



  
*CareSource*<sup>™</sup>

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**CREATING EVER-EXPANDING  
CIRCLES OF CHANGE**



We have seen time and again that when our members are given the resources to maintain their health, they can focus on the things in life that will help them achieve their goals. We believe Health Care with Heart means no action can occur in a silo. Ripples of attainment propagate incrementally. When a single mother secures safe housing in a new area, her children benefit from better schools. Or, when a father finds a new job after being laid off, his family can once again afford groceries. But this is just the beginning; those ripples create circles of change that build into currents and tides and waves of empowerment that can break down barriers to health and well-being.

I am particularly proud of the ripples CareSource is creating—putting in motion ever-expanding circles of change for the members we serve, the communities where we operate and across the landscape of the health care industry.

The CareSource ripple is expanding wider and wider, reaching out farther to touch more people, in more places, in more ways. I believe in the profound effect even the simplest action can initiate—because for nearly three decades, our organization has swelled into a tidal wave of success, comprised of millions of members' aspirations.

Today, CareSource membership exceeds 1.4 million individuals. Geographically our reach has extended to include Ohio, Kentucky and Indiana. Our product portfolio has expanded and now includes Medicaid, Medicaid Expansion, MyCare Ohio and CareSource Just4Me. And we are leading the way in reshaping how health care is delivered with consumer-focused retail strategies, which make access easier and more convenient. We are even expanding our influence beyond health care with life changing programs provided by our new Life Services division.

Health care is just one ripple in the robust circle of change we want to enable in our members' lives. We continue to challenge ourselves not to simply follow the path of the easy, the familiar, the comfortable; but to lead boldly in a new direction where Health Care with Heart puts purpose over politics, principles over process, people over profit.

We proudly define our members by their aspirations, not their circumstances. It is with that understanding we commit to taking action, always. The little things we do today can, and will, create ripples that make a big difference in someone's life for many tomorrows.

A handwritten signature in black ink that reads "Pamela Morris".

Pamela B. Morris  
President and CEO, CareSource



*expanding*  
IMPACT

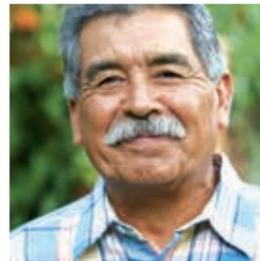
**1.3 MILLION** Medicaid members in  
Ohio and Kentucky

# expanding IMPACT

Like her triplet brother and sister, Zeva is a fun-loving 4-year-old with an infectious smile. Unlike her siblings, however, she struggles daily with cerebral palsy, a movement disorder caused by abnormal development in the parts of her brain that affect her mobility, balance and posture. While other children her age are plunging carefree into a life with few limitations, she endures a regular regimen of intensive therapy. And yet, there's that smile.



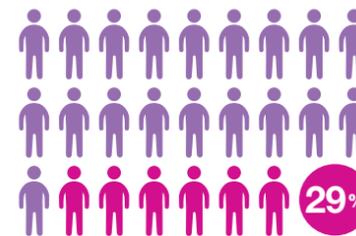
It's the same confident smile that she shares with her mother Anna. But Anna wasn't always this self-assured. She held a full-time job, but had to make the unsettling decision to cut back her hours so she could accommodate her daughter's health needs. When she lost the stability of her full-time benefits, she found a caring new health partner in CareSource. With the help of the CareSource Medicaid plan, Zeva now enjoys greater mobility and has graduated from speech therapy. In Anna's words, "We appreciate that CareSource takes some of the burden off of our family."



**Medicaid is the primary source of coverage for nearly all low-income people with incomes up to 138 percent of the federal poverty level. And with Medicaid's recent expansion, our history makes us uniquely qualified to understand the challenges for families just like Zeva's. In addition, our MyCare Ohio program integrates the benefits of both Medicare and Medicaid for our members who are eligible for both.**

The CareSource-Medicaid connection stems back to the very beginning of our existence. CareSource offers our members no copays, vision and dental care and a large choice of doctors and hospitals. And our members appreciate our heartfelt approach to administering their health care coverage. The numbers back it up.

**OHIO:** In 2014, CareSource Medicaid membership grew 29% from 967,837 to 1,251,696 members



**54.6%** of all Ohio Medicaid members are enrolled in CareSource



Together, Medicaid Expansion and MyCare Ohio are worth **\$2 BILLION** in annual product revenue

417,291 people enrolled in the first year of Medicaid Expansion in Ohio; of those enrollees, 40% chose CareSource



**167,063**

In the initial year of MyCare Ohio, 22,410 people enrolled with CareSource, making up 49% of all enrolled in areas served by CareSource (Northeast, Northeast Central, East Central regions)



**22,410**

**KENTUCKY:** In 2014, Humana-CareSource Medicaid grew 324% from 29,728 to 96,368 members





*extending*

REACH

**1 out of 3**

chose CareSource  
Just4Me

# extending REACH

At first glance, few people would categorize Sarah, a young artist and part-time model, as unhealthy. But, in fact, she wages a battle every day with a frustrating autoimmune disorder that prevents her from working full-time. She explains, "I've tried working full-time and get sick all of the time." When Sarah turned 26 and was no longer allowed on her parents' health insurance policy, she visited the Health Insurance Marketplace to get coverage. While she initially chose the CareSource Just4Me™ plan for its affordability, she quickly learned that our best plan features were priceless.

