

2016 Annual Overview

Advocating for you and your health

A word from Angela Dowling

Plan President

Regence BlueCross BlueShield of Oregon



The health care industry continues to see a lot of change—and more is undoubtedly coming. Through it all, Regence remains a strong and trusted ally, advocating on your behalf to improve your overall health care experience and the health of Oregon’s communities.

How are we advocating for you? By collaborating with providers to improve care outcomes and drive accountability while holding down costs. By standing up for you in Salem and Washington, D.C., fighting against expensive prescription drugs. Through making investments across our state to promote equity and better health for all. And by developing tools to personalize your care experience so we can better anticipate your needs and support you through every step of life.

It’s been an exciting year for us—but our work is far from done. In 2017, Regence and its family of companies will celebrate 100 years of serving customers across the Northwest. While we don’t know what the next 100 years have in store, we’re more committed than ever to working alongside you to achieve a more person-focused and affordable health care future. Let’s get to work!

2016

In numbers



24,257
In-network providers

755k
Members

75
Years serving Oregonians

\$1.78B
In member premiums

3,119
Employees

1,914
In-network facilities



Meeting you where you are

We believe you deserve health care that's designed around your unique needs. So we're building tools that connect you to the care you need and provide you with a more streamlined experience.



When you're on the go, you can now easily learn about your benefits

This starts at regence.com with your personalized Member dashboard that simply and clearly spells out your benefits information. Using our Find a doctor tool, you can search and compare providers and facilities based on network, costs, quality ratings and patient feedback—all taking into account your specific benefits. And when you're on the go, you can now easily learn about your benefits—as well as health-related discounts and wellness tips—through our text and email outreach.

Improving your health care experience is also about speaking your language. We've re-written our member communications to be more clear and concise. Our newly redesigned Explanation of Benefits

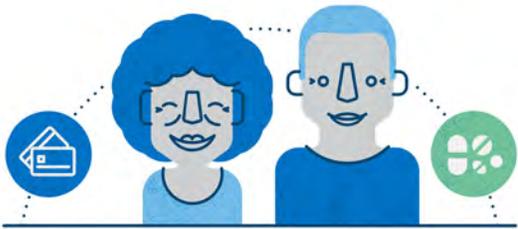
statement makes it easier for you to reconcile a doctor's bill against a paid claim, understand how your benefits were applied and easily identify your financial responsibility.

Convenience and clarity, tailored to meet your needs: That's the health care experience we're striving to create.



Regence mobile app: Benefits at your fingertips 24/7

With our Regence mobile app, you get on-the-go access to your health benefits. Using secure sign-in (including fingerprint technology), you can easily find in-network doctors and urgent care facilities, review your claims, see where you stand with your deductible and much more. The app also conveniently stores your member ID card for anytime, anywhere access.

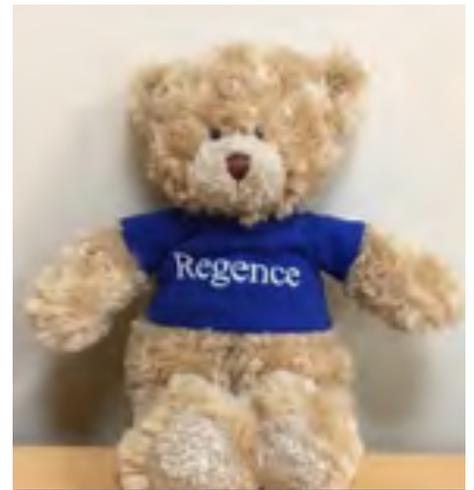


A better Rx solution for your health and your wallet

As costs continue to rise for medications, we're excited about helping address this issue through our promising new partnership with MedSavvy™. Piloted in 2016, this comparison tool helps consumers and providers make smart, informed decisions about prescription drugs by comparing their effectiveness and cost. Here's how it works:

- Search and compare medications using a pharmacist-created tool
- Access report card-style grades based on proven evidence-based medication assessments
- See costs for primary and alternative treatment options
- Get questions answered by knowledgeable pharmacists

Early feedback has been overwhelmingly positive, and we look forward to getting this helpful tool in the hands of more people in 2017.



