



MASSACHUSETTS

Blue Cross Blue Shield of Massachusetts is an Independent
Licensee of the Blue Cross and Blue Shield Association

2008 Community Benefits Annual Report
as submitted to
The Office of the Massachusetts Attorney General, May 2009

I. Mission Statement

The community benefits mission statement for Blue Cross Blue Shield of Massachusetts is: *Since our founding during the Great Depression, our mission has been to serve our members and our community. As part of our long-standing involvement with the community, we partner with civic, business, and community leaders to address important social issues such as expanding access to health care, improving the health status of at risk populations, and enriching educational opportunities for youth.*

II. Internal Oversight and Management of Community Benefits Program

The Policy Committee, chaired by the Chairman and CEO, is responsible for ensuring that the Community Benefits Program meets the needs of the community at large in a way that successfully leverages the resources and expertise of Blue Cross and Blue Shield of Massachusetts. Working together, Corporate Relations and Public, Government and Regulatory Affairs, as well as representatives from all areas of the company, ensure that the Community Benefits Program is successfully implemented. The Policy Committee is comprised of the following executives:

- Cleve L. Killingsworth, Chairman and CEO
- Ann Anderson, SVP and Chief Human Resources Officer
- Steve Booma, EVP of Sales, Marketing, Service, and Information Technology
- Jay Curley, SVP of Public, Government and Regulatory Affairs
- Andrew Dreyfus, EVP of Health Care Services
- John Fallon, MD, SVP and Chief Physician Executive
- Sandra Jesse, EVP and Chief Legal Counsel

- Allen Maltz, EVP and Chief Financial Officer
- Vinod Sahney, PhD, SVP and Chief Strategy Officer
- John Schoenbaum, VP and Chief of Staff of the Executive Office
- Fredi Shonkoff, SVP of Corporate Relations

III. Community Health Needs Assessment

Blue Cross Blue Shield of Massachusetts works in partnership with and seeks input from a wide range of organizations across the state as well as national experts to assess community health needs and to help inform how Blue Cross Blue Shield of Massachusetts can make a robust and valued contribution to the needs of the community. Based on our ongoing conversations with community leaders, organizations, and advocacy groups, we have identified five key areas that form the core of our Community Benefits Program. The five areas of focus are:

1. Expanding Access to Care:

- *Rationale and Assessment*
Individuals without access to health care are less likely to receive appropriate preventive care and more likely to seek treatment for a condition once it has progressed. As a result, the treatment required is often more complex than would have been the case had the condition been diagnosed and treated at an earlier state. A late diagnosis can limit treatment options and thus delay in care can jeopardize the optimal outcome and health status. In 2000, Blue Cross Blue Shield of Massachusetts worked with civic leaders, advocates, elected officials, business leaders, healthcare professionals and others to assess what would be required to expand access to healthcare for all residents of the Commonwealth. Based on our collective assessment, in February of 2001, we launched the Blue Cross Blue Shield of Massachusetts Foundation which is dedicated to expanding access to care and reducing barriers to care. The Foundation continues to play a critical role in expanding access to care; since its inception, the Foundation has awarded more than \$30 million in grants to innovative health care organizations all across Massachusetts.

2. Improving Quality and Patient Safety for Everyone who Receives Care in Massachusetts:

- *Rationale and Assessment*
Since the Institute of Medicine (IOM) published its groundbreaking study, *Crossing the Quality Chasm, A New Health System for the 21st Century*, in

2001, there has been a growing recognition of the need to transform the health care system. The IOM estimates that as much as 30 percent of the health care delivered is inappropriate. In Massachusetts, a study published in the *New England Journal of Medicine* found that a quarter of the patients in a Massachusetts population from adult primary care practices experienced an adverse drug event and 13 percent were serious.

In the fall of 2008, Blue Cross Blue Shield of Massachusetts sponsored a conference entitled: *In Pursuit of Health Care's Holy Grail: The Quality Movement that Is Transforming Health Care*. The conference convened a broad range of members of the health care community, including physicians, hospital executives, legislators and policy makers. The forum highlighted the work of some of the pioneers of the health care quality movement, and presented the opportunity to share insights into the achievements of the movement, identify the obstacles that still remain, and issue a call to action to accelerate the pace of system transformation.

