Building on our promise — a new day at UCare

Dear members,

UCare ended 2017 strong, focused on keeping our promise to you – to provide great service. Our business decisions are driven by what’s right for our members. That means providing service you expect and helping you access the care you need.

I am pleased to share our 2017 results with you. Last year was an exciting year for UCare and our members, as these highlights show:

• UCare Medicare plans earned 4.5 Medicare Stars and an Excellent rating from the National Committee for Quality Assurance (NCQA).

• Our membership doubled in May as we welcomed 190,000 new and returning state program members.

• For the eighth straight year, UCare was named a Star Tribune Top Workplace.

• And, after 18 years serving UCare’s members and mission, I was honored to be appointed President and CEO of UCare.

People come to work at UCare because they are passionate about helping you. And they excel at going out of their way to solve tough problems. Our team will provide you with practical solutions. They’ll help you understand your health plan benefits, make sure your claims are paid and find interpreters who speak your language.

Looking to the future, we know that health care is changing, and we’re changing too. We’re working to improve services and provide you with better tools, including improved online access. We’re simplifying member materials and changing to be more responsive to your needs.

As we work even harder to support your health, you’ll be seeing, hearing and feeling UCare more. You will see a new logo, new ads and UCare teams in the community helping make health coverage simple. One thing is not changing: UCare’s heart and mission to serve you.

Thank you for being a UCare member. We appreciate you.

Sincerely,

Mark Traynor
President and CEO
2017 at a glance

UCare is an independent, nonprofit health plan provider serving more than 400,000 Minnesotans. Founded in 1984, UCare serves individuals and families shopping on MNsure, Medicare and Medical Assistance enrollees, and adults with disabilities.

Senior leadership

**Mark Traynor**
President and Chief Executive Officer

**Larry Lee, M.D.**
Senior Vice President and Chief Medical Officer

**Hilary Marden-Resnik**
Senior Vice President and Chief Administrative Officer

**Beth Monsrud**
Senior Vice President and Chief Financial Officer

**Ghita Worcester**
Senior Vice President of Public Affairs and Chief Marketing Officer

Board of directors

James Pacala, M.D., Chair
James Van Vooren, M.D., Vice Chair
Patricia (Pita) Adam, M.D.
Charity Bennett
Mirella Ceja-Orozco (term ended April 2018)
Catherine Godlewski
John Gross
P. Jay Kiedrowski
Teresa McCarthy, M.D.
Bert McKasy
James Miller
Peter J. Mitsch
William Roberts, M.D.
Lance Teachworth
Michael Wootten, M.D.

Consumer leadership on our board

*UCare reserves seats on our Board of Directors for members. Here are 2017 members who served in this role.*

**Lance Teachworth** was elected to the Board in 2014 and 2017. He’s a UCare Medicare member on UCare’s Senior Member Advisory Committee (MAC) and who serves on the board’s Compensation Committee.

**Bert McKasy** became an elected UCare board member in 2011, 2014 and 2017. The retired attorney and Medicare member is a former Minnesota Commerce Commissioner and elected state representative. Bert serves on UCare’s Senior Member Advisory Committee and Finance & Audit Committee, and chairs the Compliance Committee.

**James Miller** was elected to the board in 2009, 2012 and 2015. Jim is a longtime UCare Medicare member and belonged to UCare’s Senior Member Advisory Committee. He serves on the board’s Governance and Compliance Committees.

**John Gross** was elected to UCare’s board in 2013 and 2016. A former Director of Health Care Policy with Minnesota’s Department of Commerce, John is a Medicare member who serves on the Compensation and Compliance Committees.

**Mirella Ceja-Orozco** joined UCare’s board in 2016 as an individual insurance member. She is an immigration law attorney who offers pro bono and Spanish interpretation services to the Volunteer Lawyers Network and Immigrant Law Center of Minnesota.

**Charity Bennett** was elected to the board in 2016. This UCare Special Needs BasicCare member is an advocate for brain injury and disabilities issues. Charity is a member of UCare’s Disability Advisory Committee.
UCare's MSHO and UCare Connect + Medicare are health plans that contract with both Medicare and the Minnesota Medical Assistance (Medicaid) program to provide benefits of both programs to enrollees. Enrollment in UCare's MSHO and UCare Connect + Medicare depends on contract renewal. UCare for Seniors is an HMO-POS plan with a Medicare contract. Enrollment in UCare for Seniors depends on contract renewal. EssentiaCare is a PPO plan with a Medicare contract. Enrollment in EssentiaCare depends on contract renewal.

