

Florida Blue



We know Florida. We've grown and evolved along with the people of Florida, their needs and lives. With the strength of the national Blue brand behind us, we've been consistently able to think beyond conventional health care.



Message from the CEO

All those that call Florida home have placed their trust in Florida Blue, which was originally established as Blue Cross and Blue Shield of Florida over 70 years ago. And they count on us to continuously develop better solutions that promote more affordable health care across the state. We want to be there for the everyday moments, as well as the big health challenges, and we are finding new and innovative ways for consumers to get the guidance, care and support they need for better health.

Our health care system is in the midst of a historic national reform effort. The uncertainty of the marketplace coupled with the numerous opportunities resulting from reform is causing us and other insurers to ponder various scenarios and implications in response to our changing health care environment. As a result, our company has re-evaluated how we do business.

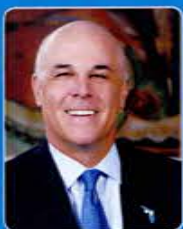
At the very core, these market forces, challenges and opportunities are calling for us to change our business model if we are to remain the market leader in Florida. This means we must transform from a financial services company – something we've been known and respected for in the market – to an entrepreneurial-oriented one with a much broader focus on consumerism. Our new name in the market is Florida Blue – reflecting the dynamics of becoming a health solutions company and better conveying our commitment to positively impact the health of the people and communities of Florida using a more consumer-friendly approach. As Florida Blue, our focus is on the person – understanding them, how they live and what they really need in terms of their health and well-being.

Our mission – helping people and communities achieve better health – is the company's reason for existence. It sets us apart from our competitors as we are committed to making a difference, not just for our customers but for Florida's communities as well. We continue to grow and expand our company, finding new ways to help the people of Florida in their pursuit of better health. To do this, we've recalibrated our focus from just financing health care to providing a positive impact managing overall wellness to even care delivery.

We believe that partnering with consumers and providers is one way to expand access to health care and to continue to increase affordability. With accountable care organizations and patient-centered medical home programs, we're building innovative care models that facilitate partnerships between patients and their doctors that foster better-coordinated and more cost-effective care.

Our vision – to be a leading innovator enabling healthy communities – is both the inspirational and aspirational description of the future state of our company. By broadening our scope and continuing to evolve, we have more flexibility to make a greater impact on as many people as possible.

We continue to offer innovative, affordable health care solutions that help businesses succeed and give those we serve the opportunity to live fuller, healthier lives. I am confident that as we journey toward individual and community-centered care, our company will continue to create greater value and produce better results for our customers and the communities they call home because Florida is our home, too.



Patrick J. Geraghty

Chairman and CEO

Who We Are

Florida Blue, Florida's Blue Cross and Blue Shield company, is a leader in Florida's health industry. Since 1944, our members have counted on us to continuously develop better solutions that promote more affordable health care across the state. Our mission, to help people and communities achieve better health, is central to all that we do. Helping people in their pursuit of health reflects Florida Blue's commitment to ensuring affordable plans, providing personal service and support and building strong communities that enable health and wellness for all. Florida Blue is a not-for-profit, policyholder-owned, tax-paying mutual company. Headquartered in Jacksonville, Fla., it is an independent licensee of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield companies.

Employees:

Florida Blue is one of Florida's largest employers with approximately 6,500 of its nearly 7,500 employees located in the state. (The balance of Florida Blue employees are in Pennsylvania and Texas.)

Financial Performance:

In 2013, Florida Blue achieved its 25th consecutive year of positive financial performance. The company reported financial results for 2013 with total revenue of \$9.7 billion and consolidated net income of \$367 million.

External Financial Ratings:

These ratings reflect our strong market presence, disciplined growth and capitalization strategies and superior brand, making us among the highest-ranking health care companies in the United States:

- Standard & Poor's (A+)
- A.M. Best (A+)

Accreditation:

- The National Committee on Quality Assurance (NCQA) has rated Florida Blue's commercial HMO plan, Health Options, Inc., as "Excellent." It has awarded "Commendable" status to Florida Blue's Medicare HMO Plan.
- Florida Blue earned the CEO Cancer Gold Standard™ accreditation on Feb. 1, 2012 and was re-accredited in 2013.



