

PERSPECTIVES

2017 Report to Our Communities



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Healthy and
Independent

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CEO Message

In 2017 we marked our 40th year. And, as you'll read in this report, it was a good year.

It's true that we continued to bring in more membership and focus on quality and value for our members. We also continued our 40-year commitment to giving back to our community—something that we think not only sets us apart but allows us to extend the reach of our mission. Last year was also special because we marked our anniversary not through an elaborate celebration but through a series of initiatives aimed at deepening our relationship with civic and community partners in Long Beach, who play an equally vital role in ensuring the health and independence of our aging population.

Looking ahead, I am encouraged. There are a lot of policy dynamics at play that allow Medicare Advantage plans like SCAN to continue to innovate. The healthcare market, particularly in California, is experiencing change, creating new opportunities for us to improve the quality of care for our members. SCAN is sustainable and surefooted—and, therefore, well positioned. We have started our next decade with a renewed commitment to be the best choice for seniors. The way I see it, we've been helping seniors stay independent for 40 years; we need to be around for at least the next 40.



Chris Wing
Chief Executive Officer
SCAN

LEGACY: A Celebration of Senior Artists

“

Art has taught me never to be afraid of starting anything new.”

– Artist Ethel Gross, 87

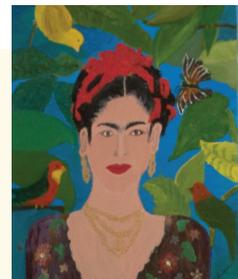
SCAN co-hosted a free public art exhibition with EngAGE, featuring 20 established and emerging senior artists from the local community. The opening night party at the Long Beach Senior Arts Colony (LBSAC) was a true celebration of creativity that knows no age limit.



At age 75, **Julie Amerman** continues to flourish in her lifelong passion for art. In the weekly classes at LBSAC, Julie creates colorful watercolor paintings, one-of-a-kind ceramics and other creative expressions. Julie says she's inspired by other artists and enjoys visiting art galleries and exhibits.



Ordinary people are the favorite subjects of **Alva McNeal's** compelling watercolor paintings. One of the 77-year-old painter's pieces, "Sistahs," is on permanent display at the United Way Foundation in Los Angeles, and her illustrations have appeared in numerous published works, including many children's books.



Seventy-year-old **Martha Aquilar** can often be found in the art studio at LBSAC painting or glazing ceramics pieces, or in one of the colony's many classes—either learning acting or leading the Spanish/English conversation group. Martha's painting of Frida Kahlo now hangs in the offices at Long Beach City Hall.

NOVEMBER



Floral arrangements, ceramics and paintings by **Sharon Laverack** adorn the gallery and halls of LBSAC. They are a beautiful and lasting legacy of Sharon, who was a resident at the colony and regular student in art classes before recently passing away.



Much of the artwork of SCAN Health Plan member **Xavier Martinez**, 79, is portraits inspired by some of the great painters of Mexico and the Florentine Renaissance. In a hobby-turned-passion, Xavier paints faces he finds interesting and then develops them to show the life he sees in them.

For more information about the Long Beach Senior Arts Colony please visit www.engagedaging.org.

2017: A Quick Look Back

Last year marked our 40th year of serving seniors. To commemorate this milestone, we held a series of events designed to reflect the collaborative spirit of our early years—and to reinvigorate the community partnerships that were the cornerstone of the original Senior Care Action Network (SCAN) in 1977.

APRIL

Aging Reimagined: A Community Approach to Health and Independence

SCAN co-hosted a day-long colloquium with the City of Long Beach and Long Beach State University. Together we challenged more than 120 community stakeholders to reimagine how to best serve seniors in Long Beach.

- SCAN committed \$40,000 to Long Beach State University to support initiatives related to seniors, aging and independence.
- **One year later:** Aging Reimagined 2.0 took place in May 2018. We gathered many of the same attendees for an update on progress made and to garner firm commitments to address the issues facing Long Beach seniors.



JUNE

Stakeholder Coalition to Support the Long Beach Aging Services Office

SCAN gathered 30 community organizations to advocate for the funding of the Long Beach Aging Services Office, which the Long Beach City Council voted to support in September.

