

2011 Annual Report



IMAGINE



MISSION

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



WE CAN.

CareSource was founded more than 23 years ago because we imagined that we could expand health care for the underserved. And through the many changes in health care during the past two decades, we never lost our imagination or the belief that we can improve outcomes for Medicaid consumers.

We can imagine fulfilling our members' most basic needs—a warm meal, a ride to the doctor, trusted childcare. With so many other worries, having shelter or affordable medical care shouldn't have to be a choice.

We can imagine a future where all children grow up in safe and healthy environments and the elderly live comfortably in their homes. We can imagine pregnant women having access to prenatal care and delivering healthy, full-term babies.

We can imagine working tirelessly towards a healthier tomorrow, to end the cycle of poverty, hunger and homelessness, and to provide medical coverage for all. And more than just imagining a better world, we have high expectations for actually creating it. We can imagine because every day we prove **WE CAN** make a difference in the lives of our members.

A handwritten signature in purple ink, reading "Pam", which is a stylized representation of Pamela B. Morris.

Pamela B. Morris
President and CEO

CAN YOU IMAGINE A WORLD FILLED WITH HEALTHY CHILDREN?

The majority of our members are women and children who depend on us for help in their time of greatest need—a baby born prematurely, a child with diabetes, a teenager facing cancer or a mother struggling with heart disease. And we're growing to provide care for some of the most vulnerable young people including those with mental illness, physical disabilities and foster children. Our programs help families with many of life's challenges like high-risk pregnancy, traumatic illness, hospital transition and well-baby check-ups.

Our Neonatal Intensive Care Unit (NICU) Care Transitions Program was recognized by the Ohio Association of Health Plans for its innovation in helping ease a baby's transition from the NICU to their home. By pairing experienced NICU case managers with parents and providers, this program creates a comprehensive plan to safely reduce hospital stays and send high-risk infants home sooner.

We are continually working to improve our members' health through partnerships that address prenatal care, prematurity, asthma, diabetes, childhood obesity and other health concerns.

Nearly 1 in 5 children in Ohio
are covered by CareSource.



WE CAN.



Kaitlyn and baby Jacob - Dayton Children's NICU

Healthy Start

Mom and baby both benefit when the adjustment from hospital to home is eased with the help of our award-winning NICU Care Transitions Program.

CAN YOU IMAGINE BREAKING THE CYCLE OF POVERTY?

Poverty is one of the strongest predictors of poor health for individuals, families and communities and a major focus for CareSource. It heavily influences stress levels and increases the likelihood of developing diabetes, obesity and heart disease.

By supporting anti-poverty resources and opportunities, we commit to transforming our members' health for generations to come by addressing immediate needs—safety, food, housing and access to care. And then we reach further to provide a safety net of ongoing support by educating community leaders, connecting with human service networks and being a strong voice for those who need us most.

The CareSource Foundation, in partnership with Think Tank, Inc., supported the statewide "Cost of Poverty Experience," simulations that take leaders from business, education, government, faith, non-profit and philanthropy through real-life situations of actual families living in poverty. As a result, there has been increased awareness, changes in public policy and the promise of greater focus on the plight of the poor.

400 legislators, business leaders and state health and human services officials have participated in the poverty simulation.

IMAGINE

WE CAN.



Shanteria, Jackie and Brittany -
Linda Vista Shelter

Breaking the Cycle

Partnerships with statewide programs give homeless women and mothers the education and tools needed to become self-sufficient.

CAN YOU IMAGINE NOT CHOOSING BETWEEN YOUR HOME AND YOUR HEALTH?

Home foreclosures in Ohio stand at record rates with a majority attributed to overwhelming medical costs. With more than 1.2 million Ohioans without health insurance, the parallels are unmistakable.

Without access to regular preventive care, patients turn to hospital emergency rooms. According to the American Hospital Association, ER usage in Ohio is 34% higher than the U.S. average. That means higher costs for everyone.