Mission, Vision and Values

Our mission, vision, values and strategic objectives clearly articulate who we are and what we want to accomplish.

MISSION

VISION

VALUES

To help people and communities achieve better health

A leading innovator enabling healthy communities

Respect, Integrity, Imagination, Courage, Excellence

Strategic Investments and Partnerships

Our current strategic investments and partnerships support our health insurance business transformation as well as our diversified market objectives.



Who We Serve

We help employers, employees, individual consumers and their families successfully navigate the health care community, making plans for their health, supporting them in achieving financial objectives and delivering improved health outcomes.

Members:

- Florida Blue and its family of subsidiaries serve more than 15 million people across the United States.
- In its primary health business, Florida Blue serves more than 4.2 million members, which represents a 32 percent share of the overall Florida health insurance market.
- Florida Blue held a commercial membership retention rate of 91 percent for year-end 2013.

We cover
one in three
Floridians



Communities:

Florida Blue has a deep commitment to give back to the communities it serves. Through its Florida Blue Volunteers programs, employees volunteer tens of thousands of hours every year to provide board leadership, feed the hungry, walk, run and ride miles to raise funds for worthy causes, mobilize volunteers and challenge other organizations to become involved in their local communities. In 2013, charitable contributions (between Florida Blue and the Florida Blue Foundation) totaled \$13.1 million for more than 500 non-profit organizations and our employees logged more than 60,000 hours volunteering in our communities.

Our Products and Services

We offer a broad choice of innovative health-related products and services through our family of subsidiaries and joint ventures. This flexible portfolio of health care products includes:

- Traditional health care insurance (BlueOptions)
- Preferred Provider Organization (PPO) products
- Health Maintenance Organization (HMO) products (Health Options, Inc. and Florida Health Care Plan)
- Commercial Medicare products
- Medicaid services through a joint venture called Florida True Health
- Health savings and related accounts
- Limited benefit products and ancillary products such as life, disability, dental, workers' compensation, long-term care, vision and wellness programs

Our Marketplace

The future of the health insurance market is projected to undergo substantial change as reform and demographic trends drive substantial growth in the government and consumer markets.

Weak economic conditions, demographic changes and political/regulatory shifts are forcing fundamental changes on an already challenged delivery system. To ensure long-term viability, the delivery system will undergo systemic changes in care models, reimbursement, technology, compliance, regulatory oversight and structural alignment.

As a result of recessionary pressures and an ever-increasing affordability gap, consumers are adjusting to the "new normal" – living in an environment of uncertainty where the rules of the game continue to change drastically.

While making it tougher to achieve long-term goals, the new normal has pushed consumers to be more pragmatic and to take a more stringent stance toward day-to-day budgetary trade-offs, including health care utilization and coverage decisions.

The health care landscape is changing with potent impacts on the people of Florida. They face more choices, responsibility, costs and decisions in managing their health and wellness. As a Florida company, we're changing, too – evolving from a health care company to a health solutions company focused on the whole health life of everyone in the state and dedicated to meeting their needs today and tomorrow. That's why we've changed our name to Florida Blue. Our new name reflects our personal service and commitment to help everyone in the state in their pursuit of health.

Our Areas of Focus

Our strategic objectives are what we need to accomplish to fulfill our mission and vision.



Where We Are Heading

We are transforming and diversifying from a health insurance company to an innovative health solutions company focused on helping people and communities achieve better health.