"Thank you for this adorable teddy & note welcoming our baby girl! Another reason why hubby and I love our insurance company!"

- Anna Berman

Service with a smile—and a cuddle

New parents face plenty of challenges. Affording a breast pump shouldn't be one of them. In 2016, we made purchasing a breast pump easier—and sent families with newborns a teddy bear to welcome them into the world. Parents loved it, but the newborns weren't quite old enough to appreciate the gift. So going forward, any child 2-10 years old who needs hospital care will receive a Regence bear. It's a small gesture, but hopefully one that makes a potentially scary care experience a little easier to face.



Bernice and Leonard’s story

Bernice, Leonard’s wife, was diagnosed with advanced-stage cancer. Leonard requested assistance from Regence Personalized Care Support. As the director of palliative care at a local university, he understood how crucial palliative care was to his wife’s quality of life—and to him and their children.

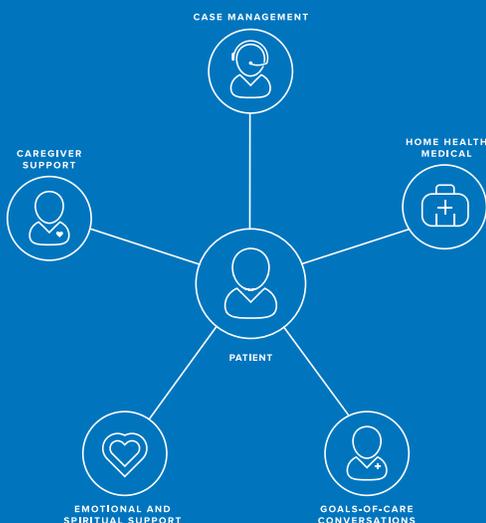
He asked, “Do you have a program that allows us to coordinate my wife’s care in a home setting?” The answer was, “Yes, we do.” He told us that he wanted to enjoy his remaining time with his wife, not worrying about who would take care of her.

“We will take care of the details; you just focus on your time with her,” their Regence case manager said.

Regence took care of all the complex details in coordinating a unique combination of home hospice and palliative care.

A few weeks later, Bernice called: Leonard had also been diagnosed with advanced-stage cancer. “You’ve been such a relief and help caring for me,” she said. “Would you be willing to care for my husband, too?”

Regence heard from Leonard and Bernice’s children a few months later. They expressed their deep gratitude for our help in making their parents’ last days comfortable and worry-free.



Palliative care: A holistic approach for those who need it most

Health care should be patient-centered, family-oriented and compassionate. This is especially true for those being treated for a serious illness or significant injury. That’s why we provide the industry’s most comprehensive palliative care benefit. This is not the same as hospice care, which is a separate benefit. Palliative care is focused on relieving the symptoms, pain and stress caused by a serious illness or significant injury. People may need it at any stage of life, with or without treatment meant to cure the condition.



Making the most of your health care dollars

Navigating health care can be challenging. At Regence, our role is to be a steady partner who stands behind you and advocates on your behalf—so you can get the most value for your dollar.

As a nonprofit, our sole focus is on supporting you: our members. Since we're not beholden to shareholders or quarterly profit reports, we can put more resources into improving your care while holding the line against rising costs. From the steps of the state capitol to physicians' offices throughout Oregon, we're doing just that.

We collaborate with doctors and hospitals on value-based provider arrangements that improve the quality and affordability of your care. Our networks balance access with fostering more coordinated care, all in the name of better health outcomes and patient satisfaction. And we're advocating for more transparency and affordability from for-profit pharmaceutical companies.

