



BlueCross BlueShield
Kansas

Annual Report

2023



At Blue Cross and Blue Shield of Kansas (BCBSKS), we are proud of our long history of service.

For more than 80 years, we have had the honor of being an integral part of the most important moments in our members' lives. We have been there for families in times of both crisis and joy. We have been there for employers striving to provide the best resources for their employees. We have been there for communities looking toward a better, healthier future.

Our work has helped Kansas become a better place to live and raise a family. It has made health care more humane and easier to understand. It has given Kansans peace of mind and access to a better quality of life.

But our mission is far from over. Even as we strive to make meaningful change in our state, health care remains too confusing and too expensive. Consumers' expectations for service and information are increasing. For-profit competitors are becoming more aggressive and sophisticated. It is more important than ever that we partner with providers, employers, legislators, and likeminded organizations to continue to champion our members' best interests.

The work in this 2023 annual report reflects one of our core beliefs: We believe Kansas is a better, stronger, healthier place with us as the leader in health care. But to remain the leader, we must meet the demands of this changing world.

To that end, we are busy modernizing our company to continue to serve Kansans for decades to come. In 2023, we created meaningful partnerships with community leaders, providers, advisors, and lawmakers. We worked tirelessly to improve the quality of care, not just for our members, but for Kansans everywhere, from rural and frontier communities to our most populous cities. Together with stakeholders across the state, we turned the dial on health equity and social determinants of health and worked to meet the resource needs of our neighbors and friends.

For the rest of this decade, we will renew our commitment to making Kansas a better, healthier place to live. We invite you to follow along our journey as we work to make health care easier and more affordable for individuals and businesses alike.

As we transform our company, we will also protect its essential character. We will breathe new life into our five core values – integrity, service, dependability, growth and progress, and courage. It is this commitment to our values that has made us the leader for over eighty years.

In the months and years ahead, we look forward to new milestones, new partnerships, and new accomplishments in creating a brighter, healthier future for Kansans. Thank you for trusting us in this work and for being our greatest inspiration along the way.

Sincerely,

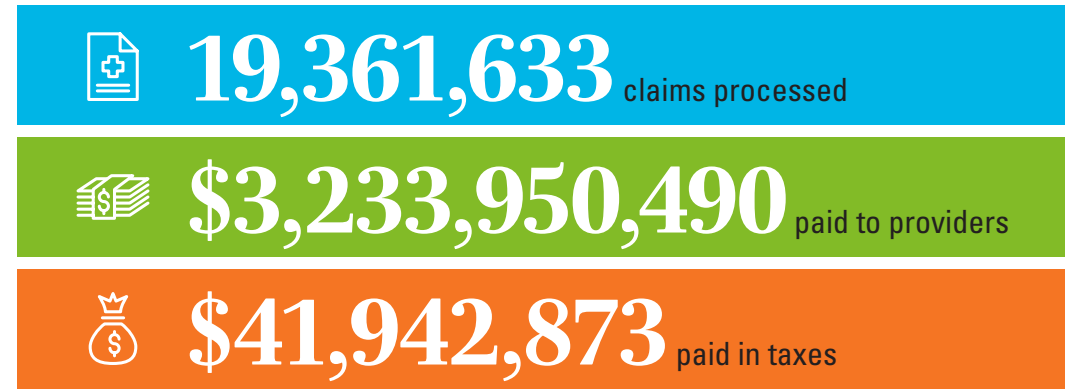


Matt All

President & CEO, Blue Cross and Blue Shield of Kansas



Value & Community Impact



In 2023, 88.7% of every premium dollar went to member care.¹

As a member-owned, not-for-profit company, 1% of your premium dollar goes to taxes² and 10% goes to operate our business. These administrative fees include general business operations to serve you, our groups and members, and to ensure financial stability so we are there when you need us. These administrative fees are some of the lowest, nationally, for a health insurer.

Taxes paid by Blue Cross and Blue Shield of Kansas support local, state and federal social services and programs, including education, health care, transportation, social security, corrections, veterans and other vital public services.



