

# Changing the Landscape of Health Care

UPMC HEALTH PLAN 2006 ANNUAL REPORT

UPMC HEALTH PLAN  
Where you belong.

One Chatham Center  
112 Washington Place  
Pittsburgh, PA 15219

[www.upmchealthplan.com](http://www.upmchealthplan.com)

UPMC HEALTH PLAN  
Where you belong.



# Winds of Change

The world of health care is one of constant movement and transition. UPMC Health Plan harnesses this energy to offer the best value to our customers, while never losing focus on our top priority: the well-being of our members. We are creating benefit solutions and continuously finding new and better ways to improve our members' health and the health of our local communities.

Our extensive network offers members the finest health care from world-renowned medical experts, the latest medical breakthroughs, and the most innovative and effective health promotion programs in the region.

Our quality, satisfaction, and cost outcomes bring value to each of our stakeholders, including the employers we serve, our members, physicians, and the community.

We draw from the best to deliver the best, maximizing value and protecting the most precious resources of our community: the men, women, and children of Western Pennsylvania.

President's Letter	2
Common Ground: Network	4
Confluence of Care: Product Portfolio	12
Reaching New Heights: Service	30
Building Bridges: Community Partnerships	34
Financial and Corporate Information	38



At UPMC Health Plan, we understand that innovation, along with service excellence, creates the bedrock for health care solutions that employers, members, and communities value. By providing competitive pricing, a comprehensive and robust network, quality programs, and unmatched service, we enable our members to receive the best health care from the region's premier physicians, as well as exceptional health promotion and wellness programs.

The past year was an exciting one for the Health Plan. We continued to leverage our close provider, academic, and industry relationships to create new programs for our members. We developed additional ways to give members tools to improve their health status, including easy online access to personal health information, telephone coaching, and health improvement programs.

The *MyHealth* program continues to support employers committed to helping their employees achieve better health.

We established new approaches to improve cost and quality transparency, as well as new services such as UPMC Work Partners, which includes workers' compensation and short-term disability programs.

As other health insurers consolidate nationwide, UPMC Health Plan is committed to remaining a local resource for our members. Our major focus continues to be on Western Pennsylvania, and we are proud of our efforts and results in the region. On the pages that follow, you will read about how the Health Plan and the companies of the UPMC Insurance Services Division are successfully changing the terrain of today's health care landscape by providing products and services with our customers' best interests in mind.

As the Health Plan celebrates its 10-year anniversary, I would like to take this opportunity to thank our employer partners, our members, our physicians and hospitals, and our employees for another successful year.

I am pleased to present you with this overview of our accomplishments in the past year and our vision for the future.



*Diane P. Holder*

Diane P. Holder, President  
UPMC Health Plan  
UPMC Insurance Services Division

# Staying Current

*In the pages that follow, we explore the distinctive topography of Western Pennsylvania, as captured by Pittsburgh photographer Richard Kelly. Our hills and rivers, as much as our people, help define our region.*

*Here, water rushes along Slippery Rock Creek in McConnells Mill State Park in Lawrence County. A favorite destination for paddlers and rock climbers, the park includes the 2,500-acre Slippery Rock Gorge.*

