To serve as a catalyst for improving the health of Kansans.

To support an environment of collaboration and innovation in health.
Dear Friends of the Sunflower Foundation

We are pleased to present this first Annual Report of the Sunflower Foundation: Health Care for Kansans. Our year has been characterized by countless first-time experiences, culminating in the awarding of our first grants. As we begin our work as a health-focused foundation, it is truly exciting for everyone involved with this organization to share the enclosed information about our activities during our fiscal year ending June 30, 2002.

The Sunflower Foundation was created as a result of negotiations between the Kansas Attorney General, the Kansas Insurance Commissioner and Blue Cross Blue Shield of Kansas, resulting in the establishment of a $75 million endowment. The assets of this foundation represent new resources in our state to support many important initiatives dedicated to improving the health of Kansans. Later in this report you’ll see details of these assets and their first use to provide such support.

The responsibility for defining the strategic direction and, subsequently, funding decisions of the foundation rests with the nine members of the Sunflower Foundation’s Board of Trustees. A nine-member Community Advisory Committee and four Legislative Advisors also contribute to the work of the foundation through advisory and liaison roles. These individuals serve voluntarily and have given many hours to ensure that the Sunflower Foundation fulfills its mission. We sincerely thank them for their dedicated service.

We are pleased to use this opportunity to recognize our first grantees. The response to our initial Request for Proposals was overwhelming, indicating both a broad knowledge of the Sunflower Foundation as a new funding source and the ever-growing needs of health-related organizations and agencies across the state. Our available resources allowed us to fund approximately one of three proposals received, and we are confident that our board’s funding decisions will allow many Kansans to realize both short-term and long-term benefits from the work of our grantees. Grant awards primarily targeted projects that were most closely aligned with the board’s first priority areas of interest, which you’ll see further addressed in the body of this report.

Kansas is widely recognized as a leading state in several fields. It is the hope of the Sunflower Foundation that our state will also become a leader of innovative and effective approaches to improving the health status of all of our residents. Our organization is committed to serving as a catalyst to accomplish that goal and we look forward to many opportunities to support Kansas organizations and agencies which share that commitment. Thank you for your interest in the work of the Sunflower Foundation: Health Care for Kansans.

Billie G. Hall
President & CEO

Mary Carol Pomatto, Ed.D.
Board Chair
Our history

The Sunflower Foundation: Health Care for Kansans, based in Topeka, Kansas, was created in August of 2000 as part of a $75 million settlement between the Kansas Attorney General, the Kansas Insurance Commissioner and Blue Cross Blue Shield of Kansas. The agreement establishing the foundation resolved litigation between the parties regarding Blue Cross’ charitable obligations to the state based on the company’s operations between 1941 and 1969. The foundation was charged with serving the health needs of Kansans.

The Kansas Attorney General appointed the first members of the foundation’s board of trustees in November, 2000. The organization’s president and CEO was named in August of 2001. The foundation’s first cycle of grantmaking was completed in June, 2002.

Our approach to grantmaking

The Sunflower Foundation is dedicated to improving the health and well-being of all Kansans through improved access to affordable and quality health care, promotion of healthy lifestyles and prevention efforts. We envision our role as a catalyst and, therefore, look to support programs that are innovative and have the potential to affect change at a systems level. But our interest is in more than just funding projects; we want the programs of our grantees to succeed and to have a positive impact on the health of Kansans.

We look at health in the broadest sense, thinking of health as an optimal state of well-being—physical, emotional and social.

It is the ability of people and communities to reach their best potential—improving access to health care, eliminating barriers to health and health care, creating healthy environments and supporting personal responsibility for health.

The Sunflower Foundation is committed to developing strategic partnerships with other funders and key stakeholders to support programs designed to improve the health of Kansans.

Our operating principles

• To serve those most in need of health care
• To embrace a broad definition of health
• To focus on prevention, durability and measurability
• To be collaborative and complementary
• To serve as an agent of systemic change
• To recognize the importance of research and development
• To be driven by humanitarian need
• To provide proactive funding
• To act as a responsible steward of the foundation’s assets
• To leverage foundation assets
Our priority areas of interest

To achieve greater impact with limited resources, the Sunflower Foundation Board of Trustees identified priority areas in which to direct initial funding. Three broad areas were identified, with targeted issues for priority funding within each area. These are the broad and targeted priority areas of interest:

ACCESS TO HEALTH CARE
- Health Insurance
- Safety Net
- Workforce

DISEASE PREVENTION AND HEALTH PROMOTION
- Obesity

AGING
- Access to Prescription Drugs for the Low Income Elderly
- Caregiving

A discussion of the targeted priority areas of interest

HEALTH INSURANCE
We are learning that the lack of health insurance is a significant negative influence on health status. According to the National Academy of Sciences, Americans without health insurance are more likely to have poor health and die prematurely than those with health insurance. Other studies have shown that uninsured individuals are less likely to have a regular source of care, and are more likely to delay seeking care, to experience adverse health outcomes and to use hospital and emergency care services.