- SCAN committed \$150,000 to fund a year-long FUSE Fellow at the Long Beach Aging Services Office to design a coordinated system of services for seniors, starting with a gap analysis.
- **One year later:** The city's gap analysis, released in May, highlights the needs, trends, opportunities and next steps required to help Long Beach become a more age-friendly city.



AUGUST

SCAN Family Reunion

Because summer is the season for family reunions, we decided to host one of our own. We realize every SCAN member is someone's mother, father, grandparent, sibling or other beloved family member. So for our family reunion, SCAN employees invited the SCAN members in their families to the event. Meeting these members was a wonderful affirmation of our mission, and made it even more personal for all of us.

SEPTEMBER

Volunteer Day—El Dorado Park West Community Senior Center

More than 100 SCAN employees and their families painted, planted and spruced up this bustling community center, which is the hub for many senior-focused events, including lunch every weekday.



OCTOBER

Anniversary Gala

This event was our opportunity to honor those who've played an important role in SCAN over the years—from the family of one of the 12 original seniors to former CEOs Sam Ervin and Dave Schmidt to the community organizations we're proud to call our partners. The Long Beach Museum of Art provided the awe-inspiring backdrop to the evening's celebration.

Strength in Numbers

“

People are choosing SCAN and staying with SCAN, which gives us the opportunity to help more seniors stay healthy and independent.”



Bill Roth
President

We all like hearing about the members and other seniors who benefit from our programs and services—that’s why you’ll see a few such stories in this report. It keeps us connected to our mission in a very personal way. But numbers tell a story, too.

As a not-for-profit health plan, we work hard to maintain a position of financial strength and stability. This ensures that we’re able to keep our 40-plus-year commitment to our members and the communities we serve. I’m pleased to report that 2017 was a strong year for SCAN.

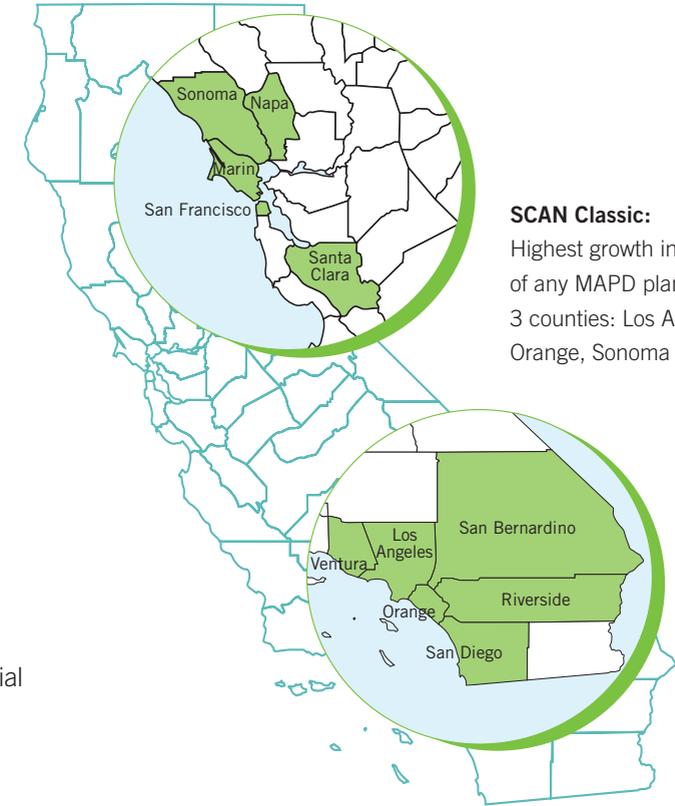
We continued to achieve a positive operating margin for the fourth year in a row. While Medicare revenue increased last year, we also continued to manage our administrative costs. It’s an ongoing effort to gain efficiencies while modernizing our operations. Maintaining stable finances enables us to reinvest in benefits and services for our members and the community.

It also enables us to invest in quality. SCAN’s 4.5 Star rating for 2018 is a reflection of our efforts to improve quality and service across the board, not just on the metrics considered in the 5-Star program. It also reflects the quality of care delivered by our provider partners and the engagement of our members. Of course, because CMS pays plans a bonus based on their star rating, this is an investment that pays off in a very literal sense for us, our members and our provider partners.

