A Mission from our Past.

A VISION FOR OUR FUTURE.

2015 Report to our Communities

scan.

The Senior Advocates are SCAN Health Plan members who work part-time for the plan. They range in age from 65 to 84 and are ardent supporters of SCAN while being very vocal advocates for their fellow members.

Chris Wing
Chief Executive Officer
SCAN Health Plan

A Message from the CEO

While SCAN is coming up on its 40-year anniversary next year, I've just marked my 5-year anniversary. It's been a tenure filled with changes and challenges both at SCAN and in the healthcare industry. The Affordable Care Act and the skyrocketing costs of specialty medications have had enormous impact on our business. That's why I'm so glad that SCAN is more than a business.

SCAN is a senior-focused organization. We have a business—SCAN Health Plan—that enables us to not only serve the seniors who are members of the plan, but to serve those who are not. To support communities so they can better meet the needs of older adults. To provide innovative programs that enable seniors to remain healthy and in their own homes.

We are committed to connecting seniors to a better healthcare experience. Working with providers, community partners, legislators and local governments to build a system that is comprehensive, yet personal. Because what is more personal than your health and independence?

I'm inspired every day by the dedication of SCAN employees. You'll see it on the pages in this report. You'll see both what we do and the difference it makes. You'll see a company that's more than a business. We have a mission and a vision for our future.

Mission
Keeping Seniors Healthy and Independent

It Started With a Mission

This Community Report is meant to be a reflection on our milestones in 2015. Both what we achieved and what we delivered. But as we reflect on the past year, we're doing so with an eye to the future. In 2017, SCAN will mark its 40-year anniversary. In some respects, we've come a long way from that group of 12 determined seniors who launched what is now SCAN. At heart, however, we still have much in common with that grassroots effort to improve access to the care and services seniors need to stay healthy and independent.

Starting with the fact that SCAN is—and will remain—a senior-focused organization. Today that means serving them directly through SCAN Health Plan, the care management programs of Independence at Home, and other programs and initiatives within the organization. It also means supporting the communities in which our members and clients live, helping to strengthen and expand the resources available.

Vision
Strive to understand and meet the individual needs of those we serve and to shape the future of care for all seniors

Bringing the Vision into Focus

In 2015, SCAN leadership developed a three-year strategic plan for the organization. While confirming that the original mission was absolutely on target, they agreed that it was time to update the company vision to one that would better reflect the opportunities ahead. Our revised vision is both realistic and achievable, while still giving us something bold and exciting to pursue.

In support of the mission and vision are two objectives, with clearly defined goals that allow room for exploration, trial and redirection. We're confident that, by dedicating effort and resources to these areas, our vision will come into even sharper focus.

Bringing the Vision into Focus

1 Operate Health Plan at a positive margin

It may seem an obvious objective, but we are a not-for-profit organization. Because our funding comes solely through our contracts with the federal, state and local governments we must be diligent stewards of those funds. The more efficiently we can run the business of SCAN, the more generous we can be with:

- **Health plan benefit design**
- **Community benefit programs**

But managing costs is only one piece. We are also committed to targeted growth: focusing on areas where we have strong provider partners and can offer a robust, yet sustainable, benefit plan that provides value and year-over-year consistency to plan members.

INVESTING IN TECHNOLOGY New system implementation. The phrase alone is enough to incite an ulcer in a corporate officer. However, SCAN Health Plan was due for a new system, one that would replace several existing platforms and integrate with others; that would automate certain functions and reduce the number of steps required for others.

The system launched in January. We held our collective breath for the first few weeks and then let out a sigh of relief. Of course, no new system implementation is perfect. But the platform served us well in 2015 and we see it carrying us into the future.

Objective 1: Improved efficiency? Check. **Objective 2:** Improved capacity to serve our members? Check.

2 Develop programs and services that support the individual needs of seniors.

The objective is broad, but we are prioritizing initiatives that enable us to better serve seniors now and in the future. In 2015, for example, we took steps toward modernizing the health plan's call center. We started by moving Member Services and other operational departments into a nearby building on the SCAN campus. Designed for optimal flow and cross-functional collaboration, "SCAN North" continues to evolve from *call* center to *contact* center in response to the gradually increasing demand for digital communication options.

