

Magellan Health 2017 Community Impact Report

See story on the back cover



Magellan
HEALTHSM

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MAGELLAN CARES

Community • Assistance • Repair • Empathy • Service

A letter from Chairman & CEO, Barry Smith



I am proud to be a part of an organization that is both a highly respected business partner, and always willing to step up in times of need to support our communities. In this report, you will read about the tremendous time and effort Magellan employees devote to giving back. All year long, our **empathetic** team members provided their **assistance**, went above and beyond to **serve** those in need and worked hard to **repair** the lives of so many in their **communities**.

Nothing demonstrated this dedication more than when the tragic hurricanes of 2017 devastated and displaced thousands of individuals in communities across the United States, Puerto Rico and the Virgin Islands. Our team immediately asked -- *how can we help? And, what more can we do?*

As an organization, our purpose is leading humanity to healthy, vibrant lives, so we opened our toll-free hotline to help people who were struggling to find help. Our teams around the country collected and delivered supplies, food and clothing to those who had been hardest hit. But, many of our employees kept asking what more they could do to help.

We decided the greatest assistance we could provide to those who had been impacted was in the form of money. Thus began the "Season of

Caring," and our goal was to raise \$25,000 to donate to help these individuals. Through the Season of Caring campaign, our teams surpassed that goal and together raised \$80,000 to help the individuals directly- or indirectly- impacted by these storms through United for Puerto Rico, a charitable foundation established to help provide immediate aid to meet the basic needs – like housing, food and healthcare – of Puerto Ricans who are trying to recover from Hurricanes Irma and Maria.

Every time I think I couldn't be any prouder to lead this team, my expectations are surpassed with their compassion for others and true commitment to our purpose of leading humanity to healthy, vibrant lives.

Best,

Barry M. Smith, Chairman & CEO, Magellan Health, Inc.
Chairman, Board of Directors, Magellan Cares Foundation

Opening up: Magellan's toll-free hotline

"Stand Tall" is a Magellan core value.

In times of need, Magellan always does the right thing. In response to tragedies and natural disasters, Magellan sets up a 24-hour toll-free hotline for individuals to access, regardless of whether or not they are Magellan members.



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The 24-hour crisis lines are staffed by behavioral health professionals who provide free, confidential counseling services and other resources, such as referrals to local non-profit organizations, shelters and additional community-based support to assist individuals as they work to cope with the feelings of fear, sadness, anger and hopelessness.

Working with NAMI to eradicate the stigma of mental illness

NAMI, the National Alliance on Mental Illness, is the nation's largest grassroots mental health organization dedicated to building better lives for the millions of Americans affected by mental illness.



As a company rooted in behavioral health, Magellan applauds and supports NAMI's efforts to eradicate the stigma of mental illnesses and improve the quality of life of these Americans.

Since 2003, hundreds of Magellan employees, their families and friends have participated in NAMIWalks annually to help raise money and awareness about our country's need for a world-class treatment and recovery system for people with mental illness. Participating in the NAMIWalks is one way that we demonstrate our commitment to the community members we serve while supporting a worthy cause. In addition, joining the walks supports a team atmosphere at Magellan and encourages employees to get active and improve their overall health and wellness.

Year after year, we find that NAMIWalks bring out the best in our employees, and we truly value their participation.

Magellan Cares Week: Fully dedicated to community service

Magellan employees throughout the country participated in Magellan Cares Week—a week-long event where employees organized charitable events, donation drives and hands-on activities. Here is a small sample of the activities employees led:

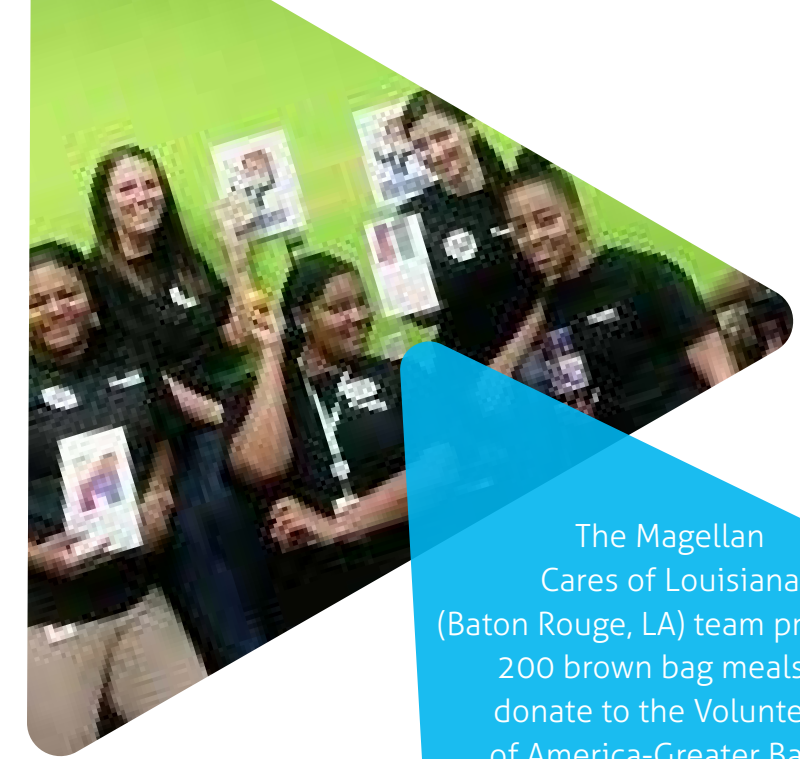
Magellan's Avon, CT office spent a day with Hartford Habitat for Humanity and worked hard to give families the homes they deserve.