CareSource partners with non-profit organizations and providers to help Ohioans get the health care they need. For example the Montgomery County Care program, our two-year partnership with Montgomery County and Community Health Centers of Greater Dayton, has strengthened the safety net for underserved residents in the Dayton region by providing free and reduced co-pay medical services, medications, care supplies, and chronic disease case management. Members report using emergency departments less often due to the affordability of our primary care co-pays.

Our network includes more than 25,000 providers including 203 hospitals.

IMAGINE

WE CAN.



Help for the Uninsured

Community Health Centers are vital in providing primary and preventive care for low-income populations.

Winston and Dr. McConnell -
East Dayton Medical Center

CAN YOU IMAGINE A COMPANY THAT TRULY CARES?

Fiscally responsible. Faithful stewards.

In 2011, CareSource served more members than ever before which allowed us to understand the needs of Ohio's Medicaid population more clearly. As a result, more than 91% of our revenue was reinvested to expand health services for our members. We worked with critical partners—state legislators, community health advocates, providers and board members—to implement innovative strategies that support the most vulnerable populations. And our hard work paid off. In the 2011 Consumer Assessment of Healthcare Providers and Systems survey (CAHPS), CareSource was deemed the highest rated Medicaid health plan in Ohio for connecting children, families, people with disabilities and the elderly to quality care. We were also named AMVETS Department of Ohio Veterans "Employer of the Year" for our job training program with war veterans.

Community Outreach

CareSource is clearly passionate about our members—both on and off the clock. Our employees and board members contribute and volunteer in record numbers to create a positive impact in our communities.

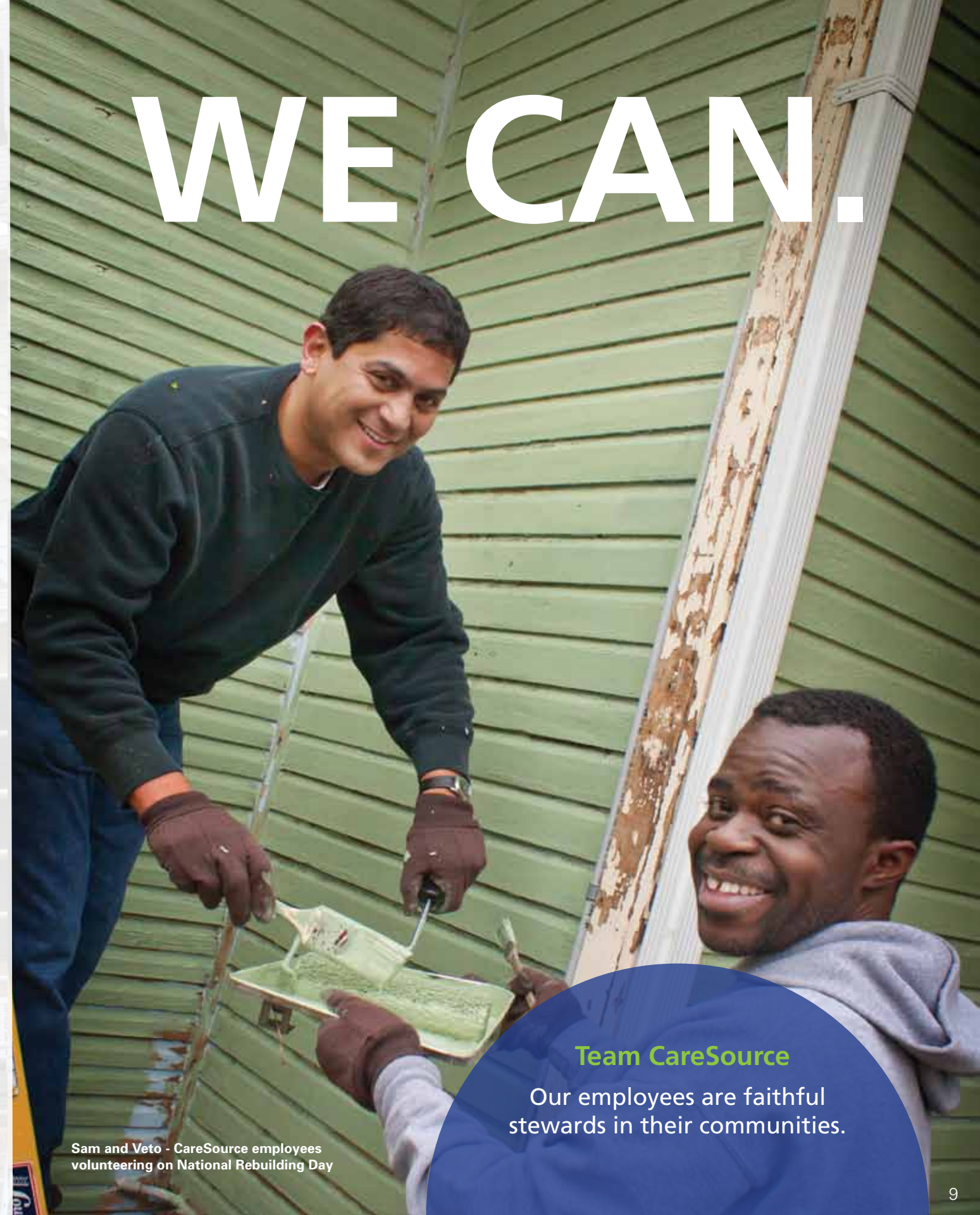
In 2011, our 1125 employees and 15 board members:

