1989-2014
making a difference

CareSource
Health Care with Heart
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For 25 years, our mission-driven service has been making a difference in the lives of the underserved by improving their health care. It has also helped move health care from the traditional fee-for-service model to a more enlightened and inclusive approach that provides better access, better care and better utilization of the health system. Very simply, it means putting people before profit. We call it Health Care with Heart.

In May of 1989, CareSource, then the Dayton Area Health Plan, embarked upon a journey that would redefine the landscape of health care for low-income people. From the vision of a frustrated social worker who knew there had to be a better way, CareSource has grown into one of the largest managed health plans in the country and a pioneering force for a new era of affordable health care for everyone. It has been said that a Journey of a thousand miles begins with a single step. It was that first step in 1989—our innate belief that all people deserve access to health care and to be treated with compassion, dignity and respect—that has led to more than one million members today. As I look back over the last 25 years, I share a tremendous pride in the CareSource story. While we never doubted the benefits of leveraging a managed care model to serve Medicaid consumers, the lives we’ve been able to impact is nothing short of incredible.

While our Journey has taken us to new markets to serve new consumers, we have never strayed from our mission-focused, non-profit origins. We mark our Journey by the lives we’ve touched along the way and our commitment to serving which is at the core of our company philosophy… not just the health care people need, but the human caring they deserve. That’s Health Care with Heart.

But the CareSource story is not about looking back, it’s about seeing ahead.

This year is very special for CareSource, not just because it marks the implementation of Health Care Reform, but because we’re also celebrating 25 years of living our mission to serve the underserved. A common cause forged by uncommon conviction. We are encouraged that, for the first time, many will have access to health care coverage which has long eluded them. On behalf of more than 1,800 dedicated CareSource employees, thank you for the opportunity to serve.

Our Journey continues.

Pamela B. Morris

Celebrate the Journey
We provide a friendly ear for the unheard, a bold voice for the unanswered and better health care for thousands.

Our numbers are growing
CareSource added 100,337 new members from December 2012 to December 2013.

CareSource listens and then we help
Our members made 687,940 calls to talk with a CareSource Customer Advocate.

A year of milestones
In January 2014, our 25th year, CareSource had 1 million members.

In 1989, there simply was no managed care for the uninsured. No coverage for simple doctor’s visits. A trip to the emergency room could prove catastrophic. The system had to change. And CareSource was born out of the mission to make managed health care available to everyone. To give a voice to the voiceless.

Today, CareSource provides a voice for more than one million members who could never before enjoy managed health care. Yet, we delight most in the success stories of our individual members.

Members like Erin, who endured a high-risk, unplanned pregnancy during her senior year in college. Denied by her mother’s insurance, she turned to CareSource. We listened. We found her the right care. And she was richly rewarded with a beautiful baby girl.

Today, Erin and her 12-year-old daughter, Adryona, are thriving. We know that because she comes to work every day in our Columbus office, helping others rise above their circumstances just as she was helped years ago.

In April 2013, hundreds of CareSource employees rallied in Columbus for support of Medicaid Expansion.

Our free 24/7 Nurse Line provides caring medical guidance for our members, often saving a late night trip to the emergency room.

From our very beginning, we have relied on our Consumer Councils to regularly give voice to the needs of our members.
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Our mission is to improve the lives of our members. Our healthy members are our richest reward.

By advocating well-care doctor appointments, we help reduce expensive Emergency Room visits for members. In 2013, we covered more than 658,000 well-child visits.

CareSource launched a two-year pilot project to assist in treating and preventing childhood obesity in 600 children in Northeast Ohio.

As part of our mission, CareSource has 65 Patient Navigators who go into homes and help with life issues in addition to health care.

Our Babies First program lets expectant moms earn incentives for getting the prenatal care they need to deliver healthy babies.

Breeona is 24 years old and pregnant with her second child. Though she works two part-time jobs to provide for her family, she worries about having dependable medical coverage. Through CareSource, she now has access to our network of over 27,000 Ohio doctors and more than 200 hospitals. But, more than that, she appreciates the individualized attention she gets whenever she calls.

Our health care programs are typically the end-result of feedback from members like Breeona. Our Consumer Councils were the launching pads for successful CareSource innovations like our Babies First program and our online medication resource.

