and independent continues to be our mission. And, years after we sunset the Social HMO, we continue to focus on high-needs seniors: those with multiple health issues and/or challenges that impact their ability to access care or manage their health. Social Determinants of Health (SDOH) is *the* topic these days, but it's nothing new to us. The Social HMO was designed to address SDOH. That's our wheelhouse. These are our people.

By 2023, 800,000 Californians in our current service areas will become newly eligible for Medicare. We're here for them with the products and services that will enable them to continue leading healthy, active lives.



But the fastest-growing age segment is 75 to 79—the transition age, when many of us begin to experience health changes and need more from the healthcare system. We're here for them, too, with our care management expertise and in-home benefits.

Our long history as a Social HMO used to be an interesting side note. But it's proving its value. We understand the challenges members face as they journey through these years. We know how to help them along the way. I can confidently speak on behalf of the 1,200-plus SCAN employees when I say it is our great honor to do so.

I've had the pleasure of leading SCAN since 2011. I've always said that our goal is not to be the biggest health plan. Instead, we want to be the best at serving seniors, be they our members or those in the community. These pages highlight some of our efforts in 2018. I encourage you to read, and invite your feedback and participation.

With appreciation,

A handwritten signature in black ink, appearing to read 'Chris Wing'. The signature is stylized and fluid, with a large loop at the end.

Chris Wing
CEO, SCAN Health Plan



Achievements

Our greatest achievements are the ones that confirm we're doing a good job for our members and the seniors we serve.



CMS 4.5 Star Rating

In October, we learned that we once again earned 4.5 Stars in Medicare's 5-Star quality rating system.*

*Star rating applies to all plans offered by SCAN Health Plan® except SCAN Healthy at Home and VillageHealth. Star ratings are calculated each year and may change from one year to the next.



90%

Member Satisfaction

Source: 2018 CAHPS Rating of Health Plan, as reported in *2019 Medicare & You*

4.16 / 5

Employee Engagement

The results of our annual employee engagement survey put us in the 86th percentile of all Gallup clients.

We're proud that of the 12 statements the survey measures, our highest response (4.47 / 5) was to this statement:

"The mission or purpose of my company makes me feel my job is important."

Awards

We appreciate external validation of our efforts and were honored to have been recognized with the following awards in 2018.



Best in Biz
Silver Award
Nonprofit Organization
of the Year



U.S. News & World Report
Best Insurance
Companies for
Medicare Advantage
2019



STEVIE® Silver
American Business
Award
Management Team
of the Year



STEVIE® Bronze
Sales & Customer
Service Award
Customer Service
Department of the Year



STEVIE® Bronze
American Business
Award
Customer Service
Department of the Year
Customer Service
Executive of the Year



