2022
INCLUSION AND DIVERSITY
ANNUAL REPORT
Blue Cross Blue Shield of Michigan’s commitment to inclusion and diversity continues to evolve each year. We’re ready to help our employees, members and communities through our inclusion and diversity work, and we continued to lead in 2022 as a best practice organization in addressing diversity, equity and inclusion.

For our members and all Michiganders, health equity is front and center. We’re working to advance equity across race, ethnicity and other vulnerable populations. The Office of Health and Health Care Disparities is leading our health equity strategy – Better Health for All – to address needs in areas such as access to care, behavioral health and maternal health. We have made significant investments to support community organizations that connect members to maternal support services. And we continue to strengthen community relationships and partner with other Blue Cross plans and the Blue Cross Blue Shield Association to identify and address the social determinants of health that can create health inequities.

Blue Cross Blue Shield of Michigan also promotes a culture of inclusion in our workplace, engaging employees and leaders at every level. We strive to hire and retain a workforce that is as diverse as the members we serve. Blue Cross Blue Shield of Michigan is committed to building cultural competency in our employees through learning sessions and Employee Resource Networks. I take great pride in how we have transformed our culture.

Our culture of inclusion allows us to reflect and support our colleagues, partners and those we serve every day.

**VISION**
For Blue Cross to be a mosaic built on a foundation of respect, understanding and appreciation

**MISSION**
To create a diverse and inclusive culture for our workforce, marketplace and community that furthers the Blue Cross mission by providing valued guidance, education and partnerships

**STRATEGIC OBJECTIVES**
Attract, develop and retain a diverse and culturally competent workforce.
Integrate and embed inclusion and diversity into the business.
Promote a culture of inclusion and belonging.
Advance health equity.

Work is a place where we spend a significant amount of time. Being part of a workplace community that values who we are and that provides an opportunity for growth contributes to our well-being. Work culture is an expression of attitudes, beliefs and behaviors. It’s about how we respect one another, value one another and “see” one another.

Empathy and compassion form a foundation that we stand on at Blue Cross Blue Shield of Michigan. When there is empathy, we pause to understand someone’s story and experiences. When there is compassion, we open the door to understanding and valuing each other’s uniqueness, while also seeing our similarities.

We stand ready to help and lead as a convener, catalyst and change agent to implement inclusion and diversity practices that touch employees, members and the community, both personally and professionally. We stand ready to help by increasing awareness and getting to that “aha” moment of “we really aren’t that different.” It’s exciting to be part of an organization where this commitment starts from the top and also works through our actively engaged employees.

Inclusion and diversity isn’t simply the responsibility of an inclusion and diversity department; it includes all of us, each and every day.
Commitment to equality and equity

In 2022, Blue Cross expanded its strategy emphasizing a commitment to equality and equity.

- Leadership and accountability — mitigate bias and stereotypes
- Recruitment, representation, retention and succession planning — know the numbers and understand racial and ethnic representation
- Corporate social responsibility, social mission and public policy — stand up against racism, inequity and promote inclusion
- Health and health care disparities — advance equity across race, ethnicity, people with disabilities and other vulnerable communities
- Inclusion and diversity practices and learning opportunities — keep the conversation going

The board of directors supports the corporate inclusion and diversity strategy and is committed to equality and equity. We update them on our progress and commitment to inclusion and diversity at least once a year. The Diversity Leadership Council meets six times a year and receives regular updates on progress, and provides insight on best practices.
Blue Cross continues to perform as a progressive and best practice organization in addressing inclusion and diversity.