Volunteers from our Columbia, MD office spent two days sorting and stacking canned goods at the Maryland Food Bank.



It was a great Magellan Cares Day in St. Louis, MO, where hundreds of people turned out to meet a variety of local charities and organizations in need of support. These organizations walked away with a lengthy list of employees ready to volunteer!



The Magellan Cares of Louisiana (Baton Rouge, LA) team prepared 200 brown bag meals to donate to the Volunteers of America-Greater Baton Rouge One Stop Homeless Shelter.

Magellan Cares Foundation: Taking it to the next level

Launched in 2015, the Magellan Cares Foundation, Inc. is a nonprofit, charitable organization with the mission to improve the health and well-being of the lives and communities we serve.

The foundation's focus includes:

- National or large-scale health access and quality improvement initiatives
- Efforts that help to improve the social supports around a quality healthcare system, such as access to housing, food, clothing or self-improvement opportunities
- Local efforts, including initiatives supported by Magellan's employees
- Efforts to support America's military service members, veterans and wounded warriors

Magellan Cares FOUNDATION

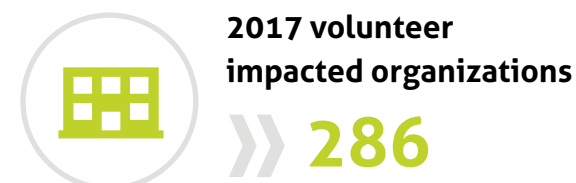


Volunteer time off & matching gifts

Magellan and the Magellan Cares Foundation extend our reach through corporate social responsibility and community outreach activities by supporting Magellan employees' giving in two ways: paying for time off to volunteer and matching their financial gifts.

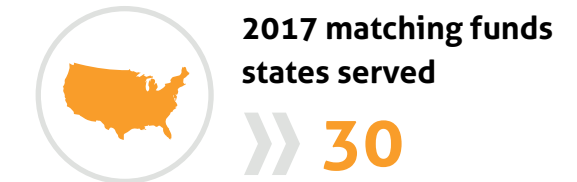
Volunteer Time Off (VTO)

Magellan offers full-time regular employees eight hours of paid VTO and part-time regular employees four hours of paid VTO per calendar year.



Matching Gifts

The Magellan Cares Foundation matches an employee's financial donation to eligible charities up to \$250 annually. As a new program, the funds we matched in 2017 is a small start to big things to come in the future.



Investing in our employees & communities: eMbrace Magellan's employee assistance fund

The goal of eMbrace is to enable employees (both part- and full-time) to apply for financial assistance in the event of a tragedy, disaster or other extreme life event to cover basic living expenses while employees work to recover and rebuild.

eMbrace is fully funded by employees through payroll contributions and is available to Magellan employees who are facing a personal financial hardship, leaving them unable to pay for basic living needs. Over the six years the fund has been operational, it has collected more than \$560,000 and has made nearly \$520,000 in distributions to employees in need.

"My experience with eMbrace made the storm damages to my home much easier to handle. I am extremely grateful for this program."

"I greatly appreciate the program: it has helped me several times. I think it is a great program and am so glad it is available to help its employees in times of need."

"I find this to be one of the best programs we offer at Magellan to assist coworkers in their times of need."

"This program was truly a blessing to me. At the time my mom was ill, this program allowed me to focus on meeting her needs, helping to relieve some of my financial burden."

Providing well-deserved awards & scholarships

Magellan Scholarship Program

In support of Magellan Health's values, the company established a scholarship program to assist employees' dependent children who plan to continue their education in college or vocational school programs.

Up to 10 scholarships are offered each year for full-time undergraduate study at an accredited institution of the student's choice.

**Since 2008,
we are proud of having been
able to grant \$200,000 to
deserving students
of Magellan
employees!**

René Lerer Community Spirit Scholarship Award

The René Lerer Community Spirit Scholarship recognizes a high school senior who is the dependent child of a Magellan Health employee and exemplifies community spirit through outstanding leadership and exemplary contributions and demonstrates a commitment to enriching the lives of others in the community.

