The power of community

COMMUNITY HEALTH PLAN of Washington™

2018 ANNUAL REPORT

Dear friends,

As we reflect on the accomplishments of 2018, I find it helpful to look back even further, to the beginning of Community Health Plan of Washington and our founding principles. We were formed by the Community Health Centers to offer accessible, sustainable coverage to people who were being left behind by traditional insurance. The circumstances that gave rise to our organization (and the Community Health Center movement) were ones of inequality. Our founding mission was to help level the playing field for our members so they could receive the care they needed to live their healthiest lives. It was, and continues to be, central to who we are.

Health inequity is complex and often symptomatic of larger, long-standing systems of discrimination. It occurs when people aren't able to achieve their highest level of health because of the social circumstances into which they are born and live their lives. These issues are pervasive and unjust, and they cause significant harm to people. Sometimes it can feel like these problems are too big to solve, but because of who we are, we are in a unique position to have an impact as we tackle these issues.

One of our strongest assets in fighting health inequity is our connection to the communities we serve. We are part of state and local networks of health care providers, advocates, citizen activists, and social service providers that are embedded in the community. Our network – and our understanding of our members' own support networks – helps us offer not just access to the care that can improve a person's health, but also to the resources that allow that care to be effective. When we work together, we are better able to take care of the whole person.

We spent much of 2018 bolstering our long-standing community ties by fostering integrated managed care resources in new regions. I'm excited to move into this era of integrated managed care, because I believe it's more than just a shift in how we administer Medicaid; it's a shift in culture. Integration keeps the conversation about what we can do as a community front and center. It pushes us to be more understanding of each other's cultures. It inspires us to find innovative solutions to problems, whether that problem is a statewide doctor shortage or the barriers facing our children who are living with disabilities. It gives us the tools to address an unjust system that leaves some people sicker than others through no fault of their own. It creates an environment where we can make a real difference in our members' lives. When I think about what we have accomplished so far, and the opportunities that lie ahead, I can't help but look at the future with hope.

Leanne Berge
Chief Executive Officer

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Year in Review

JAN

Our Baby Bassinet Box program, which teaches parents safe sleep practices for their baby, expands to an additional nine Community Health Centers (CHCs).

We roll out our 2018 Strategic Plan based on the Balanced Scorecard and our value proposition of delivering whole-person care to low-income individuals and families who seek community-based care.

FEB

CHPW hires sixty-five employees, including RNs, LPNs, and behavioral health professionals for our Health Services division as we prepare for the division's March 1 launch date.

Terry Lee, MD, joins CHPW as our Behavioral Health Medical Director.

MAR

We "bring home" our Health Services division to better serve our members and more closely collaborate with our community partners across the state.

APR

Our partnership with the MAVEN Project, a network of volunteer primary care and specialist providers from all over the country, begins. Country Doctor and Yakima Neighborhood Health Services are the first CHCs to begin working with the network.

MAY

The Health Care Authority announces the bid results for integrated managed care (IMC). CHPW is announced as a successful bidder in the King, North Sound, Spokane, and Greater Columbia regions.

SEP

CHPW identifies the locations for our future regional offices in Mount Vernon, Pasco, and Spokane for the IMC launch in 2019.

Natalie Christopherson, a member of the Cherokee Nation, joins CHPW as our Tribal Health Liaison to advocate for the needs of our Native population.

CHPW is chosen as the only health plan in Washington and one of only four in the whole country to pilot NCQA's Patient-Reported Outcome Measures Program to measure quality of care.

OCT

CHPW is awarded the Multicultural Health Care distinction from the National Committee on Quality Assurance (NCQA). The award is given to organizations that meet or exceed standards in providing culturally and linguistically appropriate services (CLAS).

Our Community HealthFirst Medicare Advantage Plan receives an Overall Star Rating of four stars, based on a five-star rating system.

Medicare AEP begins with CHPW's Community HealthFirst Medicare Advantage Plan expanding to twenty counties and adding such new benefits as hearing aids, transportation, and gym membership.