According to a recent survey conducted by the Kansas Insurance Department, an estimated 244,000 non-elderly Kansans lack health insurance. The Sunflower Foundation is interested in supporting initiatives that seek to expand the number of Kansans that have health insurance.

SAFETY NET
The Institute of Medicine defines the health care safety net as “those providers that organize and deliver a significant level of health care and other related services to uninsured, Medicaid, and other vulnerable patients.” Safety net providers often offer the only access to health care services regardless of the patient’s ability to pay, with a large proportion of the patients they serve typically uninsured.

Supporting the capacity of safety net providers to serve the vulnerable populations in their communities is an important priority for the Sunflower Foundation.

WORKFORCE
Shortages and turnovers within the health care workforce are approaching crisis levels. This issue dramatically impacts both urban and rural communities and all aspects of health services, including public health, medical care, school health, long-term care and other services. And, while the shortage of
nurses may have recently received the most public attention, several other health care professions, such as pharmacists, technologists, therapists, dental hygienists, long-term care workers and others, are also experiencing serious shortages.

The Sunflower Foundation is interested in supporting innovative community-based and statewide efforts to develop strategies that address both short-term and long-term health care workforce issues.

OBESITY

In a 2001 "Call to Action," Dr. David Satcher, 16th U.S. Surgeon General, announced that "...overweight and obesity may soon cause as much preventable disease and death as cigarette smoking." He also indicated that health problems resulting from overweight and obesity could reverse many of the health gains achieved in the U.S. in recent decades, particularly in areas such as heart disease, several forms of cancer and other chronic health problems. This is not only an important adult issue; Dr. Satcher noted that the prevalence of obesity among adolescents has nearly tripled in the past two decades.

Supporting efforts to gain more insight into factors leading to obesity, evaluate the scope of the issue in Kansas and focus on prevention, especially among children and youth, is an interest of the Sunflower Foundation.

ACCESS TO PRESCRIPTION DRUGS FOR THE LOW INCOME ELDERLY

Each day across Kansas, senior citizens are forced to make the difficult decision of paying routine living expenses or paying for their prescription drugs. National estimates indicate that one in three Americans over age 65 has no prescription drug benefits. At the same time, the importance of prescription drugs to medical care is growing, as are both the number of people using prescription drugs and the number of prescriptions per user. Compounding this issue is the fact that prices for pharmaceutical medications continue to increase. This combination of factors is creating a crisis, especially among low income aging Kansans.

The Sunflower Foundation is interested in supporting programs that offer Kansas senior citizens practical solutions to this critical issue.

CAREGIVING

As the percentage of the population over 65 increases and resources become more scarce, volunteer caregiving for Kansas elders becomes an increasingly important component of their health care. National estimates indicate that nearly one out of every four households is involved in caregiving to persons aged 50 and over. In addition to the need to promote volunteer caregiving, it is important that existing caregivers have access to support and occasional relief to continue as good caregivers and not neglect their own needs during a time of self-sacrifice.

Volunteer caregiving offers an important option for Kansas elders to sustain their independence and familiar quality of life as long as possible — and conserves health care resources. But the needs of the caregiver also should be addressed. The Sunflower Foundation is interested in supporting programs that strengthen and sustain volunteer caregiving.
Our grant awards

(All grants are for one year, unless otherwise noted)

- **Aging Research Institute**, Topeka – $134,033 to create a system to help stabilize the frontline long-term care workforce

- **Bridges to Success Health and Wellness Action Team**, Topeka – $75,207 to evaluate and address childhood obesity data collection needs and prevention efforts through multiple strategies

- **Butler County Community College Foundation**, El Dorado – $50,840 to offer on-site health care services to students and a clinical training site for student nurses

- **Catholic Charities, Archdiocese of Kansas City**, Kansas City – $80,000 to expand a network of community volunteers to support frail older adults in their homes

- **Center for Health and Wellness, Inc.**, Wichita – $140,575 for a study to evaluate the benefits of prevention and intensive health education regarding obesity and other related risk factors, focusing on an African American population

- **Cloud County Commission on Aging, Inc.**, Concordia – $52,121 to develop a program to assist low income seniors in obtaining free or low cost prescription medications (three-year grant)

- **East Central Kansas Area Agency on Aging**, Ottawa – $44,839 to develop a local network of volunteers to assist seniors in obtaining free or low cost prescription medications

- **East Topeka Council on Aging, Inc.**, Topeka – $10,000 to match a grant from the Kansas Department of Transportation for purchase of a replacement vehicle for transportation of senior citizens and persons with disabilities