We’re proud of the fact that for several years now we’ve been the number one selling Medicare Advantage plan in some of our largest markets. More seniors are choosing SCAN and we are aggressively working to maintain our position as market leader in 2019.

As hard as we work to attract new members, we work equally hard to keep them. Part of it is ensuring affordable benefits, but it’s also ensuring a better experience. That’s why we continue to focus on delivering excellent customer service, collaborate with the providers in our network so they can deliver the best care to members and look to recruit and retain SCAN employees who are committed to our members and our mission.

Our long experience working at the local, state and federal levels to serve seniors has taught us to take a long-term view. We are committed to offering members comprehensive, consistent benefits year over year and maintaining the community services so many seniors depend on us for. That’s what financial strength means to us.



*Star rating applies to all plans offered by SCAN Health Plan except SCAN Healthy at Home and VillageHealth. Medicare evaluates plans based on a 5-Star rating system. Star ratings are calculated each year and may change from one year to the next.

3rd	2nd	15,923	194,136
Largest in the nation	Largest in California	New members gained during AEP (October – December 2017)	Total membership (March 2018)
<i>Among not-for-profit Medicare Advantage Prescription Drug (MAPD) plans</i>			



Affordable Access to Care

In 2018, the majority of SCAN members had these \$0 copays:

\$0	\$0	\$0	\$0
Monthly premium	PCP office visit	Inpatient hospital	Tier 1 drugs
86%	85%	77%	95%

A Proactive Approach to Service



Nancy Monk
Chief Administrative Officer

A few years ago, we took a step back to look at the service we provide our customers. SCAN members were telling us that they appreciated SCAN's attention to service. In fact, it was clear that this has long been one of the things that differentiates SCAN in the marketplace. But, we thought, if all we do is wait for our members to call us for help, we're falling short. So, we began to change our way of thinking, shifting from primarily reactive, call-based customer service to a more proactive emphasis on customer experience.

One part of this transition is modernizing our capabilities so that we can use the many ways our members communicate with us to glean valuable information. For example, we are using technology and data analytics to identify service themes from member calls, and a new post-call survey highlights specific issues that need resolution. (Learn more about this survey on the facing page.)

Shifting to an emphasis on customer experience isn't unique to SCAN, but our approach is. Many healthcare organizations think of customers as patients and their experience as their use of the healthcare system. At SCAN, we understand customer experience this way: Our members and clients are people for whom healthcare is just one thing they care about in their lives. Instead of expecting customers to change their lives to accommodate the healthcare system, we believe it's our job to make healthcare fit the lives of our members and clients.

That difference is the essence of the customer experience that we are chasing on every front. Through our contact center, our member health and disease management programs and education programs with our providers and in the community, we are stepping into our customers' shoes and looking at the healthcare experience from their point of view.



“

We believe it's our job to make healthcare fit the lives of our members and clients.”

The Voice of Experience

Since April 2017, SCAN Health Plan members have been sharing feedback in a new way—in a brief, automated survey they can opt to take once their call to Member Services is complete.

About 75 percent of SCAN members call Member Services at least once each year, so a post-call survey gives a broad section of membership the opportunity to provide feedback.

The survey asks five questions related to satisfaction with the service they received during the call, from whether the representative explained things in a way the caller could understand to how many calls the caller had made previously on the same issue. When a member's response to the survey indicates that additional support is called for, a Service Recovery Team steps in to research the issue and follow up with the member until the issue is resolved.



After entering responses to the survey questions, callers also have the opportunity to leave a message with their comments. Two of these messages are now played each time SCAN's officers meet: one positive and one negative. Hearing a member's experience in his or her own voice is powerful and helps keeps the member experience at the forefront of every discussion.

Members Rate Service Quality Q1, 2018

26% of callers participated

91% said their issue was resolved during the call

2.58 the average score given to service experience (out of 3.0)

Member* **Satisfaction: 89%**

*Source: 2017 CAHPS Rating of Health Plan

“

I always get my questions answered. I never have to wait long. I wish everything in my life was so good.”

— Member post-call survey comment

The Customer Service Experience

“

I'm my dad's caregiver and SCAN has been nothing but wonderful for us. When I retire in a few years I'll be picking SCAN, too.”