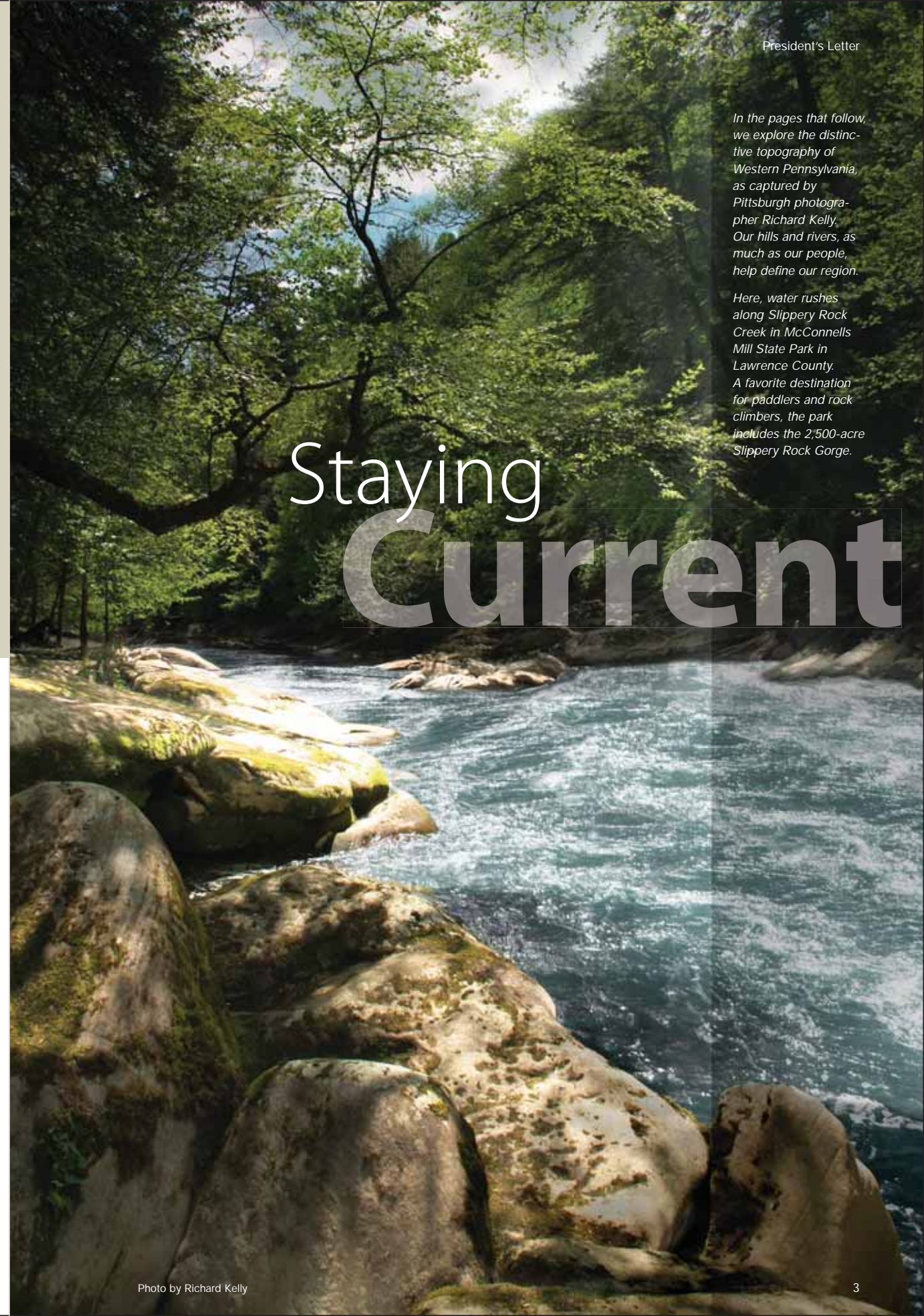


Photo by Richard Kelly



# Common Ground

A shared vision of excellence

At UPMC Health Plan, we think about our provider network one member at a time. We make sure our doctors and hospitals are close to where people live and work, and we make sure every medical specialty is covered. Our extensive pharmacy network makes it easier for members to obtain the medications they need.

But our idea of common ground goes beyond geography. We find shared concerns with our customers, understanding that breadth and depth of resources matter to employers. Our shared mission with the University of Pittsburgh Medical Center (UPMC) and other providers strengthens our commitment to our members and brings greater efficiencies to our business processes.

*Just steps from the University of Pittsburgh's research and medical facilities, Schenley Park offers trails and solitude in the heart of the city.*

Daniel Brooks, MD, is the chief operating officer of Sewickley Valley Hospital and chief medical officer for The Medical Center of Beaver, both part of Heritage Valley Health System. Heritage Valley works collaboratively with UPMC Health Plan on a number of projects that involve the community in areas such as diabetes testing, mammography screening, and other preventive services.



A Comprehensive Provider Network



The physicians in our network are carefully selected based on solid credentialing criteria. Every medical specialty is represented—there are no gaps.

A provider network without gaps

UPMC Health Plan has the depth and breadth to serve every member well. Our network of over 80 hospitals and more than 7,500 physicians makes up one of the most comprehensive teams of providers in the region. The Health Plan's network includes 92% of the hospitals in Western Pennsylvania.

For members who live or work outside of Western Pennsylvania, we offer the national PHCS network of 4,000 facilities and 450,000 physicians; Ohio residents who are members have access to the MMO network of 190 hospitals and 20,000 physicians. Members traveling 100 miles or more from home have access to the services of Assist America. Assist America staff can help members locate hospitals and physicians, replace prescriptions, and access other emergency travel services anywhere in the world.

