

**Resolved:**

Shareholders of Elevance Health, Inc. (Elevance) request that the Board of Directors commission an audit analyzing the impacts of racial and ethnic disparities in healthcare outcomes on Elevance's business. The report should include data on the extent of such racial and ethnic disparities, information about impediments to collecting such data, and efforts taken by Elevance to eliminate such disparities by improving healthcare outcomes.

The report should be prepared at reasonable cost and omit confidential and propriety information. It should be publicly disclosed on Elevance's website.

**Supporting Statement:**

As a health insurer, Elevance stands to widen its margins sustainably and grow its business responsibly by improving the health outcomes of its members. When its members' health improves medical costs go down. Elevance developed the Whole Health Index (WHI) to "measure member health holistically with a single score that takes community, social, and clinical drivers into account...and better informs our efforts to improve outcomes for members, associates, and communities." This focus on whole-person health outcomes can not only create sustainable success for the company, but also for the communities that Elevance serves by lowering costs of care for all over time.

Deloitte recently calculated that nationally \$320 billion in annual healthcare spending is directly attributable to health disparities. Elevance can contribute to reducing overall disparities in the United States by undertaking renewed efforts to reduce disparities at Elevance among its own members.

Narrowing these disparities by improving outcomes may lead to significant cost savings for our company. For example, studies have shown that health outcomes can be improved in Asian, Hispanic, and Black patients by offering diabetes screening to obese individuals at an earlier age than is recommended for white patients. The CDC has noted that screening for and prevention of complications in diabetes can result in cost savings to insurers.

Elevance should consider this example, and others like it, as it works to reduce disparities in care and improve health outcomes for its members. Improved health outcomes reduce costs and therefore improves value for shareholders.

Elevance says on its website's health equity page that "Healthcare can serve as a beacon by setting a measurable and transparent health equity agenda – and then holding itself accountable." Although Elevance has published some reports about its efforts, Elevance does not provide transparency into whether the company's efforts are addressing perhaps the largest source of much-needed improvement: reducing racial and ethnic disparities in the care provided to Elevance's members. We believe that by building on the reporting by the Whole Health Index and by regularly reporting to shareholders about Elevance's progress to eliminate racially and ethnically disparate healthcare outcomes, our company can best serve its investors' long-term goals.