DEC

CHPW's Customer Service department celebrates its fourth consecutive year of meeting or exceeding the contract and internal standards for performance for all lines of business while handling 266,000 incoming calls and receiving a 98% quality score.

Alex Garrard joins CHPW as our new Vice President of People & Culture, leading our efforts to enhance our diversity and inclusion agenda.

Kayla Salazar
Program Manager of Health Equity

A Milestone in Health Equity

Diverse communities are strong communities. When people from different backgrounds work to understand each other, everyone benefits. This is especially true in health care, where lack of sensitivity to linguistic and cultural differences negatively impacts people's health.

As a mission-driven, not-for-profit health plan founded by Community Health Centers with strong ties to the civil rights movement of the late 1960s, we are especially committed to the principles of health equity, and we embed these principles in everything we do. We are acutely aware of the barriers to health that are related to socio-economic factors as well as racial and cultural biases. The barriers to health equity are systemic and difficult to overcome, but by working with our community partners to address them, we hope to make a meaningful difference in the lives of our members and their communities.

Since 2015, Community Health Plan of Washington (CHPW) has developed a formal program to focus on ensuring that our members receive care that is sensitive to and respectful of their cultural and linguistic needs. There is significant evidence that people's health outcomes improve when they are able to receive culturally appropriate services with providers who speak their language and enable appropriate communication. CHPW plays a role in facilitating appropriate care by expanding our own language and translation services, collecting and sharing specific demographic data, and conducting trainings on cultural humility. Making culturally sensitive care the norm is an important step in reducing long-standing disparities in health status.

In 2018 we were very proud to receive recognition from National Committee on Quality Assurance (NCQA) of our work toward improving health equity for our members. We were awarded the Multicultural Health Care distinction, which is given to organizations that "meet or exceed standards in providing culturally and linguistically appropriate services (CLAS)" (www.ncqa.org). We were evaluated on our ability to successfully collect race/ethnicity and language data, provide language assistance, respond to cultural needs, demonstrate quality improvement of CLAS, and reduce health care disparities.

"Our Multicultural Health Care distinction not only shows our community that we truly care about our members' cultural and linguistic needs, but holds us accountable to ensure that we are delivering equitable care and services to those members," said Kayla Salazar, Program Manager of Health Equity, who spearheaded the effort in obtaining this distinction.

The 2018 Multicultural Health Care distinction represents several years of hard work, collaboration, and a company-wide commitment to the principle that everyone deserves the opportunity to achieve their highest level of health, regardless of their socio-economic, racial, ethnic, linguistic, or cultural status.

DISTINCTION
NCQA
MULTICULTURAL HEALTH CARE

Building a community of care

Community-based resources and effective, targeted programs that respond to individual members' needs are critical components to achieving better overall health outcomes. This approach is core to the mission of our Care Management department and our Health Services Division. In 2018, we implemented our bold vision to redesign and "bring home" our health plan medical management services to better serve our members and more closely collaborate with our community partners across the state.

Population Health Coaches
Jessica Baker, Edie Shreckengast, Kathleen Schofield, and Lisa Henderson

Adaptive answers, positive outcomes

Success is measured by both one's efforts and the outcomes that are achieved. Such was the case for the Care Management team that helped procure a specially modified tricycle for a seven-year-old boy in need.

The boy, who lives in a small town in Eastern Washington, has mitochondrial myopathy, a neuromuscular disease that left him with weak muscles and extreme tightness in his legs. His physical therapist would have him ride an adaptive tricycle during therapy sessions to boost his leg strength, balance, fitness, and endurance.

The boy's doctor submitted a prescription for an adaptive tricycle that the child could then use at home, but this type of equipment is not covered by Medicaid. Recognizing the positive impact this tricycle could have for our member, our Utilization Management manager reached out to Tashau Asefaw, who heads the Care Coordination and Community Linkages (CCCL) team. (CCCL includes community health workers, social workers, and medical assistants who help connect plan members with local non-medical support services; the team falls under our Care Management department.)