Collaborating to improve care

In partnership with our network providers, we continue to ensure that members get the right care, in the right amount, at the right time.

In 2006 we began a program in which care management professionals visit high-volume physician practices. These care managers, all of whom are registered nurses and certified educators, help members manage chronic conditions. The focus is on early intervention and making sure members get the care they need—resulting in better health and lower long-term costs.

Expanded in 2006 was our Hospital Care Coordination program. Our care coordinators work with hospital personnel at several network hospitals to make sure our members get the proper level of care in the most appropriate setting.



Melissa McNeil, MD, is chief of the Section of Women's Health of the Division of General Internal Medicine at the University of Pittsburgh. Dr. McNeil pioneered the integration of comprehensive women's health services as part of the practice of internal medicine.



To provide seamless service to our members who live or work outside of our Western Pennsylvania area, we partner with PHCS, a national provider network. PHCS has a network of nearly 450,000 physicians and 4,000 facilities across the country.



MMO serves our Ohio members through its more than 190 hospitals and 20,000 physicians.

A Comprehensive Hospital Network

92% of the hospitals in the Western Pennsylvania region are part of the UPMC Health Plan network, which includes more than 80 hospitals.



assist america®

Whether our members travel within the U.S. or in foreign lands, they continue to have easy access to care through our travel assistance partner, Assist America. This benefit enables members to locate doctors and hospitals and access emergency care. Assist America personnel can help replace prescriptions, provide emergency medical evacuation, and arrange transportation for family members to join sick or injured relatives.

Hospitals in the UPMC Health Plan Commercial Network

<b>Allegheny County</b> Children's Hospital of Pittsburgh Eye & Ear Institute Jefferson Regional Medical Center Kindred Hospital of Pittsburgh Lifecare Hospital of Pittsburgh Magee-Womens Hospital of UPMC Mercy Hospital Ohio Valley General Hospital Sewickley Valley Hospital St. Clair Memorial Hospital The Children's Institute The Children's Home of Pittsburgh UPMC Braddock UPMC Cancer Centers UPMC McKeesport UPMC Montefiore UPMC Passavant UPMC Presbyterian UPMC Shadyside UPMC Sports Medicine UPMC St. Margaret UPMC South Side Western Psychiatric Institute and Clinic	<b>Butler County</b> Butler Memorial Hospital UPMC Passavant Cranberry	<b>Fulton County</b> Fulton County Medical Center	<b>Potter County</b> Charles Cole Memorial Hospital
<b>Cambria County</b> Memorial Medical Center —Lee Campus —Main Campus Miners Medical Center	<b>Greene County</b> Southwest Regional Medical Center	<b>Huntingdon County</b> J.C. Blair Memorial Hospital	<b>Somerset County</b> Meyersdale Medical Center Somerset Hospital Windber Medical Center
<b>Clarion County</b> Clarion Hospital	<b>Indiana County</b> Indiana Regional Medical Center	<b>Tioga County</b> Soldiers and Sailors Memorial Hospital	<b>Venango County</b> UPMC Northwest
<b>Clearfield County</b> Clearfield Hospital Dubois Regional Medical Center	<b>Jefferson County</b> Brookville Hospital Punxsutawney Area Hospital	<b>Warren County</b> Warren General Hospital	<b>Washington County</b> Monongahela Valley Hospital The Washington Hospital
<b>Crawford County</b> Meadville Medical Center Titusville Area Hospital	<b>Lawrence County</b> Ellwood City Hospital Jameson Health System —North Campus —South Campus	<b>Westmoreland County</b> Frick Hospital Excelsa Health Latrobe Area Hospital Excelsa Health Mercy Jeannette Hospital Westmoreland Regional Hospital Excelsa Health	<b>Outside Pennsylvania</b> Weirton Medical Center (West Virginia) Wheeling Hospital (West Virginia) Memorial Hospital and Medical Center of Cumberland (Maryland) Sacred Heart Hospital (Maryland)
<b>Elk County</b> Elk Regional Health Center —St. Marys Health Center Campus —Ridgway Health Center Campus	<b>McKean County</b> Bradford Regional Medical Center Kane Community Hospital		
<b>Armstrong County</b> Armstrong County Memorial Hospital	<b>Mercer County</b> Grove City Medical Center UPMC Horizon —Greenville Campus —Shenango Campus		
<b>Beaver County</b> The Medical Center of Beaver Aliquippa Community Hospital	<b>Mifflin County</b> Lewistown Hospital		
<b>Bedford County</b> UPMC Bedford Memorial			
<b>Blair County</b> Altoona Hospital Nason Hospital Tyrone Hospital	<b>Fayette County</b> Highlands Hospital The Uniontown Hospital		