¹ Member care includes the following claims: hospital, facility, health care provider, drug and dental claims. Claims expense allocation is based off of 2023 paid claims.
² Taxes include payroll, federal and state income, personal property, real estate and premium tax and exchange fees for Blue Cross and Blue Shield of Kansas and its subsidiaries.



Who We Are

Learn more at bcbsks.com

Company Name: Blue Cross and Blue Shield of Kansas, Inc.
More commonly known as: BCBSKS or Blue Cross
Founded: 1942
Company Classification: A mutual company owned by our members
Our Endless Aspiration: Together we will lead a movement to give Kansans a health care system that works – one that they can trust, understand and afford
Our Values: Integrity, Service, Dependability, Growth and Progress, Courage
Company Headquarters: 1133 SW Topeka Blvd. Topeka, KS 66629-0001
Field Offices Located In: Dodge City, Garden City, Hays, Hutchinson, Independence, Lawrence, Manhattan, Pittsburg, Salina and Wichita

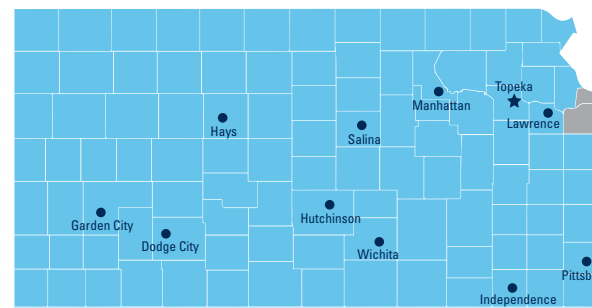
CEO: Matt All

1,757
Employees
(as of Dec. 31, 2023)

BCBSKS is the largest insurer in the state of Kansas serving nearly

1 Million Kansans

BCBSKS serves 103 of 105 counties in Kansas



● BCBSKS Service Area ● BCBSKS Field Office Locations
 ● Outside Service Area

Best access. Best doctors. Best care.

In 2023, BCBSKS coverage included 95% of all providers in the BCBSKS service area, 99% of all medical doctors and 100% of all acute care hospitals.

Our Subsidiaries

- Advance Insurance Company of Kansas (AICK) sells life, disability and employee assistance plans in the BCBSKS service area.
- The Blue Cross and Blue Shield of Kansas Foundation was incorporated in 2005 and seeks to fund programs and activities that are, at their core, health-related. Since the program's inception, we have provided over \$9.6 million in funding for initiatives that create a healthier future for all Kansans.
- BlueCross BlueShield Kansas Solutions was incorporated in 2013 to give the company greater flexibility in designing benefit plans to meet the needs of the changing marketplace.
- Administrative Services of Kansas, conducting business as Blue Cross and Blue Shield of Kansas (dba) ASK. Their services include:
 - Electronic remittance notices
 - Electronic acknowledgements
 - Member eligibility and benefit information
 - Claims history
 - Electronic pre-certification and referrals

What We Offer

- Individual health plans
- Employer health plans (fully insured and self-funded)
- Association Health Plans
- Medicare Advantage (Part C) plans
- Medicare Prescription Drug (Part D) plans
- State Government and Municipal plans
- Medicare Supplement plans (Plan 65)
- Life and disability insurance
- Workforce Blue (HRIS System)
- Section 125 Plans
- Health Spending Accounts (HSAs)¹
- Health Reimbursement Accounts (HRAs)
- Hospital indemnity plans (Secure HIP)
- Specified disease plans for Cancer (Secure 300)
- International travel health insurance²
- Dental plans
- Health and wellness resources
- Employee Assistance Program (EAP)

¹ Offered through a vendor
² Plans are underwritten by World Wide Insurance Services

2023 health claims for members:

19,361,633
Processed

\$3,233,950,490
Paid to Providers

Our Community Investment

\$33 Million+ in Grant Funding

For more than 80 years, our culture has been based on Kansans serving Kansans and creating a healthier future for everyone in our state. To further this mission, we launched our Blue Health Initiatives program in 2016. This program supports evidence-based solutions that make Kansas a healthier place to live, work and play. Since the program's inception, we have provided more than \$27 million in funding for initiatives that create a healthier future for all Kansans. To learn more, visit bcbsks.com.