- **First Call for Help of Ellis County**, Hays – $25,000 to assist individuals without prescription insurance in accessing free or low cost medications

- **Fort Hays State University, Department of Allied Health**, Hays – $148,500 to develop a diagnostic ultrasound program to increase the number of registered sonographers (two-year grant)

- **Guadalupe Clinic**, Wichita – $13,500 to expand the organization’s capacity to serve underserved populations by extending its hours of operation

- **Health Ministries Clinic of Harvey County, Inc.**, Newton – $7,350 to increase the clinic’s capacity by enhancing its patient accounting technology

- **Health Partners Benefit Association, Inc.**, Great Bend – $74,000 to support the development of the Kansas Business Health Partnership health insurance premium subsidy program

- **Heartland Rural Counseling Services, Inc.**, Colby – $2,973 for testing instruments to complete a comprehensive diagnostic testing center

- **Hesston College**, Hesston – $33,186 to develop a model remediation program to increase the retention and graduation rates of nursing students and to expand the nursing program capacity

- **Horizons Mental Health Center**, Hutchinson – $3,000 to co-sponsor an appearance by Dr. David Satcher, 16th U.S. Surgeon General, on May 14, 2002

- **Hunter Health Clinic**, Wichita – $5,850 to increase the clinic’s capacity by providing information technology and related equipment
Our grant awards (cont.)

- Kansas Advocates for Better Care, Inc., Lawrence – $38,156 to train volunteers as caregivers for frail loved-ones

- Kansas Capital Area Chapter of the American Red Cross, Topeka – $38,095 to expand the Care for the Caregiver program and the number of trained volunteer companions providing respite to family caregivers

- Kansas Department of Health and Environment, Office of Local and Rural Health, Topeka – $30,500 for medical interpreter training for qualified bilingual volunteers and health care providers

- Kansas Department of Health and Environment, Center for Health and Environmental Statistics, OHCI, Topeka – $16,500 to enhance program planning by electronically linking data from health services to women, infants and children

- Kansas Department on Aging, Topeka – $58,880 to replicate a successful program providing respite care support to caregivers in three new cities

- Kansas Nurses Foundation, Topeka – $10,350 to develop a Web site and resource library to recruit nursing students and promote nursing as a career

- Kansas Public Health Association, Manhattan – $21,666 to develop a childhood obesity prevention program piloted in child care facilities in three communities

- Kansas University Endowment Association, Center on Aging, Kansas University Medical Center, Kansas City – $36,091 to study cultural influences on the perceived needs of those caring for older adults

- KANU FM, Lawrence – $30,000 to match other private foundation funding for the health information program "Kansas Kids: A Prescription for Change"

- Lincoln County Council on Aging, Lincoln – $5,756 to leverage additional funding to develop a prescription drug program for low income residents

- Manhattan Area Technical College, Manhattan – $150,000 to assist in establishing an accredited dental hygiene school

- Marian Clinic, Topeka – $47,650 to upgrade information and communication technology capabilities

- Kansas State Employees Health Care Commission (HCC), Topeka – $29,271 to determine the number of state employees who would qualify for HealthWave benefits if they were not covered by the state employee group health insurance plans and to explore subsidies and other alternatives regarding enrollment options

- Kansas State University, Manhattan – $56,717 for research to validate an instrument capable of measuring eating behaviors associated with healthy outcomes (two-year grant)

- Kansas State University, Manhattan – $21,666 to develop a childhood obesity prevention program piloted in child care facilities in three communities

- Kansas State University, Manhattan – $148,925 to develop and pilot-test a prevention and treatment of adolescent obesity model

- Kansas State University, Topeka – $5,756 to leverage additional funding to develop a prescription drug program for low income residents

- Manhattan Area Technical College, Manhattan – $150,000 to assist in establishing an accredited dental hygiene school

- Marian Clinic, Topeka – $47,650 to upgrade information and communication technology capabilities
• McPherson County Connections, McPherson – $14,000 to develop a voucher system among area health care providers to expand services available to the working poor

• Medical Service Bureau, Inc., Wichita – $66,684 to establish a non-profit pharmacy to help low income seniors access needed medications

• Metropolitan Lutheran Ministry, Kansas City – $9,953 to support an expansion of the clinic’s health screening and nutritional services capacity

• Mt. Carmel Regional Medical Center/Community Health Services, Pittsburg – $63,490 to purchase clinic billing software for the transition to a federally qualified health center (FQHC)

• Pioneer Health Network, Inc., Garden City – $135,040 to identify and address barriers for non-traditional nursing students (two-year grant)

• Prairie View, Inc., Newton – $102,280 to develop an obesity prevention and management program for children and youth