To ensure that *everyone* who accesses the health care system in Massachusetts receives high quality, safe, effective health care, Blue Cross Blue Shield of Massachusetts is committed to reducing misuse, overuse and underuse of medical care and to eliminating medical errors. Our collaborative efforts in the community will benefit all citizens of the Commonwealth as well as individuals from across the country and around the globe who seek medical care here. As part of this commitment, we continue to convene and fund the Massachusetts eHealth Collaborative, the Massachusetts eRx initiative and the Partnership for Healthcare Excellence.

3. Eliminating Racial and Ethnic Disparities in Healthcare

- *Rationale and Assessment*
Recently, the Institute of Medicine published a groundbreaking report entitled *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care*. The report concludes that there is an inequality in health care provided to minority groups in the United States regardless of income, insurance status or educational level. Inabilities to navigate the health care system due to language or other barriers, and/or racial and ethnic disparities in health care jeopardize the health status of vulnerable populations. For example, in Massachusetts, African American babies are twice as likely to die during the first year of life as white babies. Independent reports such as "The Disparities Project Data Report, A Presentation and Analysis of Disparities in Boston," underscore the need to eliminate racial and ethnic disparities in care. In response, we are a contributing sponsor for *Be Healthy*, a year-long print and on-line

campaign, associated with the Boston - BayState Banner, which provides information about racial and ethnic disparities in health care. In addition, we sponsor www.AHealthyMe.com and www.ParaMiSalud.com, informative websites which provide a wide range of health care and healthy living information in English and Spanish. The websites are valued resources available to all.

4. Promoting Behaviors for Life-long Health to Help Reduce Prevalence of Childhood Obesity:

- *Rationale and Assessment*

In 1995 – 1996, Blue Cross Blue Shield of Massachusetts met with community leaders and school officials to hear directly from organizations across the state about unmet needs in their communities. Through this assessment process, we heard a clear message: partner to meet the growing challenge of childhood obesity. In 1996, the Centers for Disease Control (CDC) identified childhood obesity as a leading public health concern. The unprecedented rise in type 2 diabetes among children is a direct result of obesity and threatens the health status of an entire generation. In 1998, as a response to the growing childhood obesity trend we established Jump Up & Go!, a statewide program that works with schools, families and clinicians to promote habits that are central to a healthy lifestyle. After achieving its program goals over the past decade, the company has decided to phase out the Jump Up and Go! program by June 30, 2009 and lend its support to the Massachusetts Department of Public Health, which has taken the lead on the childhood obesity issue with its Obesity Initiative.

5. Providing educational support to targeted students and demonstrating an unwavering commitment to employee volunteer efforts that support vulnerable populations across the Commonwealth.

- *Rationale and Assessment*

Over ten years ago, Blue Cross Blue Shield of Massachusetts, in partnership with community and business leaders as well as educators, identified improving the education of youth as a priority for the Commonwealth. The challenge is as compelling now as it was more than ten years ago. In 2006, the MA Department of Education identified 37 percent of the state's public schools, including charter schools, as failing to meet federal standards for at least two years. The state's Department of Education gave 57 Massachusetts schools the most severe designation – an increase from 30 schools the previous years. In collaboration with Madison Park Technical Vocational High School, Brighton High School, Quincy High School, Fenway High School and the Boston Private Industry

Council (PIC), we assessed how our ongoing involvement could continue to help to strengthen the schools.

There are many organizations in Massachusetts that seek to serve at-risk populations and improve the quality of life and health status of disadvantaged and/or disenfranchised individuals. By providing volunteer support and business expertise to organizations such as Greater Boston Food Bank, Massachusetts Senior Games, Massachusetts Special Olympics, Project Bread, and South Shore Habitat for Humanity we can leverage our combined resources to meet the established needs of vulnerable populations.