The three key pillars that comprise Blue Health Initiatives include:

- 1 Pathways:** These initiatives create long-lasting, community-wide change by connecting local coalitions with the tools and resources needed to be successful.
- 2 Trailblazers:** These are innovative solutions to address the unique needs of our state. They are helping create change where strategies for success are not yet established.
- 3 Healthy Lifestyles:** These initiatives encourage Kansans of all ages to create healthy habits and lead active lives.

Corporate governance

Board of Directors*



Matthew D. All
Lawrence
Blue Cross and Blue Shield of Kansas



Amanda D. Huelskamp, SHRM-CP, PHR
Andover
VSE Corp.



Jena K. Lysen
Wichita
Martin Pringle Attorneys at Law



Rick D. Baden
Olathe
Watco Companies, LLC



Rick C. Jackson
Topeka
Capitol Federal Savings®



Jeff D. Mullen
Wichita
Ritchie Development



Gregory V. Binns
Hutchinson
First National Bank of Hutchinson



Megan L. Jones
Topeka
Jones Advisory Group



Jeffrey R. Thompson
Salina
Salina Vortex Corporation



James H. Gilbaugh, M.D.
Wichita
Wichita Urology Group



James A. Klausman
Topeka
Midwest Health, Inc.



Angela N. Wilson, D.D.S.
Lawrence, Southwind Periodontics
& Dental Implants, P.A.



Leonard R. Hernandez
Arkansas City
South Central Kansas Health



Garrett T. Love
Montezuma
Love Land & Cattle

*as of December 31, 2023

The Blue Cross and Blue Shield of Kansas Foundation

The Blue Cross and Blue Shield of Kansas Foundation has been promoting the good health of Kansans since 2005 by providing financial support for initiatives that focus on the key health issues impacting the lives of Kansans.

It is the Foundation's goal to improve the health and well-being across the communities we serve.

The Foundation has five main funding pillars:

- Health improvement
- Community health access and health education
- Healthy behaviors
- Prevention initiatives
- Direct health services to the uninsured

Scope of giving

Since 2005, over \$10.2 million has been provided to initiatives that create a healthier future for all Kansans. The Blue Cross and Blue Shield of Kansas Foundation focuses on funding initiatives that address health and wellness, mental and behavioral health and health equity initiatives.

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Grant spotlights

KU School of Medicine – Wichita (Statewide): \$100,000

Foundation funding helped launch a fellowship program in child and adolescent psychiatry. With a critical shortage of psychologists across Kansas to help children living with mental health challenges, this program will help more children receive the help they need, enhance knowledge for other health professionals and help stop the long-term effects of untreated mental health issues.

“I have been so impressed by the support from everyone in the community for this program. It will change so many lives and relieve so much suffering. We are very grateful to BCBSKS Foundation; we have been able to start the fellowship ahead of our plans with their support.”

– Rachel Brown, MBBS, Professor and Chair of Psychiatry and Behavioral Services for KU School of Medicine-Wichita

First Tee of Kansas (Statewide): \$30,000

Foundation funding supported First Tee of Kansas, covering 18 Kansas counties. Funds helped purchase equipment, paid golf course fees and provided assistance to families that couldn't afford the program fees. First Tee is more than just a sports program – it empowers youth to be the best version of themselves. By integrating the game of golf with life skills curriculum, they create learning experiences that build inner strength, self-confidence and resilience that kids carry to everything they do.



In 2023, more than **\$767,000** was awarded to **202** organizations.

Healthy Habits for Life

Healthy Habits for Life is a major grant-giving program of the Foundation for schools. It is offered to help schools fund physical and mental health initiatives for students in kindergarten through grade 12.



“Through Healthy Habits for Life, we have been able to enrich our students’ learning and offer enhanced programs for them. The goal is to always give our students the tools and knowledge they need to make positive choices now that will help guide their futures. These grants have been a huge blessing to our students and I am so appreciative of the opportunities they have provided.”

