



A call to work **together.**

COMMUNITY 
Health Options[™]

ANNUAL REPORT 2020

We Are People First

If ever there was a year to demonstrate our defining role as Maine's nonprofit health plan committed to service, 2020 was that year. With the unwelcome arrival of COVID-19 in Maine, the sense of purpose that drives our team every day shifted into high gear. We made thousands of calls to Members with medical and financial challenges that were made more complicated by the pandemic. We immediately extended premium payment terms and expanded telehealth services to address specific COVID-19 concerns. We supported our business and broker partners with educational webinars and legislative updates to make up for the face-to-face time lost during the pandemic. We also were in position to award grants to Maine nonprofit community agencies addressing troubling effects of the pandemic, from food insecurity to social supports.

Throughout the year, our Member Services team provided the exceptional care our Members deserve and have come to expect. In spite of the pandemic, we delivered on several major goals for the year, including developing our new product, PioneerASO, to provide employers a local, comprehensive solution for their self-insurance needs. We led the way with our victory in the Supreme Court, which awarded us the risk corridor funds owed by the federal government. The victory netted Health Options \$50 million, a realization of long overdue funds from the government, dating back to the first three years of the Affordable Care Act, from 2014 to 2016. We subsequently issued rebates back to our Members totaling \$10 million.

As the year drew to a close, we could see a new year bringing rays of light at the end of a tunnel. The promise of vaccines combined with our steadfast commitment to teamwork and our mission powered us through a tough 2020. It is precisely this persistence that has fueled our continual impact on the healthcare Marketplace since the start of 2014, giving Maine people something unique—a Maine-based nonprofit health insurance option. Our belief in the need to bring this choice to Maine people is what keeps us growing with new products and services, through a pandemic and beyond.

My best,



Kevin Lewis, *President & CEO*



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BETTER than business as usual

Our pandemic operations meant more Member outreach



Despite a year marked by unexpected challenges, Health Options maintained a strong financial standing and a high level of achievement in meeting some important goals: strengthening our behavioral health provider network, improving our overall provider experience, enhancing Member benefits for certain infused medications, launching our rebrand and developing a new self-funded insurance product. In the face of the pandemic, we redoubled our efforts to support our

Membership. Our Script Saver program, led by in-house pharmacists, provided personal outreach to assist Members with prescription access to reduce their out-of-pocket expenses. Our asthma outreach program improved medication adherence by addressing barriers and educating Members about their plan benefits. Last year proved that if there was any silver lining to the pandemic, it was the increased opportunities it provided to reach out and help our Member base. A few of these experiences are retold here, from our team's perspectives.

2020 AT-A-GLANCE

31,601

Members covered

1,422

Groups covered

84.5%

Employer group retention rate

99%

Average caller satisfaction rate

3,454

Calls placed to Members at high risk for COVID-19

In 2020, it was especially important to reach out to our Members to encourage immunizations and wellness visits so that children, adolescents, and adults did not lose sight of yearly PCP visits in the midst of COVID-19. Reminding our Members to keep up their regular care also helped us address gaps in care for chronic condition management and preventive screening.

– Nancy Grenier, RN, Director, Quality and Accreditation Medical Management Team

In April 2020, I worked with a young woman who was part of our asthma outreach program. She was not feeling well and was unsure if her symptoms were related to her asthma or COVID-19, yet her COVID-19 symptoms kept her from seeing her PCP. Even when she went to a walk-in clinic and tested negative, she continued to have a cough, low-grade fever, and fatigue. Our Care Management team was able to find her an in-network pulmonologist who treated her with antibiotics for suspected pneumonia. She also had her asthma medications adjusted and finally started feeling much better. She was very appreciative of the help we were able to give.

– Nicole Shaffer, RN / Medical Management Team

Often, the most challenging calls come at the end of day on Fridays. This was the case when a Member called, frustrated because he needed a last-minute prescription refill. We ended up getting management approval for his request by 4:30 p.m., and he got his medication shipped to him that Saturday morning. This call just felt so personal. I needed to do everything I could to ensure he did not go the whole weekend without his medication, and he didn't.

– Jamie Bennett, Member Services Team



WORKING TOGETHER, Remotely

How we navigated the year of unknowns

Like many businesses, Health Options moved to remote operations during the pandemic. We focused on providing uninterrupted, secure service to our Members, and the transition went off without a hitch.

“Because of our disaster preparedness planning, our Member Services representatives moved from the call center to quiet corners of their homes quickly and seamlessly,” said Will Kilbreth, Sr. VP & CIO.



It's a testament to everyone on our team that we can look back and see how **connected and focused** we remained. Our united commitment is a true source of pride and yet another reason why we are so **excited for what the future holds.**

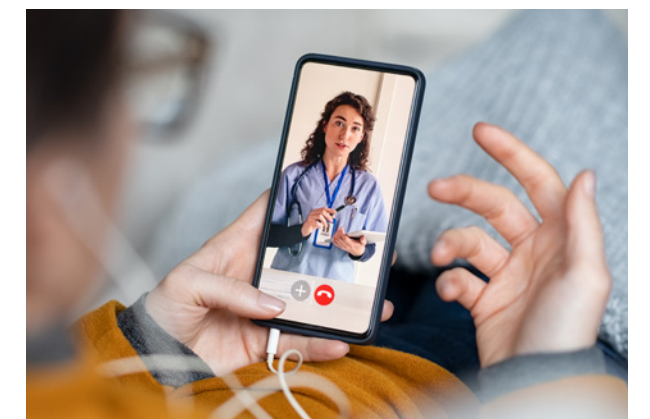
Behind the screens, our daily “COVID huddles” kept the pandemic front-and-center in our multi-disciplinary operations. Our Medical Management Team used teleconferencing with providers and healthcare facilities to track virus activity among our Member base – from testing and treatment to hospitalizations and healing at home.