IV. Community Participation

What follows is an overview of many of the organizations and individuals who participated in the identification of the five areas of focus that form the core of our Community Benefits Program.

Expanding Access to Care:

By 2000, a wide range of organizations such as community health centers, hospitals, Health Care for All, Massachusetts Hospital Association, Massachusetts Medical Society, and Associated Industries of Massachusetts shared a rising concern about the impact of the growing number of uninsured in the Commonwealth. Lacking access to routine care and preventative screenings, the uninsured often have poorer health status and outcome than their insured peers. The uninsured often seek care from emergency departments, a practice that diverts resources from providing care to patients who truly require care from an emergency department and exacerbates costs of the Uncompensated Care Pool. To meet the challenge, on February 15, 2001, Blue Cross Blue Shield of Massachusetts formally announced the creation of the Blue Cross Blue Shield of Massachusetts Foundation a charitable organization dedicated to expanding access to health care, especially to the most disadvantaged in our communities.

Today the Foundation's endowment assets total \$75 million, and since its inception, the Foundation has given out over \$30 million to health centers and other organizations across the state. The pioneering work of the Foundation is provided in greater detail in section V. The Foundation's Board of Directors is comprised of the following health care and community leaders:

- Philip W. Johnston, President, Philip W. Johnston Associates
- Robert Meenan, M.D., Dean, Boston University School of Public Health
- Helen Caulton-Harris, Director, Springfield Dept. of Health & Human Services

- Barbara Ferrer, M.D., Executive Director, Boston Public Health Commission
- Matt Fishman, Vice President for Community Health, Partners HealthCare System, Inc.
- Milton Glass, Chairman Emeritus, Blue Cross Blue Shield of Massachusetts
- James W. Hunt, Jr., President and CEO, MA League of Community Health Centers
- Rachel Kaprielian, Registrar, Massachusetts Registry of Motor Vehicles
- Cleve Killingsworth, Chairman and CEO, Blue Cross Blue Shield of Massachusetts
- Howard Koh, M.D., Associate Dean for Public Health Practice, Harvard School of Public Health
- Nick Littlefield, Partner, Foley Hoag LLP
- Richard C. Lord, President and CEO, Associated Industries of Massachusetts
- John G. O'Brien, President and CEO, UMass Memorial Health Care, Inc.
- Rob Restuccia, Executive Director, Community Catalyst
- Regina Villa, President, Regina Villa Associates
- Randy Wertheimer, M.D., Chair, Department of Family Medicine, Cambridge Health Alliance
- Charlotte S. Yeh, M.D., FACEP, Chief Medical Officer, Director, AARP Services Incorporated

Improving Quality and Patient Safety for Everyone who Receives Care in Massachusetts:

The need to improve the quality and the safety of the nation's health care system is well documented. The IOM has identified a "chasm" between the health care Americans should be receiving and the care they actually receive. Nationally, a 2006 study by RAND concludes that patients fail to receive recommended care nearly half of the time and the IOM documents that each year more than one and a half million Americans are harmed by medication errors. The tragic and public death of Betsy Lehman in 1994 put a human face on the need to transform the health care delivery system.

Even in Massachusetts, recognized worldwide as a leader in health care, the current health care delivery system was not designed to deliver the care people have come to expect and that clinicians want to deliver. In Massachusetts, leaders such as Dr. Donald Berwick, President of the Cambridge-based Institute for Healthcare Improvement, and Lucian Leape, M.D. from the Harvard School for Public Health have helped to inform how we can work to make health care safer for EVERYONE who receives care in the Commonwealth. Thomas Lee, M.D., CEO of Partners Healthcare System, Inc. and Network President for Partners HealthCare, Inc. states that "to transform health care, we have to implement systems – both electronic and human – that help doctors improve their decisions and work more effectively with their colleagues." As part of our commitment to ensure safe, effective health care, we fund the Massachusetts

eHealth Collaborative, Massachusetts eRx, and The Partnership for Health Care Excellence. The impact of our efforts is detailed in section V.