More than 3,000 Armstrong County elementary school students and their families are taking steps toward better health, thanks to an initiative funded in part by UPMC Health Plan. The community-based program aims to reverse the troubling rise in childhood obesity rates.

*"Our goal is to promote wellness and healthy lifestyles across the entire community, not just among those who are overweight," says pediatrician Kiran Bhat, MD, of Children's Community Pediatrics-Armstrong. Dr. Bhat and Patricia Shiring (right), executive director of the ACMH Hospital Foundation, along with the Armstrong County School District, are part of the grassroots effort to reverse the rise of childhood obesity rates in Armstrong County. The program includes physical activities, as well as menu and cooking advice from nutritionists.*

**"When the entire community is healthier, everyone benefits."**

Dr. Kiran Bhat

Photo by Richard Kelly

#### Improving community health

UPMC Health Plan partners with the physicians and hospitals of UPMC as well as other leading community hospitals and physicians to build strong, healthy communities. Working alongside UPMC physicians and other community doctors, we speak the same language and help translate best practices and the latest findings into improved medical outcomes for our members.

An example is the Health Plan's collaboration in an Armstrong County community-based program to reverse the troubling rise in childhood obesity rates. The Health Plan is contributing both funding and the services of its weight management experts to support this effort to improve the health of more than 3,000 elementary school students and their families. Children's Community Pediatrics-Armstrong, ACMH Hospital Foundation, and the Armstrong County School District are partnering with the Health Plan to lead this initiative.

#### Achieving high-quality outcomes for our members

Our close working partnerships with the physicians and hospitals in our network enable us to provide consistently high-quality service and continue to improve clinical outcomes and the health of the community. In 2006, the National Committee for Quality Assurance (NCQA), a nonprofit organization that evaluates managed care organizations, performed the second full audit of our products and services. Once again, we received an "Excellent" accreditation from NCQA, the highest honor a managed care company can earn, for our commercial HMO and point-of-service plans, our Medicaid plan, and our Medicare Advantage plan.

We recognize that collaboration with our network physicians and support of the doctor-patient relationship are essential in our efforts to continue to provide members with the highest quality of health care.

**In an independent survey, 88% of physicians reported that they were satisfied with UPMC Health Plan, compared to a score of 80% for all other health plans.**

*UPMC Health Plan's "Excellent" accreditation from NCQA is based on a set of standardized performance measures designed to ensure that purchasers and consumers have the information to reliably compare health care plans.*



#### Emphasis on performance

We continue to expand our pay-for-performance programs, collaborating with physicians and hospitals to implement performance measures that are manageable and meaningful. By measuring network physician practices against clinical, quality, and administrative standards, the Health Plan helps physicians help their patients.

#### High physician satisfaction scores

Each year, physicians rate UPMC Health Plan and all other health plans in which they participate on performance and service measures. Results obtained through an independent survey indicate that 88% of physicians who responded reported that they were "very satisfied" or "somewhat satisfied" with UPMC Health Plan, compared to an average satisfaction score of 80% for all other health plans.



### A Choice of Pharmacies Wherever You Go

Our national pharmacy network includes nearly 30,000 independent pharmacies and notable retail chains, including Eckerd, Giant Eagle, Kmart, Rite Aid, Sam's Club, Target, Walgreen's, and Wal-Mart.

Our list of covered drugs, called a formulary, is developed by our Pharmacy and Therapeutics Committee along with Health Plan physicians and pharmacists, community physicians, nurses, pharmacists, and University of Pittsburgh Medical Center physicians. The result is a high-quality, cost-effective formulary that includes both generic and brand name drugs.

