



# Our Company

We are a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are committed to working with others in a spirit of shared responsibility to make quality health care affordable. Consistent with our corporate promise to always put our members first, we are rated among the nation's best health plans for member satisfaction and quality.

## Where Premium Dollars Go



**90¢ MEDICAL CARE**  
FOR OUR MEMBERS

43¢ is used for hospital services  
30¢ is used for physician services  
17¢ is used for prescription drugs

**10¢ ADMIN COSTS**

- Taxes and assessments
- Contributions to reserves
- Pay and benefits
- IT investments
- Facilities maintenance

*Commercial managed care business*

## Our Customers Include

- 7 of the 10 largest employers headquartered in MA
- More than 26,800 businesses across MA
- 79% of MA cities and towns
- Nearly 115,000 federal employees

## By the Numbers 2017

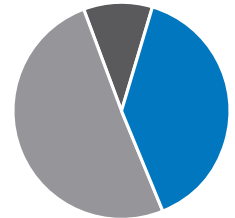
- Served 2.8 million members: 2.1 million in Massachusetts and more than 800,000 out of state
- Employed a diverse and inclusive workforce of 3,766 people
- Processed 48 million claims and handled 3.4 million phone calls
- Contributed \$1.6 billion in annual economic impact to the Massachusetts economy
- Managed approximately \$14.8 billion in annual health care spending

## Financial Information 2017

Annual premium revenue <sup>1</sup>	\$7.5 billion
Claims paid <sup>1</sup>	\$6.8 billion
Net margin	-0.1%
Total taxes and assessments paid	\$185 million
Reserves: days of claims	45-50

## Products & Networks

Product Lines as of January 2018



### Medical:

- HMO/POS: 783,000 members
- PPO/Indemnity: 1.8M members
- Senior Products/Medicare: 335,000 members

Dental: 867,000 members

### Additional Product Lines

- Long- and Short-Term Disability
- Term and Dependent Life
- International Health Coverage
- Workers Compensation
- Critical Illness
- Accident
- Vision

### HMO Participating Provider Network as of January 2018

Primary Care Providers	6,509
Specialists	18,325
Hospitals	74
Dentists	5,019
Ancillary Providers	14,860
Behavioral Health Providers	11,400

## The Power of Blue

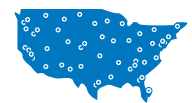
The Blue Cross Blue Shield System consists of 36 independently operated member companies, a Federal Employee Program<sup>®</sup>, and an Association, which serves the collective needs of the Blue Cross and Blue Shield Plans.



One hundred million Americans in all 50 states, D.C. and Puerto Rico rely on Blue Cross Blue Shield companies for access to safe, quality, and affordable health care.

**250 MILLION**

Dollars invested in neighborhoods by the Blue System to help address some of our nation's most pressing health care challenges (2016).



Nationwide, more than 96% of hospitals and 91% of professional providers contract directly with Blue Cross and Blue Shield companies.

<sup>1</sup>. Insured business only

## Community Commitment

**88%** of all associates participated in our BlueCrew volunteer program, resulting in **31,832** service hours

**\$6M** contributed to more than **441** nonprofits in Massachusetts

### Volunteerism

 **3.3K**  
ASSOCIATES

 **31.8K**  
HOURS DONATED

 **284**  
PROJECTS

 **\$1.25M**  
VALUE OF  
VOLUNTEER HOURS

## Sustainability Commitment

In support of our 2020 sustainability goals, since 2010, we reduced our company's environmental impact.



## Diversity & Inclusion

 **26%**  
OF OUR ASSOCIATES  
ARE PEOPLE OF COLOR

 **72%**  
OF OUR ASSOCIATES  
ARE WOMEN

 **60%**  
OF OUR MANAGEMENT  
& LEADERSHIP TEAMS  
ARE WOMEN

 **87%**  
EMPLOYEE ENGAGEMENT  
SCORE (COMPARED TO 64%  
NATIONAL AVERAGE)



## Executive Leadership

<b>Deborah Devaux</b>	Executive Vice President, Chief Operating Officer
<b>Andrew Dreyfus</b>	President and Chief Executive Officer
<b>Patrick Gilligan</b>	Executive Vice President, Sales, Marketing & Product
<b>Stephanie Lovell</b>	Executive Vice President, Medicare and Chief Legal Officer
<b>Andreaana Santangelo</b>	Executive Vice President, Chief Financial Officer
<b>Jay McQuaide</b>	Senior Vice President, Corporate Communications & Citizenship
<b>Bruce Nash</b>	Chief Physician Executive
<b>Susan L. Sgroi</b>	Senior Vice President, Organizational Effectiveness and Chief Human Resources Officer

## Awards & Recognition



## Contact

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