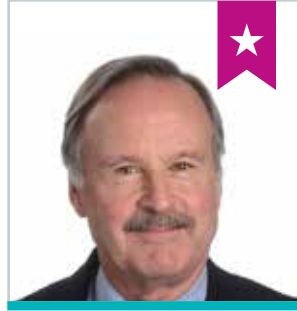
Magellan Health established this scholarship program in recognition of former CEO René Lerer's unparalleled commitment to Magellan's "culture of caring" and for his dedication to establishing the Magellan Cares philosophy.

**Since 2013, recipients
of the \$5,000 René
Lerer Community Spirit
Scholarship have been
carrying forward his
legacy.**

Excellence in care

Our team strives every day to lead humanity to healthy, vibrant lives, so it's always an honor when hard work and dedication is recognized at an individual level. Check out a few remarkable examples below:

National Council Doctor of the Year Nomination



Dr. Gary Henschen was nominated for the 2017 National Council's Doctor of the Year Award. The National Council is the unifying voice for America's mental health and addiction treatment organizations.

Gary serves as senior vice president, medical director of medical management for Magellan Healthcare and provides oversight to ensure that Magellan's members have access to the most appropriate care and treatments available. In addition, Gary is a member of the Board of Counselors for The Carter Center in Atlanta, GA. Former President Jimmy Carter offered his sincere gratitude for the years of service Gary has devoted to his foundation.

National Council Award of Excellence: Peer Specialist of the Year



Kevin supports Magellan's members recovering from mental health and substance use disorders and has pioneered a number of innovative practices that assist members with overcoming challenges.

Kevin is a member of the Board of Advisors for The Salvation Army Homeless Shelter in Virginia in order to improve their residential program. In addition, he does outreach at a local jail to alleviate any concerns or fears inmates may have regarding their upcoming release into society. Kevin has a passion for helping others living with mental health and substance use disorders to find their own recovery, value in themselves and build a life that is fulfilling and connected, even as they work through extreme challenges.

Rising Star of Magellan: National Award of Excellence Nominee



Dana Foglesong, manager, recovery and resiliency services, was nominated for the National Council's Rising Star Award. Dana helps those who need it most, and is inspired by "every dark and senseless moment that has meaning to provide a future path of light for others."

She serves our company every day, and has spearheaded an initiative within Magellan to encourage a recovery culture with a consistent message- recovery is possible for everyone no matter their diagnosis, life circumstances or history; and that systems should not be making decisions about who can and cannot get better.

Gary, Dana and Kevin keep Magellan ahead of the curve on many behavioral health issues, and always look to the future in order to help our members live healthier, more vibrant lives. Thank you and congratulations on your nominations!

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Community

With 600 staff members spread throughout Wisconsin, this team does a wide range of philanthropic deeds during the year from hosting food drives, volunteering at food shelters, helping build a home for a local family in need with Habitat for Humanity, helping clean up park grounds and more. These activities are a great way for them to give back to their communities together!



Assistance

Through Stop Child Abuse Now (SCAN) of Richmond, VA--a nonprofit organization dedicated solely to the prevention and treatment of child abuse and neglect- our Magellan Cares team in Glen Allen, VA took part in the "Become a Pinwheel Partner" program and sold pinwheels that were displayed in recognition of National Child Abuse Prevention Month. Every dollar earned from pinwheel sales went to support SCAN in its efforts to provide awareness, treatment and education needed to enhance the lives of children.

"The passion of our Glen Allen employees never ceases to amaze me," said Stephen Towns, senior project manager and Glen Allen's Magellan Cares site lead. "Our contact from SCAN said their organization had never witnessed the level of support we displayed. More than anything else, this really made me proud to work for Magellan!"



Repair

Volunteers from our Newport, RI team gathered to clean litter and beach debris from Easton's Beach and surrounding areas.



Empathy

When our New Mexico office heard about Project Linus- an organization that delivers blankets and afghans to seriously ill and traumatized children – volunteers jumped right in to help provide a sense of security, warmth and comfort when these children need it most.

Thanks to the many volunteer "blanketeers," more than four large baskets of blankets, materials and gift cards were donated to children in local hospitals, shelters and social service agencies.



Service

Magellan Health shares a philosophy with its employees across the country to give back locally and to create community engagement opportunities that have a purpose.

On July 6, the Children's Intensive Treatment team of Magellan Behavioral Health of Pennsylvania put this mission into action. The team of 14 employees used their full volunteer time off benefit to help the local chapter of Big Brothers/Big Sisters of Bucks County paint their office.



Our Avon, CT office shared their incredible generosity, time and holiday spirit in December by “adopting” a single mom and daughter and furnishing their home.

They went above and beyond to collect food, cleaning supplies, toiletries, furniture, kitchen items, small appliances, clothes and winter coats. Additionally, they were able to provide a \$500 gift card and a few surprise presents for both mother and daughter. The duo were beyond thankful to the Magellan team!



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