Our Innovative Health Solutions

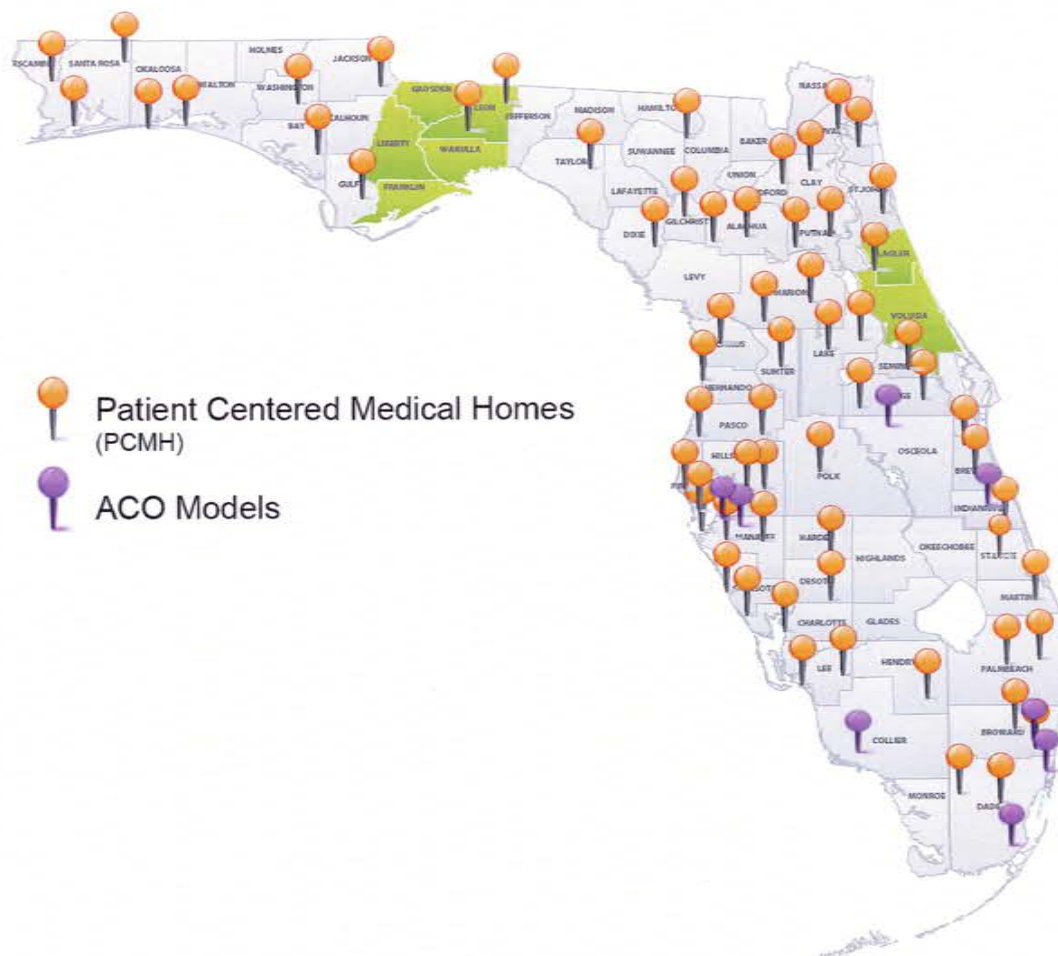
Advanced Integrated Care Delivery

Affordability encompasses a unique blend of programs and services that offer truly alternative treatment and payment models, create optimal value and produce quality outcomes for members. We have several of these programs in place and are quickly developing others for the near future and our plan includes more arrangements that align incentives, reduce costs and improve care for our members.

Patient Centered Medical Home (PCMH) and Accountable Care Organizations (ACO)

The Foundation for Care Transformation

- Third largest PCMH nationally
- Over 5,500 Physicians participating in PCMH and ACO's in Florida
- 11 hospital systems participating in Florida
- Utilizes payment model that recognizes and rewards improved quality and cost efficiency
- Rewards practices for becoming accredited medical home
- Requires expanded access/office hours of PCMH providers



A Retail Approach

We are expanding on what it means to be a health solutions company. While a health insurance company focuses only on the financing of care – on the insurance plan itself – our focus is on people: understanding them, how they live and what they really need.

In 2006, Florida Blue opened its first Florida Blue Center. An original concept in health care and customer service, Florida Blue Centers are the first interactive retail environment where consumers can purchase health insurance, have face-to-face consultations concerning their individual policies, receive top-line preventive health care screenings, participate in wellness lectures and learn about various health care options designed to fit their budgets.

Changing our name to Florida Blue in April 2012 reflects our commitment to putting the people of Florida first. But this commitment goes beyond a simple name change. We are also determined to continue to add the innovations and personal touches to our service that will help to create a healthier person. And as consumers experience our one-on-one approach to health care in action at our expanding network of convenient, walk-in retail centers, their health is the number-one priority.