"Having a pre-existing condition, I was really worried that when I got off my parents' insurance, I wouldn't be able to find someone who would take me or offer something I could afford," Sarah explains. "That's a huge deal because if I didn't have it, I wouldn't be able to afford medication or doctors visits."



Because of CareSource Just4Me, Sarah can now balance part-time employment with her delicate health issues and enjoy life to its fullest.



**As CareSource continues to expand our coverage area, more and more members have access to quality health care they can afford, understand and use. "I'm covered" brings a sigh of relief. Health care worries, challenges and hassles are taken care of. That's why members like Sarah value our relationship. "I don't know what I would have done if it had not been for CareSource."**

During the 2014 open enrollment period for the Health Insurance Marketplace, CareSource Just4Me members increased by 170% and CareSource expanded the service area to include both Kentucky and Indiana.



Of the Ohioans who were uninsured in 2014 but enrolled in an ACA plan in 2015, more than **1 out of 3** chose CareSource

**96%**  
RETENTION  
of Ohio Just4Me members from 2014 to 2015

## CARESOURCE JUST4ME MEMBER PROFILE

**54%** are female

**46%** are male

**41** average age

18-28	29-41	42-54
17%	24%	25%

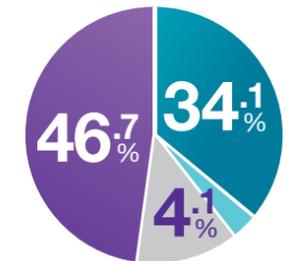
**\$314** average monthly subsidy

**81%** received a subsidy

**\$180** average monthly premium

**34%** have a monthly premium under \$100

**78%** of Silver Plan members have an income that is 250% of FPL or below



- previously uninsured
- previously had employer group plan
- came off Medicaid



*elevating*  
POTENTIAL

**\$10 MILLION**

in grants awarded to organizations in  
the communities we serve since 2006

# elevating POTENTIAL

Mia is a charismatic senior at Miamisburg High School who has confidence, optimism and a tenacious work ethic. She also has a very wise mother. "My mom never had a whole lot, but she always made it very obvious to us that she wants us to do better than she did growing up," Mia explains.

So, four years ago, when Mia learned that she had a tremendous opportunity to earn a full college scholarship, there was no doubt who she would call first. "I started crying and then she started crying, too," she recalls, fighting back more tears. "It was just a really happy moment."



Mia is a member of the Montgomery County College Promise program. Each year, 500 eighth graders with academic promise are invited. If the student remains alcohol, drug, and crime-free, shows a strong attendance record, volunteers in the community, and maintains academic benchmarks in high school, he or she will receive a scholarship to one of seven local colleges and universities. Just like Mia.

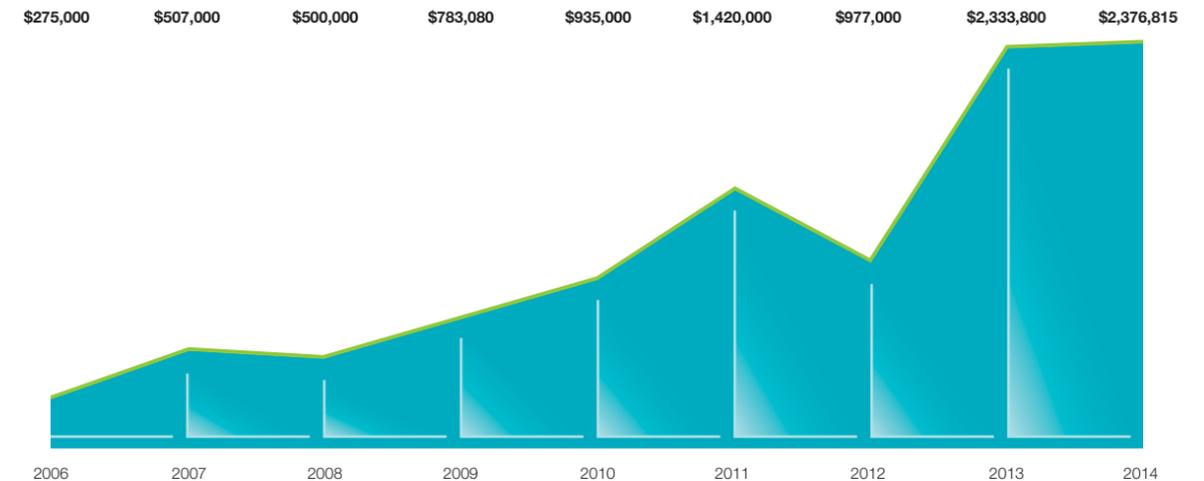
**To date, the CareSource Foundation has donated \$300,000 to the College Promise program and hundreds of thousands more for other deserving health and human service nonprofits, programs and research. It's part of our Foundation's commitment to breaking the cycle of poverty. As Mia begins her journey to medical school, she appreciates that helping hand. And so, undoubtedly, does her wise mother.**