After some dogged online research, Asefaw's staff identified the ATI Foundation, a charitable organization that helps children with physical impairments, as a potential funding option. With the mother's consent, Asefaw submitted an application for assistance, which was approved. The foundation covered the cost of a new adaptive tricycle, which was then delivered to the boy at his school.

The boy's physical therapist was on hand to witness the special delivery. "She told me the mom was there to pick him up and saw him with the bike peddling the hallways," says Fadumo Nurdin, a CCCL Health and Social Services Coordinator who also worked on the case.

The successful outcome to the boy's case was due in large part to perseverance.

"One of the things I pushed for with the team is, don't say 'no' to a request unless you are sure we can't find a solution, because we're only as good as what we know," Asefaw says.

"I think what's very unique about our program is that we actually can take the time to find what is needed and determine if our members can qualify. Had we been in some other kind of program where we were measured simply on calls or productivity metrics, rather than the quality of the outcome, I think the result would have been different."

Coaching the way to better health

Most of us know generally that we should eat right and exercise more to improve our overall health, but we often fall short of following through and we don't always know what is important for our individual needs. For many, it helps to have someone guide us along on our journey.

That was the case with Bob (not his real name), a fifty-year-old Yakima County man with a long history of Type 2 diabetes.

Our Population Health program reached out to Bob in late 2018 to offer over-the-phone health coaching.

Population Health, which is part of Care Management, works to keep members healthy and helps members with certain chronic conditions achieve lifestyle changes. Eligible members are identified through admission authorizations, medical claims, lab tests, and pharmacy data as well as direct referrals from physicians. Those who consent to participate in the program work one-on-one over the phone with a Clinical Health Coach (Registered Dietitian, Certified Health Coach and/or Certified Diabetes Educator). Bob was one of more than 250 members whom our health coaches engaged with this year.

After an initial assessment, the Community Health Plan of Washington health coach helped Bob identify the goals he wanted to focus on.

Bob is employed at a convenience store, an environment where he is constantly around highly processed, fast foods that make it difficult for him to regulate his eating choices. The health coach worked with him to gradually alter his dietary habits.

Prior to health coaching, Bob regularly had a muffin and coffee with creamer and sugar for breakfast. He has now switched to one-third of a muffin and adds a scrambled egg or oatmeal with sugar-free peanut butter. He also started a regular exercise regimen, walking for twenty-five minutes, three times a week.

The health coaching sessions have led to tangible results. Bob has reported that his A1c (blood sugar level) has improved, and he is looking forward to seeing the effects of these changes during his next visit to his primary care doctor. His long-term goal is to reduce the number of medications he currently takes to manage his diabetes. Healthy lifestyle changes like Bob's will not only improve his diabetes, but also his overall health and reduce the risk of developing other chronic diseases.

A Partnership to Support Our Members

Cathy Neiman
Director, Network Management and Strategy

Dr. Laura Morgan
Country Doctor Community Clinic

Offering our members the care they need in their community is an essential part of Community Health Plan of Washington's (CHPW) patient-centered approach. However, it can be difficult to fulfill this goal given the very real provider shortages being experienced in the State of Washington. A provider shortage makes it hard for people, especially Medicaid members, to access needed services. CHPW is constantly looking for new ways to increase access to quality care, and this year we found a way to make a material difference through an innovative partnership with the MAVEN Project.

The MAVEN Project is a network of volunteer primary care and specialist providers from all over the country. MAVEN's providers, who are all retired or semi-retired, want to continue to use their knowledge and experience to give back to the community and assist those who are underserved. MAVEN enables these experienced physicians to support community health center-based practitioners through a consultative model via telehealth.

Because we are a not-for-profit, mission-driven organization, we are ideally suited to partner with the MAVEN project. MAVEN is also a not-for-profit organization, and our partnership can provide resources that would otherwise be unavailable to our community partners, at little or no cost. Our network providers are given the benefit of knowledge and mentorship in areas of specialization that would typically require referrals outside the community. MAVEN providers are available for consultation with the community primary care provider so that the clinical needs of the patient can be addressed through the provider that knows them best. This helps reduce delays for members to get the right specialty care and keeps the center of care coordination within the local primary care setting.