- Ranked No. 2 out of 50 companies
- Scored 100 out of 100 points, sixth consecutive year
- Scored 83 out of 100 points
- Met and exceeded 6 out of 6 measures. Recognized for fourth time as National Leading Disability Employer
- Scored 85 out of 100 points
- 4.76 out of 5
"Be the change you wish to see in the world."
Mahatma Gandhi

For more than 16 years, Blue Cross has consistently focused on inclusion and diversity. This includes the board of directors, who have made a commitment to diversity, equity and inclusion, and President and CEO Daniel J. Loepp, who often addresses related topics with stakeholders. Building cultural competency and promoting a culture of inclusion are cornerstones for Blue Cross. As a workplace community, we join together to create an environment where we can be authentic, share, learn from one another and grow both personally and professionally. This also extends to our service to Blue Cross members and the community. Our commitment grows stronger every day.
Learning sessions help employees build their cultural competency and promote a culture of inclusion

90% of new employees completed required cultural competency learning sessions
95% of leaders completed required unconscious bias education
152 learning sessions were held with more than 25,000 employees in attendance

Implemented Year 2 of the Voice for Change Book Club with 175 employees in attendance (attendance is capped to facilitate dialogue). The 2022 theme was “Debunking the isms within us” and featured book titles such as *We Are Not Like Them* and *Say Hello*, both of which highlighted racism and lookism within our society.
Blue Cross recognized and celebrated Juneteenth for the first time in 2022. The BlueACTS (African-American Ancestry) Employee Resource Network held a learning session, sharing the history of this new federal holiday and highlighting stories about how employees celebrate the holiday.

The Inclusion and Diversity and the Well-Being departments joined to provide 10 virtual learning sessions that emphasized the connection between inclusion and employee well-being.

Learning about one another is an important step in promoting and sustaining a culture of inclusion. Through our annual learning sessions, we learn about different cultures, communities, generations, work styles and perspectives. These sessions help us define diversity beyond race, ethnicity and gender, and encourage us to explore the many dimensions of diversity. They open the door to inclusion as we learn what it looks and feels like for different people.

The learning sessions increase our awareness and challenge beliefs so we’re mindful of our daily interactions with others, helping to mitigate bias and the occurrence of microaggressions or unintentional slights.

The sessions also help us understand that we’re connected as humans and, as stated by Martin Luther King Jr., “Whatever affects one directly, affects all indirectly.”

**Sessions in 2022 included:**

**The Deaf and Hard of Hearing Community and Access to Health Care**
Employees learned about the access and communication barriers in the health care setting for people who are deaf or hard of hearing. The session emphasized the importance of cultural competency in delivering care.

**Millennials in Leadership**
This learning session highlighted the presence of millennial leaders in the workplace and how they’re navigating generational differences while advancing in their careers. A panel of employees shared their perspectives and experiences.

**Raising Kids in the Rainbow**
Engaging a panel of employees who are parents of children who identify as part of the LGBTQ+ community, this session shared lessons learned and experiences of parents raising LGBTQ+ children, and the steps they take to nurture their children and provide a positive environment.

**Scandinavian Heritage**
During this session, employees learned about Scandinavian countries and customs as well as the history of Scandinavian immigrants in the United States. It was noted that the Upper Peninsula of Michigan has a significant population of individuals of Scandinavian heritage.

**Juneteenth**
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Employee resource networks connect employees in a space where experiences and perspectives are shared

Employee resource networks enable collaboration across the company and help promote a culture of inclusion. The ERNs:

• Provide a collective voice
• Encourage active interaction among employees and the sharing of lived experiences
• Create a sense of community and belonging
• Provide an opportunity to demonstrate allyship
• Support the community by engaging with nonprofit organizations
• Provide insight to support business initiatives
• Assist with recruitment and retention activities

More than 4,610 in overall employee resource network membership; 2,179 unique members representing 30.6% of employees participating. (This is above the standard 27% benchmark for companies with ERN programs.)

599 new ERN members

ERNs held 95 learning sessions with more than 15,051 in employee attendance

66 ERN volunteer leaders

10 ERN executive sponsors

6 executive advisers to ERNs

The fifth annual ERN retreat brought together more than 80 volunteer ERN leaders to celebrate their roles and provide an additional learning and development opportunity.
Inclusion and Diversity executive and employee champions help link employees to programs and practices

We engage leaders and employees at every level of the organization. We implement a top-down and employee-focused approach that encourages companywide accountability and the opportunity for everyone to be part of the Inclusion and Diversity team. We continue to maintain 100% participation in achieving divisional goals for inclusion and diversity.

