DEAR FRIEND:

At Blue Cross Blue Shield of Massachusetts, we are proud of our role as a community partner, volunteer, and civic advocate.

Last year, Blue Cross Blue Shield of Massachusetts provided over $5.5 million directly to 457 nonprofit organizations in cities and towns across the Commonwealth. The Blue Cross Blue Shield of Massachusetts Foundation, endowed by the company since 2001, also invested $4.1 million in 2009 to help expand access to health care for low-income, vulnerable, and uninsured residents. Our associates also donated their skills and talents through 14,700 volunteer hours at 60 organizations throughout the state.

Our commitment to the community is an important part of who we are as a company. With this report, we rededicate ourselves to ensuring that our resources and priorities reflect the greatest needs of the community and the most effective possibilities for progress. I welcome your feedback at CorporateRelations@bcbsma.com.

Sincerely,

Andrew Dreyfus
President & CEO
KT BLAHA, Blue Cross Blue Shield of Massachusetts Member Service manager, settled in for an afternoon tutoring session with her Little Sister, Gia. Soon, it is down to business—homework drills, a review of the day’s activities, and shared secrets.

Throughout the school year, KT and nine colleagues from Blue Cross Blue Shield of Massachusetts partner with the Big Sister Association of Greater Boston to serve as role models and mentors for 2nd through 5th graders in Quincy Public Schools. One such school is the F.W. Parker Elementary. Almost a century old, this neighborhood school holds fast to a model of community-based learning. Parker emphasizes leadership, academic excellence, and civic involvement for its young charges—regardless of background or economic circumstance. This unwavering belief in the potential of youth motivates the partnership with Big Sister and Blue Cross Blue Shield of Massachusetts.

Expanding and improving educational opportunities is at the forefront of Blue Cross Blue Shield of Massachusetts’ civic agenda. In a state renowned for intellectual capital and economic competitiveness, education is a foremost concern. As a company committed to expanding opportunity, the needs of underserved communities are a priority. Innovation and impact guide our approach. The Blue Scholars mentoring program, serving students at Madison Park Technical Vocational High School, prepares students for success at college. Across town, young entrepreneurs at Fenway High School challenge their abilities through Junior Ventures. And statewide, Blue Cross Blue Shield of Massachusetts invests in school-based change through service days, financial resources, and capacity-building volunteer initiatives.

The essential resource in these efforts is the talent and commitment of associate volunteers and the relationships they forge with hundreds of students. A shared belief in the power of education and the importance of relationships is what makes special friendships like KT and Gia’s thrive.
In partnership with the Boston Private Industry Council (PIC), Blue Cross Blue Shield of Massachusetts employed 81 high school interns—including 26 at not-for-profit organizations—in the summer of 2009. The internship’s focus on skills-based learning and organizational capacity-building enhanced the students’ work experience and encouraged career exploration. As an extension of the summer program, nine interns continued their skills development during the school year.

We are aware that high school students represent the future of Boston and the Commonwealth of Massachusetts where our members live and work each day. They are our future.

— Jason Dekow, Human Resources

THE PURSUIT OF KNOWLEDGE knows no age limit or language barrier. For immigrants and those for whom English is a second language, that pursuit requires an extra dose of courage and conviction. In Quincy, Blue Cross Blue Shield of Massachusetts gains inspiration from the leadership of Quincy Asian Resources, Inc. (QARI).

Founded in 2001, QARI fosters and promotes the social, cultural, economic, and civic lives of Asian Americans to benefit the entire community. QARI is a vibrant hub of culture and connection for volunteers and adult learners. Mandarin, Cantonese, Thai, and Vietnamese mingle with Albanian, Arabic, Portuguese, and Tagalog. Diverse in cultural heritage, the students are united in their pursuit of conversational English, citizenship and cultural education, and academic instruction.

Blue Cross Blue Shield of Massachusetts associates are proud to partner in this effort. For 14-week semesters in the spring and fall, volunteers support adult English speakers of other languages (ESOL) classes as tutors and coaches. In 2009, six volunteers assisted QARI in helping 289 students thrive in this “crossroads of culture,” improving their economic futures and their community as they mastered building blocks to personal success.

LEADERSHIP & IMPACT

Over 350 individuals reached through Blue Cross Blue Shield of Massachusetts educational programs.
Since 2005, Special Olympics have made countless Blue Cross Blue Shield of Massachusetts associates smile. As strategic partners of this extraordinary organization, BlueCrew members work tirelessly to support athletes with intellectual disabilities. For associate Nancy Norberg, the Special Olympics have become a healthy addiction. “The athletes’ joy and courage, the love of their families and friends, and the opportunity to use my skills to promote healthy living brings me back every year.”