ICMI Finalist
Best Medium
Contact Center

Aster Awards



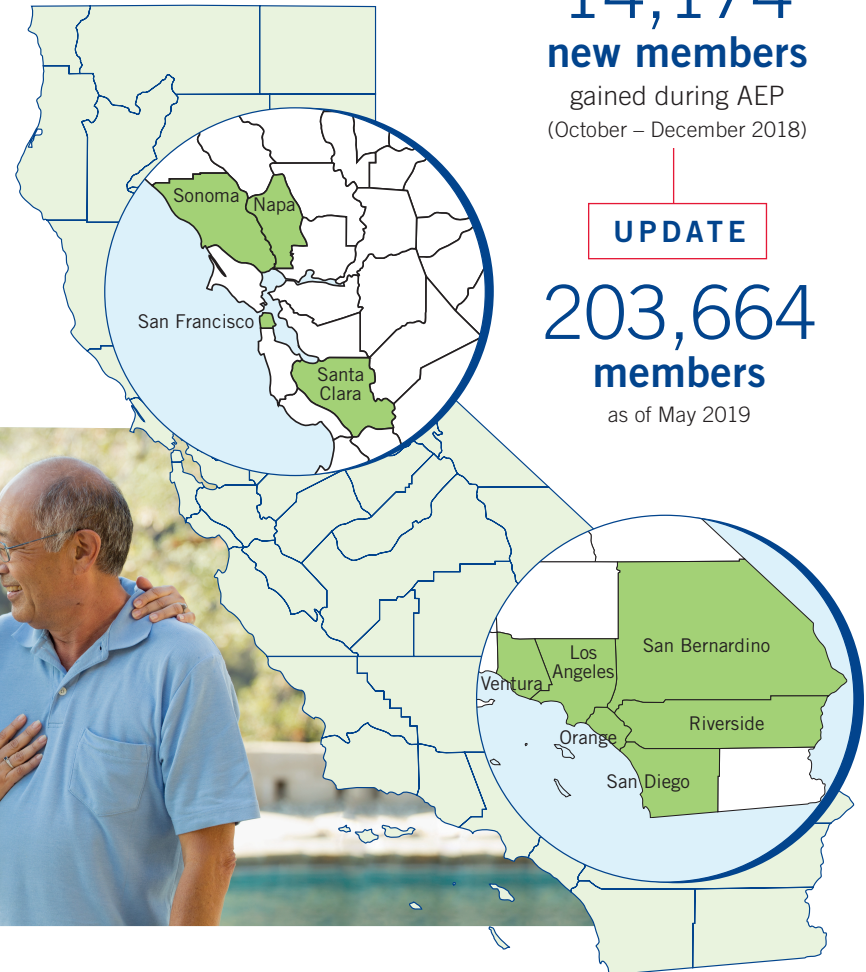
Aster Awards,
Healthcare Advertising
Awards, and
The Telly Awards
Recognition for our
communication efforts

Milestones

In addition to star ratings and member satisfaction, we also look at membership growth and member retention as key success factors.

- 3rd largest in the nation
- 2nd largest in California

Among not-for-profit Medicare Advantage Prescription Drug Plans (MAPDs)



197,861
2018 year-end membership

14,174
new members
gained during AEP
(October – December 2018)

UPDATE

203,664
members
as of May 2019



As we pass the 200,000 member milestone, it becomes even more important for us to improve how we interact with our members. Healthcare is personal. And while we're typically a step removed from our members' healthcare experience, they depend on us to support them along the way. Adding strategic use of technology to the human touch we're known for enables us to build and retain relationships with our growing membership.

Improving How We Connect

As we learn from our members every day, seniors are a diverse group. We hear from those who are still actively employed in a career as well as those who've embraced retirement, and even some who've turned a hobby into a job (hello, 71-year-old ski instructor!).

Of course, their health needs are as different as they are. For many of our members, the

preventive benefits and gym membership SCAN offers are exactly what they're looking for. For members facing health challenges, however, SCAN provides more intensive benefits and services (see page 11 for more).

The key is identifying what each member may need and when. And that was one of our focus areas for 2018.

Affordable Access to Care

Regardless of health status, all members benefit from affordable access to care. That's why in 2019 the vast majority of SCAN members have these \$0 copays:

\$0 Monthly premium **88%**

\$0 PCP office visit **85%**

\$0 Inpatient hospitalization **78%**

\$0 Tier 1 drugs **95%**

\$0 Tier 1 *and* Tier 2 drugs by mail-order **85%**

99% of SCAN members also have access to these extra benefits:

- Transportation
- Gym membership
- Hearing aid benefit
- Vision care

HRAs for All!

While we've always used Health Risk Assessments (HRAs) for members of our Special Needs Plans (SNPs), in the last half of 2018 we rolled this tool out to our general membership. It's not that we didn't want to do it earlier—in fact, for many years we did—but the challenge was finding a way to make the information gathered from the HRAs **actionable**.

Today's HRAs ask not only about medical issues, but also the many other issues that impact health—the Social Determinants of Health (SDOH), including a member's support system, access to transportation and food, and whether they have stable housing.

In short, the data gathered enables us to target our communications and outreach at the individual member level.