12 Inclusion and Diversity executive champions
15 Inclusion and Diversity employee champions
9 Inclusion and Diversity employee committees

A top-down and bottom-up approach to inclusion and diversity cultivates our culture of inclusion.
Understanding representation helps employees thrive

Building and sustaining a diverse workforce that includes people of various races, ethnicities, nationalities, cultures, religions, gender identities and sexual orientations, ages, experiences, physical abilities, mental abilities, military service and perspectives are essential to Blue Cross’ inclusion and diversity strategy. Diverse representation is a building block for inclusion, and understanding the representation among our employees helps them thrive.

In 2022, we continued to look closely at representation across the company and strengthened recruitment efforts from historically Black colleges and universities, predominantly Black professional fraternities and sororities, and our partnerships with the Association of Latino Professionals for America, National Migrant Scholars and Grow Detroit’s Young Talent to reach talent that is underrepresented.

Additionally, Blue Cross nurtured existing relationships and established new partnerships with organizations to create a diverse pipeline of early career talent for in-demand information technology roles. We deepened our connection with emerging future talent at the middle school and high school levels in Michigan through partnerships with Junior Achievement and Wolverine Pathways. The Blue Paths Program, established in 2015 for college students with disabilities, including those who are neurodiverse, also continued in 2022.
Coaching programs provide pathways for professional support, growth and development

Blue Cross’ Inclusion and Diversity coaching programs help employees increase their confidence, gain access to leaders and executives, develop self-awareness, navigate the corporate environment and better define lateral or vertical career goals.

Coaching programs are held in groups or one-on-one.

Mentoring Circles

Since its inception, Mentoring Circles has provided growth opportunities for more than 600 employees. In 2022, more than 50 employees participated in this coaching program that consists of small groups that meet with a roster of 12 rotating mentors. The program is designed to increase self-awareness, build knowledge of key leadership skills and competencies, and provide exposure to executive leaders. In 2022, the program achieved a mentee and mentor satisfaction ranking of 100% (indicating exceeded or met expectations).

Cross-Cultural Coaching

The Cross-Cultural Coaching program focuses on building the cultural competency of participating executives and employees. Participants are matched based on perceived differences in race, ethnicity, nationality, generation and other facets of diversity. Through guided dialogue, the participants share their perspectives and experiences and learn about customs and traditions that may be different than their own. There seems to always be an “aha” moment with the participants — that they are more alike than they are different. In 2022, there were 14 employee-executive pairings. A 100% satisfaction rate was achieved with participants citing increased cultural competency as well as a greater understanding of and respect for others.

Sankofa Coaching Program

In 2022, the BlueACTS ERN continued its Sankofa Coaching Program, which offers one-on-one pairings for employees with leaders in the company. The mentees met monthly with mentors, and they also came together in group settings for professional development learning sessions. Twenty mentors and 21 mentees participated in the program. Participants expressed a 93% program satisfaction rate.
Plug into POWER

The POWER ERN executed the Plug into POWER Coaching Program. This experience is designed to provide employees with career planning tools that outline a path toward career growth and holistic development. Mentees and coaches discussed a business book throughout a six-month period and engaged in discussions about personal experiences on topics such as knowing your purpose, minimizing career achievements and focusing more on your job versus your career. There were 25 coaching pairs (50 participants). Overall program satisfaction was 4.5 out of 5.

A mentee wrote about the experience: “The Plug into POWER Coaching Program has offered me a chance to connect to a leader in the enterprise that I may never have met otherwise. She is a strong leader and offers insight and support into my goals professionally. She takes interest in my personal life, making our connection stronger than just being paired for this opportunity.”

