



Regence COVID-19 Impact Report

A word from Jared Short



Jared Short
CEO
Regence

More than 100 years ago, the Regence family of health plans was born on the eve of the last global pandemic: the 1918 flu. Established in 1917 by loggers and their families who pooled funds to help each other with medical costs, the philosophy of neighbor helping neighbor gave birth to the health insurance industry we know today. We were built for a time like this.

When the coronavirus (COVID-19) arrived and spread in the United States, we drew on our legacy to adapt, listen to our stakeholders' needs and quickly respond. We knew our members' lives were turned upside down, employer groups faced business closures, providers were up against financial uncertainty, and community safety nets were stretched thin. Our goal was to meet people where they were and provide as much certainty as possible during uncertain times.

Employees: Our first step was to ensure our own employee community was safe, healthy and supported so they could continue serving members without interruption. This meant quickly shifting to remote work, offering flexible schedules, providing financial assistance when needed and adding mental well-being resources.

Members: We made sure the nearly 3.2 million people we serve across our four-state footprint had access to the health care they needed. This included covering more than \$110 million in COVID-19 testing and treatment with no out-of-pocket costs, expanding access to telehealth and new options for behavioral health, and proactively reaching out to members with COVID-19 and those at high risk. We also co-sponsored a \$5 million global competition to speed up the development of fast, affordable and accurate COVID-19 testing.

Employers: For the employers and broker partners we serve, we hosted 87 webinars reaching more than 7,750 organizations. We partnered with them as their energy was focused on changing business models to stay viable in a COVID-19 environment and supporting their employees' health needs. We also offered grace periods on premiums to those struggling financially.

Providers: To support our provider community, we are paying them the same rates for virtual visits as we do for in-person visits and shifting how we operate to provide additional flexibility and support. In certain instances, we proactively offered an advanced payment program to help them weather the financial storm caused by reduced in-person visits and elective procedures.

Unless otherwise noted, figures cited in this report reflect numbers across Regence's four-state footprint.

Community: We committed more than \$18.7 million dollars to protect frontline workers, support the health care safety net and address food insecurity—a public health crisis worsened by COVID-19. Our employees also fueled our work to support the communities we serve, raising more than \$260,000 with the help of our 100% company match for organizations like Oregon Food Bank, delivering food to at-risk seniors, making masks and much more.

And our commitment continues—to walk with the people and families we serve throughout this pandemic, and listening to and anticipating their needs. Whether it's helping them find a COVID-19 testing site, navigating a serious illness during pandemic restrictions, or partnering to help people get needed vaccines, we will be there for our members on their journeys.

We look forward with hope—one of our company's core values—to a day when grandchildren are reunited with grandparents, friends meet up for dinner, and handshakes and hugs are commonplace again. Our committed, compassionate employees are here to serve until the pandemic is over, and for years to come.

Sincerely,

A handwritten signature in black ink, reading "Jared L. Short". The signature is written in a cursive, flowing style.



Guiding principles for our pandemic response



Ease **access to care** through increased provider collaboration and support during unprecedented times



Protect the **safety and well-being** of our employees



Ensure **continued service** to our members and customers



Demonstrate leadership toward a **collaborative, person-focused approach** in our communities and the health care industry



Maintain **financial stability** so we can serve our members and customers today and in the future

2020

Our four states
by the numbers

Waived copays, deductibles and coinsurance to cover more than **\$110 million in COVID-19 tests and treatment at no cost** to members



Reimbursed virtual care at the same levels as in-person visits, allowing for **safer care for members and greater financial stability for providers** during the height of the pandemic



Hosted **87 virtual education events** on back-to-work guidance, testing and prevention, mental well-being, and health benefits strategies, reaching approximately 7,750 employers and producers



Returned **\$39 million in financial relief** to customers and members through premium credits



Company-wide, shifted **99% of our 5,000+ employees to work-from-home solutions** and maximized capabilities to ensure seamless support for our members, customers, providers, and business and community partners



Committed more than **\$18.7 million in philanthropic investments** across our companies, corporate foundation and employees to strengthen and support the communities we serve (**plus \$6 million more** in 2021 to advance health equity and increase access to behavioral health)





Here for our members

When COVID-19 began its rapid spread in early March, Regence prioritized safely connecting members to care and supporting their needs in what was becoming a confusing and highly stressful environment.

As the pandemic seized our region throughout the year, we employed a combination of ingenuity, technology, education and targeted communications to ensure our members and customers were supported physically, mentally and financially.