2016

Financials

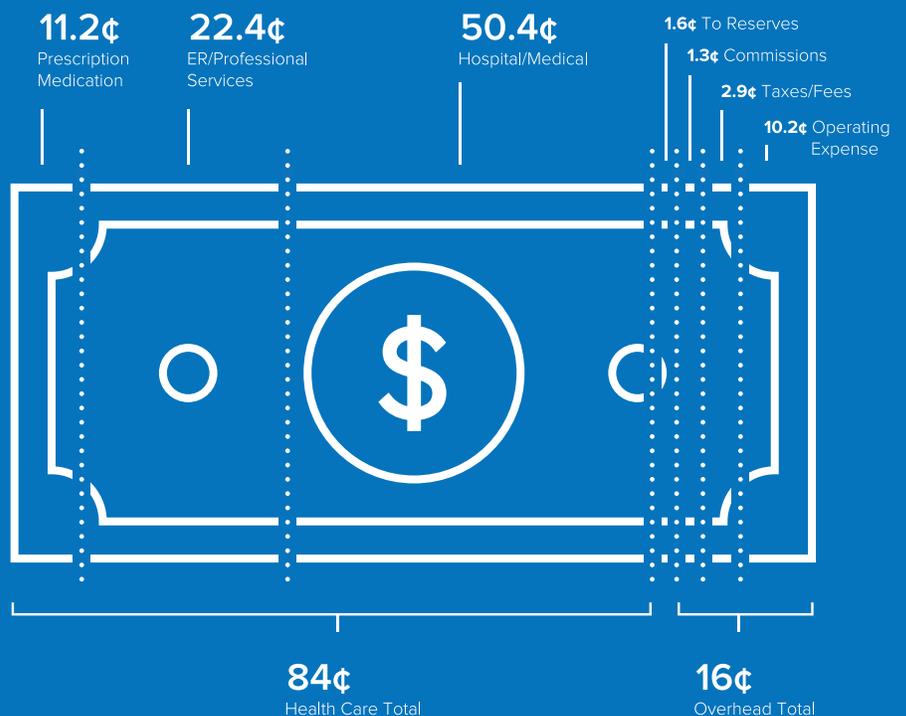
\$1.5B
Health care spend

You want a partner who not only has your back, but protects your wallet too. We take that responsibility to heart. As health care continues to evolve, we stand behind you, working to improve your care while keeping costs in check.

\$3,100
Average amount paid in claims per member

9.6M
Total claims processed

Where your Regence premium dollar goes





Strengthening Oregon communities

We're passionate about making a difference in the communities we serve. By donating our time, talents and financial resources, the Regence family is proud to say we've helped improve the quality of life for our fellow Oregonians.

2016

In giving back

70%

Employees participating in the annual giving campaign

\$5.3M

Invested

Regence and its Oregon employees contributed \$5.3 million and 4,561 volunteer hours to nonprofits over the course of 2016. With the Oregon Food Bank and its sister agencies in Medford and Salem, our employees donated the equivalent of 20,000 meals during our annual Week of Service. And in our 14th year supporting the KGW Great Toy Drive, we helped bring together businesses and charities alike to collect more than 70,000 toys for local kids.

4,561

Hours donated

Sports medicine programs help students stay healthy and in the game. That's why we support The Center Foundation, a nonprofit that places certified athletic trainers in Bend, La Pine, Sisters and Prineville high schools. And our continued sponsorship of the Cascade Cycling Classic benefits competitive snow sports programs throughout Central Oregon.

586

Organizations benefiting

We're also proud to say we expanded our support and partnership with New Avenues for Youth in 2016—bolstering an organization that works to achieve better outcomes for homeless and at-risk young people.

As a local and regional leader, our investments in communities throughout the state help ensure those communities are as healthy as the members we serve.



Reflecting and looking ahead

Regence and our family of companies are approaching a century of service. This is an exciting and humbling milestone. Thank you for your trust and partnership. As we reflect on our evolution and look forward to our future, we're relentlessly focused on transforming our industry by improving the overall health care experience. Here's to a bright year ahead for the health of Oregonians.



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