Since it was launched in 2006, the **CareSource Foundation** has been devoting its resources toward nonprofit organizations in health and human services that share the CareSource mission of serving those who need it the most.

In the last nine years, we have awarded more than \$10 million in grants to organizations providing community outreach, medical expertise and strategic partnerships in the communities we serve.

**791  
GRANTS**



## FROM THE VERY FIRST HEARTBEAT

**Pre-term birth is the most common and serious newborn health problem. Babies who survive an early birth often face a lifetime of frightening health challenges such as vision and breathing problems, cerebral palsy and learning disabilities.**

**In 2014, the CareSource Foundation awarded a \$250,000 grant to the March of Dimes to fund the nation's first Prematurity Research Center dedicated solely to examining, identifying and preventing the causes of pre-term birth. We're proud to partner with the March of Dimes and an unprecedented array of top scientists to search for solutions that will protect our precious newborns and lay the building blocks in place for healthy and happy lives.**

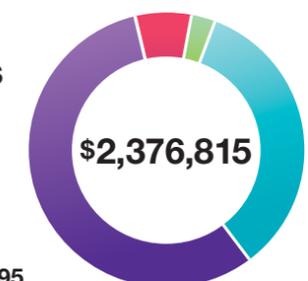


**\$225,000**

The CareSource Foundation awarded a \$225,000 grant to the Children's Hunger Alliance to help low-income students get a healthy meal at the start of their school day.

### 2014 Foundation Grant Focus Areas

- Health/Human Services – \$1,296,265
- Elderly/People with Disabilities – \$144,655
- Uninsured – \$45,500
- Children's Health – \$890,395



A smiling man with a shaved head, wearing a dark t-shirt, is holding a microphone. The background is a mix of green and purple with a wavy, abstract pattern. The text 'transforming LIVES' is overlaid on the image.

*transforming*  
LIVES

1:1 SUPPORT

# transforming LIVES



In 2006, Roger had few worries about health care. His full-time job in the auto manufacturing industry provided a stable life and a full range of medical benefits. But, when his position was suddenly eliminated, he began a nearly-decade long journey in which he never quit working but also never enjoyed the security of sound medical benefits that he originally enjoyed.

After a variety of temporary jobs, Roger would eventually secure a nighttime janitorial position. He worked 35 hours each week, but due to his low hourly wage and the high costs of his employer's insurance premiums, he remained uninsured until Ohio Medicaid Expansion in 2014. He enrolled in CareSource and changed his life dramatically. Roger would finally receive some vital medical care he had been living without for far too long. But at CareSource, we provide so much more than health care. We provide the life tools to help our members reach self-sufficiency and their desired potential.

**Roger enrolled in our innovative new Life Services model. This takes a comprehensive and individually-prescriptive approach to evaluating, inspiring and identifying support, leading transformation from a socio-economic status of deficiency to a quality life of opportunity.**

**When Fuyao, a major auto glass manufacturer, came to town recently, Roger was quickly hired back, with full-time benefits, into the industry he loves. Roger's success story is the story of CareSource.**



**We give our members the tools to not only improve their health, but also advance their lives.**

## The CareSource Vision: Transforming Lives through Innovative Health and Life Services

Perhaps nowhere within our organization is that vision more unmistakable than in our groundbreaking new Life Services Division. CareSource members now have free access to their own advocate, coach and trainer who provide the life skills to help pull them out of poverty and thrive on the other side.

**1.25 MILLION  
CARESOURCE MEMBERS**

live in poverty and qualify for Medicaid

### ADVANCEMENT

Leveraging stable economic and health resources to move toward prosperity

### JOB TRAINING

Teaching interview skills and training for the full-time workforce

### EDUCATION

Creating the knowledge and the power needed to succeed

### LIFE COACHING

Making good choices and wise lifestyle decisions to support them

### ASSESSMENT

Determining talents and resources that will allow goals to be realized

### HEALTH CARE

Health Care with Heart is at the center of everything we do

## BREAKING THE CYCLE

When CareSource members move off of Medicaid into full-time employment, their challenges can often become greater. Life Services assists members by building a plan for living a life free of government subsidies and to prepare for a life that could include retirement plans, home ownership and long-term success for their children.