2018 HRAs for All Results

16,000 HRAs completed

1,200 Members identified with SDOH needs

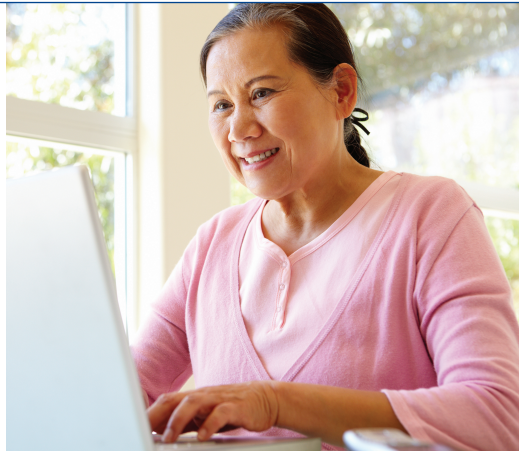
8,300 Members referred to our Peer Advocate program for follow-up (see page 7)



Taking on Omni-Channel

How do we ensure that the communications and outreach we've identified as relevant and needed by a member (perhaps via the HRA) are also *wanted*? Enter omni-channel engagement.

Traditional thinking is that seniors don't use technology; that they want print materials in hand. And many seniors still do. However, many don't. What they can all probably agree



is that they want to *choose* how they receive information from us.

A cross-functional team worked to ensure that regardless of how a member expresses their communication preferences, whether on the web, through a call to Member Services, or even an email request, the information can be captured and managed.

Engaging on a Personal Level

SCAN is known for our personal touch. We call each new member to welcome them to the plan. And many members tell us they count on—and look forward to—their birthday call every year. We've built on these touches over the years. In some cases using technology in place of an in-person event, enabling us to reach thousands of members throughout our service areas with a single "Straight TeleTalk" interactive conference call, for example.

But technology won't replace one-on-one and in-person engagement. There's something about connecting at an individual level that members *and* employees, from our senior executives to our front-line staff, all appreciate.

Member Appreciation Events

In collaboration with partner medical groups, SCAN took part in several on-site events in 2018. The goal was to make a personal connection and help members understand how the medical groups and SCAN work on their behalf. We answered individual questions and resolved concerns. We introduced members to their local SilverSneakers® locations and gave out pillboxes to help with medication adherence.

At each, we came away with a greater understanding of and, yes, appreciation for our members.



More than 100 members celebrated St. Patrick's Day with us at UCLA Medical Group. Other events in 2018 took place with Lakeside Community Healthcare and at Hemet Medical Group.

100+ Club Grows

When making birthday calls a few years ago, the Senior Advocates noticed a trend: They found themselves saying “Happy 100th” to more and more SCAN members. They thought this milestone deserved more than a phone call. That was the start of the 100+ Club.

Centenarians receive a personal letter from CEO Chris Wing and, whenever possible, the Advocates arrange for a birthday visit. They bring balloons and a cake large enough to feed whoever else the member wants to invite. Sometimes there are friends, family members or fellow residents joining. Other times it's a more intimate visit, allowing our team the honor of celebrating these inspirational members.

378 Centenarians in 2018

117 100+ Club visits

108 | Age of oldest SCAN member in 2018

106 | Age of oldest members visited (two of them!)



“

Our members have such wonderful experiences and stories to share. The perspective they have is really something amazing and we all come away from these birthday visits so moved and inspired.”

– Pam Bailie, Senior Advocate

Spreading the Cheer

Holiday Cheer is a long-standing tradition at SCAN. Knowing that for many people—perhaps especially for our oldest members—the holidays can be a season of sadness, every December employees call members for the sole purpose of wishing them happy holidays.

While the calls are largely warm and pleasant, occasionally we're alerted to an issue or greater need. One year, a member tearfully admitted that she hadn't been able to get to the grocery store since her husband had been released from the hospital and they had no food in the house. The team immediately arranged for a community health worker to visit and ensure the couple had food and other necessities. That's the true spirit of the holidays.