-Heather DeMaranville, Nurse, Tonganoxie Public Schools

In 2023, a total of **110** grants were given, totaling

\$196,797

in funding for healthy initiatives for students.

Community Relations

Kansans serving Kansans

In 2023, our organization made significant investments across Kansas through volunteer efforts, employee giving campaigns, local partnerships and continued investment in the Shield Against Violent Environments (SAVE) program.

Volunteerism

At Blue Cross and Blue Shield of Kansas (BCBSKS), we believe the best way to help others is to serve others. That’s why our employees happily volunteer their time to give back to organizations across the state that serve the most vulnerable members of our communities. Our employees are also heavily involved in their respective communities outside of corporate volunteerism.

Major volunteer projects included

Junior Achievement
420
hours

Meals on Wheels
1,746
hours

Nancy Perry Day of Caring
300
hours

3,665 hours invested into community projects.

Health-focused support

Corporate contributions primarily support non-profit organizations in our service area that have a health-related focus. Most of the funding goes to support event sponsorships that benefit area non-profit organizations. The budget prioritizes funding corporate community relations projects and organizations where staff serve as board members. Funding decisions are made by a broad committee of employees.

2023
\$310,200
to **79**
organizations

Shield Against Violent Environments (SAVE)

We are committed to providing employees with a safe and healthy workplace where domestic violence will not be tolerated. The Shield Against Violent Environments (SAVE) program, which is in its 22nd year, was implemented to provide employees who have experienced or are currently experiencing a domestic violence situation with resources and assistance.

Through corporate giving, we were able to further support domestic violence survivors and education through supporting the Kansas Coalition Against Sexual and Domestic Violence (KCSDV) 2023 Advocacy Day and Silent Witness Exhibit, a project that seeks to raise awareness about the impact of sexual assault, domestic violence and stalking in Kansas by honoring victims who have lost their lives to this violence. We also supported Jana’s Campaign’s Heartland Campus Safety Summit and their fundraiser An Empty Place at the Table. Jana’s Campaign works to provide quality educational programming that prevents gender and relationship violence.

United Way Employee Giving Campaign

For more than 50 years, BCBSKS employees have helped to cultivate positive, sustainable change for families in Kansas through their generous donations and partnership with local United Ways across the state. This support includes employee giving, volunteerism, board service, and corporate and Foundation giving.

“When even one person does something good for someone else, it creates a ripple effect that stretches far beyond what we can even imagine. When we’re able to do that united as an organization committed to serving our fellow Kansans, it’s even more special.”

-Mikayla Hermesch, BCBSKS Community Relations Specialist

American Red Cross Disaster Response

Through a unique partnership with the American Red Cross, we founded a Disaster Response Team (DRT) in 2013. The objective of the DRT is to assist fellow Kansans in need following major disasters, such as tornados, flooding, storms, etc. The team deploys to large scale disasters to provide comfort and care to those impacted. The deployment efforts include: providing shelter, damage assessment, food, emotional support, health services, relief supplies and other forms of support.

On personal time, members of the team may also assist on smaller crises such as house fires and supporting first responders as members of Disaster Action Teams (DAT) in their immediate area.

Disaster Response Organizational Community Response Plan

Following the Andover tornado in April 2022, it became clear that our organization needed a clear, well-thought-out plan for responding to local disasters. A cross-divisional team met and outlined a full plan that includes employee, member, group and community organization support.

“This corporate partnership is one of its kind in our state and is the envy of other chapters throughout our entire enterprise. Simply put, this team makes our humanitarian mission possible.”

– Jane Blocher, Executive Director for the American Red Cross Greater Kansas Area Chapter



In 2023, **600** employees contributed **\$184,767**

Blue Health Initiatives

Transforming Kansas Communities

We are Kansans serving Kansans. By building and strengthening Kansas communities, Blue Health Initiatives works to make Kansas a healthier place to live, work and play. Our core values help guide our work:

Dependability – By providing community coalitions with tools and resources needed, we are helping communities remove barriers to healthy living.