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LOOKING AHEAD Post-Pandemic Planning

Last year showed that the pandemic will change healthcare operations for the long term. “We will continue monitoring COVID-19 and closely watch variants and how they may affect our organization, Members and providers,” said Maggie Kelley, Sr. VP & CCO. “I hope as people resume some sense of ‘normalcy’ in the upcoming months that we all consider restructuring our personal and work environments with everyone’s health and wellbeing in mind.”

On the positive side, telehealth proved to be especially important during the pandemic. This service is now here to stay, which will enhance and extend the access to providers we can offer to our Members. With our COVID-19 experience as a base, we are currently in the midst of launching a telehealth-based urgent care service that will join our existing telehealth offerings.



NEW LOOK, same mission

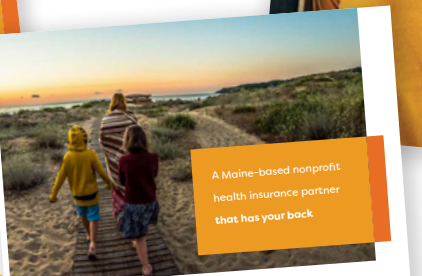
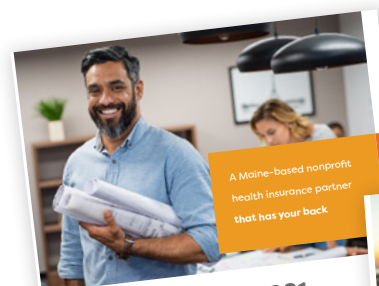
Refreshing our brand for the future



Nearly a decade after founding our Maine-based, nonprofit health insurance organization, we refreshed our look. Our goal with the updates was to reflect our growth while reassuring our Members and partners that our mission—prioritizing people over profits—would never change.

Community Health Options has always been focused on creating a thriving healthcare

community. Powered by Maine people, we have developed meaningful partnerships with Members, businesses, and health professionals in our local communities. Our brand is built on improving the quality of health benefits, reducing costs, transforming individual and community health, and positively affecting local economies.



Our new logo, designed by Maine-based Ethos, illustrates the vitality of our brand and the optimism we have for Maine's future.



BRAND PROMISE:

Community Health Options is an innovative, Maine-based nonprofit health insurance partner that has your back. We work every day to keep costs low and get you the healthcare benefits you expect and deserve.

GIVING BACK

Launching Community Giving at a Critical Time

Health Options laid the financial and foundational groundwork to establish our grant-giving Community Benefit Expenditure in 2019. By May 2020, we were able to move quickly with grant-giving, just as Maine communities were experiencing some of the most troubling effects of the pandemic. With two grant cycles, we awarded a total of \$115,000 in funding to 16 nonprofits. Our funds helped local, community-based organizations address immediate needs such as food, shelter, and healthcare. We also directed funding to help Maine people facing domestic violence, elder abuse, and child abuse, all of which intensified during the pandemic.

At the end of the year, we prepared for our second year of funding with a focus on supporting community-based health and wellness in Maine. We look forward to building relationships with Maine nonprofit organizations that are assisting citizens to manage chronic illnesses and helping them be their healthiest—mentally, physically and emotionally.



Business Development Team Member Sarah Timmermeyer helping out at a local food pantry.

By the NUMBERS

Our 2020 Balance Sheet

| Balance Sheet as of December 31, 2020 | |
|--|-----------------------|
| ASSETS | 2020 |
| Cash and invested assets: | |
| Bonds | \$ 68,950,865 |
| Cash, cash equivalents, and short-term investments | 139,742,121 |
| Total cash and invested assets | 208,692,986 |
| Investment income due and accrued | 468,996 |
| Premiums receivable | 789,302 |
| Amounts recoverable from reinsurers | 6,026,439 |
| Healthcare and other receivables | 2,997,684 |
| TOTAL ASSETS | \$ 218,975,407 |
| LIABILITIES, CAPITAL AND SURPLUS | |
| Liabilities: | |
| Unpaid claims and claims adjustment expenses | \$20,459,204 |
| Accrued medical incentive pool and bonus amounts | 616,469 |
| Aggregate health policy reserves | 47,230,053 |
| Premiums received in advance | 3,935,779 |
| General expenses due or accrued | 5,245,371 |
| Ceded reinsurance premiums payable | 974,064 |
| Amounts withheld or retained for the account of others | 3,263 |
| Borrowed money and interest thereon | 324,702 |
| Other liabilities | 46,499 |
| TOTAL LIABILITIES | \$ 78,835,404 |
| CAPITAL AND SURPLUS: | |
| Surplus notes | \$ 132,316,124 |
| Unassigned funds | 7,823,879 |
| TOTAL CAPITAL AND SURPLUS | 140,140,003 |
| Total Liabilities, Capital and Surplus | \$ 218,975,407 |



Some call it innovation.
Others call it common sense.
We call it working together.

COMMUNITY 
Health Options™

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