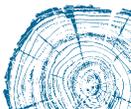


Cambia Profiles in Innovation: 100 Years of Driving Health Care Transformation



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Forward by Cambia CEO Mark Ganz: Putting People at the Center of the Health Care Experience



My mother spent most of her adult life raising six children. She inspired our love of learning and our commitment to the community. She was a remarkable woman with a great sense of humor. When she was diagnosed with congestive heart failure in 2004, it felt as if my siblings and I had to arm-wrestle the hospital staff to avoid unnecessary tests and invasive procedures that would not change her outcome. Worse yet, their recommendations would have added to her stress and ours as a family.

On the night my mother passed, she went into full cardiac arrest. The medical team ignored the “Do Not Resuscitate” sign my mom had insisted be posted in full view on her door, and proceeded to do a full code on her. When we asked the medical team why they ignored our mother’s wishes, they responded “we didn’t want her to die on our shift.”

As the son of a family physician in Spokane, Washington, I watched my father provide care for his patients and their families that always centered on their needs. I learned from him that keeping people well involved treating the whole person, their mind, body and spirit and that healing was not just about finding a cure.

These are my stories. Two personal health care experiences that continue to fire my passion toward creating health care centered on the needs of people and their families. Health care is personal to all of us and we all have our own stories which shine a light on how health care should and should not be experienced. Our company and the health insurance industry also has a story, of how it all began.

One hundred years ago, a group of timber workers in the Pacific Northwest came

up with an idea based on the need to protect themselves and their families. They pooled a percentage of their weekly wages, creating a safety net in case of injury or sickness. It was an innovation based on neighbor helping neighbor, and it was from this idea our company and the health insurance industry was born.

In 2003, when I became CEO, I reflected on my own stories and the story of those timber workers, and realized our health care system was failing the people it was built to serve. We had strayed from the original intent of our founders. So we defined Cambia’s Cause: *to be a catalyst to transform health care, creating a person-focused and economically sustainable system.*

On this journey, we have been squarely focused on steering our company and leading the industry toward change—refocusing on helping those

our industry was built to help. We are not just talking about innovation, we have restructured our business model to lead innovation.

We hope these stories will help you remember and reflect on your own stories, because it is our own personal experiences that inspire and empower us to lead change.

Read on to see what we are learning. We invite you to take this journey with us, so that together we can create the seamless health care experiences we have always wanted for ourselves and for our families.

Mark Ganz
*President and CEO
Cambia Health Solutions*





Cambia Health Solutions: A 100-Year-Old Startup



Cambia Health Solutions: A 100-Year-Old Startup

In 2017, Cambia Health Solutions celebrates its Centennial and 100 years of innovating for health care consumers. With deep roots in the Pacific Northwest, the spirit of Cambia was born from an idea in 1917 when timber workers decided to pool their wages in case of injury or sickness. It was an innovative idea based on neighbor helping neighbor, with the goal of serving people and their families.

As a “100-year-old startup” with a long tradition of innovation, Cambia committed several years ago to removing the complexity and inconvenience from the consumer health care experience in an economically sustainable way. This became our Cause. To put it into action, the company realized it would have to upend its own business model—to recreate its core. That’s when CEO Mark Ganz set out to create a whole new business category: a total health solutions company.

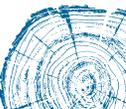
Today, Cambia is a family of more than 20 companies with a national footprint and approximately 5,000 employees, all focused on creating a more person-focused and economically sustainable health care system. Cambia has

taken its legacy business and pivoted to meet the needs of today’s health care consumers—through our numerous companies, investments and the Cambia Health Foundation.

Harnessing the power of entrepreneurship, the company has delivered many first-to-market solutions including:

- bringing transparency to 70 million consumers in 50 states (HealthSparq and MedSavvy); and
- using strategic philanthropy to grow palliative care and improve the experience of individuals with serious illness (Cambia Health Foundation).

Finally, we have six health plans in four states, providing insurance to more than 2.6 million people; and we offer best-in-class member satisfaction as measured by Forrester CXi. Through bold thinking and innovative technology, we are delivering solutions that make quality health care more available, affordable and personally relevant for everyone.