## UCare Summarized Statement of Revenue and Expenses

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premiums Earned</td>
<td>$2,732,890,234</td>
<td>$1,687,783,844</td>
</tr>
<tr>
<td>Investment Income and Other</td>
<td>36,453,697</td>
<td>21,276,027</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$2,769,343,931</strong></td>
<td><strong>$1,709,059,871</strong></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical and Hospital Services</td>
<td>$2,445,013,517</td>
<td>$1,563,993,523</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>220,240,970</td>
<td>164,463,041</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$2,665,254,487</strong></td>
<td><strong>$1,728,456,564</strong></td>
</tr>
<tr>
<td>Revenue over Expenses</td>
<td><strong>$104,089,444</strong></td>
<td>($19,396,693)</td>
</tr>
</tbody>
</table>

## UCare Summarized Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Investments</td>
<td>$1,067,174,327</td>
<td>$808,713,824</td>
</tr>
<tr>
<td>Receivables, Net</td>
<td>135,928,764</td>
<td>82,173,344</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>4,214,361</td>
<td>2,108,366</td>
</tr>
<tr>
<td>Property and Equipment, Net</td>
<td>35,300,351</td>
<td>37,507,516</td>
</tr>
<tr>
<td>Restricted Assets</td>
<td>44,903,242</td>
<td>44,740,357</td>
</tr>
<tr>
<td>Other</td>
<td>1,056,839</td>
<td>1,161,588</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,288,577,884</strong></td>
<td><strong>$976,404,995</strong></td>
</tr>
<tr>
<td><strong>Current Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Claims and Settlements Payable</td>
<td>$395,546,353</td>
<td>$244,897,052</td>
</tr>
<tr>
<td>Premium Deficiency Reserve</td>
<td>20,594</td>
<td>52,194,566</td>
</tr>
<tr>
<td>Trade Payable and Other</td>
<td>18,755,343</td>
<td>12,570,409</td>
</tr>
<tr>
<td>Accrued Taxes and Assessments</td>
<td>10,452,408</td>
<td>4,473,788</td>
</tr>
<tr>
<td>Accrued Compensation</td>
<td>10,985,659</td>
<td>10,956,170</td>
</tr>
<tr>
<td>Unearned Premiums</td>
<td>173,316,303</td>
<td>73,883,418</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$609,076,660</strong></td>
<td><strong>$398,975,403</strong></td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>22,238,970</td>
<td>24,256,782</td>
</tr>
<tr>
<td>Net Assets</td>
<td>657,262,254</td>
<td>553,172,810</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$1,288,577,884</strong></td>
<td><strong>$976,404,995</strong></td>
</tr>
</tbody>
</table>
Important information about your UCare coverage

UCare’s website includes information about your health care benefits, quality improvement and more. Information about these areas is available online at ucare.org > About Us > Important Coverage Information > “How UCare makes coverage decisions, manages care, and determines authorizations.”

Also, please visit our Quality Highlights and Important Coverage Information pages to learn about UCare’s:

• **Quality program** – UCare works hard to ensure you receive the highest quality care. We evaluate this program every year for effectiveness and value. We also make sure it meets regulatory standards and guidelines. Results help us develop, prioritize and track our progress toward our quality plans and goals.

  Please visit our **Quality Highlights** page to learn more and read the annual evaluation.

• **Pharmacy benefits** – Members enrolled in plans with a pharmacy benefit receive coverage for drugs included in UCare’s formulary (drug list). We work with health care providers to develop each plan’s formulary – and make sure we include medications believed to be necessary to a quality treatment program.

  Members must use network pharmacies to access their prescription drug benefit.

  • **Our website** has the most current drug list and pharmacy benefits information, including medications affected by Prior Authorization and Step Therapy requirements.

  More pharmacy benefit details and our rules for prescription drugs are on the **Important Coverage Information** webpage.

• **Complex case management** – UCare provides this service for members with more than one complex condition. We want to help these members improve their health and quality of life and be involved in managing their health care.

  UCare’s Complex Case Managers are nurses. They coordinate care and access to services. We encourage members or caregivers to contact us
to learn if they qualify for this program. They also can fill out a referral form on our website. If members do not meet this program’s criteria, we may refer them to one of our disease management programs.