Florida Blue Retail Center Services

Sales and Retention

- Health plan sales
- Dental and life insurance
- Hospital indemnity, critical illness plans
- Health Savings Account (HSA) enrollment
- Group member plan selection

Member Services

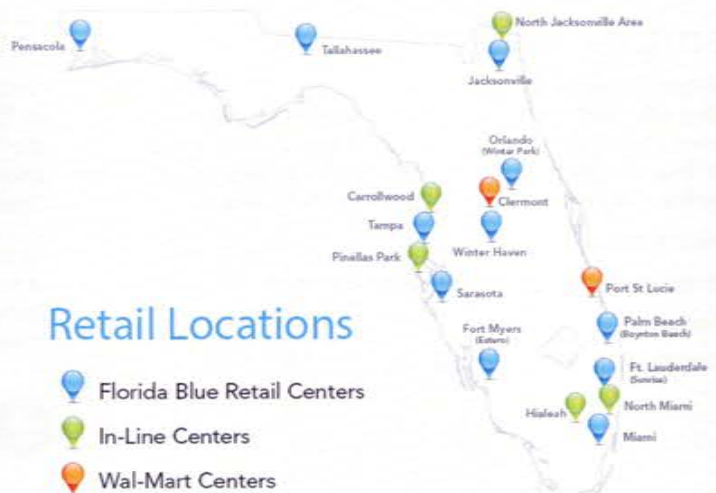
- Member engagement and use of online service
- Health plan education
- Membership changes and payments
- Service issue resolution – all products in one location

Care Navigation and Support

- Shop and compare prescriptions
- Shop and compare health services
- Health screenings
- One-on-one health coaching with a registered nurse
- Lifestyle programs
- Health condition support programs

Community Health Education and Events

- Monthly community health screenings and activities
- Health education seminars and events
 - Smoking cessation
 - Diabetes prevention
 - Yoga
 - Tai Chi
- Connecting people to community resources

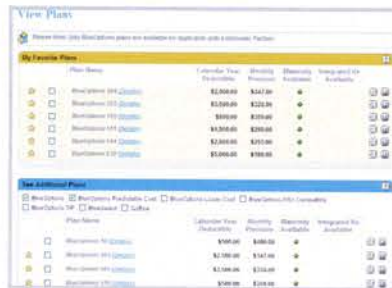


Our Innovative Health Solutions

Retail Sales Channels



Online Shopping



Online Agent Site



Worksite Marketing
Blue@Work



Mobile

Self-Service Tools

Our online member portal provides full-spectrum self-service anytime. It's a free online gateway to everything about members' health plans, providing secure and confidential access to all their benefits and claims, as well as lots of valuable information to make smart choices about their health and their health care spending. Members also will be able to print out a temporary ID card, change an address, pay their premium or send us a question. And, they can:

- View a summary of their recent claims, their deductible or out-of-pocket cost information, run a custom report of their expense history, or view a full list of their benefits.
- Use the Drug Comparison Tool to assess drug prices at local pharmacies.
- Compare the costs of treatments and hospital quality with the Medical Services Cost Estimator tool.
- Choose a doctor or facility from a custom provider directory to be sure their health care provider is in our network.
- Access a broad range of free personalized health tools from WebMD®.
- Find self-guided lifestyle improvement programs, including recipes, an online journal and interactive health trackers.
- Use core self-service functions which are available through mobile devices.

Member Engagement

Sometimes members want information from a compassionate, trusted guide. Sometimes they want solutions served up by technology that's convenient, fast, reliable and easy to use. Florida Blue's high-touch/ high-tech approach gives members the information they need, delivered the way they want.

- Mobile Web Applications
- Better You From BlueSM Worksite Wellness
- Worksite Clinics
- Care Consulting Navigation

Education, Outreach and Service

Social and emerging digital media continues to play a big role in Florida Blue's outreach to consumers, members, business partners and the community at large. We maintain a strong presence in English and Spanish on Facebook, Twitter, YouTube, LinkedIn, Instagram, Pinterest, Google+ and SlideShare.