Palliative Care: Powering Palliative Care 2.0



Palliative Care: Powering Palliative Care 2.0

DELIVERING A RETURN ON HUMANITY At Cambia, we believe palliative care represents a model for how health care in general can—and should—be experienced. It is when people are facing serious, long-term or chronic illness that they need the “care” in health care the most. This is why we have invested in palliative care to fulfill Cambia’s Cause and as the company’s first version of fixing a broken health care experience.

A 2011 national poll found **76%** of Americans were unfamiliar with the term “palliative care” But when educated about it, **97%** agreed it’s important that patients and their families be educated about palliative care and end-of-life care options.

Cambia Health Foundation
National Journal survey



OUR APPROACH

Palliative care was the first version of Cambia’s focus on addressing pain points in the consumer’s health care experience from end to end. This journey started in 2007 when the Cambia Health Foundation, Cambia’s 501(c)(3) grant-making organization, was founded. It has continued with strategic investment in companies that innovate health care delivery, and has advanced further with the development of the most comprehensive palliative care benefits in the industry for our regional health plans across four states.

We have focused all of these efforts on changing the experience of people with serious illness by empowering them with more control and changing the paradigm of health care.

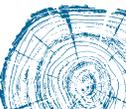
Key to our approach is placing people and patients at the center of our planning and actions. When designing products and services and choosing philanthropic investments, Cambia’s leaders and employees look through a consumer lens to ask to ensure that palliative care:

- Makes their path through serious illness smoother and easier
- Focuses on what matters to patients rather than on what’s the matter with them
- Involves shared decision-making that helps them feel in control of their experience
- Provides an extra layer of support for patients and families that demonstrates the palliative care team has the best interests of patients and families at heart

Keeping the consumer at the center of our focus serves as our North Star, guiding our leaders and employees to challenge traditional thinking with innovation.

OUR ACTIONS

We didn’t start with the business side of the equation, our health plans. Instead we started with our Foundation and then made investments in innovative companies and ventures. Finally, in June 2014, we launched what experts in the field have called the most comprehensive palliative care benefits program through our regional health plans. We believe we are the only health plan in the United States with support in place for the entire palliative care spectrum, from birth—and before birth—until natural end of life.



Through our Foundation, we have invested in philanthropy that advances the field of palliative care leadership.

- Significant funding to organizations and initiatives that enhance quality, access and awareness of palliative care across our four-state region and across the nation. We have invested more than \$30 million over the past seven years in regional and national palliative care programs, including \$10 million for the Cambia Palliative Care Center of Excellence at the University of Washington, a \$1.8 million annual investment for the Sojourns Scholar Leadership Program to create the next generation of palliative care leaders, and a \$4 million grant to Doernbecher Children’s Hospital to create “The Cambia Health Foundation Endowed Chair in Pediatric Palliative Care” and “The Cambia Health Foundation Innovation Fund in Pediatric Palliative Care.
- Programs in underserved areas such as pediatric palliative care, culturally appropriate care and expansion in rural communities.

Today, approximately

90 million

Americans are living with serious illness, and this number is expected to more than double over the next 25 years (state by state report card). (CAPC state-by-state report)



With our regional health plans, we have invested in the people we serve through our health plan benefits and provider partnerships.

- Often called most comprehensive palliative care program in the nation (serving more than 2 million individuals through these regional health plans).
- Partnerships with local provider organizations to pilot innovative new palliative care models, including first provider grief initiative.
- First-in-nation pediatric palliative care case management, perinatal and neonatal hospice support.

The response and uptake have exceeded expectations. In the first two years, case managers:

- Almost 2,000 cases have been opened in palliative care case management serving 1753 individual members and their caregivers, up nearly 900% from two years ago.
- 94 percent satisfaction score from members.
- Reduced hospital readmissions by 12% against an industry low point of 18%.

And with our investment portfolio, we have invested in building and growing innovative solutions that address the issues of aging, caregiving and coordinated care.

- Investments in emerging solutions in the palliative care and senior services spaces.

WRITING THE NEXT CHAPTER, TOGETHER

All of this work starts with a shared hope that we can create a system that supports and empowers people to have grace and respect when navigating through serious illness or end of life.

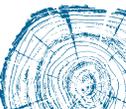
We invite others—individuals, employers, community leaders and groups, and policy makers—to join us by promoting advance care planning; supporting pro-palliative care legislation; driving education and awareness; and investing in companies that are developing next-generation palliative care solutions.