- **Pediatric to adult care transition** – Members between 18-22 years old may wish to move from a pediatric doctor to adult care. UCare can help you find doctors in your area. We also can walk you through the process of transferring your medical records to your new provider.

- **Utilization management** – This function manages services for deaf, hard-of-hearing or speech-impaired members; access to language assistance; UCare’s policy prohibiting financial incentives for utilization management decisions; and requests for independent reviews of utilization management decisions.

If you do not have internet access, call the UCare Customer Services phone number on the back of your UCare ID card.

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**UCare Mobile Dental Clinic**

Our Mobile Dental Clinic offers checkups, cleanings and simple restorative care to UCare members who may not have a regular dentist. Learn when it will be in your area at [ucare.org/mdc](http://ucare.org/mdc) or call 612-624-5654 (1-866-451-1555 toll free).

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**UCare Dental Connection**

Need help to find a dentist or set up an appointment? Or to coordinate a ride or get interpreter services for a dental visit? Make one call to our UCare Dental Connection: 651-768-1415 or 1-855-648-1415 toll free.
If you were unable to speak or act on your own behalf, would anyone know your health care wishes? Although it’s difficult to discuss with loved ones, planning ahead lets you have a say so your wishes are followed.

Plan ahead
Advance health care directives are legal documents that instruct your family and medical team on the kind of health care you want. If you are too sick to tell them yourself, those who care for you will have your wishes in writing.

You can also add instructions if you wish to receive or refuse any treatments not listed in the document. You may appoint a close family member or friend to make choices about your care if you are too sick to do so yourself. By planning ahead, you’ll guide decisions your family may have to make for you.

Talk with your doctor about your plans as you write your wishes. The doctor is familiar with medical interventions, and may have insight that will help you and your family decide what you want.

Learn more
To learn more about advance directives, please contact your health care provider, your attorney or Minnesota Board on Aging’s Senior LinkAge Line® at 1-800-333-2433 toll free. TTY: Minnesota Relay at 711 or 1-800-627-3529 toll free.

A suggested advance directive form is available from Honoring Choices® Minnesota at honoringchoices.org. This Twin Cities Medical Society initiative offers end-of-life care planning resources.

Our responsibilities
UCare complies with Minnesota’s advance directives laws. We cannot refuse care or discriminate against a member based on whether he or she has an advance directive. We require providers to make note of any advance directive in your medical records. And, we educate our staff and provide community education on advance directives.
Civil Rights Notice

Discrimination is against the law. UCare does not discriminate on the basis of any of the following:
- Race
- Color
- National Origin
- Creed
- Religion
- Sexual Orientation
- Public Assistance Status
- Age
- Disability (including physical or mental impairment)
- Sex (including sex stereotypes and gender identity)
- Marital Status
- Political Beliefs
- Medical Condition
- Health Status
- Receipt of Health Care Services
- Claims Experience
- Medical History
- Genetic Information

Auxiliary Aids and Services

UCare provides auxiliary aids and services, like qualified interpreters or information in accessible formats, free of charge and in a timely manner, to ensure an equal opportunity to participate in our health care programs. **Contact** UCare at 612-676-3200 (voice) or 1-800-203-7225 (voice), 612-676-6810 (TTY), or 1-800-688-2534 (TTY).

Language Assistance Services

UCare provides translated documents and spoken language interpreting, free of charge and in a timely manner, when language assistance services are necessary to ensure limited English speakers have meaningful access to our information and services. **Contact** UCare at 612-676-3200 (voice) or 1-800-203-7225 (voice), 612-676-6810 (TTY), or 1-800-688-2534 (TTY).

Civil Rights Complaints

You have the right to file a discrimination complaint if you believe you were treated in a discriminatory way by UCare. You may contact any of the following four agencies directly to file a discrimination complaint.