4,259 Members called in 2018

90 Employee volunteers



Eve Gelb, Senior Vice President,
Healthcare Services

“ *It's so great to step away from all the busyness and get into the spirit of what truly matters this season.*”

– Nikki Barrett, Care Planner,
Independence at Home

“ *I want to thank you for the resistance bands you sent me. You talked me into getting back to exercise. It's always a pleasure to speak to someone that talks to you with dignity and respect.*”

– 74-year-old SCAN member, Costa Mesa, CA

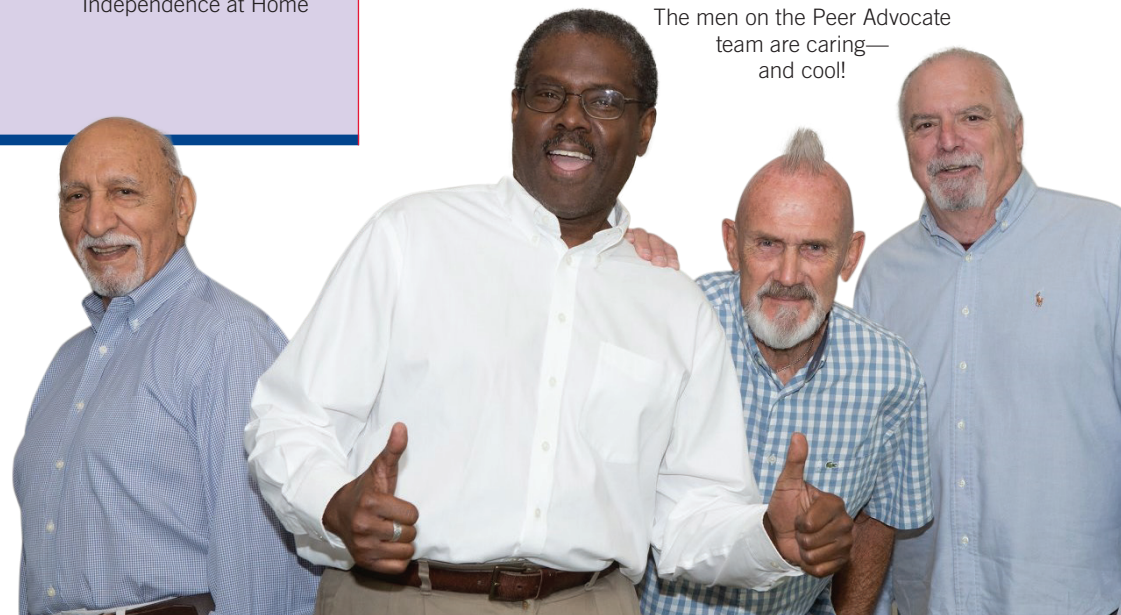
Member2Member Impact

The Member2Member program draws on the power of peer counseling to address the common issues of aging. Like the Senior Advocates, Peer Advocates are SCAN members who work part-time connecting with members. Peer Advocates, however, specifically discuss those issues that many find hard to talk about—even with their doctors. Having a fellow senior call and bring up the issue, sharing tips, sending information, even commiserating and sharing personal experience often makes the difference.

10 Peer Advocates

3,629 Member2Member participants

Issues discussed: depression, physical activity, urinary incontinence, falls and pain



The men on the Peer Advocate team are caring—and cool!



The physicians and office staff who interact with and care for our members are often the face of SCAN to our members. When we're rated on the quality of care members receive, or members respond to survey questions asking whether their care was well-coordinated or the office wait time was under 15 minutes, they're reporting on their experience at the doctor's office—not with SCAN. We understand there's a tension between caring for the patient and meeting the demands of a heavily regulated industry. That's why we're investing in pilots and programs that will allow providers to do what they do even better.

Engaging, Collaborating, Sharing

Several years ago we invited leaders from our key provider groups to form a Provider Integration collaborative. The 5-Star quality rating system was still relatively new and we thought it would be a good way for all of us to become familiar with the system, discuss the implications and asks of all of us and, ultimately, improve the quality of care seniors receive.