CareSource.com answers medication questions about 33,000 prescriptions, over-the-counter products and pharmaceuticals.

One of every three children and two of every three adults are obese. Diabetes, heart disease and drug addiction are increasingly prevalent, especially in low-income populations. While the numbers are alarming, the solutions are encouraging. Education matters. Preventative care helps. And CareSource is providing the tools to fight those trends one member at a time.

CareSource program addresses and manages the multifaceted, chronic and relapsing nature of substance abuse disorders.
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Over One Million Members

In January 2014, CareSource welcomed our one-millionth member. But regardless of our growth, our mission remains focused on each singular individual that we serve. While our Medicaid offerings continue to reach out to the underserved in Ohio and Kentucky, our new CareSource Just4Me Health Insurance Marketplace plan helps us serve other low-income populations and offer them affordable coverage through the Affordable Care Act.

Over 57% of all Medicaid consumers enrolled in a health plan in Ohio are CareSource members.

An estimated 1.25 million Ohioans between the ages of 18 and 65 were uninsured in 2013, representing about 17 percent of the state’s working-age population. While Medicaid covered some, many of the unemployed were left without coverage. There was little help for the “working poor.”

2013 was a monumental year for Americans without insurance. Through Medicaid Expansion and the Health Insurance Marketplace established by the Affordable Care Act, CareSource helped improve the lives of an entirely new population.

One member told us his story of being laid off from a tool-and-die shop and left without insurance for his young family. Working part-time jobs to make ends meet, he was one health care emergency away from financial ruin. As one of the first enrollees in our CareSource Just4Me plan, he is relieved that his family is finally covered.

That same member explained that he wanted to pay for his health care and work his way back. CareSource gave him the chance to do that.

CareSource extended our Medicaid reach to cover the Commonwealth of Kentucky.

Our MyCare Ohio plan brings Medicaid and Medicare coverage together to make health care more coordinated.

CareSource’s award-winning Medication Therapy Management Program utilizes pharmacists to monitor members’ medication regimens improving medication adherence.
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Our Mission

is to make a difference in the lives of underserved people by improving their health care.

At CareSource, our mission is one we take to heart. In fact, we call our mission our “heartbeat.” It is the essence of our company, and our unwavering dedication to it is a hallmark of our success.
A Foundation of caring
Since 2006, the CareSource Foundation has been devoting its resources toward non-profit organizations in health and human services that share the CareSource mission of serving the underserved. In 2013, CareSource awarded 123 grants to non-profit organizations.

The Foundation coordinates opportunities
for community outreach, medical expertise, strategic community partnerships and volunteerism. As CareSource has grown, so has our funding to the CareSource Foundation. The total number of grants awarded in the past 8 years by the CareSource Foundation is 693.

Strategic investment
Since its creation in 2006, the CareSource Foundation has invested more than $8.4 million back into the communities we serve.

To those whom much is given, much is expected. When we see a need, we give from the heart.

The decade of the 2000s was challenging for non-profit organizations. In 2008 alone, charitable giving in the United States fell by its largest percentage in five decades. A new wave of uncertainty threatened the organizations that lent vital support to our membership. These are the groups that the CareSource Foundation holds closest to our heart.

4 Paws for Ability believes that service dogs should be made available to any child with a disability. Harrison is an adorable 4-year-old boy struggling with Down’s Syndrome and Autism. And despite the best fundraising efforts of his family, he was well short of the money needed for a specially trained service companion. With support from CareSource, Harrison will soon have the dog of his dreams. And, in the true spirit of paying it forward, his parents plan to donate the $3,000 they had originally raised to help another family reach their goal. A touching gesture made straight from the heart.

A $200,000 grant to Ohio United Way helped expand 2-1-1 Human Services Hotline into three new counties in Southeast Ohio.

A $140,000 grant to The Foodbank, Inc. launched a statewide “Specialized Food Box” program, providing diabetic-friendly food for high-risk CareSource members.
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Bringing Certainty to a Community

Despite our dramatic membership growth, we are still keenly focused on the individual member. And, just as we help provide more certainty for each member’s health care, we also strive to be a responsible corporate citizen in our hometown of Dayton, Ohio and throughout the states we serve, to make a steady economic impact on the lives of their people.

For our members, CareSource provides certainty where there was once doubt, confidence where too often there is distrust.