Eliminating Racial and Ethnic Disparities in Healthcare:

There is a growing body of research that documents the prevalence of racial and ethnic disparities in health care and the serious consequences that result. As stated above, the IOM's research fueled our commitment to help eliminate racial and ethnic disparities in health care. We have benefited from and partnered with John Auerbach, former Boston Public Health Commissioner, and Joseph Betancourt, M.D., Director of the Disparities Solution Center at MGH. In addition, through the Blue Cross Blue Shield of Massachusetts Foundation, we have worked with community health centers and other organizations across the state to identify racial and ethnic barriers to care and provide grants to help eliminate them. An overview of our support and programs is provided in section V.

Promoting Behaviors for Life-long Health to Help Reduce Prevalence of Childhood Obesity:

Beginning in 1996, Blue Cross Blue Shield of Massachusetts partnered with organizations such as the American Heart Association, the Youth Subcommittee of the Governor's Council of Physical Fitness and local organizations to convene community-based "speak out" sessions in six communities across the state. These sessions underscored the need to increase physical exercise and became the impetus for the development of *Jump Up & Go!* We continued to meet with community organizations to get feedback from groups directly involved in the issue of increasing children's participation in children's physical activity. The following are just some of the individuals who have provided important insight and contributions to the development and evolution of *Jump Up & Go!*

- Ann McHugh, Boston Public Health Commission
- Vivian Morris, Boston Medical Center
- Paula Nicholas, Brookside Community Health Center
- Azzie Young, Mattapan Community Health Center

Providing educational support to targeted students and demonstrating an unwavering commitment to employee volunteer efforts that support vulnerable populations across the Commonwealth:

More than ten years ago, improving education for young people was identified as an important social issue. Blue Cross Blue Shield of Massachusetts worked with the Boston Private Industry Council to design a comprehensive partnership with Madison Park Technical Vocational High School. Today the majority of the "Blue Scholars" graduates from high school with honors and receive scholarships to four year colleges. Since that time we have expanded our support with the

Boston Private Industry Council to include Brighton High School. In addition, we partner with Fenway High School and Quincy High School for their Joint Ventures and Mentoring programs respectively. Finally, we work with INROADS and POSSE to provide summer internships for minority college students. A more comprehensive description of our commitment to education is contained in section V.

Our volunteer efforts in the community enable the organization and our employees to contribute their time, talent and expertise to a wide range of organizations that help to meet the needs of the vulnerable individuals across the Commonwealth.

V. Community Benefits Program and 2008 Activities

Blue Cross Blue Shield of Massachusetts' Community Benefits Program is part of our ongoing commitment to the community and extends beyond a one year timeframe. The following details the 2008 contributions and accomplishments.

Expanding Access to Care:

When the Blue Cross Blue Shield of Massachusetts Foundation made grant awards in December of 2008, it completed seven years of fulfilling its mission of expanding access to health care in Massachusetts through grant making and various policy initiatives. Since its inception in 2001, the Foundation has made approximately \$30 million in charitable contributions to 271 grants were distributed in five program areas, each focusing on a discrete area of need including uninsurance, disparities, case management, access to care, and the delivery of culturally competent care.

In 2008, the Foundation launched a new policy initiative called Care Beyond Coverage, which will document barriers to health access and recommend policy solutions. As the catalyst for generating a roadmap that led to the state's groundbreaking 2006 health care reform, the Foundation also engages in policy work monitoring the implementation of the law and its impact on low income and vulnerable residents of the Commonwealth.

The Foundation also runs three programs that promote leadership in the health access arena. In May, 2008, 10 journalists from around New England participated in the seventh annual Health Coverage Fellowship, which immerses editors and reporters in critical health issues with the aim of improving their reporting on health care and reform. In September 2008, 18 emerging leaders in health care from across Massachusetts completed the third annual Massachusetts Institute for Community Health Leadership program. The Institute's purpose is to help build leadership capacity among community-based health care organizations. And this fall, 20 emerging community leaders and activists in health access participated in the inaugural class of the Community Partners Leadership Program.