Our partnership can provide resources that would otherwise be unavaliable to our community partners, at little to no cost.

Country Doctor and Yakima Neighborhood Health Services clinics were the first of the Community Health Centers to begin working with the MAVEN network. Other CHCs, including Sea Mar and Community Health Care in Tacoma, are expanding their use of the MAVEN network. HealthPoint and Neighborcare are scheduled to launch in the near future.

By partnering with MAVEN, we are helping the clinics better support all their patients by facilitating timely access to medical expertise regardless of physical location, which improves health outcomes.

The more care that can be conducted in the community, the better insight a primary care provider has into his or her patient's complete health care needs, and the team is more able to provide integrated whole-person care. Our partnership with MAVEN better equips us to avoid the poorer outcomes that can result from siloed, fragmented delivery systems.

Our work with MAVEN was highlighted on the PBS News Hour. View the story at: http://bit.ly/theMAVENprojectonPBS.

Expanding our Medicare Reach

While Medicare represents a smaller part of Community Health Plan of Washington's (CHPW) business, it has always been important to us to serve our community members throughout the full cycle of their lives. This past year, we made a big push to expand our Medicare program to serve more communities across the State of Washington. This expansion means we can take better care of our members throughout their lives and offer products that best meet their needs.

Our Medicare expansion this year was ambitious. We began offering coverage in eight new counties and increased the number of plans offered in seven counties in which we were already active. We also developed a preferred pharmacy benefit that provides additional benefits for members who use their Community Health Center pharmacies. Our product design and expanded coverage reinforces our unique, integrated relationship with the Community Health Center network.

The Medicare market is constantly changing, and CHPW seeks to lead the way with supplemental benefits that recognize the unique needs of our population. We address many of the non-medical barriers to health for our Special Needs Plan members (those eligible for Medicaid and Medicare) with additional benefits for non-emergency transportation, hearing aids, and over-the-counter purchases. We also now offer a fitness benefit to help our members maintain an active lifestyle. We developed a $0 plan for King County, which is new to CHPW and is an important plan option for many of our prospective members. The combination of more options, responsive, holistic benefits, and stronger sales strategy put CHPW in a strong position to continue to expand our Medicare program in the coming years.

Behind this year's program expansion and the multi-year Medicare strategy is a fundamental operational improvement for managing the Medicare program and achieving our goals. Community Health Plan of Washington is continually improving our collaborative and cross-functional management approach. We are working across the organization to develop best-in-class services with data-informed decision-making.

Just as we support communities across Washington, we also cultivate a strong community within our company. The strength of our unified effort allows us to serve our members and fulfill our mission to ensure everyone can get the care they need, when they need it.

A Reason to Smile:

Supporting dental and protecting the safety net

Public Policy
Katharine Weiss, Dekker Dirksen, and Lia Carpeneti

Tens of thousands more low-income Washingtonians will soon be able to "open wide" and visit a dentist, thanks to the state Legislature's passage of a biennial capital budget that provides money for Community Health Centers to build new dental clinics and expand existing ones. This critical investment in dental capacity was among the major asks of state lawmakers this year by Community Health Network of Washington (CHNW), Community Health Plan of Washington (CHPW), and the Community Health Centers (CHCs).

The funding had been stalled after lawmakers failed to pass a biennial capital budget during the extended 2017 session. In a show of unity, we teamed up with the CHCs to drive home a collective message to legislators in Olympia: There is a dental crisis in the state for low-income residents. Private dentists often don't accept Medicaid patients, meaning many in this underserved population rely on CHC clinics, which are already at capacity. Currently, it's estimated that only one in five Medicaid adults can access dental care.