- Contributed more than \$125,000 to United Way – a 9% increase from 2010
- Collected more than two tons of canned goods for food banks throughout Ohio and Michigan
- Volunteered on boards, committees and events for more than 120 non-profit organizations
- Provided 88 volunteers for the annual Rebuilding Together home rehab day
- Participated in the annual United Way Day of Action
- Earned the Lifesaving Ambassadors Club award for donating more than a hundred pints of blood
- Contributed \$201,000 to 52 organizations through the Charitable Board Credits program
- Reached out in multiple, meaningful ways to the most needy in their neighborhoods, churches, schools and communities
- Gave \$60,000 through the employee-driven People's Choice grant program

CareSource University was named #10
on *Training* magazine's Top 125 list.

IMAGINE

WE CAN.



Sam and Veto - CareSource employees
volunteering on National Rebuilding Day

Team CareSource

Our employees are faithful
stewards in their communities.

CAN YOU IMAGINE EVERYONE WORKING TOGETHER FOR THE GREATER GOOD?

Strength in community

The CareSource Foundation reached an exciting milestone in 2011—our fifth anniversary! Since 2006, the Foundation has invested more than \$4.2 million in grants to 428 non-profit organizations throughout Ohio and Michigan. Our grantees have been amazing, strategic partners as we work together on critical health and human issues.

The individual outcomes of our grants truly inspire us the most. We are excited to reunite families. Master innovative approaches for keeping children healthy. Feed the newly poor. Provide shelter to families in transition. Give our senior adults the care and respect they have earned. Send low-income students to college and foster their success. Create opportunities for people living with disabilities. And educate entire communities on the implications of poverty.

Five years ago we could only imagine it. Today, we are working together to create a world of hope and possibilities.

Cathy

Cathy Ponitz
Executive Director
CareSource Foundation

Since 2006, the Foundation has given
\$4.2 million in grants.

IMAGINE

WE CAN.



Community Partners

Tackling issues of childhood obesity with support from more than 150 business, education, government, health care and non-profit partners.