DEMOGRAPHICS DRIVING A NEED FOR PERSONALIZED CARE

90 MILLION
Americans live with serious illness

76.4 MILLION
Baby Boomers in the country

4 IN TEN AMERICANS
Have cared for a loved one



Strategic Investing: A Cause-Driven Approach



Strategic Investing: A Cause-Driven Approach

INVESTING IN TOMORROW'S GREAT HEALTH CARE COMPANIES At Cambia, we established a long-term, strategic investment model that re-defines traditional corporate investing to advance the company's Cause. In November 2016, we combined our investment resources and philosophy with Mosaic Health Solutions, a Durham-based strategic investment firm, to create Echo Health Ventures. This 50/50 strategic collaboration is a new health care investment company focused on investing in great companies and transforming health care for consumers. Together with Cambia, Echo Health Ventures has published its Investment Charter and opened its strategic investing playbook for all to see. It's an example of how the investment model can work differently—at a time when the future of health care innovation depends on all of us getting the model right and raising our game.

A SEASONED POINT OF VIEW

As a corporate venture capital investor, we have had to demonstrate we can accelerate growth and build value in new and sustainable ways.

To us, making health care better demands investment that shuns the outdated and impersonal; reduces cost and inefficiency; and refuses to prop up the old system. Corporate health care investors are well positioned to achieve this. We have the data, distribution, long-standing market relationships, system insight and willpower to help a new generation of entrepreneurs hurdle the counter-productive innovation cycles that currently exist in the space.

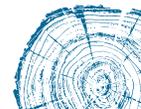
Cambia's success is not measured by how many companies it invests in or has; it's defined by whether we're transforming health care for all of us with scale and distribution. Our strategic approach has helped the companies we've invested in integrate with other solutions and opportunities that are now revolutionizing health care as we know it.

It has taken courage and patience to build this kind of strategic investment approach. It's been a journey shaped by mistakes and a willingness to change course. Here is what we've learned:

- Having a Cause makes us different and is making a difference. It's our compass, helping ensure we make

long-term, strategic investments that align with our enterprise strategy to improve the health care experience.

- We've made a different kind of commitment to the start-ups we invest in—one that supports them with:
 - Long-term, stage-agnostic financial support
 - Flexibility
 - Hands-on participation
 - Access to pilots and testing grounds
 - Unique and coveted resources and expertise
 - Opportunities to build relationships across our portfolio companies and with industry leaders



- We have a dedicated investment team, now a part of Echo Health Ventures, carefully and intentionally assembled to focus on investments that support our Cause.
- We recognize that enterprises have different structures than startups. By embracing the differences, we work together more effectively. Our business development team helps support our investment portfolio.
- Financial returns are important but not the only metric. We have to know if we're adding strategic value to the companies we've invested in and ultimately improving the health care experience for everyone

HAVING AN IMPACT

We believe there is real opportunity to bring digital health tools to the market that pull cost out of the system, increase transparency, and enable a more personalized health care experience.

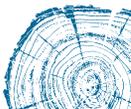
Some of the companies we've invested in are already making a difference:

- **Carena:** Offers a telehealth platform that allows health systems to extend their services with cost-effective virtual clinics, where consumers can receive care 24/7 from brands they know and trust.
- **lifeIMAGE:** The nation's largest and most utilized network for sharing medical imaging information. Its services allow hospitals, physicians and patients to securely connect and exchange exams, anywhere, leading to faster, better quality care delivered at a lower cost.
- **Maxwell Health:** Partners with brokers to provide employers with its revolutionary online benefits platform and app. It's a centralized place to access health and benefits services, engage employees and incentivize a holistic view of health.

- **mPulse Mobile:** Mobile engagement solutions that improve member and patient engagement and create administrative efficiencies. mPulse enables the leading health plans, providers and pharmaceutical companies to improve the health and wellbeing of consumers by making health care communications relevant to the modern lifestyles.