In the end, state lawmakers passed, and Governor Jay Inslee signed, a capital budget and a supplemental capital budget that together provide nearly $13.5 million to support 20 CHC dental clinics across the state. The bottom line: Nearly 55,000 additional patients will now be able to get dental care every year.

2018 was also another year in which CHNW and CHPW worked tirelessly to protect the health care safety net. We conferred with state legislators on bills that would provide stopgap coverage of kids on the federal Children's Health Insurance Program (CHIP) in the event Congress didn't reauthorize funding for it. (CHIP, created with bipartisan support in 1997 under the Clinton administration, provides low-cost insurance for families who make too much money to qualify for Medicaid, but not enough to afford private insurance plans.) Congress did eventually agree to extend CHIP funding for 10 years, and the state legislation was not needed.

We also kept close watch on how the integration of behavioral and physical health care for Apple Health members is proceeding. The state has mandated that this whole-person approach to care for people on Medicaid be implemented statewide by 2020. We continued to advocate for a seamless transition to behavioral health integration and to ensure this transition continued going smoothly for CHCs.

With the ongoing expansion of the Integrated Managed Care model for Apple Health members across Washington, we also advocated that the state not limit the number of health plans offered in any region if the plans met certain criteria. Limiting plan choice could be disruptive for members who get their care at one clinic and are suddenly assigned to another health plan and care provider. While language to protect patient choice did not make it into the legislative budget bills, we continue to work proactively with other plans to ensure that the transition of care for our former members is as seamless as possible.

The bottom line: Nearly 55,000 additional patients will now be able to get dental care.

Putting Member Priorities First

The PROMs Team
CJ Bruner, James Cook, Lori Cohen, and Amy Sharrett

We are a community-focused health plan integrated with the health centers across Washington and have a strong history of putting the patient's needs in the center of care and decision-making. With more than seventy-five percent of our members receiving primary care in certified "patient-centered medical homes," Community Health Plan of Washington (CHPW) is an early leader in supporting whole-person, integrated care. Given our history and commitment to patient-centered care, it wasn't a surprise that in September of 2018, CHPW was chosen as the only health plan in Washington, and one of only four in the whole country, to pilot a National Committee for Quality Assurance (NCQA) program to help facilitate a framework for using members' personal goals to guide care management and evaluate whether this approach is successful in improving health.

The program is based on using Patient-Reported Outcome Measures (PROMs) to measure quality of care. According to NCQA, PROMs are, "an approach to individualized measurement for complex populations that is based on measuring how well organizations are helping individuals achieve personalized goals for their health and life." The PROMs-based approach differs from traditional means of measuring quality of care because it uses what a member says is most important to them to evaluate how well a treatment or program works, rather than what a clinician believes is most important.

"Traditional care management doesn't proactively consider a member's life and social determinant factors and priorities, but those factors can have a significant impact on that person's health and overall life stability," said Patty Jones, Chief of Health Services at CHPW.

CHPW is leveraging its unique position and relationships in the community and supporting strategies for collecting and using PROMS data.

PROMs are widely recognized as critical measures to improve care, yet are not widely used. That is because clinicians face barriers to gathering and evaluating PROMs, which are not typically incorporated into their workflow and data elements.

By participating in the NCQA pilot program, CHPW is leveraging its unique position and relationships in the community and supporting strategies for collecting and using PROMs data. We are currently working with 200 members in collaboration with our partners at HealthPoint, Yakima Neighborhood Health Services, and the Southwest Area Agency on Aging and Disabilities.

"This demonstration is an opportunity to make valuable contributions to the field of public health research and support truly patient-centered care," said Leanne Berge, CEO of CHPW. "We are honored to be selected and hopeful this demonstration will encourage more people with complex needs to be engaged in improving their health, which in turn will lead to improved health outcomes."

Connie Mom-Chhing

State Director of Integrated Managed Care

"I'm really proud to have been part of CHPW's early-adopter team for integrated managed care. We were some of the first teams to try this new method of care delivery, and I learned so much. I feel like I gained the foundational knowledge to help bring integrated managed care to our members across the state, and I couldn't be more excited."