Left to right: Erica, Antanasia,
Fanta and Daja - YMCA

2011 CARESOURCE FOUNDATION GRANT RECIPIENTS

Adaptive Sports Program of Ohio \$5,000	CHOICES, Inc. \$7,500	Hearing, Speech & Deaf Center \$5,000
Abilities First Foundation \$8,000	Clothes that Work \$8,000	Hospice of NW Michigan \$5,000
Achievement Centers for Children \$5,000	College Mentors for Kids \$5,000	House of Bread \$7,500
Adoption Network Cleveland \$5,000	Columbus Speech & Hearing Center \$7,000	Humility of Mary Health Partners \$7,500
Advocates for Basic Legal Equality (ABLE) \$5,000	Communication Service for the Deaf \$5,000	Joseph's Home \$6,000
AIDS Resource Center Ohio \$12,500	Crayons to Classrooms \$3,000	Kids' Food Basket \$8,000
Akron Children's Hospital \$5,000	Crossover Downtown Outreach Ministries \$5,000	LEAP (Linking Employment, Abilities and Potential) \$5,000
Alzheimer's Association: Cleveland \$5,000	Cystic Fibrosis Foundation of Cincinnati \$5,000	Leukemia & Lymphoma Society: Tri-State Chapter \$8,500
American Diabetes Association: Michigan \$4,500	Elderly Persons in Community (EPIC) \$5,000	LifeCare Alliance \$8,000
American Heart Association \$5,000	Enroll America \$200,000	LifeSpan \$5,000
Asian Services in Action \$10,000	Fairview Hospital/Westtown Physician's Center \$5,000	Linda Vista Project \$7,500
Aurora Project \$5,000	Family & Community Resource Center \$7,500	Little Brothers/Friends of the Elderly \$5,000
Battered Women's Shelter: Akron \$5,000	Family Futures \$5,000	Local Matters \$5,000
Baxter Community Center \$6,000	Family Outreach Center \$7,500	Madison County Health Partners \$7,000
Berrien County Health Department \$2,000	FOCUS (Family Outreach Community United Services) \$5,000	Manna Food Project \$7,000
Boonshoft Museum of Discovery \$5,000	Food Bank of South Central Michigan \$5,000	Meals on Wheels of Stark & Wayne Counties \$5,000
Boys and Girls Club of Dayton \$7,500	Free Medical Clinic of Cleveland \$15,000	Mercy Medical Center \$5,000
Brigther Beginnings \$5,000	Goodwill Easter Seals of the Miami Valley \$15,000	MetroHealth Foundation \$7,500
Catholic Charities of Cleveland \$5,000	Greenleaf Family Center \$8,000	Mid-Michigan Medical Center \$5,000
Catholic Charities of Toledo \$5,000	Hannah's Treasure Chest \$8,000	MLK Kitchen for the Poor \$6,000
Charitable Union \$5,000	Healthy Beginnings \$10,000	Mom's House Toledo \$5,000
Cherry Street Mission \$7,500	Healthy Homes Coalition of West Michigan \$7,500	Montgomery County College Promise \$150,000

Empowerment

Helping people with disabilities become connected in their community.



Left to right: Joe, Rick, Larry, Jake and Keith - Miami Valley Disabled Athletes



Healthy Choices

Encouraging a culture of healthy habits for low-income communities.

Joann and Derrica - House of Bread

National Alliance on Mental Illness (NAMI) \$5,000	Prevent Blindness Ohio \$10,000	United Rehabilitation Services of Greater Dayton \$10,000
National Multiple Sclerosis Society: Ohio Buckeye \$5,000	Project Chatter \$5,000	Valley Counseling Services \$5,000
National Multiple Sclerosis Society: Ohio Valley \$5,000	Project Woman \$6,000	Visiting Nurse Association of Ohio \$5,000
Nationwide Children's Hospital Foundation \$8,000	Providence House \$6,000	Visser YMCA Grand Rapids \$5,000
Near Northside Material Assistance Program \$6,000	Reach Out of Montgomery County \$10,000	Voices for Ohio's Children \$5,000
Neighborhood Church Clinic \$5,000	RiverScape River Run \$250,000	VSA Arts of Michigan \$5,000
New Creation Counseling Center \$10,000	Rockford Center \$7,500	Warren County Community Services \$5,000
Ohio Association of Free Clinics \$5,000	Ronald McDonald House of the Miami Valley \$7,500	Women's Center: Cleveland \$5,000
Ohio Domestic Violence Network \$8,000	Ronald McDonald House of West Michigan \$5,000	YMCA of Greater Dayton, \$7,000
Ohio Health Foundation/Grady Memorial Hospital \$8,000	South Community \$10,000	Youth Challenge \$5,000
Ohio Parkinson Foundation, SW Ohio \$5,000	Spanish American Committee \$5,000	YWCA Cincinnati \$5,000
Omega Community Development \$8,000	Suicide Prevention \$5,000	YWCA of Dayton \$15,000
One Way Farm of Fairfield \$6,500	Suicide Prevention Alliance \$4,500	
Otterbein Homes \$5,000	SW Ohio Hemophilia Foundation \$2,000	
PLACES \$5,000	The Drop Inn Center \$5,000	
Planned Parenthood: Central Ohio \$5,000	The Hope Foundation \$8,000	
Portage Community Center \$5,000	The Potter's House \$7,000	
Portsmouth City Health Department \$5,000	TOPS (Training on Prevention Services) \$2,500	
Pregnancy Care of Summit County \$5,000	UHCAN (Universal Health Care Action Network) \$15,000	