In addition, we are continuing to establish Florida Blue as a national leader in health care through our bilingual blog program, our podcasting channel and the development of rich media shared via social outlets.



Community Health

Building a healthier tomorrow starts by giving back today. For us, focusing on funding programs that promote health solutions is an investment in everyone's health.

Building Healthy Communities

We believe in Florida. Our deep roots in the Sunshine State go back more than 70 years, and it's in our DNA to help Florida's communities stay healthy. Our approach to this mission is multifaceted. Through member outreach, financial support of community health programs, volunteer efforts and sponsorship of fitness and wellness programs throughout the state, we are committed to helping everyone in the state in their pursuit of health.

Florida Blue Foundation

The Florida Blue Foundation, Inc., is a separate philanthropic affiliate of Florida Blue. The mission of the Florida Blue Foundation is to help people and communities achieve better health. The foundation is fulfilling its mission through strategic grant-making by funding programs and organizations that will:

- Advance innovation/promote solutions in the health care system
- Build healthy, strong communities
- Improve consumer health with focus on healthy lifestyles to promote better health in
- Improve quality and safety of patient care



Our Continued Commitment

We're proud to be a leader in improving the health and well-being of our Florida communities. Below is a sampling of the organizations we partner with to make a healthy difference:

Junior Achievement of North Florida JAGIRLS

Junior Achievement of North Florida's programs inspire and prepare children to succeed in a global economy and provide financial literacy education to those in grades kindergarten through twelfth grade.

The Florida Health Literacy Grant Initiative

The Florida Health Literacy Grant Initiative, funded by Florida Blue and operated by the Florida Literacy Coalition (FLC) is committed to improving the health literacy level of Florida residents by supporting literacy programs with financial, professional development and technical support.

Miami HEAT's Read to Achieve Program

Our partnership with the Miami HEAT and the Read to Achieve Program supports underserved children in our community.

United Way

We are proud to provide caring solutions to the communities we serve through United Way. It is an opportunity for employees to demonstrate their giving spirit and help change lives in the communities where we live and work. Our annual fundraising campaign exemplifies our commitment to the community and our dedicated partnership with United Way. We have been the lead contributor to United Way Northeast Florida for the past 14 years.