During Thanksgiving weekend, a distraught mother called CareSource. Her son had sustained serious injuries in an accident outside of the United States and the local medical staff was ill-equipped to treat the severity of his trauma. Beth, a CareSource registered nurse, immediately contacted the nearest U.S. hospital in Miami to coordinate treatment. Racing against time, she then arranged for a fixed-wing medical transport with trauma team to fly the child to a lifesaving operation and full recovery.

Several times throughout this harrowing evening, our member was certain she would hear the word “no” from her health care insurer. But instead, she learned firsthand of the CareSource unique commitment to people before profits.

CareSource Employees

<table>
<thead>
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<th>Year</th>
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<td>2015</td>
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</table>

CareSource is proud to be part of a rejuvenated Dayton, recently leasing two more downtown facilities for our growing workforce.

Health care is often just one of a long list of challenges that our members endures. CareSource simply helps create healthy homes.
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Meeting our members where they are

Our goal at CareSource – both literally and figuratively – is to meet our members where they are. No matter their lot in life, no matter their location, we come together on their own ground, we assess their needs, and we do whatever it takes to make their health care more accessible and their lives easier.

A dedication to understanding our members

In 2013, CareSource employees logged over 85,000 hours of training at CareSource University.

We strive to manage responsibly

We work to keep our administrative costs close to 6%, while industry-wide, that average is 10% to 13%.

Inspired results require inspired people. We are moved by our members to work harder every day.

CareSource is health care with heart. The heart of a social worker rallying health care providers and community leaders to create a new model for managed care. The heart of a caring nurse staying up all night to help a child thousands of miles away. The heart of a single mother working two jobs, and a downsized father who would rather have a hand up than a handout. Since Pamela Morris founded CareSource 25 years ago, these stories of inspiration have become as commonplace and happily predictable as a heartbeat. A heartbeat that is now one million members strong and growing stronger every day.

One of the largest Medicaid Managed Health plans in the country grew from the inspiration of 38 people in 1989. People like Gail, who continues to provide inspired service 25 years later.

Health care is a data-driven business, filled with charts and algorithms. When these numbers threaten to consume us, we are reminded that they mean nothing to a frightened single mother or a recently laid-off father of four. Twenty-five years into our mission, CareSource has never swayed from our belief that actions trump actuaries.

CareSource members face obstacles that many of us may never comprehend. We are inspired by their fortitude.

What is in store for our next 25 years? We’re confident in our future as long as we continue to lead with heart.

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CareSource Family of Boards

CareSource Board members are from diverse professional backgrounds, yet their commitment to 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.

BOARD OF TRUSTEES (OHIO)

Michael E. Ervin, MD Chairperson, Former President & CEO, Wright Health Associates
Craig Brown Retired Chief Financial Officer, Standard Register
Morris L. Brown, MD Providence Medical Group
Douglas A. Fecher President & CEO, Wright Patt Credit Union, Inc.
Ellen S. Leftak Director of Insurance & Risk Management, Dayton Power & Light Co.
William F. Marsteller, DC Owner, Centerville Chiropractic
David T. Miller Vice President for Finance & CFO, Dayton Children’s Medical Center
Pamela B. Morris President & CEO, CareSource

MANAGEMENT GROUP BOARD OF TRUSTEES

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Kevin R. Brown President & CEO, CaseNet LLC, Retired
Michael E. Ervin, MD Former President & CEO, Wright Health Associates
Catherine A. Hess Managing Director for Coverage & Access, National Academy for State Health Policy
J. Thomas Maultsby President & CEO, United Way of The Greater Dayton Area
John P. Monahan Former President, WellPoint, State Sponsored Business
Pamela B. Morris President & CEO, CareSource
Terry G. Rapoch President, Wright State Applied Research Corporation

FOUNDATION BOARD OF TRUSTEES

J. Thomas Maultsby Chairperson, President & CEO, United Way of The Greater Dayton Area
Morris L. Brown, MD Providence Medical Group
Michael E. Ervin, MD Former President & CEO, Wright Health Associates
Lisa Grigsby AIDS Resource Center Ohio
RoNita Hawes-Saunders Dayton Contemporary Dance Company
Ken Herr Shook Construction
William F. Marsteller, DC Owner, Centerville Chiropractic
Pamela B. Morris President & CEO, CareSource