CONNECTING PROVIDER TO HOME

What happens in the provider office, unfortunately, often stays in the provider office. Patients are given medications and care directions that they don't follow, for a variety of reasons.

In 2015, SCAN Care Manager Rosaneli Loza began working with AppleCare Medical Group as part of this pilot program. Rosaneli is the "feet on the street"—or the "eyes in the home"—not only reporting back to the physician on the challenges the patient faces with treatment compliance, but also connecting with family members, ensuring *they* understand the treatment plan so they can provide needed support and assistance.

> "With older adults utilizing one-third of all prescription medications, misuse and abuse is a very dangerous and growing problem."
>
> *– Marsha Meyer, PharmD*
> *IAH Director of Health and*
> *Wellness Services*

90%

Member Satisfaction*

169,738 Membership
November 2015

SCAN Health Plan is a not-for-profit health plan, offering a range of products designed to meet the varied and unique needs of people with Medicare.

SCAN Health Plan

- **Medicare Advantage Prescription Drug plans**
  - ▶ **4ᵗʰ largest** in the nation (among not-for-profits)
  - ▶ **2ⁿᵈ largest** in California (among not-for-profits)
- **Dual-eligible Special Needs Plans** (D-SNPs)
- **Chronic care Special Needs Plans** (C-SNPs)
- **Institutional Special Needs Plan** (I-SNP)

*4.5 Star rating applies to all 2016 plans offered by SCAN Health Plan in California except Healthy at Home and VillageHealth. Member satisfaction rating reported in 2016 Medicare & You handbook.

FINDING SAFE SOLUTIONS

When Sarah Bellefleur, a SCAN strategic project professional, was selected to participate in the national Practice Change Leaders for Aging and Health program, she was charged with designing and implementing a "new geriatric service line or aging program."

Sarah developed the project, Substance Assistance for Elders (SAFE), in collaboration with the Independence at Home clinical team as a referral resource for healthcare professionals. SAFE kicked off in February with an educational training for 100 pharmacists, RNs and social workers.

Independence at Home

Independence at Home (IAH) connects underserved seniors, disabled adults and their caregivers to the services they need to remain safely at home. These care management programs are funded by state and county contracts, with additional support provided by SCAN, and are available to the community at large. IAH is also a recognized source for behavioral health counseling, resource navigation and health education.

Approximately 18,000 individuals were served through IAH's case management, community education, and information and referrals in 2015.

IAH's hallmark services are:

- **Multipurpose Senior Services Program**
  Started in 1977, this was the first program offered through the organization that would become SCAN.
- **Integrated Care Management programs**
  Includes Family Caregiver Support in addition to programs for seniors and disabled adults.
- **California Community Transitions**
  Designed to move people out of nursing homes and back into the community.

> "We need more programs like this to manage modern life."
>
> *– Cyber-security participant*

TECH-SAVVY, CYBER-SECURE SENIORS

Technology offers a wonderful way for seniors to stay engaged with life—if they know how to use it. That's where we can help.

Senior Technology Connection
This class gives participants an opportunity to ask questions about their smart phones, tablets, even laptops. It's a natural fit for college students, who often volunteer in groups to patiently teach these "skills" that they take for granted, but which are greatly appreciated by their much older students.

Cyber-security
Volunteers from the SCAN IT department share important tips to keep seniors' information safe online. What started as a one-time event for National Cyber Security Month (October), was so meaningful to the IT team that it has become an ongoing program. "We don't have the privilege of working directly with our members, so this is a real highlight for us," says Dennis Duran, director of SCAN IT infrastructure (pictured above).

$12,245,000

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

" This was a great activity that I will certainly implement with my mom!"

– VAA Workshop participant

SCAN's Volunteer Action for Aging appeals to and engages with seniors in a variety of ways. Some of the most fun is had at those events that encourage creativity and individual expression, such as:

- Drum Circle (pictured here)
- Guided Autobiography
- Music for the Soul
- Collage Workshop
- Knitting Klub Volunteers
- Doodle Art
- Ceramic Tile Painting

Volunteer Hours

6,691.65

For the past 30 years, Volunteer Action for Aging has provided opportunities for individuals and groups to volunteer and support seniors in the local community. In 2015 VAA expanded to Riverside and San Bernardino counties.