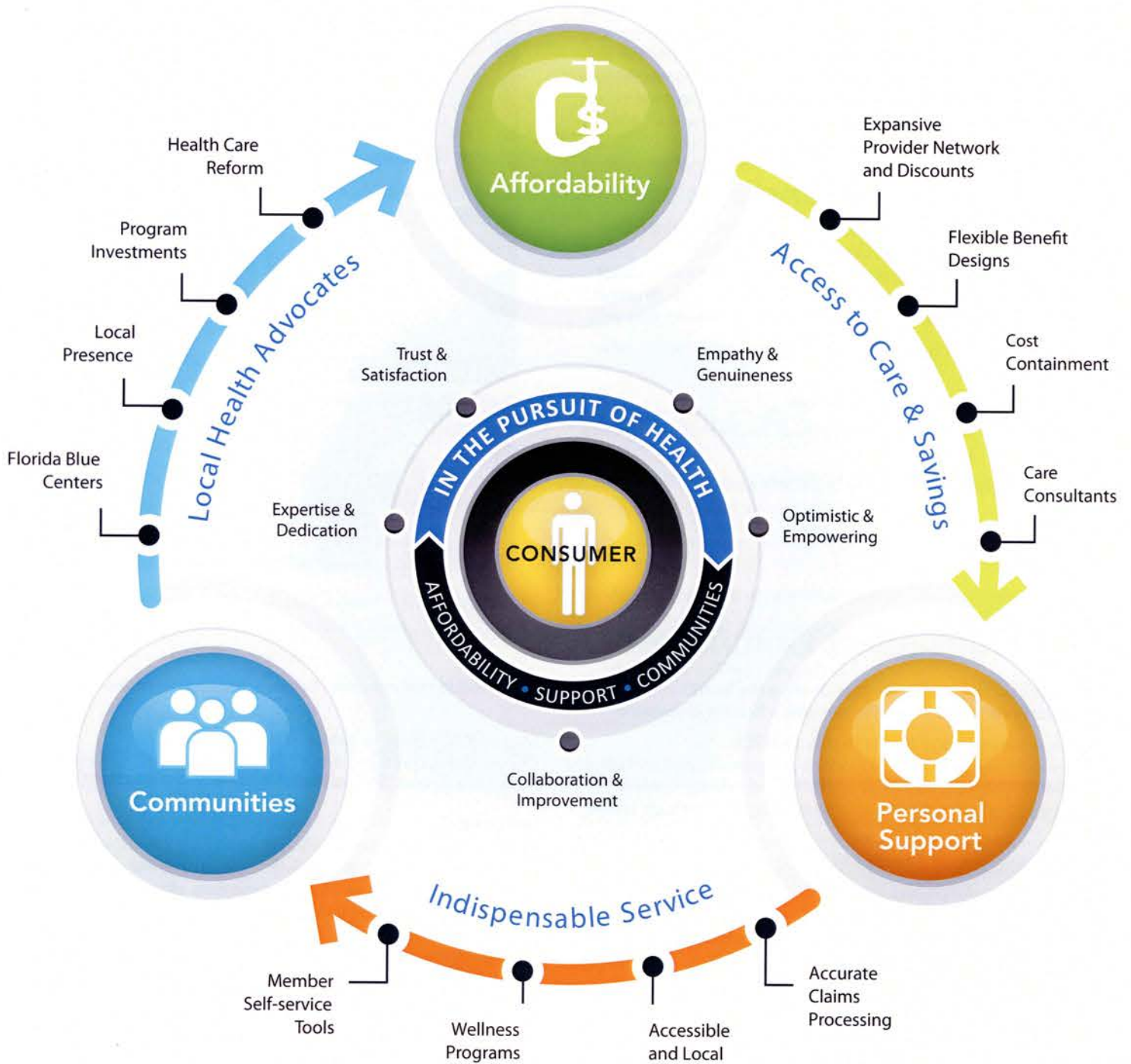
For More Information

Email thebluefoundation@bcbsfl.com

Call 1-800-477-3736, ext. 63215

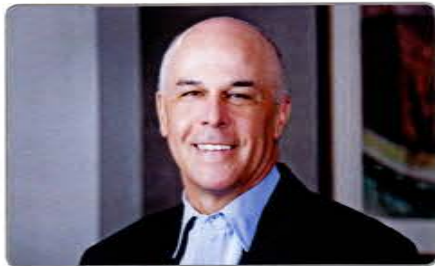
The Big Picture

We partner with our key stakeholders to better understand health solutions, reduce health care costs, deliver improved health outcomes and navigate health care reform.



Executive Team

Our proactive senior leadership team combines the wisdom of experience with a rare ability to approach challenges with fresh, imaginative thinking. By partnering accountability with innovation, we've created a winning corporate culture. As a result, Florida Blue thrives in a dynamic marketplace.



Patrick J. Geraghty
Chairman and CEO,
Florida Blue & GuideWell Mutual Holding
Corporation



René Lerer
President,
Florida Blue & GuideWell Group, Inc.



Sandy Coston
CEO & President,
Diversified Service Options and
First Coast Service Options



Chuck Divita
Senior Vice President,
and Chief Financial Officer



Jonathan Gavras
President,
GuideWell Health



Corey Heller
Senior Vice President,
Human Service Group and Chief Human
Resource Officer



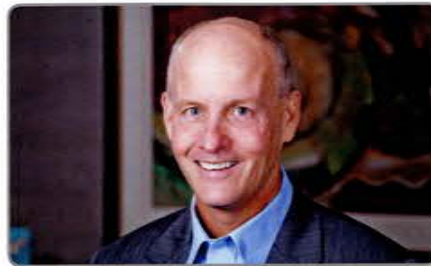
Charlie Joseph
Senior Vice President,
General Counsel and Corporate Secretary