Special Smiles, a program of Special Olympics, provides a unique opportunity for some of our colleagues to share their skills as health care providers and practitioners. Staffed by 17 BlueCrew members and dental professionals, athletes receive free dental screenings, oral health information, referrals to local oral health professionals, and instructions on proper brushing and flossing. The Special Olympics of Massachusetts’ values of respect, acceptance, inclusion, and human dignity inspire our shared sense of responsibility.

Across the Commonwealth, BlueCrew is purpose in action. Motivated by a commitment to healthy families and vibrant communities, associates from all levels of the company participate in service projects throughout the state. Whether it is planting a tree with Grow Boston Greener, assembling care packages with Cradles to Crayons, or preparing meals for home-bound patients with Community Servings, BlueCrew builds a better future for Massachusetts.
Community involvement is a source of pride and a force of change in neighborhoods where our associates live and work. In 2009, Nadia Gay set an exemplary standard with her commitment to meet the needs of our most vulnerable citizens. A mother of two and member of the Service Operation’s Quality Control and Audit Division, Nadia served as president of the Society of St. Vincent de Paul in Brockton, team captain for the Making Strides Against Breast Cancer Walk and the Walk for Hunger, Blue Cross Blue Shield of Massachusetts’ wellness ambassador, and volunteer at countless organizations.

I see a need to help and I jump at the opportunity… when it comes to service, I’m on the clock 24/7.
— Nadia Gay, BlueCrew Volunteer of the Year, 2009

BLUE CROSS BLUE SHIELD of Massachusetts is committed to its many customers and members. In many cases, we also share a common community purpose. Ocean Spray, the agricultural cooperative and market leader for canned and bottled juices, is one of those special customers. At the core of Ocean Spray’s business is the desire to partner with families and communities in a healthy and positive way. Their product, values, and actions reflect this commitment.

In 2009, Ocean Spray sought to expand their corporate volunteer efforts and better leverage the talents of their 2,000 employees worldwide. With our BlueCrew as a learning model, Ocean Spray and Blue Cross Blue Shield of Massachusetts associates donned work boots and grabbed shovels for a day of service at Plimoth Plantation. Led by Outdoor Explorations, the teams of blue and cranberry worked alongside program participants with physical and intellectual challenges to beautify historic grounds. Together, volunteers demonstrated that service unites people of every ability and all backgrounds. At the end of the day, relationships were strengthened.

LEADERSHIP & IMPACT

Nadia Gay accepts Excellence in Service Award with son, Phillip.
CIVIC LEADERSHIP

DURING THE WINTER OF 2009, Project Bread, one of the Commonwealth’s leading anti-hunger organizations, reported 522,000 people had struggled to put food on the table—with one third of families cutting their children’s meal portions—or entire meals—because of the lack of available food. For Tim O’Brien, senior vice president of Sales, that number was more than a stark statistic. It was a call to action.

“We’re health coverage providers, so we understand the impact of hunger and know the correlation between hunger, poverty, and obesity, the health of our citizens, and the vitality of our communities. But, we’re human beings, too. A hungry infant—a senior in need—is not acceptable. And, so we walk, invest in solutions, and do what we can to demonstrate we’re all in this together.”

Providing leadership and advocacy on issues affecting the health of communities is a central tenet of our corporate mission. Alliances with the American Cancer Society’s Making Strides Against Breast Cancer Walk, United Way, and other leading not-for-profit organizations, help extend our reach and ensure a sustained impact.

Our partnership with Project Bread reflects a breadth of resources aligned toward a singular goal. In our fifth year as flagship sponsor of the Walk for Hunger, Blue Cross Blue Shield of Massachusetts raised more than $1.25 million through employee fundraising, sponsorships, and matching gifts. In addition to critically needed financial resources, Blue Cross Blue Shield of Massachusetts provided hundreds of volunteers, promotional efforts, vendor recruitment, and shared expertise to increase organizational efficiency. Tim O’Brien provided leadership and counsel as a member of Project Bread’s Board of Directors, and stewarded the partnership and recruitment for the company. Ellen Parker, executive director of Project Bread, attests, “This relationship goes far beyond donations. Blue Cross Blue Shield of Massachusetts is actively involved in our mission.”
since 1988, Blue Cross Blue Shield of Massachusetts has targeted childhood obesity as a growing epidemic worthy of investment. The costs—emotional, physical, and to the health care system—have reached dramatic levels and demand creative and comprehensive solutions.

In 2009, building on the success of the $12 million Jump up and Go! Initiative, Blue Cross Blue Shield of Massachusetts transitioned its support to a state-led collaboration called Mass in Motion. Led by the Department of Public Health, and in partnership with other health plans, families, school leaders, physicians, and community organizations, this effort awards $60,000 competitive grants to eight municipal governments. Funds support local evidence-based fitness and nutrition initiatives, with a priority on multi-sector collaboration and sustained, systemic progress.

By galvanizing community stakeholders, Mass in Motion provides vital leadership in the complex challenge of fighting obesity—with a particular focus on the importance of healthy eating and physical activity for all Massachusetts residents.