Since then, it's become a true collaboration. We share performance data so groups can see how they compare with their peers.

Those who perform well in an area share their best practices. Providers have a direct line to SCAN, sharing concerns, challenges and opportunities. It's been the sounding board for many of our programs and innovations as well, including SCAN's Office Staff Training (OST) and Connecting Provider to Home (see page 15). This is our way of building in "systemness," which enables us to ensure seamless, high-quality care is delivered consistently across the network.

SCAN's 4.5-Star rating is not only a reflection of our efforts to improve quality and service, but an investment that pays off in a meaningful way for us, our provider partners and our members.

Office Staff Training (OST) Grows by Popular Demand

Launched in 2016 to help standardize service quality across our network, OST offers a number of mix-and-match courses to medical groups. SCAN trainers travel throughout our Southern California service area to deliver on-site trainings, usually bringing lunch as well.

To help respond to the training demand, we now hold annual Train the Trainer events, arming staff management with the insight and tools they need to provide and/or reinforce the OST courses.

2018 Office Staff Training Results:

4,106 Office staff members participated

541 Physicians participated

21 Courses offered

Most requested courses:

- Trading Ages (senior sensitivity)
- CLEAR/HEAT (customer service)

137 Train the Trainer participants

24 Groups represented



“

This was my very first training and I can gladly say it was very informative. Thank you for the opportunity, and I look forward to more trainings like these.” – OST participant

Quality Program: Ongoing Commitment

Underlying all our efforts is a focus on quality that encompasses the 5-Star efforts as well as our work to ensure health equity, address Social Determinants of Health, and continually improve member service. It comes down to the quadruple aim: patient experience, population health, reduced costs for individuals and the system, and care team well-being. And it will take all of us—plans, providers, policymakers and local government and community organizations—working together to deliver on the commitment.



We've long advocated for programs and policies that would enable us to deliver the types of benefits and services seniors need to stay healthy and independent. To that end, 2018 was a very good year for Medicare beneficiaries.

New Laws, New Opportunities

Medicare Advantage (MA) plans have proven to provide high-quality, value-driven and cost-effective care—and that hasn't been lost on lawmakers. At the federal level, MA plans have earned bipartisan support, with more than 360 members of Congress pledging in 2018

to preserve the program. They showed their support in more tangible ways with legislation that has made it possible for plans to further improve services and health outcomes.

- The definition of “primarily health-related” supplemental benefits was expanded in 2018 to allow MA plans to offer food, counseling and other non-medical services as long as they can help prevent, cure or reduce illness or injury.
- Telehealth services can be included in a plan's basic benefits. We see great opportunity for this technology in the delivery of mental health services and for post-discharge follow-up.
- MA plans are now allowed to tailor benefits to groups within their membership, rather than offering the same benefits to all enrollees. For example, all members with diabetes within a plan could receive additional podiatry coverage.

- Special Needs Plans, which were temporary demonstration projects, can now be offered by MA plans on a permanent basis. This provides stability for the plans offering these products and reassurance to plan members.



Based in Washington, DC, Adrienne Morrell joined SCAN in 2018 as Senior Vice President, Public, Community and Government Affairs. Adrienne and team focus on educating legislators on the value of Medicare Advantage and Special Needs Plans and ensuring we have a voice on important issues and decisions impacting the seniors we serve.

SCAN Benefits in 2019

So did these 2018 changes have much impact on 2019 benefits? It takes time to design and implement new services, after all. But because SCAN already offered many of these types of benefits through our Fully Integrated Dual Eligible Special Needs Plan (FIDE SNP), we were able to incorporate them into many of our other products fairly easily.

By September 2018—in time for Annual Enrollment Period (AEP)—the sales, service and care management teams were trained and ready to speak to these 2019 benefits:



SCAN Home Advantage

This home safety evaluation benefit includes an assessment, safety plan, and access to a SCAN care navigator at no cost. We also provide connections to resources to help make any modifications needed.