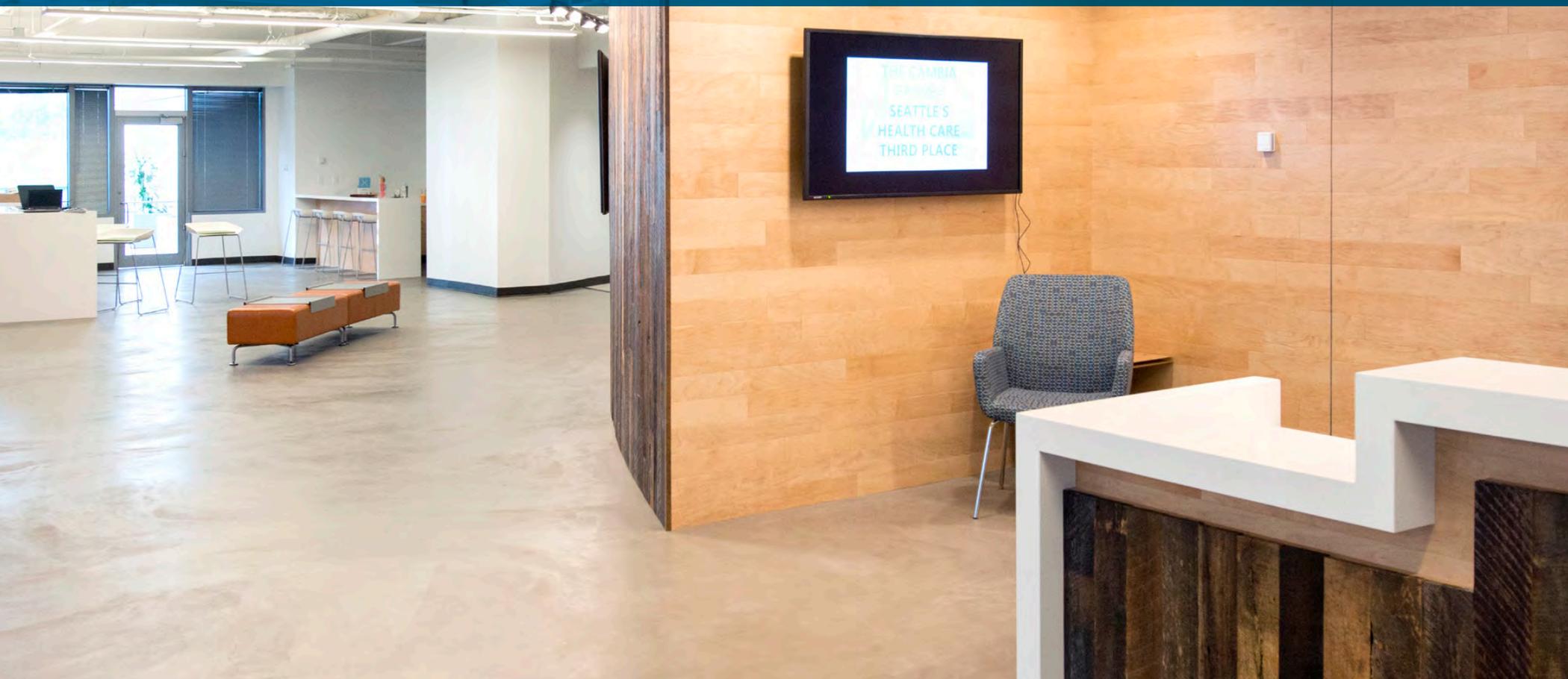
JOIN US

We are at a tipping point in health care. The old-school bureaucracy and insular focus are phasing out, creating opportunities for a new breed of corporate, strategic investor ready to change a dysfunctional system that's not working for anyone. The time is now for all of us to come together, to "reach across the aisle" if you will, to create the health care experience we all want. So, let's roll up our sleeves, share our expertise, and support the kind of extreme innovation that can change lives.



Cambia Grove:

A Pacific Northwest Hub for Seeding Innovation in Health Care



Cambia Grove: A Pacific Northwest Hub for Seeding Innovation in Health Care

CONVENING THE COMMUNITY It's not for lack of bright ideas and bold thinking that meaningful change has been slow to come to the U.S. health care system. The ingredients for real transformation do exist. In fact, we believe they're in our own backyard, a geography we call Cascadia. It's a region that reaches from Oregon, north to British Columbia, Canada, and east to Idaho, and it's an area that's long been home to pioneers.

We built the Cambia Grove, our health care-focused hub in Seattle, Washington, for the regional health care community to meet like-minded innovators and solve problems together. We wanted to offer a community space for the Pacific Northwest's emerging health care economic cluster—to make good on the region's enormous potential to step up and become a national leader.