A coach wrote about the program: “It was nice to expand my network outside of my circle. What we found is that we were a lot alike, even in personal areas. I gained a friendship. I learned that it was easier for me to offer suggestions to help her than it was for me to see the same situation in my life and improve it on my own. We started the sessions with me being a coach and her being the mentee, but the last sessions were the both of us contributing to the content. I really think that we both benefited in our personal lives and our professional lives. And I’m so thankful for the opportunity. And it was one of the best experiences I’ve had with the enterprise thus far.”
Advancing health equity is an objective of the Inclusion and Diversity strategic plan. The **Health Disparities Action Team** was formed in May 2016. The **Office of Health and Health Care Disparities** was formed in December 2020.

Over the past couple of years and with the development of Blue Cross’ multi-year health equity strategy, Blue Cross has focused on level-setting on terminology, convening stakeholders across the enterprise, communicating and connecting efforts, transforming culture to implement a **health equity lens** when developing products, programs, policies and procedures and **continuing to collect, stratify and disaggregate data**.

### Blue Cross is transforming its culture to enable a strong framework to advance health equity

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<td>Chronic disease prevention and health promotion</td>
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<td>- Senior Health Services Race and Ethnicity Data Committee</td>
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The vision for Blue Cross’ health equity strategy is **Better Health for All** with five primary focus areas:

- Primary care access and quality
- Behavioral health
- Maternal health
- Chronic disease prevention and health promotion
- Social determinants of health

Blue Cross has taken a systemic approach to advancing health equity by focusing on policies, procedures and processes. We’re also strengthening community linkages, investments and partnerships to address social determinants of health.

In April 2021, the Blue Cross Blue Shield Association launched its national health equity strategy with a goal to decrease racial disparities in maternal health by 50% in five years. Blue Cross Blue Shield of Michigan has aligned with the Association’s Top 10 Maternal Health Action Items.
Blue Cross' internal and external committees, workgroups and councils include the following:

- Health Disparities Action Team
- Maternal Health Disparities Workgroup
- LGBTQ+ Subcommittee
- Senior Health Services Race and Ethnicity Data Committee
- Physician Diversity Council

Blue Cross Blue Shield of Michigan participated on the following local and national task forces, boards, advisory groups and committees:

- Michigan Coronavirus Task Force on Racial Disparities
- State of Michigan Centering for Equity committee
- Blue Cross Blue Shield Association’s Health Equity Champions Committee
- Business Leaders for Michigan DEI Committee
- Consortium Health Plans DEI/Health Equity Metrics Roundtable
- National Health Care Transformation Task Force Health Equity Advisory Committee
- Governor’s Food Security Council
- Protect Michigan Commission

Blue Cross continues to advance gender inclusivity for the LGBTQ+ community. Efforts in 2022 included the following:

- Listening sessions with group customers and engaging members of the LGBTQ+ community to understand needs and barriers to care
- Conducting a review of the medical policy for gender affirmation services in alignment with the World Professional Association for Transgender Health and identifying policy updates for 2023
• Continuing work on a sexual orientation and gender identity research document to level-set across the company and identify a path forward for data collection and stratification
• Holding learning sessions to educate and inform employees of gender pronoun utilization
• Holding learning sessions on health and health care disparities and the LGBTQ+ community
• Informing and engaging members of the Blue Cross health care provider network through in-person learning sessions and newsletter articles
• Adding physician office-specific capabilities to the Patient-Centered Medical Home program that includes training on LGBTQ+ health care issues and how to create more inclusive practices with more than:
  - 120 practices implementing the capability to educate and train staff and practice inclusivity in forms, procedures, signage, etc.
  - 280 practices implementing the capability to collect sexual orientation and gender orientation data in their patient registry
  - 19 practices implementing both PCMH capabilities
• Investing $50,000 in support of the Corktown Health Institute
• Incorporating gender-neutral language in various communications
• Other outcomes for maternal health disparities strategy:
  - Completed data stratification for severe maternal morbidities, postpartum depression screening and prenatal and postpartum care
  - Partnered with Blue Cross’ Plain Language team and Marketing to incorporate gender-neutral language in materials and communications
  - Collected initial data on COVID-19 vaccination among people who are pregnant
Investing in our community to address social determinants of health

Blue Cross invests in the community to help address social determinants of health. In support of our maternal health disparities approach, significant investment has been made to support community organizations that connect members to maternal support services.