Waived copays, deductibles and coinsurance to cover more than \$110 million in COVID-19 tests and treatment at no cost to members

Expanded telehealth and behavioral health options to increase access to care when traditional methods were constrained

Virtual medical care increased from 2% of visits to a high of 50% in April

Virtual behavioral health care increased from 2% to 65% and remains at that level

Waived prescription refill policies for 10,000 fills to make sure members had the medications they needed while in quarantine



During a very confusing and stressful time, our customer service professionals have been connecting daily with members impacted by COVID-19.

31,803

Year-to-date COVID-19 calls
from members

38,326

Year-to-date COVID-19 calls
to members

Provided commercial members additional well-being support by offering the myStrength® COVID behavioral health module free of charge

Proactively contacted high-risk members in our Case Management program and those who contracted COVID-19 to ensure their needs were being met

Returned \$39 million in financial relief to customers and members through premium credits



More members are using telehealth—and it's making a big difference:

"I'm SO very grateful this was an option ... With COVID and fever, I knew there was no way someone would take me on, and my only recourse would be the emergency room or urgent care. I got medication for flu and fever and will remember this experience as one of the best."

"We were on vacation in the middle of nowhere. This option saved me a two-hour round trip to the ER. That would have cost me a fortune. So thankful for this option."



Fact-based guidance in a confusing time

To help combat misinformation and keep members informed, we created a centralized online resource on **regence.com** that provides the latest about COVID-19. This includes an interactive symptom tracker to help members navigate next steps, easy access to behavioral health tools and resources, and FAQs about benefits and the coronavirus. Our medical directors also provided fact-based

content and videos via our blog and social media accounts, as well as local TV and radio stations (totaling 250 stories) covering a variety of timely topics such as:

Staying social while social distancing

Mental resiliency and addiction resources

How to talk to your kids about COVID-19





Standing behind our customers

Businesses big and small have experienced unparalleled disruption during the pandemic while navigating closures and stay-at-home orders, shifts in consumer demand, and changes in their own workforces. As their trusted partner, we're working hand-in-hand with them to provide guidance and resources that help keep their employees safe and businesses economically viable. Our efforts included:

Collaborating with employers on solutions to support their businesses and workforces, including grace periods, leave-of-absence policies to continue coverage, mid-year plan changes, help accessing state and federal financial resources, and premium credits for care that members weren't able to fully access

Hosting 87 virtual education events on back-to-work guidance (including webinars featuring Mike Leavitt, former U.S. Secretary of Health and Human Services and Utah governor), testing and prevention, mental well-being, and health benefits strategies, reaching approximately 7,750 employers and producers

Launching a first-in-the-nation Fitbit Ready for Work partnership program focused on assisting essential industries and their employees

Standing up dedicated online resources and FAQs to help employers navigate resources and benefit information

Increasing the frequency of our Employer News e-newsletter to twice monthly—and sometimes more often—in the spring and summer to ensure customers had the latest pandemic-related updates

Transforming open enrollment to a virtual experience to protect our customers' and employees' health while driving increased engagement and attendance



Collaborating with providers to care for our communities

Amid the pandemic's many hardships, one silver lining has been a widespread recognition of the critical and selfless role health care workers play. Doctors, nurses, therapists and countless others have been the true heroes of 2020, and we roundly celebrate their service and sacrifices. Regence has taken a number of steps to support and collaborate with our provider partners to enable better, safer and more-efficient care for those we collectively serve:

Reimbursing virtual care at the same levels as in-person visits, allowing for safer care for members and greater financial stability for providers during the height of the pandemic

Expediting provider claims payment to seven days on average—a 105% improvement

Supporting hospital discharge needs, including removing barriers to quickly relocate critical COVID-19 patients to alternative settings

Shifting pre-authorization of elective procedures to ease access to care, and eliminating pre-authorization for COVID-related tests and treatments

Expediting provider credentialing to help meet emerging demand

Advocating for providers to receive additional assistance through federal aid packages

Spearheading campaigns that encourage members to safely schedule preventive care visits and flu shots, easing the downstream burdens on the health care system and giving providers added financial certainty

Partnering with Tabula Rasa Healthcare on a virtual clinical trial that assesses potential COVID-19 treatments, and publishing the results for the collective learnings of the medical community

Empowering rural primary care practices with technology and resources, through a new partnership with value-based care specialist Aledade, so providers can deliver more effective care and remain independent



Taking care of our employees so they can perform at their best

Everything we do to support our members, business partners and communities starts and ends with our employees. Ensuring our workforce is protected from COVID-19 and maintaining critical operations without interruption is paramount to our mission of transforming health care for those we serve.