We knew the Cambia Grove had to be different than an accelerator or an incubator. It needed to convene leadership and catalyze continuous innovation in health care. To drive real change, it would have to transcend industry silos and unite people under a common mission.

Now, industry influencers, even competitors, are commingling at the Cambia Grove. It's a "third place" that belongs to the community, separate from work

and home, where people can drop in and get to work. We have engaged some of the region's most visionary health care leaders here. Government officials at state and national levels have embraced our programming. And we're helping today's health care leaders and next-generation companies develop their aptitudes and appetites for working together.

CATALYZING CHANGE

How are we converting bright ideas into revolutionary solutions? By inviting long-term investment and new ways to scale innovation that are different from accelerator and incubator models.

Six curated programming tracks help our audiences grow their strategic and tactical business acumen, while providing opportunities for innovators to connect with other leaders.

In our groundbreaking Anchor Partner Program, health plans, providers and large employers that might normally compete with each other gather here at a common table. They share their business concerns with entrepreneurs and commission pilot projects to solve for them.

Our Anchor Partners benefit from the novel approaches entrepreneurs have to solving intrinsic industry problems. Importantly, Anchor Partners gain solutions developed specifically for their needs, at an accelerated pace. The startups flourish with solid proving ground partners, and once-in-a-lifetime opportunities to solicit valuable feedback about their technologies and they even generate early revenue.

ANCHOR PARTNER PROGRAM: 2015-17 SNAPSHOT

7 ANCHOR PARTNERS

- MultiCare Health System
- UW Medicine
- CHI Franciscan
- EvergreenHealth
- Overlake Medical Center
- Regence
- Aon Hewitt

7 REVERSE PITCHES

- EvergreenHealth
- Multicare Health System
- UW Medicine
- CHI Franciscan
- Overlake Medical Center
- Regence
- EvergreenHealth #2

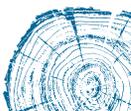
~75 applications/program
(local, national, international)

~150 Cascadia startups cataloged

5 months from Reverse Pitch Day
to pilot implementation

5 AREAS OF INTEREST:

- Health care transformation
- Health care consumerism
- Digital health startups
- Early-stage investment
- Health IT



LEADING BY EXAMPLE The work being done to transform our health care system is driving significant growth for Cascadia's economy already. As our tech titans and consumer brand gurus collide and collaborate with a growing population of health care innovators, we increase the region's influence on the sector nationwide. We'll cull this fertile ground to forge new frontiers in health care, akin to what the region has already done for aerospace, high technology, mass retail, coffee, forestry and apparel. This is how we get to work!

MAKING CHANGE HAPPEN IN 2 YEARS' TIME

Catalyzing Change, Connecting Startups with Industry

- 5 Reverse Pitch events with 6 Anchor Partners (7 startup winners selected).
- 3 pitch clinics with Cambia Grove Sounding Board

Convening Community on Behalf of the Drivers of Change

- Hosted Senator Patty Murray, Governor Jay Inslee
- University of Washington Palliative Care Measurement Summit 2x
- Seattle Start-up Week 2x
- Aging 2.0 Conference

- Host to Dr. Robert Bree Collaborative, Health Innovation Leadership Network, Washington Health Alliance, Washington State Health Advocacy Association, Health Innovators NW, Women in Bio, AWS Forums and others

Original Programming that Inspires Action:

- Spring Forward with Women Leaders series on gender equity, diversity & inclusion. Series is a partnership with 8 organizations that presented 12 events over 2 years
- Economic development event with Leroy Hood, president and co-founder of the Institute of Systems Biology

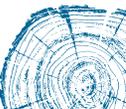
- Three-event series on Social Determinants of Health
- Episodes of Care Summit, driving the move to value for our region
- Under the Boughs series with UW President Emeritus Lee Huntsman, bringing highly visible health care innovators to engage with Cambia Grove community

Providing Leadership & Vision

- High-profile speaking engagements, including at the 2015 NIH conference, GE Health Forums, AWS Summits, American Heart Association Breakfast, Future of Healthcare Conference (HIMSS WA), BCBSA Blue National Summit, Oregon Bio Association Conference, Stanford Medicine X

- Governor's Committee: Life Science & Global Health Advisory Council
- Health Innovation Leadership Committee
- Rural Health Committee for the State of Washington

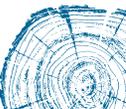
Growing virtual presence, including 350 unique visits/month by health care visionaries and over 1,650 Twitter followers





"I've been in venture in Seattle since '98, and it's been Groundhog Day—until now. The provider community, the payer community, the technology community—everybody is starting to talk to each other. I've never seen anything like this in Seattle, and it's exciting."