“

My husband became seriously ill and had to be hospitalized for two weeks. We expected problems with SCAN since we had just joined. This was not what we experienced. SCAN stood by us at every point of his recovery. You never refused any help the doctors requested and were by our side throughout. He felt covered all the time. We want to thank you and declare SCAN is the best.”



“

I'm able to stay connected with others, use the skills that I have learned over all these years and maybe make someone else's day brighter, too.”

– MaryKay Kubota, Peer Advocate and SCAN Member

Member2Member program launches with Peer Advocates

There are several common conditions of aging—depression, falls and urinary incontinence, to name a few. All can cause serious health and/or quality-of-life issues if not addressed. Yet, they're difficult to talk about. Doctors often don't raise the issue, assuming their patients will do so if it's a problem. Patients don't for a number of reasons: embarrassment, fear of losing independence or they just don't realize their doctors can do anything to help.

That's where a Peer Advocate comes in. This team is an extension of the SCAN Senior Advocates: SCAN members who work part-time for SCAN, specifically to connect with members. The Peer Advocates are specially trained to discuss these difficult issues, member to member. It's a powerful connection. Because the Advocates can relate, they can also coach, encourage and motivate.

2017 Member2Member Impact

10 peer advocates

20,000 outreach calls

6,000 members reached



“

I was at the point where I was just content to sit. I'm feeling so much better now. I have so much more energy. I feel like doing things.”

– Opal, 95, Member2Member participant

Integration and Collaboration

“

Our work with physician groups benefits more than SCAN members as providers bring these good ideas across their business and into the larger senior community.”



Cathy Batteer
Senior Vice President
of Provider Integration
and Partnerships

Several times a year, we invite leaders from key provider groups in our network to come together with an eye toward improving performance on measures of quality. These “Provider Integration” groups are remarkable because they have proven how a health plan and providers working together can improve the quality of care and service delivered to their mutual customers.

When we began the meetings a few years ago, the goal was to cement our relationship with the physician groups and health systems in our provider network so that we could provide a stable network for our members. This approach has certainly yielded benefits.

One reason is the unique way in which we share information at these meetings. We make data available so that providers can see not only how SCAN is doing overall but can also see individual group contributions and how their performance on respective measures compares to others.

That’s a level of detail and knowledge they aren’t getting from any other health plan.

This transparency fosters collaboration, learning and continuous improvement. The regular meetings with key providers have evolved into a rewarding learning collaborative as participants have been encouraged to share with their colleagues what has worked for them, as well as what didn’t, so they can learn from each other. Our 4.5 Star rating is a result of many things, including the work we do alongside our Provider Integration partners.

A collegial working relationship, fueled by actionable data and information, enables us to offer our members a stable network that is focused on quality and continuous improvement. Together, we’re demonstrating that keeping seniors healthy and independent is good for all of us.

Addressing the Opioid Crisis

We have been collaborating extensively with our providers and the community to help those affected by the opioid epidemic. Together, we are taking aggressive actions to ensure the safety of our members as well as to provide solutions to this national crisis. Here’s how:

- 1. Improve access to treatment and an antidote.** Medications to treat Opioid Use Disorder (OUD) are available on our formulary without restrictions. And naloxone, which treats an overdose, is available over-the-counter.
- 2. Educate prescribers.** Our Provider Integration groups have been great allies, focused on adhering to the latest pain management guidelines, and we’ve partnered with the American Society of Addiction Medicine to help providers assess, address and monitor their patients.
- 3. Educate and support members.** We’re helping members recognize when there is a problem and connecting them (and their families) to plan benefits and community resources.
- 4. Reduce inappropriate supply.** With new procedures we instituted for pharmacies, pharmacists are now providing another check in the prescribing process.
- 5. Promote awareness.** Plans, providers, pharmaceutical companies and government are working together, and we are active on several coalitions focused on this effort.