Of those who completed the full cycle of interviews in the Fuyao pilot program, 83% received job offers

**83%**

**402 MEMBERS  
PARTICIPATED**

in our Life Services pilot program with a 6-month engagement of 97%

# creating

## CIRCLES OF CHANGE

When our members call our CareSource Customer Advocate India, they don't know that she was once an aspiring artist. Or that she put her dream on hold in Pittsburgh to take care of her ailing mother in Dayton. They have no clue that this calm woman was once distraught because she had no income, no practical work experience and no direction. Or that India's experience in taking care of her mother would eventually grow into a profound passion for health care that would place her on the other end of their phone line.

They only know that she cares. And that makes a meaningful difference. Like a ripple in a pond, each life event sets into motion larger circles. India came to Dayton to help her mother and realized her love for health care. A simple brochure for a CareSource hiring event led her to a fulfilling new career devoted to helping others. Now with every problem she solves for our members, India creates hundreds of small splashes in their lives—each setting into motion its own unique and larger circle of change.

"If I didn't receive that brochure, who knows what would have happened," India says. "I was meant to be here." We know exactly what she means.

**Far-reaching impact does not always begin with a grand gesture, momentous decision or earth-shaking accomplishment. Sometimes it can be an individual action, a simple outreach or a single step. It doesn't always take a profound or high profile event to make a pivotal difference in someone's life. Sometimes what it takes is a spirit of concern; a single act of kindness; a caring heart.**

**1.4**  
million  
members

**2,177**  
CareSource  
employees

**\$5.4**  
billion in  
2014 revenue

**\$4.9**  
billion paid in  
medical claims  
for members

**6.1%**  
Administrative  
Cost Ratio

**1.4**  
million calls  
to CareSource  
Consumer Advocates

## CareSource Family of Boards

CareSource Board members are from diverse professional backgrounds, yet their commitment to the CareSource members is steadfast. The 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.

### 2014 BOARD OF TRUSTEES (OHIO)

<b>Craig Brown</b>	Chief Financial Officer, Standard Register, Retired
<b>Michael E. Ervin, MD</b>	President & CEO, Wright Health Associates, Retired
<b>Douglas A. Fecher</b>	President & CEO, Wright-Patt Credit Union, Inc.
<b>David Kaelber, MD, PhD, MPH</b>	Chief Medical Informatics Officer, The MetroHealth System
<b>Ellen S. Leffak</b>	Director of Insurance & Risk Management, Dayton Power & Light Co., Retired
<b>Gary L. LeRoy, MD</b>	Associate Dean, WSU Boonshoft School of Medicine
<b>William F. Marsteller, DC</b>	Owner, Centerville Chiropractic
<b>David T. Miller</b>	Vice President for Finance & CFO, Dayton Children's Hospital
<b>Pamela B. Morris</b>	President & CEO, CareSource

### MANAGEMENT GROUP BOARD OF DIRECTORS

<b>Kevin R. Brown</b>	President & CEO, CaseNet LLC, Retired
<b>Michael E. Ervin, MD</b>	President & CEO, Wright Health Associates, Retired
<b>Ellen S. Leffak</b>	Director of Insurance & Risk Management, Dayton Power & Light Co., Retired
<b>Patricia A. Martin</b>	Sr. Director Lilly Diabetes, Eli Lilly and Company
<b>J. Thomas Maultsby</b>	President & CEO, United Way of Greater Dayton
<b>John P. Monahan</b>	President, WellPoint, State Sponsored Business, Retired
<b>Pamela B. Morris</b>	President & CEO, CareSource
<b>Terry G. Rapoch</b>	President, Wright State Applied Research Corporation

### FOUNDATION BOARD OF TRUSTEES

<b>Lisa Grigsby</b>	Special Events Director, AIDS Resource Center Ohio
<b>RoNita Hawes-Saunders</b>	Executive Director, Dayton Contemporary Dance Company
<b>Ken Herr</b>	Vice President, Corporate Development, Shook Construction Company, Retired
<b>William F. Marsteller, DC</b>	Owner, Centerville Chiropractic
<b>J. Thomas Maultsby</b>	President & CEO, United Way of Greater Dayton
<b>Pamela B. Morris</b>	President & CEO, CareSource

### MISSION

**TO MAKE A LASTING DIFFERENCE  
IN OUR MEMBERS' LIVES BY IMPROVING THEIR  
HEALTH AND WELL-BEING**

### VISION

**TRANSFORMING LIVES THROUGH  
INNOVATIVE HEALTH AND LIFE SERVICES**