We rapidly and successfully shifted 99% of our employees to work from home in mid-March without missing a beat. This new reality has been balanced with a number of organizational changes that offer additional support:

Increasing the frequency of all-employee meetings and divisional town halls to foster closer connections with leadership, share information, answer questions and strengthen company culture

Implementing flexible work schedules and coaching for managers to help employees balance caregiving and other at-home and pandemic-related realities

Financially supporting hourly and contracted workers through the early stages of closures

Providing weekly virtual offerings on wellness (physical and behavioral), stress relief and resilience that are regularly attended by more than 300 employees

Offering all employees access to myStrength for additional mental and behavioral health support

Enabling emergency financial support for food, housing and other essential items for employees and their families impacted by the economic disruption of the pandemic and historic wildfires

Matched our employees' generosity to help fight food insecurity in our local communities; Regence matched 100% of employee donations made to hunger-related organizations, collectively raising \$218,000 to ensure Americans stay healthy and fed during this time of increased need



"I appreciate that leadership cares enough about us to share information every two to three weeks. I like the mix of business and COVID-19 topics and especially look forward to hearing the truth about the virus updates."

"Please keep up the good work! I appreciate the consistent communication from senior leadership and the Communication team's efforts to provide that for us all. It would be very easy to feel lost and adrift without solid leadership."

"I'm a new employee as of the end of August. This is my second all-employee meeting, and each time you all have had a way of making us each feel like we mean so much to this company. I've never worked at a place where the employees are appreciated so much."

"I love that we are encouraged to take personal time for ourselves and having higher leadership recognize the challenges that come with having your kids at home during COVID-19 pandemic while we work from home. Thank you for your compassion and availability to us."





Investing in the communities we serve

Sadly, 2020 claimed many lives, magnified health disparities and compounded financial instability among our most vulnerable neighbors.

Together with our employees, parent company and foundation, we responded by committing more than **\$18.7 million** in philanthropic investments to strengthen and support the communities we serve. This includes **\$2.5 million** to Oregon nonprofit organizations addressing immediate needs like food insecurity, protecting front-line workers, and tackling the pandemic's long-term health and socioeconomic impacts.

Through these investments, we were able to:

Fight barriers to food access. We partnered with the Portland-based Sunshine Division to support expansion of its Emergency Food Distribution program to meet a four-fold increase in demand for food assistance. Since March, the program has served more than **3.6 million meals** to Oregonians in need—including **134,000 food boxes**, **35,000 of which** went to homebound seniors.

Address health and socioeconomic disparities through housing stability. Understanding that access to safe, stable and affordable housing can improve health outcomes, we made a multi-year investment in Habitat for Humanity Portland/Metro East to fund projects that will offer homeownership opportunities for **200 Oregonians** and a path toward equity for those displaced due to gentrification and systemic racism.

Support our most vulnerable neighbors. Technology plays a strong role in building connections, particularly in a year in which physical distancing highlighted the impact of prolonged isolation. Our support for the Children's Cancer Association's MyMusicRx® program provided virtual music "medicine" for children undergoing treatment or in recovery, offering hope, healing and connection in a safe environment. One mother was grateful for her son's compassionate MyMusicRx specialist. "Jared loved every minute of it ... Thank you so very much for making my boy laugh and being his friend!"

Providing aid in the wake of the Oregon wildfires

Amid an already difficult year, Oregon also experienced devastating wildfires that ravaged communities across the West Coast and affected thousands of Oregonians. To support our communities and front-line responders, we committed **\$250,000** in aid to the American Red Cross and other organizations committed to recovery efforts.



Addressing mental health in rural communities

The economic recession, social isolation and political unrest further fueled our nation's behavioral health crisis. In 2020 we donated more than **\$11.5 million** to help meet the urgent mental and behavioral health needs of rural communities. This funding, resulting from our parent company's receipt of risk corridor funds through the Affordable Care Act, will increase access to programs that provide 24/7 support to people in crisis or emotional distress, expand the capacity of established safety net programs, and support efforts to reduce stigma around seeking mental health care.

Preparing for the future

While there's a light at the end of the tunnel with vaccines arriving, we're looking ahead to 2021 and anticipating what our members and the communities we serve will need to fully recover. That's why we're committing an additional \$6 million to advance health equity and increase access to behavioral health.

Learn more about the steps we're taking to empower our members, business partners and communities on the road to recovery by visiting **regence.com**.

Fitbit Health Solutions and myStrength are separate and independent companies that provide services for Regence BlueCross BlueShield of Oregon members.



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