The number of  
national retail chain  
and independent  
pharmacies in the  
Health Plan's network  
is close to

# 30,000

ECKERD

GIANT  
EAGLE

Kmart

RITE  
AID

Sam's

Target

Walgreens

WAL\*MART



*Our clinical pharmacists work closely with care managers and network physicians to maximize the value of prescription benefits. Appropriate drug utilization, compliance, and drug safety are key elements of our medication management programs.*

### Robust pharmacy services

UPMC Health Plan places emphasis on integrating all aspects of health care, including pharmacy services. We offer innovative solutions to lower pharmacy costs while maintaining the highest level of care and service. Our in-house clinical pharmacists work closely with our care managers and with physicians and network pharmacists to maximize the value of our members' prescription benefits.

### Easy, convenient, and accessible

Our comprehensive pharmacy services include access to a large network of retail chains and independent pharmacies. These pharmacies are conveniently located in Western Pennsylvania and across the country, with some locations accessible 7 days a week, 24 hours a day. Through our mail order service, members' maintenance and specialty medications can be delivered to their home or doctor's office.



*We save our members money by encouraging the use of generic drugs. Our drug formulary features effective, high-quality generics at affordable copayments. In 2006, the generic substitution rate for the Health Plan's drug coverage claims was nearly 59%.*

### Helping members use medications safely

To promote safe, appropriate, and cost-effective drug therapy for our members, Health Plan pharmacists conduct on-going reviews of claims data. They look for potential problems such as duplication of drugs and drug interactions and collaborate with fellow pharmacists, care managers, and physicians to determine appropriate solutions to any problems that are uncovered. Integrating pharmacy and medical data helps us to obtain the best outcomes for our members.

### Helping members save money

The combined strength of UPMC Health Plan and Express Scripts, our pharmacy benefits manager, gives members the advantage of an enhanced network and improved integrated services.



Interactive tools enable members to use a cost estimator to get personalized information, based on their benefit level, before they go to the drug store.

The site also provides an individual list of all prescriptions filled in the last six months for each covered family member. The lists can be used for family tax and accounting purposes.

Members can use the Health Plan's website to order prescriptions, check copayment levels, review the drug formulary, locate a pharmacy, and access benefit information.

# Confluence of Care

Good health is good business

UPMC Health Plan brings together a comprehensive array of products, programs, and services to form a continuum of care that embraces all members. This integrated product portfolio enables us to help our members and the people in the communities we serve to lead healthier lives.

We offer a wide choice of benefit plans, from HMOs and PPOs to consumer-directed plans. We also support our members in making healthy lifestyle choices by offering a variety of telephone and workplace health promotion programs and health management services. And we service our clients personally, sharing timely data and making cost-saving recommendations.

*Barges greet the morning at The Point in downtown Pittsburgh, where the Allegheny and the Monongahela meet to form the Ohio River.*





UPMC Health Plan offers a wide choice of benefit plans. We service our clients personally, and our service team for each account includes members of our clinical, health promotion, pharmacy, and finance staff. This approach enables us to share timely data with our clients and make recommendations that help them get the most for their health insurance dollar.



**A plan for everyone**  
As part of the UPMC Insurance Services Division, the Health Plan continuously seeks to expand its product offerings to include all segments of the community.