- **100** Friendly Visitors, each personally matched to a senior with similar interests
- **376** Community Events
- **2,403** Thanksgiving Meals
- **820** Thanksgiving Volunteers

> A $10,000 grant from SCAN represents the cost of preparing 400 Emergency Meal Boxes, consisting of 8,400 meals to feed poor seniors living in San Diego County."
>
> *– The Angel's Depot, Vista, CA*

Community Giving

$424,785

- **$104,785** for 59 Sponsorships
- **$320,000** in Grants to 32 non-profit senior service organizations
  - $155,000 toward senior nutrition
  - $110,000 toward emergency assistance
  - $55,000 for general operating support

SCAN joined more than 900 organizations that have committed to the "80% by 2018 colorectal cancer screening" goal.

65 Trading Ages Community Events

- California Park and Recreation Services
- Riverside County Nurses
- USC School of Architecture
- Legislators in Sacramento and Long Beach
- Senator Joel Anderson's office, El Cajon
- Pre-Med students at USC Keck Medical
- Gerontology students at:
  - University of Southern California
  - California State University, Long Beach
  - California State University, Fullerton
  - California State University, Northridge

Health Education

597 Education Presentations

177 Health Fairs and Screenings

Top 3 Requested Topics:

1. Stop Falling! Fall Prevention & Home Safety
2. A New Year, A Healthier You
3. Bone Health Basics: Understanding Osteoporosis

GO BEACH!
Founded in Long Beach, California, we are loyal to our hometown. In 2015 we were proud participants in the inaugural Long Beach Volunteer Day, organized by 5th District Councilwoman Stacy Mungo. More than 60 SCAN employees turned out one Saturday morning in April to help beautify parks and neighborhoods throughout the city. More SCAN/Long Beach connections in 2015:

- **6** internships for students from California State University, Long Beach
- **6** sponsorships of Long Beach events
- **3** grants to Long Beach-based organizations
- **2** staff on the Long Beach Elder Abuse Task Force

21 Interns In Social Work, Pharmacy and Public Health from:

- California State University, Long Beach
- National University
- University of California, San Diego
- University of California, San Francisco
- University of Southern California
- University of the Pacific, Stockton
- Western University

Members

We've always prided ourselves on our member service—now we've defined it. We took the time in 2015 to look at the member experience from a variety of perspectives to identify what's working well and areas that could use improvement. That exercise helped us define an experience promise that begins when a prospective member hears about SCAN and continues for the duration of their membership.

> " Thanks, this helped a lot. It was a nice introduction and I feel better that I picked SCAN.
>
> *– TeleTalk participant*

A Warm Welcome
Join a new health plan and you expect a good deal of paperwork. What you might not expect, however, is a personal phone call. SCAN Senior Advocates—part-time SCAN employees; full-time SCAN members—call almost every new member within the first few months of membership. It's the "Welcome Wagon" idea with a side of plan education.

Members of Connections, our D-SNP, receive a similar call from their Personal Assistance Line (PAL) representative, who becomes their point of contact at the plan whenever questions arise.

In 2015 we added another new member outreach: A Straight TeleTalk. These large-scale conference calls enable members to hear from SCAN executives and the clinical team about how to get the most from their new health plan.

Friendly Care Reminders
SCAN sends each health plan member a Health Check Record that includes the general guidelines for preventive care and screening for those 65 and over. These booklets are also customized with the member's last date of service and personalized with recommendations and tips. It's a handy tool we recommend they take to and review with their primary care teams.

Reassurance in Difficult Times
"SCAN's mission is to keep seniors healthy and independent," says SCAN Chief Medical Executive Romilla Batra, MD. "There comes a time when healthy is no longer an option, but through our Program for Advanced Illness (PAI), we can help members maintain some measure of independence by ensuring their wishes are known and respected at every stage of care."

Dr. Batra presented the PAI program at the Healthcare Innovation Expo in Washington D.C. in November. The topic sparked interest on both the policy and personal levels, with many attendees sharing their own experiences with end-of-life care for a parent or spouse.

A Much-needed Connection
SCAN's Senior Advocates made several thousand phone calls to some of our oldest members to wish them happy holidays. Although we often weave in a reminder for members to get a flu shot or see their doctor, here's the real reason we make these calls:

> " I just spoke with a member who lost her only son in June and her husband some years ago. She lives in a nursing home and will likely have no visitors or Christmas cards this year. She was so grateful for my call."
>
> *– Senior Advocate Arcelia Diaz*

HOW DO SCAN MEMBERS WANT TO CONNECT?