Growth and Progress – Helping to pilot innovative solutions will help address the unique needs of our state.

Service – Through encouraging healthy lifestyles, our goal is to inspire healthy behaviors for life.

Our investment in communities and partnerships through Blue Health Initiatives is improving health and quality of life in Kansas.

Since its inception, Blue Health Initiatives has invested more than \$37 million across Kansas.

Dependability: Pathways to a Healthy Kansas

The *Pathways to a Healthy Kansas* initiative, known as *Pathways*, is the largest community grant initiative ever funded by Blue Cross and Blue Shield of Kansas (BCBSKS). It combines community-wide, evidence-based solutions and practices to help Kansas communities improve active living, healthy eating and commercial tobacco prevention. The initiative provides community coalitions with the tools and resources needed to engage their communities and remove barriers to healthy living.

Pathways addresses the social determinants of health (SDOH), which are the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health functioning, and quality-of-life outcomes and risks. SDOH can be grouped into six domains: economic stability, education access

and quality, health care access and quality, access to healthy food, neighborhood and built environment and social and community context.

In Fort Scott, deep disparities exist between the east and west sides of town. The Healthy Bourbon County Action Team is working to address these disparities through a *Pathways* placemaking project. A key priority identified by the community was improvements to the 3rd Street Park. With funds from BCBSKS and other grants, they have fixed existing restrooms, added playground structures and built stairs for accessibility from one area of the park to another.



“I could cry at the transformation that has happened at the park. Now we have playground equipment and surfacing, and it is just a usable space for this neighborhood.”

– Rachel Carpenter, Director, Healthy Bourbon County Action Team

Growth and Progress: Trailblazers

The NXTSTAGE Community Health and Vibrancy Competition

BCBSKS was the presenting sponsor for this competition for the third year in a row. Nine leading startups were matched with Kansas communities for six pilot projects aimed at improving access to mental health and addiction treatment, enhancing services for seniors aging in place and providing systems to help local micro businesses thrive. In 2023, 92% of the startups were led by minority or female founders.

One pilot pairing was between Advocatia, a benefit screening platform, and Thrive Allen County. With so few local benefit offices available

across the state, it could be an hour or more for Kansans to drive and access these services. Advocatia has allowed local navigators the ability to screen their clients for eligible state and federal benefits, helping them apply for these benefits all in one location, saving them frustration and valuable time.

Kansas Community Network

The Kansas Community Network is a system of health care and social service organizations who provide whole-person care and improve health outcomes for the most vulnerable members of the community. The network is supported by WellSky and is dedicated to removing social barriers and closing health equity gaps through social service delivery.

35+ community-based organizations
681 clients with referrals

995 referrals made
2,277 services referred

Top five services referred are parenting help and education; utility assistance; food pantries; community information and support; and care coordination.

United for Alice

ALICE in Kansas: A Study of Financial Hardship places a spotlight on a large population of hardworking Kansans who work at low-paying jobs, have little or no savings and are one emergency away from falling into poverty. BCBSKS provided a \$120,000 grant to jumpstart this work and we serve on the Research Advisory Committee. ALICE stands for Asset Limited, Income Constrained, Employed. View the full report at unitedforalice.org/state-overview/Kansas.

Service: Healthy Lifestyles

Healthy Lifestyle grants are a collection of statewide initiatives that engage people of all ages. The grants promote healthy habits and active living and are designed to meet the unique needs of each community. This year, we funded new BCBSKS Outdoor Fitness Courts, community orchards, and added two new KanCycle bike share locations in Lindsborg and Coffeyville.



Health Equity

Pursuing a More Equitable Health Care System

Kansas is an unbelievably diverse state, full of people with different racial and ethnic backgrounds, speaking different languages and experiencing life in a variety of ways. Each of these people have different needs when it comes to their health, there's not a one-size-fits-all approach. At Blue Cross and Blue Shield of Kansas (BCBSKS), we want the highest level of health for all people, often referred to as health equity. While this is a new focus area for BCBSKS, this work aligns with our company values and the way we have served our members since our inception.