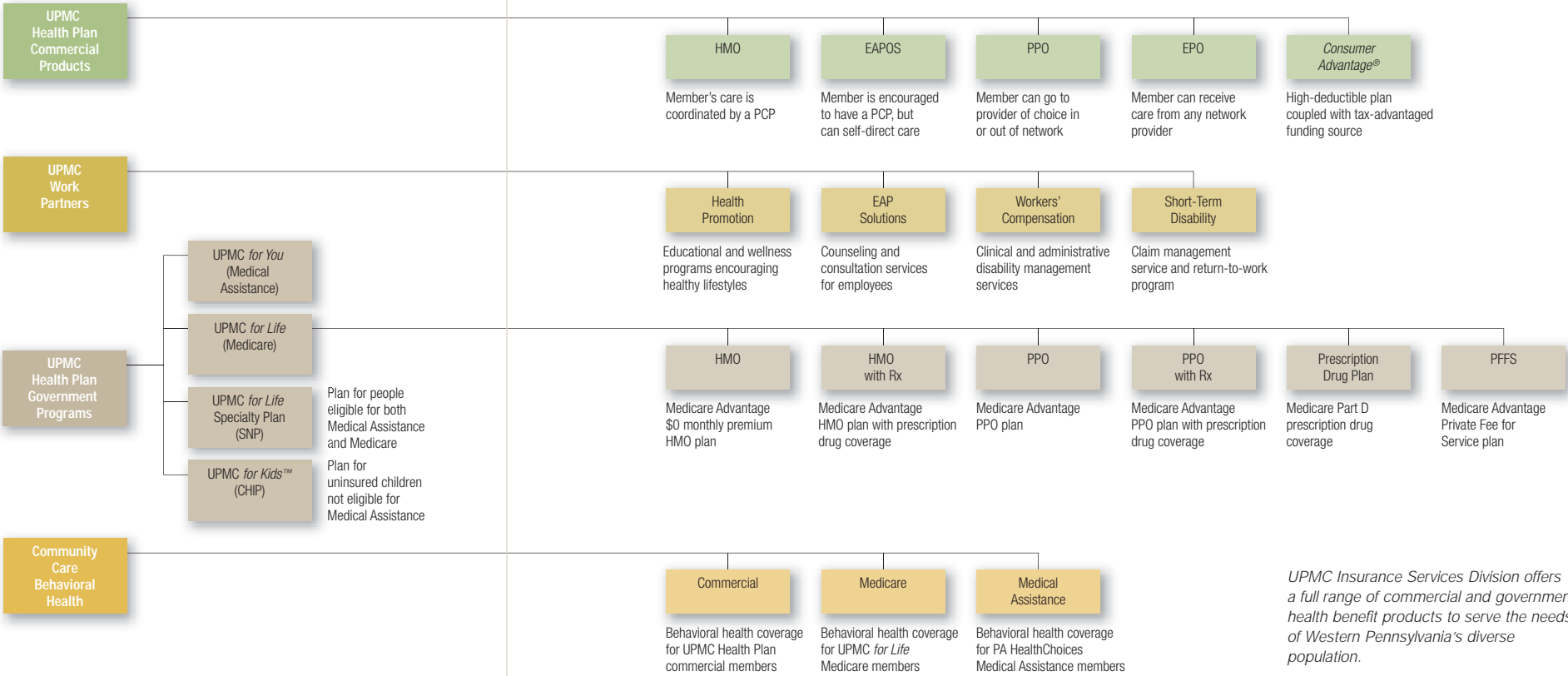
Our integrated suite of programs is designed to improve members' health, control costs, and maintain competitive rates. In 2006, UPMC Work Partners was incorporated into the Division, enabling the Health Plan to offer full-service health promotion, employee assistance, workers' compensation, and short-term disability programs. These programs are fully integrated under the Insurance Services Division umbrella, providing a seamless health benefits experience for employer groups.

All members have access to our extensive network of outstanding physicians and medical professionals and to the facilities and services of UPMC and excellent community hospitals.

This network includes more than 80 hospitals and 7,500 physicians to serve our members in the Western Pennsylvania area. It also includes 30,000 independent and retail chain pharmacies across the country.

Our close collaboration with our network hospitals and physicians enables us to offer the finest health care, the latest medical break-throughs, and the most effective health management programs in ways that no other insurer in the region can match.

UPMC Insurance Services Division Offerings



UPMC Insurance Services Division offers a full range of commercial and government health benefit products to serve the needs of Western Pennsylvania's diverse population.

For members who live or work outside of Western Pennsylvania, we offer the national PHCS network of 4,000 facilities and 450,000 physicians; Ohio residents who are members have access to the MMO network of 190 hospitals and 20,000 physicians. Members who are traveling 100 miles or more from home have access to the worldwide assistance services of Assist America. Assist America staff can help members locate hospitals and physicians, replace prescriptions, and access other emergency travel services.

**Commercial Products**

The rising cost of health care creates a struggle for employers who want to provide employees with high-quality coverage while controlling expenses. UPMC Health Plan is harnessing the power of innovation to offer superior health care solutions.

UPMC Health Plan offers a wide array of benefit plans. Employers large and small can offer their employees plans ranging from HMOs and PPOs to high-deductible consumer-directed plans that include health savings accounts (HSAs) or health reimbursement accounts (HRAs). We offer employers the opportunity to work closely with our senior staff to customize their plan designs to match their business requirements and the needs of their employees.

The Health Plan's award-winning tobacco cessation campaign materials promote the MyHealth Ready to Quit Line. Members who need help to stop smoking can call this number any time.



The Health Plan's new MyHealth Record is an online tool designed to help members be more engaged in their health care. The MyHealth Record provides a secure and private website to store and manage a member's personal health care information. The goal is to provide an educational way for members to manage chronic illnesses, participate in wellness programs, and improve their overall health.