In September we invited our Senior Advisory Committee to take part in a technology open house, where they had the opportunity to test a variety of tools, from an online health incentive program to mobile health and wellness apps. They explored, they laughed and they were intrigued.

Most said yes, they'd be likely to use one or more of the tools we presented. With one request: Keep the phone lines open. Options are important, they agreed, but the ability to talk to a "real person" trumped them all. We assured them that as long as members wanted to pick up the phone and call SCAN, our caring and knowledgeable service team would be here to answer. That's a promise.

Providers

Because members often don't differentiate between the plan and their doctor's office, our provider partners are key to our experience promise. We also recognize that asking physician staff to adopt tools and workflows specific to SCAN members is not only unreasonable, it doesn't reflect our vision to *shape the future of care for **all** seniors*. That's why in 2015 we continued to facilitate collaboration amongst our delegated provider groups to develop, share, and adopt best practices across the network—and across their patient base.

In addition to care collaborations, we've worked to improve administrative efficiencies between plan and provider, with a particular focus on data exchange to better support systems of care and service. Accurate and timely data impacts everything from member outreach (such as those individualized care reminders) to plan reimbursement and CMS compliance requirements.

ENGAGING THE OFFICE STAFF

We're promoting the idea of the "primary care team" to our members, encouraging them to engage with the staff at their doctor's office, not just the physician. However, we realized we had some work to do to ensure more consistency across the network. In 2015, SCAN piloted an office staff training program, a modular series of courses on topics related to improving the experience of the older patient.

While each office can mix and match their course selection, we always start them with Trading Ages, our award-winning interactive senior sensitivity program. Because if that's the only course they elect to do, it's the one that will have the greatest impact on their interactions with seniors.

> " Pharmacists are one of the most trusted of all healthcare professionals, and their frequent interactions with our members present enormous opportunities to positively impact patient health. This program has shown that pharmacists who take a more active role can have a real impact in the health and lives of seniors."
>
> – Sharon Jhawar, PharmD, MBA, CGP
> SCAN Corporate Vice President of Pharmacy

TAPPING INTO THE TRUSTED PHARMACIST

SCAN and Express Scripts, our pharmacy benefit manager, collaborated on the unique Quality Network Program, which involves quality incentive rewards, with more than 1,000 participating chains and independent pharmacies in Southern California. Phase 1, observation and reporting, completed in 2014; Phase 2 began in January as Express Scripts reviewed outcomes for patients in five key areas: reducing the use of high-risk medications, compliance with diabetes treatment guidelines, and greater adherence to diabetes, high blood pressure and high cholesterol medications. Beginning in 2016, top-performing and improved pharmacies will receive incentives, while average or poorly performing pharmacies will receive lower overall reimbursements.

ASSESSMENT CENTER FILLS GAPS IN TARGETED COMMUNITY

> "During an assessment I diagnosed a member with COPD and recommended a pulmonology referral. Shortly after, the pulmonologist diagnosed lung cancer and the member had a lobectomy. Since then she's stopped smoking and feels better. She stopped by to thank us for saving her life."
>
> – Rosemary Brixie, FNP-BC, Nurse Practitioner
> SCAN HealthCheck Assessment Center

The HealthCheck Assessment Center in Stockton, California, supports area providers by conducting comprehensive health assessments with high-risk members.

In 2015, the center added a program to address another gap: helping members transition from hospital to home. Members benefit from the attention-intensive services and a recent survey of physicians whose patients have used the Assessment Center show they, too, see the benefit across their senior patient base.

Community

In addition to the distinct populations we serve via the health plan and IAH, SCAN is committed to supporting the communities in which we operate. This community benefit mind-set is a company imperative, because if it takes a village to raise a child, it takes a community to rally around its oldest members.

That's why we actively pursue opportunities to engage in—and with—the community. Whether it's our Trading Ages senior sensitivity program delivered free of charge to a variety of organizations, our volunteer program, community giving, professional development efforts or our health and wellness services, we are committed to helping bridge the gaps between what's needed and what's available to help seniors stay healthy and independent.