Candace Hunsucker

Regional Manager, King

"Working with families who experience the effects of untreated addiction and mental health issues has helped me grow as a person, shaping my values both personally and professionally. At some point it just became a piece of who I was—and I was grateful to be able to walk alongside those struggling to help them find themselves and their voice."

Liz Perez

Regional Manager, Spokane

"When Mother Nature closes down roads that are the only points of access to remote areas, it generates opportunities to explore our creativity on how to reach our communities. I look forward to taking on these challenges and using this overhaul of health care in our region as an opportunity for CHPW to partner with our local providers to best serve our members."

Joel Chavez

Regional Manager, Greater Columbia

"The shift to integrated managed care could be a challenge for providers who have been offering services a certain way. I'm looking forward to working with these agencies, because I believe that integrated managed care will increase the quality of services, reduce the member's relapse risk, and increase our mutual success rates."

Sela Barker

Regional Manager, Southwest

"I hope to champion evidence-based approaches that create integrated care teams that share a coordinated care plan for each person they serve. I'd like to support behavioral health providers managing clients who have chronic health conditions, using registries to track and support health care access."

Marci Bloomquist

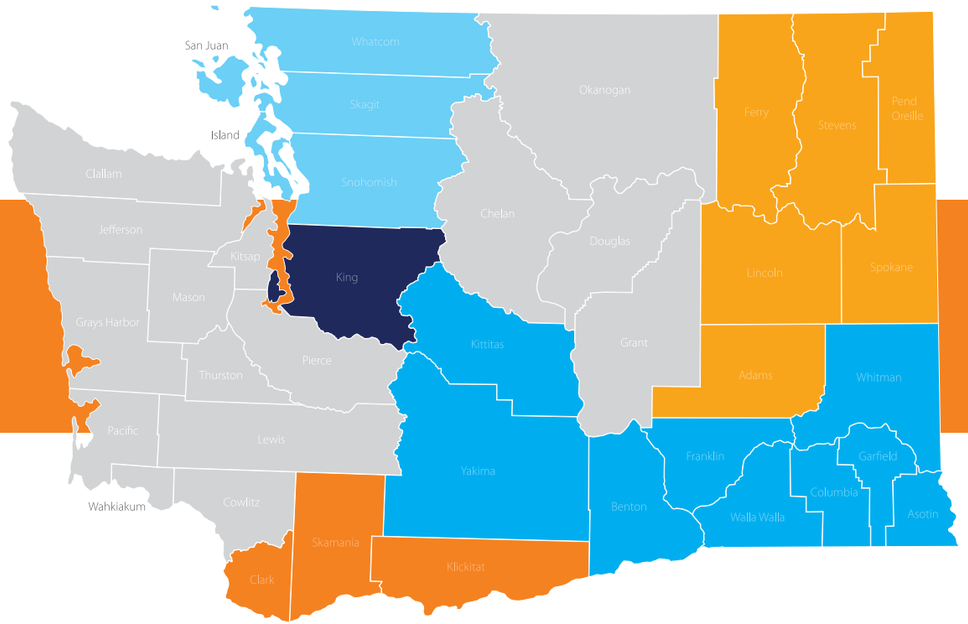
Regional Manager, North Sound

"I take a systemic approach to my work to help people in our communities, especially the most marginalized and stigmatized. Our collaboration can make a profound difference in a person's life. That changed life can go on to impact the lives of friends, family, and coworkers. The change ripples out and can affect whole communities."

Expanding our Integrated Managed Care Community

Community is the foundation of integrated managed care. By fostering an interconnected, supportive community of medical care providers, behavioral health specialists, care managers, case workers, and community-based organizations, we can treat each of our members as a whole person and provide the services they need to achieve their best health outcomes.

It's important to create these relationships in every region we serve. Community Health Plan of Washington (CHPW) has expanded to open offices and hire staff across the state. Meet our Director and Regional Managers, who represent our regional system and work collaboratively with regional staff to achieve whole-person care for our members.



