

HCSC by the Numbers

 (As of Dec. 31, 2017 unless otherwise stated)

Health Care Service Corporation, a Mutual Legal Reserve Company (HCSC) is the largest customer-owned health insurer in the United States and fourth largest overall, operating through our health insurance Plans in Illinois, Montana, New Mexico, Oklahoma and Texas. HCSC affiliates and subsidiaries such as Dearborn National, Medecision and Dental Network of America offer group life, disability and dental solutions, as well as a range of other individual solutions. The company, founded in 1936, serves more than 15 million¹ members across five states and employs more than 20,000 people in more than 60 local offices.

HCSC is dedicated to expanding access to high-quality, cost-effective health care and equipping our members with information and tools so they can make the best health care decisions for themselves and their families. Our health Plans were pioneers in their states, as they were the first to provide coverage for a number of procedures — ranging from heart and bone marrow transplants, to cancer and leukemia treatments. Today, we are leaders in the development of value-based care models to spur greater collaboration and accountability among various stakeholders to improve the health care experience for patients and consumers and enable them to lead healthier lives.

HCSC is dedicated to contributing to the well-being of the communities in which our employees and members live, work and play. We continue our longstanding tradition of community support through charitable investments with community partners, volunteerism, civic engagement, event sponsorship, employee giving, donation drives and in-kind donations.

Company

Economic Impact

(Includes wages, taxes, benefits, real estate spend and charitable contributions)

- Illinois: **\$1.3 billion**
- Montana: **\$70 million**
- New Mexico: **\$130 million**
- Oklahoma: **\$169 million**
- Texas: **\$921 million**

Financials

- GAAP revenue: **\$36.8 billion**
- Statutory reserves: **\$12.0 billion**
(equals about \$776 in reserves per member)

Financial Strength Ratings

- Standard and Poor's: A+ (strong)
- Moody's Investors Service: A1 (good)
- A.M. Best Company: A (excellent)

Community Investments

- **More than 1.2 million** children served through the Healthy Kids, Healthy Families[®] initiative in 2017 and **more than 23 million** health and wellness services provided to children and their families since it began in 2011
- Provided **nearly 141,000** free immunizations and other health services to children and adults in medically underserved areas through our Care Van[®] programs
- **More than 117,000** volunteer hours logged by our employees (7 percent increase from 2016), benefitting **1,428** organizations and resulting in **more than \$429,000** in matching grants to our nonprofit community partners
- Employees donated **more than \$712,000** through annual giving campaigns including **more than \$156,000** to our employee relief fund which provides short-term assistance to employees experiencing severe financial hardship. In 2017, 298 employees received funding.

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Providers

Networks

- Medical (HCSC's five health insurance Plans total):
Approximately 257,000 network providers

- Illinois: **Approximately 81,000**
- Montana: **Approximately 8,300**
- New Mexico: **Approximately 16,300**
- Oklahoma: **Approximately 20,600**
- Texas: **Approximately 131,000**

Approximately 7,700 network facilities

- Illinois: **Approximately 2,100**
- Montana: **Approximately 300**
- New Mexico: **Approximately 400**
- Oklahoma: **Approximately 200**
- Texas: **Approximately 4,700**

- Percentage of claims dollars paid in-network: **95.7 percent**
- Dental: **More than 463,000** dental access points

Provider Phone Inquiries

- Provider calls per day answered by a service rep:
Approximately 25,000 (6.5 million calls annually)



Members

Membership¹

Membership² total: **More than 15 million¹** (nation's largest non-investor-owned health insurer and fourth-largest overall)

By State:

- Illinois: **Nearly 8.6 million**
- Montana: **More than 230,000**
- New Mexico: **More than 450,000**
- Oklahoma: **More than 771,000**
- Texas: **More than 5.4 million**



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Company (continued)

- In 2017, HCSC received a number of prestigious awards and recognitions, including being named to the **Civic 50** for our community engagement initiatives, that translate good intentions into sound business practices, and the Environmental Protection Agency's National Environmental Leadership Award in Asthma Management for our Enhancing Care for Children with Asthma Project.

HCSC is taking on childhood asthma to help patients with asthma better manage their conditions and improve their quality of life. Through our partnership with the American Lung Association, we work directly with health centers to improve the quality of care for children with asthma. We engage providers, community leaders and educators, resulting in improved long-term care outcomes. **Overall, across participating clinics, we're seeing more than a 50 percent reduction in hospitalizations and emergency-related visits on average for patients with asthma who benefited from this program.** Additionally, the partnership has expanded to include home visits for patients who suffer from poorly controlled asthma. Asthma educators visit the home to identify and remove environmental triggers, including carpet, dust and some cleaning products. Additional highlights of the program:

- Engaged **151** clinics across our five states
- Reached approximately **640,800** people
- Conducted **2,270** community education and outreach activities
- Performed **160** home assessments to identify and remove environmental triggers

To learn more about our asthma initiatives, visit www.hcsc.com/taking-on-asthma.