> " Mary B is on oxygen and has many health problems. We were able to provide her an Emergency Response Button (ERB) under the SCAN grant. Shortly after receiving the ERB, she took a bad fall and was able to use the ERB to call paramedics. She was checked out at the hospital and thankfully nothing was broken. She was so grateful for the ERB and told us that pushing the button 'saved my life.'"
>
> *– AgeWell Senior Services*

Making a difference one senior at a time
Emergency funding gets right to the core of what we do. Sometimes money is too tight with regular monthly expenses to allow any flexibility for unexpected needs. That's where emergency funding delivers. By providing this type of one-time assistance, we can help a senior get over a financial hurdle so they can continue to care for themselves at home.

Working for national support
Sometimes it takes national interest to effect local change. In 2015 we enthusiastically supported a new piece of bipartisan legislation that would allow older Americans to receive the individualized care they need in the comfort of their own homes rather than going to a nursing home.

Introduced by Linda Sanchez of California in the House and Chuck Grassley of Iowa and Ben Cardin of Maryland in the Senate, the bill would establish a new Community-based Institutional Special Needs Plan (CBI-SNP), which provides what Sen. Grassley correctly describes as a bridge for those who need care but otherwise would have to go to a nursing home to get it.

Not only does the bill offer a bit of financial stability to low-income seniors who otherwise must spend down their assets in order to become eligible for Medicaid, it estimates a four-year savings of nearly $60 million for a demonstration of 5,000 Medicare members.

Mobilizing the seniors within a community
Seniors in Ventura have embraced the SCAN Health and Wellness Center from day one, which was February 9, 2006. That's due in large part to Manager Steve Lehman, who, despite the center's name, has designed a lively space that's welcoming to all area seniors. More than 500 seniors visited the center every week in 2015, taking advantage of a range of activities, from ongoing classes to unique programs.

Many say they also appreciate the opportunity to give back. The Center offered 46 volunteer events in 2015, ranging from food and toiletry item drives to our annual Thanksgiving meal delivery.

> " You cannot even begin to imagine the impact you have had on us. Through (your) activities we seniors can feel alive again, meet new people, socialize and do something good for our bodies."
>
> *– SCAN Health and Wellness Center regular*
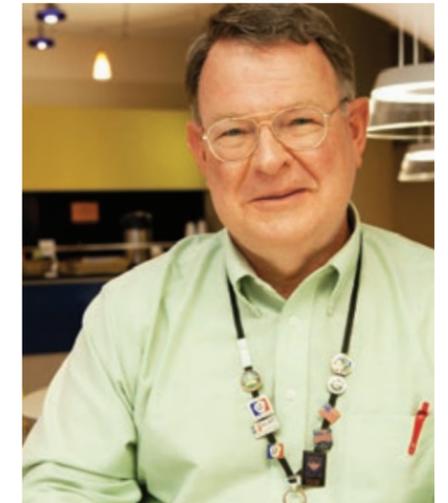
Officers of the Company

Chris Wing, Chief Executive Officer

Cathy Batteer, Senior Vice President, General Manager, all Markets

Janet Kornblatt, General Counsel

Vinod Mohan, Chief Financial Officer

Nancy J. Monk, Chief Administrative Officer

Bill Roth, President

Executive Management

Riaz Ali, Chief Marketing Executive

Romilla Batra, MD, Chief Medical Executive

Peter Begans, Senior Vice President, Public, Government and Community Affairs

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Francesca Luzuriaga, Business Consultant

Michael L. Noel, Noel Consulting Company

Pat Seaver, Latham & Watkins (retired)

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:

- America's Health Insurance Plans (AHIP)
- American Society on Aging
- Association of Consultant Pharmacists
- California Association of Long Term Care Medicine (CALTCM)
- California Quality Collaborative (CQC)
- Coalition to Transform Advanced Care (C-TAC)
- Coalition for Compassionate Care of California (CCCC)
- Healthcare Leadership Council
- Industry Collaboration Effort (ICE)
- Long Beach Elder Abuse Task Force
- Los Angeles Aging Advocacy Coalition (LAAAC)
- NCQA Long Term Services and Supports Advisory Committee
- ONEgeneration
- Saint Barnabas Senior Services (SBSS)
- San Joaquin Health Needs Assessment Steering Committee

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