2011 CARESOURCE HIGHLIGHTS

As one of the top 20 fastest growing companies in the Dayton region, CareSource has grown to be the largest Medicaid managed care plan in Ohio and the 2nd largest in the country. 2011 was indeed a memorable year.

KEY FACTS

- Highest rated Medicaid health plan in Ohio according to 2011 results from the Consumer Assessment of Healthcare Providers and Systems survey (CAHPS)
- More than 910,000 members in Ohio and Michigan
- Low administrative rates with more than 91% of revenue spent on medical services
- #10 on Training magazine’s Top 125 training organizations list
- 1,200 employees in offices in Dayton, Columbus and Cleveland
- 13% increase of new hires from 2010 to 2011; adding 415 new jobs in 2012 (Ohio)
- Dayton Business Journal’s Top 10 Healthiest Employers
- \$2 billion spent statewide with key vendors and suppliers
- Nearly 1 in 5 children in Ohio are covered by CareSource
- AMVETS Department of Ohio Veterans “Employer of the Year”
- More than 25,000 providers in our network, including 203 hospitals
- Foundation awarded 114 grants for \$1.42 million
- Strong HEDIS performance measures in prenatal care, preventative health and access to primary care

2011 FINANCIAL STATISTICS*

Revenue	\$2,792,274,000
Net Income.....	\$125,977,000
Total Net Worth	\$432,843,000

*Includes Ohio and Michigan



Prenatal Wellness

Helping mothers care for their babies before they’re even born.

Residents of Linda Vista Shelter

CARESOURCE FAMILY OF COMPANIES
BOARDS

Thomas G. Breitenbach, Premier Health Partners, Retired

Craig Brown, Standard Register, Retired

Kevin R. Brown, CaseNet LLC.

Morris L. Brown, MD, Providence Medical Group

Michael E. Ervin, MD, Wright Health Associates, Retired

Lisa Grigsby, AIDS Resource Center Ohio

Jocelyn Guyer, Center for Children and Families, Georgetown Univ. Health Policy Institute

RoNita Hawes-Saunders, Dayton Contemporary Dance Company

Ken Herr, Shook Construction

Lisa Kloppenberg, University of Dayton School of Law

Ellen S. Leffak, Dayton Power & Light Co.

William F. Marsteller, DC, Centerville Chiropractic

J. Thomas Maultsby, Group One Development, LLC

David T. Miller, The Children’s Medical Center of Dayton

Pamela B. Morris, CareSource

Terry Rapoch, Wright State Applied Research Corporations

CARESOURCE BOARD OF TRUSTEES

CARESOURCE MANAGEMENT GROUP
BOARD OF DIRECTORS

CARESOURCE FOUNDATION BOARD OF TRUSTEES

CareSource
P.O. Box 8738
Dayton, OH 45401-8738

(937) 224-3300
www.caresource.com
www.facebook.com/ourcaresource

Interested in a CareSource Foundation grant?
Go to: www.caresourcefoundation.com

© 2012 CareSource. All rights reserved.



Left to right: Jailayah, Keith, Fanta, Brandon, Daja, Kiyla, Todd and Taliyah - YMCA