In addition, in 2008, Blue Cross Blue Shield of Massachusetts launched a program to recognize municipalities that have successfully integrated programs to improve the well-being of their employees and help control and reduce municipal health care costs. Six municipalities received a \$5,000 wellness grant to implement programs; award recipients include Haverhill, Wachusett Regional School District, Wakefield, West Springfield, Lowell, and Mansfield.

Moreover, Blue Cross Blue Shield of Massachusetts also supports Boston's Healthcare for the Homeless, an important organization that seeks to provide health care services to the homeless.

Improving Quality and Patient Safety for Everyone who Receives Care in Massachusetts:

In 2004, Blue Cross Blue Shield of Massachusetts made a commitment to fund the Massachusetts eHealth Collaborative with \$50 million. In 2008, the company fulfilled its final commitment and contributed \$10 million. The Massachusetts eHealth Collaborative is working in three communities - North Adams, Newburyport and Brockton - to implement comprehensive Electronic Medical Records with medical decision support. This pioneering project will improve the quality and safety of health care for *everyone* who receives health care in one of these cities and reinforces Massachusetts' position as a leader in patient safety.

Likewise, to reduce medication errors, we are part of the Massachusetts eRx Collaborative. This collaborative effort is designed to eliminate prescription errors and the dangerous, potentially lethal, complications that can arise. The program has offered physicians and other prescribing clinicians the ability to improve patient safety and increase healthcare affordability. In 2008, the eRx Collaborative continued to promote the adoption of ePrescribing, sponsored new prescribers and evaluate the best ways to expand awareness and adoption of ePrescribing in Massachusetts. Blue Cross Blue Shield of Massachusetts invested approximately \$1.8 million to provide new and renewed licenses as well as device replacements. Massachusetts is now recognized as the nation's leader in e-prescribing.

In addition, as part of our community transformation work, in 2008 BCBSMA created *Trustee Advantage*, a new program to help health care facilities improve their quality of care. The one year program culminates with each hospital developing an "audacious goal" to dramatically improve quality and safety. BCBSMA awarded five \$50,000 grants to Beth Israel Deaconess Hospital – Needham, Emerson Hospital, Harrington Hospital, Lowell General Hospital and Winchester Hospital.

Moreover, Blue Cross Blue Shield of Massachusetts along with others created The Partnership for Healthcare Excellence – an exciting new effort dedicated to

help Massachusetts consumers improve the quality of their health care. Our company continued to support the Partnership in 2008 with \$3 million for the Public Engagement campaign. The Partnership focused its major efforts on grass roots campaigns in three target markets – New Bedford, Worcester, and Beverly/Salem and also sustained its state-wide presence. In order to track the effectiveness of the campaign, in December 2008, we conducted a statewide poll of approximately 1,500 Massachusetts households. The results showed that the economy is uppermost in the minds of consumers, but that those in target markets have greater awareness of the key topics raised in the campaign than those in the statewide sample; that these consumers have more knowledge about what to do be a better patient; and there is a small trend in desired behaviors.

These four important initiatives help to “cross the quality chasm” that poses a serious risk to anyone who receives medical care.

Eliminating Racial and Ethnic Disparities in Healthcare:

Blue Cross Blue Shield of Massachusetts continued its collaboration with BayState Banner to sponsor and write a monthly periodical that addresses racial and ethnic disparities, provides educational resources and actionable information for at-risk populations. In addition, as stated above, in 2008, the Foundation awarded approximately \$4.49 million to not-for-profit organizations that serve the needs of low-income, vulnerable and uninsured residents. Of this amount, nearly \$770,000.00 was contributed to organizations dedicated to eliminating racial and ethnic disparities in health care. Finally, we continued to host www.AHealthyMe.com, a health information website available to everyone with internet access, not just our members. To recognize the needs of the growing Spanish speaking population in Massachusetts, the website is available in Spanish: www.ParaMiSalud.com.