Since 2017, the Blue Cross Blue Shield of Michigan Foundation and Social Mission department have awarded more than $1 million in maternal and infant health grants.

In 2022, to further its collaboration with Regional Perinatal Quality Collaboratives, the Foundation and Social Mission awarded seven Advancing Maternal Health Equity grants totaling $272,000. The grants were awarded to the following:

- **Upper Peninsula Health Care Solutions** (Region 1 – The Upper Peninsula)
- **District Health Department #2** (Region 3 – Northern Lower Michigan, Alcona, Alpena, Cheboygan, Iosco, Montmorency, Oscoda, Presque Isle)
- **Tuscola County Health Department** (Region 6 – Thumb, Genesee, Huron, Lapeer, Saint Clair, Sanilac, Shiawassee, Tuscola)
- **Cradle Kalamazoo/YWCA of Kalamazoo** (Region 8 – Southwest Michigan, Berrien, Calhoun, Cass, Kalamazoo, Saint Joseph, Van Buren)
- **Southwest Perinatal Quality Improvement Collaborative/Bronson Health Foundation** (Region 8 – Southwest Michigan, Berrien, Calhoun, Cass, Kalamazoo, Saint Joseph, Van Buren)
- **Alternatives for Girls** (Region 10 – Southeast Michigan, Wayne, Oakland, Macomb)
- **Southeast Michigan Perinatal Quality Improvement Collaborative/Michigan Public Health Institute** (Region 10 – Southeast Michigan, Wayne, Oakland, Macomb)

Other community partnerships include:

- Black Mothers Breastfeeding Association
- Cherry Health
- Corner Health Center
- Luke Clinic
- Michigan Primary Care Association
Interns become immersed in community organizations

Cultural competency is one of the top work skills needed now and in the future. Recognizing this, Blue Cross gives interns the opportunity to engage in experiential learning and community volunteer projects. In 2022, 64 interns participated on four Inclusion and Diversity community intern project teams. Blue Cross partnered with four nonprofit organizations — Gleaners, The Senior Alliance, Accounting Aid Society and Brilliant Detroit — to engage interns to address a business need. There was also a fifth intern project — the internal Intern Engagement team, which provided an opportunity for interns interested in learning about event planning.

The Young Professionals ERN also implemented the Mentor Me reciprocal mentoring program with 58 intern participants.
Supplier diversity increases access and utilization for businesses that are underrepresented

Blue Cross’ board of directors established our Supplier Diversity Program in 1992 to promote the use of minority-owned businesses. It has since expanded to include enterprises owned by women, LGBTQ+, veterans and people with disabilities, and other businesses that are historically disadvantaged. The program tracks both Tier I and Tier II diversity spending.

In 2022, supplier diversity spending totaled more than $200 million.

In 2022, the Procurement department continued its annual Supplier Diversity Achievement Awards program to recognize vendors that participate in the Supplier Diversity Program. The program continues to highlight the achievements of our suppliers, procurement staff and internal departments that play a key role in the procurement process. Those awarded have demonstrated a commitment to diversity in our purchasing of goods and services.

Building on its strong foundation and going beyond the traditional supplier relationship, the Supplier Diversity Program continued implementation of the following programs:

- A mentoring program engaging two diverse suppliers
- A collaborative program with Henry Ford Health System to provide education on how diverse suppliers can do business with health care and insurance companies
- A diverse agent program to help sustain and grow diverse agents

The Supplier Diversity Program at Blue Cross received the following awards and recognitions:

- Excellence in Supplier Diversity Award in the “Best in Class” category from the Great Lakes Women’s Business Council
- ACE (Ambassadors Championing Excellence) Award for Corporation of the Year in Finance and Insurance Services from the Michigan Minority Supplier Development Council