



MASSACHUSETTS

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

2007 Community Benefits Annual Report
as submitted to
The Office of the Massachusetts Attorney General, May 2008

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, VP 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 \$25.6 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 spring of 2007, Blue Cross Blue Cross Blue Shield of Massachusetts sponsored a conference entitled *High-Performance Health Care: What it Takes*. The conference convened a wide range of community leaders, including, public advocates, elected officials, physicians as well as hospital and health center leaders from across Massachusetts. The meeting underscored the community's recognition of and commitment to working collaboratively to transform the health care system in Massachusetts.

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. We also provide funding to the Massachusetts Hospital Association.

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 leading sponsor of the Boston Public Health Commission's *Disparities Project* and 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. In the intervening years, the innovative and award winning program has expanded significantly and is, today, emulated nationally.

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 and McKinley High School in Boston, Brighton High School, Quincy 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 Community Servings, Father Bill's Place, Massachusetts Senior Games, Massachusetts Special Olympics, and Project Bread 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 endowment exceeds \$100 million and, since its inception, the Foundation has given out over \$25 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, Representative, Massachusetts State House
- 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., Chief of Family Medicine, Cambridge Health Alliance
- Charlotte S. Yeh, M.D., Acting Regional Administrator, Centers for Medicare and Medicaid Services

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, the Massachusetts Hospital Association 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 continue 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 ongoing 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. Since that time we have expanded our support to include Brighton High School and Quincy High School. The majority of "Blue Scholars" graduates from high school with honors and receives scholarships to four year colleges. In addition, we work with INROADS 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 2007 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 2007 contributions and accomplishments.

Expanding Access to Care:

When the Blue Cross Blue Shield of Massachusetts Foundation made grant awards in December of 2007, it completed six 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 \$25.6 million in charitable contributions to 242 not-for-profit organizations that serve the needs of low-income, vulnerable and uninsured residents. The Foundation awarded an estimated \$4.2 million in 2007; \$1.2 million was awarded to 19 organizations working to improve the organization, continuity, and completeness of care for vulnerable populations, with a special focus on serving those who remain uninsured despite the health reforms enacted in Chapter 58 of the Acts of 2006.

In addition, as a catalyst for generating a roadmap that led to Health Care Reform legislation that was signed into law in April of 2006, the Blue Cross Blue Shield of Massachusetts Foundation maintains a leadership role in promoting broader understanding and education about the law among health care organizations that serve low-income and uninsured customers.

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 2007, Blue Cross Blue Shield of Massachusetts contributed \$15 million to the Massachusetts eHealth Collaborative which 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. In

2007, the eRx Collaborative continued to sponsor new prescribers, and evaluate the best ways to expand awareness and adoption of ePrescribing in Massachusetts. Massachusetts is now recognized as the nation's leader in e-prescribing.

In addition, as part of our community transformation work, Blue Cross Blue Shield of Massachusetts provided \$225,000 to the Massachusetts Hospital Association to fund a quality improvement education program for eight hospital Boards. A broad range of organizations from across the state participated in the pilot phase, including four community hospitals, three teaching hospitals (acute care, tertiary and regional), and one physician group.

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 made an \$800,000 contribution to the effort which promotes the idea that having patients who are educated, active and engaged is one of the best ways to improve the safety, quality and effectiveness of health care for everyone.

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

For the third year in a row, Blue Cross Blue Shield of Massachusetts was a lead sponsor of the Boston Public Health Commission's “Disparities Project.” This exciting project – held up as a model for all cities in the nation - has generated key reports and recommendations which we are implementing in partnership with the Boston Public Health Commission. In addition, we collaborated 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. As stated above, in 2007, the Blue Cross Blue Shield of Massachusetts Foundation contributed \$1.2 million to 19 different organizations dedicated to eliminating racial and ethnic disparities. 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 2007 the program contributed \$1.5 million to develop and support programs that promote the 5-2-1 message:

- Eat 5 fruits and vegetables a day
- Limit TV/screen time to 2 hours or less
- Get at least 1 hour of physical activity every day

The program has grown to include an initiative to educate physicians and clinicians about the screening and treatment of overweight children as well as *the 2sDays Challenge*, a state wide promotion to limit TV/recreational screen time and increase activity. Since its inception, *Jump Up & Go!* has been recognized locally – and now emulated nationally – as an initiative that recognizes the future health problems that can result from the increase in overweight children and childhood obesity.

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 2007, the company employed 80 high school interns through PIC and 10 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 13 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 Posse Scholars, many from urban areas, attending some of the most competitive colleges and universities in the United States. In addition, Chairman and CEO Cleve L. Killingsworth served as the co-chair of the search committee for the Superintendent of Public Schools in Boston.

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 2007, 2,363 associates participated in 128 projects volunteering 18,388 hours of time. Our employee rate of participation was 65% percent. This rate significantly exceeds the average employee participation rate of Fortune 500 companies – less than 50 percent. In 2007, 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 2007 program supported the second recipient who worked at the Veterans Affairs Hospital in Brockton on an adaptive programming project for wounded veterans.

VI. Next Reporting Year

We expect our 2008 Community Benefits Program to be similar in size and scope to our 2007 plan. However, we are currently looking at our Community Involvement and expect some change in the 2009 plan.

VII. Contact Information

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