Joe Piper, Managing Director, Point B Capital



Internal Culture of Innovation: Driving Innovation from the Inside Out



Internal Culture of Innovation: Driving Innovation from the Inside Out

EMBRACING CREATIVITY AND POSITIVE CHANGE Over a decade ago, Cambia realized that the health care system as it stood was not sustainable and that our own business was not meeting people's needs. In response, we drafted a Cause: to serve as a catalyst to transform health care, creating a person-focused and economically sustainable system. It was an ambitious goal. It meant reinventing the organization's business model to become a total health solutions company that had people at the heart of everything we do. And that required diversifying our portfolio with new solutions.



We realized our vision could only come to fruition though if all of the company's employees collectively represented the kind of innovation Cambia wanted to see in the health care industry. We know that to solve for the consumer we must capitalize on the diversity of our employees.

So, we set out to change the company's internal culture by making innovation a value—a shared belief that new ideas are necessary to transform the health care system. Cambia has accomplished this by creating an inclusive environment that empowers and rewards employees for sharing their ideas, nurtures leaders, and consistently prioritizes people and their needs.

CULTIVATING A DIFFERENT MINDSET

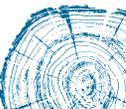
For Cambia, embedding innovation in the company's culture didn't start with generating awareness for it. That came later. Instead, we started by asking how we could deliver results that would show that innovation is valuable. Then, as the company saw the value in it, we were able to drive awareness.

We built a team dedicated to engaging the organization in innovation, accelerating problem solving for our business units, and creating purpose-driven businesses and products. This Innovation Force team acts as a lightning rod for other people's ideas, curating information, collaborating on business design, coaching staff, building relationships and executing rapid

prototypes. They also oversee a crowd-sourcing platform that invites employees to submit, comment on and rate ideas that solve consumer pain points.

In tandem, Cambia's growing family of companies are fueling innovation and taking action within their own landscapes—hosting hackathons, for example, to pioneer groundbreaking software and mobile applications, health care marketplaces, non-traditional health care delivery models, and wellness and consumer engagement platforms.

By delivering results, awareness and engagement have skyrocketed. Nearly one-third of our employees are actively involved in innovation, up over just five percent three years prior.



CULTIVATING LEADERS

Cambia believes the real currency of change comes from people with ideas. That's why we develop our leaders to thrive in change, take the right kind of risks, create succession plans and emphasize overall talent development.

The leaders of our various businesses gather annually at a summit to share ideas, meet like-minded innovators and discuss how collectively their companies are working to deliver personalized health care experiences. Cambia's leaders also participate in design-thinking workshops and rapid innovation training.

We host Igniter Days, which celebrate those employees taking action on their ideas to solve consumer challenges in health care. Cambia executive leaders join to learn what consumer pain point inspires each Igniter and how they are solving for it.

We're passionate about nurturing the next generation of leaders too. Our Annual Intern Innovation Challenge pairs Cambia Igniters, our employees with ideas, with interns who collaborate on business proposals to accelerate our business units from problem to solution. Some of these proposals make their way to our annual Pitch Day, bringing fresh insights and new ways of thinking around how we can work together to disrupt the health care system.



HOME-GROWN INNOVATION

By encouraging our employees to pinpoint customer pain points and accelerating the problem-to-solution process, we've been able to build four new disruptive health care companies from the ground up. Here's how a few of them are already having an impact:

- **HealthSparq:** Transparency health care solutions for health plans and employers to empower members and employees to become more educated health care consumers.
- **Hubbub:** A technology-driven wellness solution that uses social circles, the love of the game, a turnkey incentive engine and the quickest health quiz on the planet to inspire employees to get moving and live healthy.
- **MedSavvy:** An online formulary to help people find the best treatments and medications for their conditions.
- **Basefit:** Total health training in a team environment, directed by expert coaches with military experience.

INNOVATION IN ACTION

- Investments in 20+ innovative health care companies
- 4 new companies created
- 10 provisional patents filed
- 2,200+ employees engaged in innovation
- 1,660+ ideas shared