SCAN Opioid Management Results	2014	Q2 2018	% Change
Percentage of members using opioids	19%	13%	↓ 32%
Percentage of opioid prescriptions written	5.1%*	4.0%	↓ 28%
Percentage of members participating in MAT**	.03%	.08%	↑ 97%

*National average is 5.74% **Medication-Assisted Treatment



A Picture of Success

“Dennis,” a 61-year-old SCAN member, suffered with chronic pain in his joints and lower back so severe that he became dependent on multiple short- and long-acting opioids. In order to keep up with his multiple refills, he was seeing several doctors and going to many different pharmacies.

With SCAN’s approach, Dennis:

- Saw a pain management specialist
- Signed a “pain agreement” with the specialist
- Started medication-assisted treatment (MAT)
- Tapered off, then discontinued opioid use altogether

Extending the Mission



Romilla Batra, MD
Chief Medical Officer

Our goal is to do as much as we can to improve the quality of life for as many seniors as we can. Working with partners in the community enables us to do this by positively impacting the lives of a greater number of seniors and in ways that we wouldn't be able to do otherwise.

Last year, we identified key partners in the community so that we can better focus our efforts in the areas where we can make the greatest impact.

Seniors and their caregivers. In the past year, we have doubled our efforts around helping the people who deliver care directly and to organizations that support them. For example, we've expanded a program that provides referrals to resources and support so that caregivers can stay healthy and able to care for their loved ones (see COACH section in the pages ahead).

Civic organizations. Cities and other public entities often already have the infrastructure or a strategic plan in place to facilitate delivery of services to seniors in the community, so we are working with the City of Long Beach and other local governments to see how we can support their efforts to improve access to senior care and services.

Community-based organizations. In areas that are not our core competencies, we are focusing more on supporting community organizations who are doing these things well so that they can continue to provide services that are important to a senior's health and independence. For example, SCAN provides financial support for the only nationwide suicide prevention line for seniors.

Academic partners. Our partnerships with universities and other academic institutions enable us to develop evidence-based programs and to promote and leverage innovation in the field of healthy aging. Last year, for example, SCAN, alongside Long Beach State University and Archstone

“

Our community benefit efforts ensure we are on the front-line of senior care, understanding their needs.”

Foundation, announced a funding proposal for the development of innovative new programs to improve quality of life for those living in low-income senior housing.

In addition to these more localized efforts, we can make an even greater impact by sharing what we learn with others across the country. When we disseminate the results of our programs at conferences, in industry publications and in the media, other organizations can use them to benefit seniors who are otherwise beyond our reach.

A Bridge to Better Patient Care

The distance between the doctor's office and home can be a dangerous one for some patients. Directions for taking multiple prescription medications or complicated treatment plans discussed at the office visit can become muddled or too difficult to follow at home, leaving the senior at risk for negative health outcomes—and the healthcare team wondering what went wrong.

In situations like these, SCAN's Connecting Provider to Home (CP2H) program is bridging the gap, using provider-based social worker teams to improve communication and treatment compliance. As one CP2H case worker puts it: “We are the eyes and ears of the doctor in the patient's home.”

While the participating provider groups are part of the SCAN Health Plan network, SCAN membership is not required; participation is based on physician referral. For more information contact communityoutreach@scanhealthplan.com.

Connecting Provider to Home

as of May 2018

10 case worker teams

7 participating provider groups

600 seniors served



“

Having a case worker feels like you have someone on your side.”

– Connecting Provider to Home patient

SCAN Community Services

“

Volunteering gives me an opportunity to contribute in a way I didn't know was available. It has opened my eyes to a new community.”

– VAA volunteer



Independence at Home:
Government programs,
direct services and resource
navigation

Individuals served through IAH:
17,285

Community giving amount:
\$866,000

Organizations funded:
119

Community education events:
821

“

My social worker is so helpful. I am 81 years old and this program certainly meets my needs. I am so grateful that I am able to live at home, thanks to you.”

– Independence at Home client

Open for more Community Service



Volunteer Action for Aging

Volunteer hours:
8,369

Number of events:
458

Thanksgiving meals delivered:
2,526



Trading Ages

Number of events:

50

Number of attendees:

1,059



“

I honestly had no idea my actions could have impacted the lives of other people. I will definitely take this to heart and will start the change within myself. I think everybody needs to take this course.”