Employees

- Total HCSC employees: **More than 20,000**
- Health Plans:
 - Illinois: **More than 10,090**
 - Montana: **More than 460**
 - New Mexico: **More than 1,280**
 - Oklahoma: **More than 970**
 - Texas: **More than 6,630**
- Wholly owned subsidiaries: **Approximately 1,300**

Members (continued)

Retail Membership Health Services Highlights

HCSC has provided **more than 571,000** retail members with access to well care visits and **more than 251,000** retail members with access to biometric screenings. Following are some examples of the benefits received by those who purchased health insurance during 2017 open enrollment:

State	Well Visits*	Biometric Screenings*	Mammo-grams*	Babies Delivered*
Illinois	136,534	55,188	14,243	1,336
Montana	25,021	8,242	2,950	323
New Mexico	1,870	691	163	16
Oklahoma	117,217	45,799	10,747	1,127
Texas	290,551	141,621	24,627	4,194
HCSC Total	571,193	251,541	52,730	6,996

*Counts represent the number of members who received each type of procedure and is not a count of procedures performed.

Member Loyalty Score

- Members' likelihood to remain enrolled/recommend an HCSC health Plan to others: **85.5 percent (2.6 percentage points higher than the competition)**

Member Phone Inquiries

- Number of member calls per day answered by a service representative: **approximately 43,000 (11.2 million calls annually)**
- Percentage of inquiries resolved in the first call: **67.7 percent**
- Satisfaction rate: **77 percent**



Claims

- Average number of claims processed per day: **Approximately 865,000 (225 million annually)**
- Average amount paid in claims per day: **Approximately \$307.7 million (\$80 billion annually)**
- Percentage of claims paid in the first 14 days: **91 percent**

Member Coverage

- Financed preventive health and wellness services to **more than 5 million** members
- Covered **more than 3.7 million** emergency room visits
- Covered **more than 52,000** premature babies and prenatal care for more than 173,000
- Covered treatment for mental health conditions for **nearly 1.5 million** members with **more than 9.7 million** office visits
- Covered treatment for depression for **more than 659,000** members with **more than 4.9 million** office visits

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Company (continued)

Diversity and Inclusion

- **No. 2** on Diversity MBA's Best Places for Women and Diverse Managers to Work
- **Diversity MBA 50 Out Front: Best Places to Work for Women and Diverse Managers** recognized in five categories:
 - Workplace Inclusion and Retention
 - Accountability
 - Board Diversity
 - Representation
 - Succession Planning
- Awarded 100 percent on the Human Rights Campaign Foundation's Corporate Equality Index – Best Places to Work
- Awarded 100 percent on the US Business Leadership Network's Disability Equality Index
- **2017 GI Jobs Military Friendly Employer**[®]
- People of color comprise **37 percent** of HCSC's workforce and **31 percent** of our overall management
- **61 percent** of HCSC's management are women
- Our **president and CEO** is a woman
- **Nine** Business Resource Groups (BRG) with **41** chapters and **more than 4,800** members across HCSC's five states. BRGs add value by creating a diverse and inclusive culture, supporting and contributing to business goals, enhancing community outreach efforts, strengthening our talent pipeline and helping us reach new consumer markets.

Ethics and Compliance

- Received the **2017 World's Most Ethical Companies**[®] designation from the Ethisphere Institute for the second year in a row. HCSC was one of 124 companies globally to receive the designation, which is awarded to a limited number of companies that demonstrate through their programs, policies and actions that corporate integrity stands alongside operational factors as a key business driver.
- Awarded two **Best Practice** awards from Health Ethics Trust (Code of Ethics and Conduct, Speak Up Campaign). This is the 17th consecutive year to win an award.

Environmental Sustainability

In 2017, HCSC recycled 814 tons of paper resulting in:

- **13,849** trees saved
- **More than 5.7 million** gallons of water saved
- **48,880** pounds of pollutants eliminated
- **2,444** cubic yards of landfill space saved
- **309,574** gallons of oil saved
- **More than 3.2 million** kilowatts of electricity saved
- **203,667** pounds of carbon dioxide absorbed



Members (continued)

- Covered treatment for Parkinson's or Alzheimer's for **more than 173,000 members**
- Covered **more than 4.1 million** immunizations for **more than 1.4 million members**

Member Communications

- Sign-ons for our member online service that allows access to health care information through a secured site: **More than 15 million**
- Facebook fans: **More than 293,000**
- Twitter followers: **More than 49,000**



¹ Reflects January 2018 totals.

² Membership includes national employer plans, large local employer plans, small local employer plans, individual plans and government programs.

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