Financial Strength

As of December 31, 2018

Assets

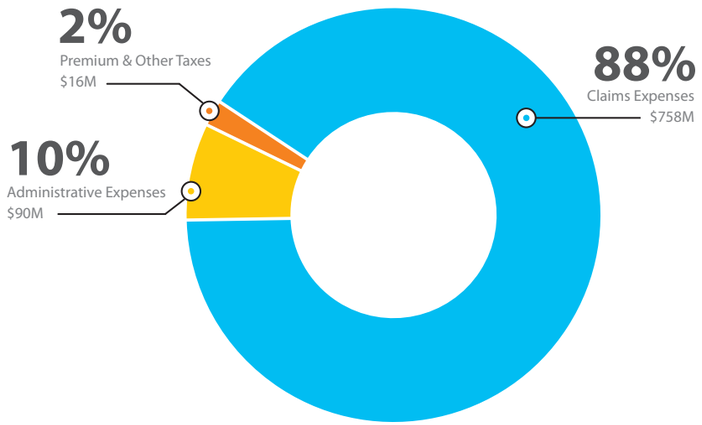
Cash & Investments	$377.6M
Other Assets	$121.4M
Total Assets	**$499.0M**

Liabilities/Surplus

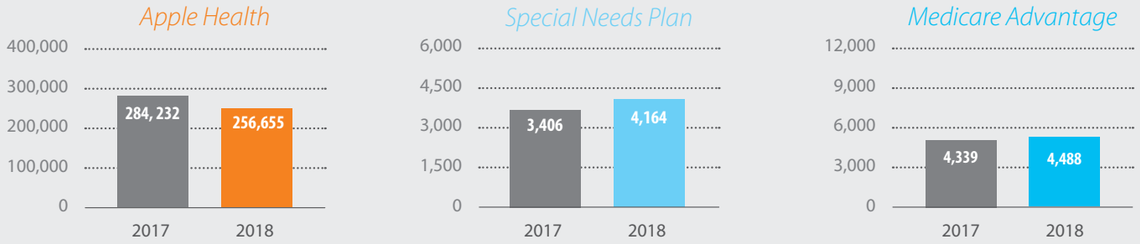
Operating Liabilities	$301.3M
Debt	$0.0
Surplus	$197.7M
Total Liabilities/Surplus	**$499.0M**

Composition of Expenses

As of December 31, 2018



Member Enrollment | As of December 31, 2018



Executive Leadership

Leanne Berge
Chief Executive Officer

Alan Lederman
Chief Operating Officer

Stacy Kessel
Chief Financial Officer

Abie Castillo
Chief External Relations Officer

Paul Sherman, MD
Chief Medical Officer

Patty Jones, RN
Chief of Health Services

Barbara Westlake
Senior Executive Assistant & Board Administrator

Board Members

Sheila Chilson
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Moses Lake Community Health Center

Carla DewBerry
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David Flentge
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David Olson
Columbia Valley Community Health

Aaron Wilson
Community Health Association of Spokane

Bob Farrell
Community Health Center of Snohomish County

Michael Maples, MD
Community Health of Central Washington

Raleigh Watts
Country Doctor Community Health Centers

Dian Cooper
Cowlitz Family Health Center

Jesus Hernandez
Family Health Centers

Thomas Trompeter
HealthPoint

Teresita Batayola
International Community Health Services

Michael Erikson
Neighborcare Health

Desiree Sweeney
N.E. Washington Health Programs

Jennifer Kreidler-Moss, PharmD
Peninsula Community Health Services

Regina Bonnevie Rogers, MD
Medical Director Board Member – Peninsula Community Health Services

Jeffrey Gibbs, MD
Sea Mar Community Health Centers

Jim Davis
Tri-Cities Community Health

Desmond Skubi
Unity Care NW

Anita Monoian
Yakima Neighborhood Health Services

Carlos Olivares
Yakima Valley Farm Workers Clinic

Cristobal Guillen
Independent Director

William Dowling
Independent Director