Service – By partnering with other organizations in our state, we'll be able to support and advance this work.

Growth and Progress – Data collection will help inform work to address the deep racial and ethnic disparities in our state.

Courage – As we continue to build this program, we will work to create lasting, sustainable change in our state.

Equality means each individual is given the same resources or opportunities. Equity recognizes each person's differences and allocates the exact resources and opportunities needed to reach an equal outcome.

Service: Fostering Collaboration & Growth

We partner with community organizations, health care partners, and health equity advocates to support and advance equity efforts throughout Kansas. We have sponsored several health equity events and conferences across the state, which provides opportunities to bring stakeholders together in shared learning and networking.

The **Kansas Health Equity Summit** was a one-day event designed to bring together the state's equity leaders and champions to accelerate and make progress on our collective expertise. BCBSKS was a primary sponsor of the conference and staff have served on the

planning committee for the conference. The conference touched on a variety of areas from using data to pursue equitable health outcomes to understanding how community collaborations impact health equity.

As an Equity and Opportunity Champion for the Greater Topeka Partnership, BCBSKS served as a primary sponsor of the **2023 Kansas Diversity, Equity & Inclusion Summit** for the second consecutive year. BCBSKS staff served on the planning committee and helped host the event, which brought together area diversity, equity and inclusion champions and advocates from a wide variety of industries and organizations.

The **Maternal and Child Health Equity Conference: Addressing the Social Determinants of Health** event brought together providers, community advocates, researchers, and others to focus on the social determinants of health in order to make progress on identifying solutions to improve maternal and child health in Kansas. BCBSKS was a primary sponsor of the event that took place at Wichita State University and Virginia Barnes, Director, Blue Health Initiatives, served on an expert panel discussing maternal and child health in Kansas.

Service: Supporting Learning around Maternal Health

We serve as the primary funder for birth equity training for Kansas hospitals wanting to improve maternal health outcomes. Through our partnership with the Fourth Trimester Initiative at the Kansas Department of Health and Environment and the Kansas Birth Equity Network (KBEN) at the University of Kansas Medical Center, we provided funding for all health systems participating in the Fourth Trimester to attend KBEN birth equity training.

The KBEN birth equity training curriculum focuses on understanding the need for birth equity and fostering an understanding of the factors that contribute to poor maternal health outcomes, specifically for Black mothers. Kansas hospitals began implementing this training in 2023 with more to come in 2024.



Growth and Progress: Data-driven Decision Making

Collection and analysis of data is an important step in any organization's equity journey. Data analysis helps us identify differences in health outcomes between member groups, which allows us to make informed decisions to improve health conditions and outcomes for all of our members. This is why we are investing in innovative data analytics to ensure that all members have the opportunity to be as healthy as possible. We are beginning with analytics around maternal health, but plan to expand into other health areas in the coming years.

Courage: Advancing Health Equity

We will continue to align the health equity program to the five priorities within the National Health Equity Strategy framework from the Blue Cross Blue Shield Association:

- **Collect data to measure disparities** – We are working closely with internal stakeholders to ensure our internal data can tell a comprehensive and cohesive story of health equity among our members and the various health disparities and inequities they face.
- **Scale effective programs** – Data will be used to determine which interventions can be deployed to have a positive impact on the health of both our members and all Kansans.
- **Work with providers to improve outcomes and address unconscious bias** – We are strategically partnering with statewide organizations to provide opportunities for improving health outcomes with providers, including providing funding for the Kansas Birth Equity Network.
- **Lean into partnerships at the community level** – We recognize we cannot do this work alone, to be truly effective it must be done with trusted community partners. We are working to establish strategic statewide and community-level partnerships to foster growth in our equity work.
- **Influence policy decisions at the state and federal levels** – Our Health Equity program is organizationally placed within the Government and Community Relations division, allowing for strategic partnerships.



**We are Kansans serving Kansans and are honored
to have served this state for more than 80 years.
We look forward to continuing to partner with you
to improve the health of all Kansans.**



[bcbsks.com](https://www.bcbsks.com)



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