– Trading Ages participant



\$14,856,000

Total amount SCAN spent on community services in 2017, including Independence at Home and other community programs

A Direct Line to Service

“

I truly feel blessed to be on the receiving end of these programs. The caregivers were God-sent and saved my sanity. I cannot find enough words to express my gratitude.”

– COACH/Insights client



Government contract programs

The Multipurpose Senior Services Program (MSSP) gave the young Senior Care Action Network (SCAN) its first government program almost 40 years ago. Today, we operate the largest MSSP site as well as several other local government programs, which enable us to serve seniors in need regardless of insurance coverage.

Insights

This innovative behavioral health program delivers services in the client’s preferred language. Program measures were validated and reported by the University of Washington.

- 303 clients served
- **Languages:** English, Spanish, Korean or Vietnamese
- **Results:**
 - Levels of depression and anxiety decreased from moderate to mild
 - Quality of life and overall functionality improved

“

No one should be lonely later in life, and we are committed to providing resources for meaningful interactions as well as mental healthcare so older adults can continue to lead fulfilling lives with the people and activities they enjoy the most.”

– Romilla Batra, MD
SCAN Chief Medical Officer

Seniors Understand Loneliness

In 2017, SCAN conducted a survey of 1,000 nationally represented U.S. adults 64 and older and found:

82%

know at least one person who is lonely

57%

wish they had more close friends in their lives

58%

would be reluctant to admit if they were lonely

24%

feel they’re not important to anyone anymore

Resource and referral

We call this “the number to call when you don’t know what you need.” Our specialists will listen to the caller’s concerns, ask the right questions and connect callers to the resources and services that can help. Whether that’s one of our government contract programs, a local community organization or one of the IAH direct service programs (like those listed below), our team is here to help. All IAH services are offered at no cost.



C-MEDS

Our team of pharmacists and nurses go to clients’ homes to review medications and work with clients and caregivers to improve medication adherence and increase safety.

- 104 clients served
- **Results:**
 - Adherence rate increased from 41% to 83%
 - Medication management skills increased from **24 to 32** out of 32 using the medication user self-evaluation (MUSE) tool



Insights and C-MEDS results presented at:

- American Geriatrics Society, Annual Scientific Meeting
- American Society on Aging, Aging in America Conference

COACH

For caregivers or seniors who need caregiver support, COACH provides in-home assistance and referrals to services to help caregivers and their loved ones stay healthy.

- 47 caregivers (average age 67)
- 154 care receivers (average age 74)
- **Results:**
 - Quality of life improved
 - Caregiver strain dropped from average of **19 to 10** (scale is 0-26; the higher the score the higher the caregiver strain)

“

Despite the challenges, there’s beauty in the fact that people find joy in caregiving. We need to find ways to support caregivers so they can sustain their own health and prioritize their own needs while they care for their loved ones.”

– Eve Gelb, SCAN Senior Vice President of HealthCare Services

Among Senior Caregivers

In 2017, SCAN conducted a survey of 1,000 nationally represented U.S. adults 65 and older and found:

29%

spend 40+ hours/week caring for someone

82%

have trouble saying “no” to the job

44%

are concerned about the emotional strains of caregiving

47%

have had negative financial impact

OFFICERS OF THE COMPANY

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Romilla Batra, MD, Chief Medical Officer
Cathy Batteer, Senior Vice President, Provider Integration and Partnerships
Janet Kornblatt, General Counsel
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Ryan Trimble, Healthcare Consultant
Chris Wing, Chief Executive Officer, SCAN Health Plan

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 (CAHP)
- California Association of Long Term Care Medicine (CALTCM)
- California Quality Collaborative (CQC)
- Coalition to Promote Independence in Medicare
- Compassionate Care Coalition of California (CCCC)
- Healthcare Leadership Council
- Industry Collaboration Effort (ICE)
- Institute for Healthcare Improvement
- Long Beach Area Chamber of Commerce
- Long Beach Care Transitions Collaborative
- Long Beach Elder Abuse Task Force
- Los Angeles Aging Advocacy Coalition (LAAAC)
- National Coalition on Health Care (NCHC)
- NCQA Long-Term Services and Supports Advisory Committee
- Pharmacy Quality Alliance
- Population Health Alliance
- SNP Alliance
- St. Barnabas Senior Services (SBSS)



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