**U.S. Department of Health and Human Services’ Office for Civil Rights (OCR)**

You have the right to file a complaint with the OCR, a federal agency, if you believe you have been discriminated against because of any of the following:
- Race
- Color
- National Origin
- Age
- Disability
- Sex (including sex stereotypes and gender identity)

Contact the OCR directly to file a complaint:

Director
U.S. Department of Health and Human Services’ Office for Civil Rights
200 Independence Avenue SW
Room 509F
HHH Building
Washington, DC 20201
800-368-1019 (Voice)
800-537-7697 (TDD)
Complaint Portal – [https://ocrportal.hhs.gov/ocr/portal/lobby.jsf](https://ocrportal.hhs.gov/ocr/portal/lobby.jsf)

**Minnesota Department of Human Rights (MDHR)**

In Minnesota, you have the right to file a complaint with the MDHR if you believe you have been discriminated against because of any of the following:
- Race
- Color
- National Origin
- Religion
- Creed
- Sex
- Sexual Orientation
- Marital Status
- Public Assistance Status
- Disability

Contact the MDHR directly to file a complaint:

Minnesota Department of Human Rights
Freeman Building, 625 North Robert Street
St. Paul, MN 55155
651-539-1100 (voice)
800-657-3704 (toll free)
711 or 800-627-3529 (MN Relay)
651-296-9042 (fax)
Info.MDHR@state.mn.us (email)
You have the right to file a complaint with DHS if you believe you have been discriminated against in our health care programs because of any of the following:

- Race
- Color
- National Origin
- Creed
- Religion
- Sexual Orientation
- Public Assistance Status
- Age
- Disability (including physical or mental impairment)
- Sex (including sex stereotypes and gender identity)
- Marital Status
- Political Beliefs
- Medical Condition
- Health Status
- Receipt of Health Care Services
- Claims Experience
- Medical History
- Genetic Information

Complaints must be in writing and filed within 180 days of the date you discovered the alleged discrimination. The complaint must contain your name and address and describe the discrimination you are complaining about. After we get your complaint, we will review it and notify you in writing about whether we have authority to investigate. If we do, we will investigate the complaint.

DHS will notify you in writing of the investigation's outcome. You have a right to appeal the outcome if you disagree with the decision. To appeal, you must send a written request to have DHS review the investigation outcome period. Be brief and state why you disagree with the decision. Include additional information you think is important.

If you file a complaint in this way, the people who work for the agency named in the complaint cannot retaliate against you. This means they cannot punish you in any way for filing a complaint. Filing a complaint in this way does not stop you from seeking out other legal or administration actions.

Contact **DHS** directly to file a discrimination complaint:

ATTN: Civil Rights Coordinator
Minnesota Department of Human Services
Equal Opportunity and Access Division
P.O. Box 64997
St. Paul, MN 55164-0997
651-431-3040 (voice) or use your preferred relay service

**UCare Complaint Notice**

You have the right to file a complaint with UCare if you believe you have been discriminated against in our health care programs because of any of the following:

- Race
- Color
- National Origin
- Creed
- Religion
- Sexual Orientation
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- Disability (including physical or mental impairment)
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- Health Status
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- Medical History
- Genetic Information

Phone: 612-676-3200
1-800-203-7225 toll free
612-676-6810 (TTY)
1-800-688-2534 toll free

Email: cag@ucare.org
Fax: 612-884-2021

Mailing address
UCare
Attn: Appeals and Grievances
P.O. Box 52
Minneapolis, MN 55440-0052
Attention. If you need free help interpreting this document, call the above number.

ملاحظة: إذا أردت مساعدة مجانية لترجمة هذا الوثيقة، اتصل على الرقم أعلاه.

Attention. Si vous avez besoin d’une aide gratuite pour interpréter le présent document, veuillez appeler au numéro ci-dessus.

Thov ua twb zoo nyeem. Yog hais tias koj xav tau kev pab txhais lus rau tsab ntaub ntawv no pub dawb, ces hu rau tus najnpawb xov tooj saum toj no.

알려드립니다. 이 문서에 대한 이해를 돕기 위해 무료로 제공되는 도움을 받으시려면 위의 전화번호로 연락하십시오.

Hubachiisa. Dokumentii kun tola akka siif hiikamu gargaarsa hoo feete, lakkoobsa gubbatti kenneame bilbili.

Внимание: если вам нужна бесплатная помощь в устном переводе данного документа, позвоните по указанному выше телефону.

Digniin. Haddii aad u baahantahay caawimaad lacag-la’aan ah ee tarjumaadda qoraalkan, lambarka kore wac.

Atención. Si desea recibir asistencia gratuita para interpretar este documento, llame al número indicado arriba.

Chú ý. Nếu quý vị cần được giúp đỡ dịch tài liệu này miễn phí, xin gọi số bên trên.