SCAN Returning to Home

A post-hospitalization benefit, members (and their caregivers) receive in-home support and services, including meals and help with bathing, dressing and medication management—all at no cost.



Telehealth services

These virtual appointments are a good alternative to an urgent care visit.



“

We've seen the value of offering, arranging and providing for Social Determinants of Health for years, and we really applaud the decision from CMS to give plans the flexibility to offer these types of non-Medicare services that plans like SCAN know will improve the quality and experience for the patient and family and at the same time reduce costs.”

– SCAN CEO Chris Wing, *AIS Health*, January 2019



Keeping seniors healthy and independent is not just the health plan's mission, it's our overall imperative. SCAN's community services enable us to connect and engage with seniors and caregivers in the community and to support other organizations that do the same.

Facts and Figures

\$13,648,000

Total amount SCAN spent on community services in 2018, including Independence at Home (IAH) and other community programs



16,821 Clients served in IAH via government programs, direct services, resource navigation and community education

855 Community education events

Resource navigation is an art. Many of the people who call the IAH toll-free number don't know where to turn. Our resource navigators listen and assess. If community connections are all that's needed, we don't just provide a phone number and call it case closed. We let the client know who to call, what to ask for and how to explain their request. And we're always here for assistance along the way.

Helping us make those connections in 2018 was a tool called Aunt Bertha, a national database of community organizations and resources that enables us to track community



“ *I liked the warmth with which they help solve your problem, giving you options and making you feel that they are on your side.*”

– IAH client

clients as well as plan members we've referred. This lets us know if they've made the recommended connection or if we need to follow up to ensure their needs have been met.



6,887 Volunteer hours

474 Community events

2,198 Thanksgiving meals delivered

676 Thanksgiving volunteers

SCAN started working with social media influencer Jorge Narvaez of Realitychangers last year and thought the perfect way for him to get to know us was to invite him to our annual Thanksgiving meal delivery. Not only did Jorge deliver a meal, he brought his whole family along (pictured below). Despite the early start, all five worked enthusiastically alongside our volunteers, packaging meals and loading up cars.

trading ages®

a unique perspective on aging

48 Presentations to such diverse groups as:

- Gerontology students at Long Beach State University
- Architecture and gerontology students at University of Southern California
- Maintenance crews and resident service coordinators at senior housing facilities

“ I loved this. Empathy is what is needed every day, no matter what your age.”

– Trading Ages participant



Coming Soon: Trading Ages – Virtual Reality

As effective as our traditional Trading Ages workshop has been over the years, we knew the right technology could really bring the experience of aging to life. And it has. Using virtual reality to simulate three common experiences of aging has taken Trading Ages from interactive to immersive. Early response has been enthusiastic and, in some cases, emotional. That’s exactly the impact we were looking for.

Community Giving

SCAN Community Giving focuses on extending the safety net for our most vulnerable citizens. We place a heavy emphasis on support organizations that help older adults meet their most basic needs of food, housing and health.

\$777,650 Total grants and sponsorships

- \$220,000 Senior Support Services grants
- \$70,000 Emergency Assistance grants
- \$200,000 Nutrition grants
- \$257,650 Donations and sponsorships
- \$30,000 Emergency Assistance – wildfire areas

Research Updates

Many of the programs we've developed are a direct result of needs our staff have identified when they are in the clients' homes. Others are a collaboration with the health plan to pilot a service we think will benefit seniors and caregivers at large.

“

We're firm believers in sharing our findings, so we proactively look for opportunities to share program results and related information. We hope other organizations can leverage what we have learned to enhance services and support for seniors in other regions.”