Joyce Kramzer
Senior Vice President,
Business Operations



Inger Rood
Chief of Staff to the Office of the CEO

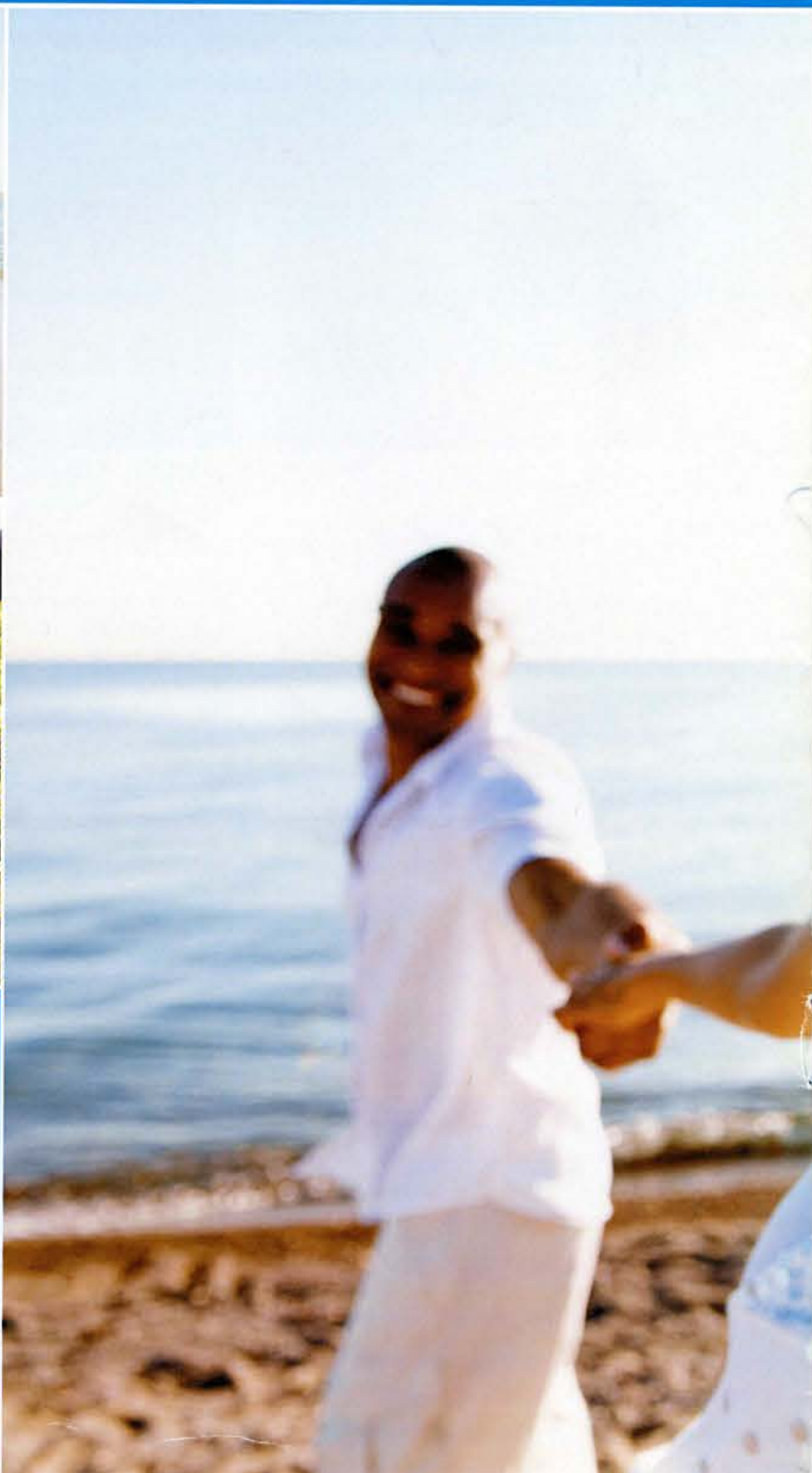


Craig Thomas
Senior Vice President,
Enterprise Strategy, Marketing and
Innovation & President, GuideWell Connect



Jon Urbanek
Senior Vice President,
Health Insurance Market Segments

In the pursuit of health



Call
1-800-FLA-BLUE (352-2583)



Visit a Florida Blue Center
Go to floridablue.com for the location near you.

Florida Blue  

An Independent Licensee of the
Blue Cross and Blue Shield Association