Promoting Behaviors for Life-long Health to Help Reduce Prevalence of Childhood Obesity:

Jump Up and Go! is our signature initiative to encourage behaviors for lifelong health among today’s youth. By working together with families, school leaders, physicians, and community organizations, *Jump Up & Go!* is a comprehensive, multi-faceted program that promotes a healthy lifestyle through regular physical activity, good nutrition/balanced diet and limited TV/recreational screen time. In 2008, the program contributed more than \$350,000 to support community youth programs that encourage healthy eating and active living, as well as programs specifically focused on childhood obesity prevention. After achieving its program goals over the past decade, the company has decided to phase out JUG by June 30, 2009. Since the program's inception BCBSMA has invested nearly \$12 million. However, in recent years, the state has taken the lead on childhood

obesity, so in 2008 the company decided to support the collaborative effort and we contributed \$100,000 to the Department of Public Health's Obesity Initiative.

Providing educational support to targeted students and demonstrating an unwavering commitment to employee volunteer efforts that support vulnerable populations across the Commonwealth:

Blue Cross Blue Shield of Massachusetts has a significant partnership with the PIC and INROADS to bring inner-city high school and college students into our workforce. In the summer of 2008, the company employed ninety high school interns through PIC, 20 of which were placed at non-profit partner organizations, and six INROADS college students. Additionally, we continued our commitment to the PIC and the youth of Boston through the year-long Blue Tech program which brought thirteen students to work at Blue Cross Blue Shield of Massachusetts during the fall and spring semesters of the school year. We provided MCAS tutoring with the Classroom and Workplace program for those students who needed extra help with their studies. And, we partnered with the POSSE Foundation to provide mentoring and summer internships to two Posse Scholars, many from urban areas, attending some of the most competitive colleges and universities in the United States.

In addition, in 2001, BlueCrew partnered with Madison Park Vocational Technical High School to create the *Blue Scholars Program*, a four year college preparatory program that matches Blue Cross Blue Shield of Massachusetts associates with high performing students to provide academic and enrichment experiences. Ten students were enrolled in the 2008-2011 *Blue Scholars* class. To date, more than thirty students have completed the Blue Scholars program, 95% of whom have enrolled in a two or four year college and several of whom have received full scholarships to colleges such as Boston University and Northeastern University.

Likewise in 2006, Blue Cross Blue Shield of Massachusetts joined the Mass Mentoring Partnership, State Street Corporation, and Boston Financial Data Services to provide students at North Quincy High School with mentors. Throughout the 2008 school year, six associates participated in the program and provided sixteen youth with an additional source of encouragement and academic support.

Finally, two years ago, Blue Cross Blue Shield of Massachusetts created a program to serve 11th grade students in the Junior Ventures Program at Fenway High School. Students in the program generate entrepreneurial ideas for a business or service in their community. In 2008, eleven associates mentored Fenway's 11th grade class of Junior Ventures.

Blue Cross Blue Shield of Massachusetts' BlueCrew employee volunteer program offers associates the opportunity to perform valuable community service in varied activities and for many causes and organizations. In 2008, 2,180

associates participated in 138 projects volunteering 16,900 hours of time. Our employee rate of participation was approximately 56% percent. This rate significantly exceeds the average employee participation rate of Fortune 500 companies – less than 50 percent. In 2008, we served as the flagship sponsor for the American Cancer Society's Making Strides Against Breast Cancer in Boston and Project Bread's Walk for Hunger.

In 2006, the Blue Cross Blue Shield of Massachusetts Board of Directors created the William C. Van Faasen Community Service Sabbatical Program which enables one employee each year to take a three to six month sabbatical leave to work full-time at a charitable organization. The 2008 program supported the third recipient who worked with the Joint Coalition on Health of North Central Massachusetts to improve the health and well-being of the underserved people in the region by providing data analysis for a comprehensive, 27 cities and towns Community Health Needs Assessment.

VI. Next Reporting Year

We expect our 2009 Community Benefits Program to be similar in size and scope to our 2008 plan. However, we are currently looking at our Community Involvement and expect some change in the 2009 plan based on the revisions to the Community Benefits Guidelines.

VII. Contact Information

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