– SCAN Chief Medical Officer Dr. Romilla Batra, *Aging Today*, July/August 2018



**American Geriatrics Society
Annual Scientific Meeting**

**American Society of Consultant
Pharmacists Annual Meeting**

**Gerontological Society of America
Annual Scientific Meeting**

**American Society on Aging
Aging in America Conference**

**California Association of Long Term
Care Medicine Annual Meeting**

**LeadingAge
Annual Meeting**

Insights: Behavioral Health Services

362 Clients served

| English, Spanish, Korean and Vietnamese

Our unique approach to behavioral health services brings a licensed therapist to the client's home to manage depression, anxiety and caregiver strain. The results, based on clinical screening tools, are insightful:

- Depression and anxiety levels dropped from moderate to mild
- Caregiver strain levels dropped by half



Bringing a Lifetime of Insight

After retiring from the airline industry at the age of 64, Haig Barsegian went back to school for his master's degree in clinical psychology. He worked for eight years counseling homeless seniors before joining SCAN. At the age of 81, he works as a therapist for the Insights program.

“

Don't just limit yourself because of the calendar. Be thankful for what you have today and reminisce about the good times.”

– Haig Barsegian, Insights therapist

C-MEDS: Medication Safety

After seeing too many clients struggling and failing to adhere to complicated medication regimens, the IAH team developed the Community Medication Education Data & Safety (C-MEDS) program.

“*The people helping me really cared and listened to what I had to say. I felt actually loved.*”

– C-MEDS participant

158 Cases | **65** Caregivers
170 Older adults | English and Spanish

The goal is to ensure clients understand the importance of their medications and help simplify regimens; enabling them to more easily manage multiple meds, leading to better health outcomes.

- Adherence rates improved from 40% to 73.45%
- Risk of non-adherence dropped from 4.7 to 1.9 (<2 is goal)

Connecting Provider to Home (CP2H)

704 Seniors served, and counting
7 Participating provider groups

Rosaneli Loza was a SCAN case manager when she identified the issue: Many of the already frail members she worked with didn't understand or couldn't follow their doctor's instructions, putting their health and independence at risk. Rosaneli also had a solution: Bridge the gap by deploying a community health worker and social worker team to assess the patient's home environment and accompany the patient to doctor visits.

“*The [CP2H team] has done a great job with very difficult patients.*”

– Physician assistant, AppleCare Medical Group

Team members communicate challenges and updates to the doctor and then help the patient incorporate treatment directions into their daily lives. The results have been life-changing for the patients, and measurable for the provider groups.

Among program participants:

- Inpatient hospitalizations: reduced by two-thirds
- ER visits: reduced by half

Rosaneli is now manager of the CP2H program, overseeing the teams in the field. Teams are provider group-based and participating seniors are referred by their doctors. SCAN membership is not required.

Time Off to Volunteer

Many SCAN employees are loyal community volunteers on their own time. With Volunteer Time Off (VTO), we encourage them to take part in Volunteer Action for Aging opportunities that may take place during regular work hours. Some departments volunteer together, using VTO as a team-building opportunity. Our IT team has led cyber security classes, for example, and Healthcare Services staff helped plant a senior community garden.

“*Even with my limited knowledge of technology, I was able to help seniors with their basic questions. It was an empowering afternoon that made me grateful for the ability to keep in touch, and the ability to share that skill with seniors to keep them socially engaged.*”

– Keya Smith, Pharmacy & Health Education Coordinator (below, left)



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Josh Goode, Chief Information Officer

Janet Kornblatt, General Counsel

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SCAN is proud to support organizations that support our mission.
Members of our leadership team are actively involved with:

- Academy of Managed Care Pharmacy
- Alzheimer's Orange County
- America's Health Insurance Plans
- American Geriatrics Society
- American Society on Aging
- American Society of Health-System Pharmacists
- Better Medicare Alliance
- California Association of Health Plans
- California Association of Long Term Care Medicine
- California Quality Collaborative
- Coalition to Promote Independence in Medicare
- Compassionate Care Coalition of California
- Healthcare Leadership Council
- Industry Collaboration Effort
- Institute for Healthcare Improvement
- Long Beach Area Chamber of Commerce
- Los Angeles Aging Advocacy Coalition
- National Coalition on Health Care
- Pharmacy Quality Alliance
- Population Health Alliance
- SNP Alliance
- St. Barnabas Senior Services



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