The concept of home is something very powerful to me. In our economy, too many of our fellow citizens lack the security and comfort of their own home. My service at Father Bill’s and MainSpring allows me the chance to provide the comfort of an evening meal, while deepening my understanding of the challenges of homelessness.

— Brian O’Leary
BlueCrew Leadership Council Member
Since its inception in 2001, the Blue Cross Blue Shield of Massachusetts Foundation has awarded approximately $36 million in grants to over 300 community-based organizations, including $670,000 through the Catalyst Fund.

HEALTH CARE ACCESS AND AFFORDABILITY

As clients at Ipswich’s Birth to Three Family Center (B3), young parents participate in Systematic Training for Effective Parenting (STEP), an eight-week course focused on child development, nutrition, literacy, health, and other specialized topics. Developing strong parents and healthy families through STEP is one way B3 fulfills its mission to increase the potential of children.

In 2009, the Blue Cross Blue Shield of Massachusetts Foundation was proud to award B3 with a Catalyst Grant focused on postpartum depression. The grant will fund a community-based pilot program to identify and assist families in the delivery of maternal-infant mental health (MIMH) services. Administered in partnership with Women, Infants, and Children (WIC), the pilot will increase program quality and expand access to maternal mental health care.

The support of healthy families on the North Shore is one of 37 grants provided by the Catalyst Fund. Funded entirely by employee donations, the Fund is administered by the Blue Cross Blue Shield of Massachusetts Foundation and supports their mission to expand health care coverage and reduce barriers to care. The Foundation, a contemporary expression of our historic mission to make health care affordable for everyone, is one of the largest private health philanthropies in New England. It operates independently from the company to develop measurable and sustainable solutions that benefit uninsured, vulnerable, and low-income individuals and families.

A committee of Blue Cross Blue Shield of Massachusetts’ associates guides the competitive grant process and awards excellence and sustainability. In 2009, the Catalyst Fund supported a myriad of critical needs, including the expansion of the wellness program at Food for the World in Lawrence, the development of a strategic plan for Volunteers in Medicine Berkshires in Great Barrington, and an automated electronic defibrillator for the Boys & Girls Club in Marshfield.
The 2009 Service Sabbatical improved the health and wellbeing of 260,000 citizens in Central Massachusetts.

Making quality health care affordable is the driving mission of Blue Cross Blue Shield of Massachusetts. Standards of excellence are achieved through strong communication and collaboration among health care professionals, institutions, advocates, and organizations. Hospital care is a natural area of focus for system-wide improvement and motivated the development of our Trustee Engagement initiative. This program improves hospital quality and safety outcomes through trustee education and leadership development, as well as strategic grant-making for local hospitals. We know that strong stakeholder relationships contribute to the good health of our members, and we dedicate ourselves to their continued vitality.

LEADERSHIP & IMPACT

THE COMBINATION OF A COMMITTED volunteer and a coalition of advocates will help lead to real change for 260,000 citizens in Central Massachusetts. For six months, Maureen DeFuria, Blue Cross Blue Shield of Massachusetts Director of Information and Financial Systems Analysis, shared her expertise on a service sabbatical at the Joint Coalition on Health of North Central Massachusetts (JCoH). Named for former Chief Executive Officer William C. Van Faasen, the service sabbatical is awarded annually to an employee with a vision and strategy for meaningful community service.

Based at Heywood Hospital in Gardner, Maureen researched and authored a comprehensive report with information on the health status, issues, and concerns of 27 communities. This analysis—the Community Health Assessment of North Central Massachusetts (JCoH)—will inform the development of systemic improvement and the implementation of local programs. Drawing from the wisdom of Visiting Nurses Associations, social service organizations, and local community colleges, Maureen created a blueprint to help increase access to consistent, affordable, quality health care throughout the region.

BLUE VIEW

Hospital trustees are champions for quality improvement, and our commitment to the health of our members must include an investment in this vital network of change agents.

— Deanna Fulp
Trustee Engagement Initiative

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Blue Cross Blue Shield of Massachusetts has a substantial annual economic impact on the economy in Massachusetts; in 2009 this impact was nearly $1.6 billion.

In 2009, Blue Cross Blue Shield of Massachusetts supported more than 5,846 total full-time jobs directly or indirectly in the Commonwealth of Massachusetts (3,654 direct employees and 2,192 indirect).

In 2009, Blue Cross Blue Shield of Massachusetts generated nearly $196.3 million in total revenue for the state treasury:
- $35.5 million directly
- $79.4 million indirectly
- $81.4 million to the Health Safety Net Trust Fund, formerly known as the Uncompensated Care Pool

Total of $5.54M* to 457 organizations

The breakdown:

- $3.88M to 48 organizations
- $860K to 69 organizations
- $410K to 73 organizations
- $390K to 267 organizations
The communities we serve.