• Saline County Commission on Aging, Salina – $48,550 to provide personal, teleconference and Internet-based support to volunteer caregivers for the aging

• Self-Help Network, Wichita State University, Wichita – $10,000 to print and distribute the Kansas Connections Directory

• Shawnee County Medical Society Foundation, Inc., Topeka – $78,630 to support the start-up of a new indigent health program and to evaluate the feasibility of a centralized pharmacy program

• Southeast Kansas Education Service Center-Greenbush, Girard – $72,389 to address a critical shortage of school nurses by creating a nine school district collaboration that will increase access through technology

• Swope Parkway Health Center for Douglas Community Health Center, Kansas City – $70,000 to integrate behavioral health with primary health services in a safety net clinic setting

• University of Kansas Medical Center Research Institute, Inc., Kansas City – $137,383 to conduct a study that will assess factors associated with weight status among school-age children

• USD #214 Grant County School District, Ulysses – $36,330 to provide multiple interventions to decrease obesity and other risky behaviors among children and youth

• Via Christi Regional Medical Center, Wichita – $86,067 to implement a mentorship program to help retain and recruit new workers into the health care industry
# The Sunflower Foundation Financial Highlights
(UNAUDITED)

## Statement of Financial Position

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$ 79,197,000</td>
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<tr>
<td>Other assets</td>
<td>$ 47,000</td>
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<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 79,244,000</strong></td>
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<table>
<thead>
<tr>
<th>Liabilities and net assets</th>
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</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
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<tr>
<td>Grants payable</td>
<td>$ 1,800,000</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$ 1,838,000</strong></td>
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<table>
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<tr>
<th>Net assets</th>
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<tbody>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>$ 77,406,000</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$ 79,244,000</strong></td>
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## Statement of Revenues, Expenses and Changes in Net Assets

<table>
<thead>
<tr>
<th>Year ended June 30, 2002</th>
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<tbody>
<tr>
<td><strong>Support and revenue</strong></td>
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<tr>
<td>Contributions</td>
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<tr>
<td>Investment income, net</td>
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<tr>
<td><strong>Total income</strong></td>
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<table>
<thead>
<tr>
<th>Grants and expenses</th>
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</thead>
<tbody>
<tr>
<td>Grants awarded</td>
<td>$ 2,570,000</td>
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<tr>
<td>Program, general and administrative expenses</td>
<td>$ 460,000</td>
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<tr>
<td><strong>Total grants and expenses</strong></td>
<td><strong>$ 3,030,000</strong></td>
</tr>
</tbody>
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| Change in net assets      | $ (1,005,000) |
| Net assets, beginning of year | $ 78,411,000 |
| Net assets, end of year   | $ 77,406,000 |
Board of Trustees

The Sunflower Foundation is governed by a nine-member Board of Trustees, who represent diverse interests and regions of the state. Eight of the trustees are nominated to the board through a process overseen by the Kansas Attorney General. One trustee is nominated by Blue Cross Blue Shield of Kansas.

Mary Carol Pomatto, Ed.D.,
Chair
Pittsburg, KS
Brenda J. Gray,
Secretary
Wichita, KS
Harry W. Craig Jr.,
Treasurer
Topeka, KS

*Dave A. Lindstrom
Overland Park, KS
*through May 2002

Thomas L. Miller, BCBSKS
appointment
Topeka, KS

Vernon A. Mills, M.D.
Leavenworth, KS

Cindy Rainey
Lawrence, KS
Penney Schwab
Garden City, KS
Greg Unruh
Scott City, KS

Community Advisory Committee

Nine individuals from across Kansas are appointed by the Kansas Attorney General to serve as members of the Community Advisory Committee. Their role is to nominate individuals to the Attorney General for positions on the Board of Trustees and to serve in other advisory capacities as requested by the board.

Rochelle Chronister, Chair
Neodesha, KS
Lynn Mitchelson
Kansas City, MO
Margaret Myers
Hutchinson, KS
Verna M. Rundell
Syracuse, KS
Karen A. Seals
Lawrence, KS

Dale Sprague
McPherson, KS
Anita Strnad
Munden, KS
Sandra S. Vader
Shawnee Mission, KS
Oren M. Windholz
Hays, KS

Legislative Advisors

Legislative Advisors are appointed by the leadership of the Kansas House and Senate to serve as liaisons between the foundation and the Kansas Legislature.

Senator Jim Barone
Senate Minority Leader appointment
Representative Bob Bethell
Speaker of the House appointment
Senator Sandy Praeger
Senate President appointment
Representative Judy Showalter
House Minority Leader appointment

Staff

Billie G. Hall, President and CEO
Larry W. Tobias, Program Officer
Cheryl L. Staudinger, Finance/Grants Manager
Judith Ann Wilson, Administrative Assistant