Commercial Products, continued

Helping employers make a healthy workplace

UPMC Health Plan collaborates with leading experts at the University of Pittsburgh Medical Center (UPMC) to develop evidence-based assessments and programs that address the needs of members at every level of health.

In 2006, we expanded the MyHealth program, which includes online tools and resources, discounts on physical fitness activities, medical screenings, worksite seminars and exercise programs, and telephone coaching.

Health coaching, online, and onsite support for healthy living

In 2006, features were added to MyHealth OnLine to support members in making informed decisions about their health.

Also in 2006, we expanded our staff of professional health coaches who are trained in health education, counseling,

nutrition, and the physiology of exercise. Coaches help members who want to quit tobacco, manage weight, or increase physical activity. Our Health Coach Line and our Ready to Quit Line for tobacco cessation support are available 24/7.

Assessing health status

Our online health risk assessment tool, known as the MyHealth Questionnaire, allows members to build a personal health profile and receive immediate feedback about their health status. The questionnaire is available to all commercial members as part of enrollment in the Health Plan.

The Health Plan also offers onsite screenings by medical professionals, who measure body mass index, levels of carbon monoxide, cholesterol, and blood glucose. Professional health coaches meet one-on-one with participants after testing to discuss their results and offer them strategies for lifestyle improvements.

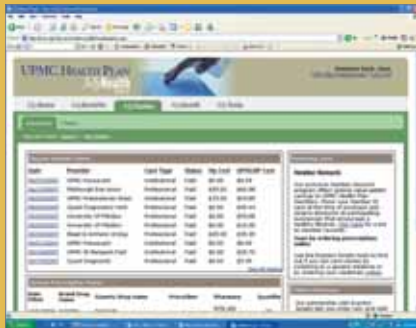
Keeping track of personal medical history

Our new MyHealth Record is an online tool designed to help members keep health information current, stay on top of annual screenings, and work with their physicians to maintain an accurate history.

Here's how it works: Every claim submitted in a member's name for tests, procedures, office visits, prescriptions, and other covered benefits is automatically incorporated into their MyHealth Record. Members can fill in the rest of their health history, entering information at any time, from anywhere, 24/7. They can note family history, new symptoms, over-the-counter medications, and other health-related information that may not be captured in our claims database.

Additional benefits for members include:

- Continuously recorded results of tests and lab work
- Personal and family health history



- Reminders for managing chronic medical conditions
- Health resources linked to results of diagnostic testing

The MyHealth Record is secure and confidential and is held to the same security standards as customer information in the banking and finance industries. Members are the only ones who can retrieve or edit their record, which is accessed through the MyHealth OnLine portal of the Health Plan's website at upmchealthplan.com.



The Health Plan offers worksite health screenings that measure employees' cholesterol, blood pressure, glucose, body mass index, and carbon monoxide levels. Participants receive a printout of the results on the spot and have the opportunity to discuss them with a health coach.

If the screening results indicate that an employee would benefit from one of our care management programs, the health coach encourages him or her to participate.



### Health Management

UPMC Health Plan is also breaking new ground to help members prevent debilitating medical conditions and control the costs—in both human terms and health care dollars—that these diseases impose.

The Health Plan offers condition-specific programs for members with a variety of conditions, including diabetes, asthma, and cardiac diseases. In 2006, we expanded our low-back-pain program to include collaboration with physical therapy and chiropractic practices as part of the growing holistic approach to treatment of chronic low back pain.

In our health management programs, care managers have regular contact with members. They encourage the most effective use of medications and testing in line with current guidelines.

### Identifying gaps in care

In 2006, UPMC Health Plan's clinical specialists and IT team worked together to develop new software-based systems to support our care managers. If an essential test or protocol—such as an annual dilated retinal eye exam for a member with diabetes—is missing from the system's step-by-step reporting of the member's doctor visits and tests, the care manager can easily identify the gap and assist the member in accessing the needed care.

### Online tools help members make health care decisions

The Health Plan offers members with chronic conditions access to online information and tools to help them manage their illness.

The Health Plan's Emmi program, introduced in 2006, uses an online audio "tour guide" to answer the most common questions about chronic illnesses and about hundreds of necessary and elective surgeries. The guide

explains the signs, symptoms, and potential hazards associated with specific chronic conditions, as well as the medications used in treatment.

For specific surgeries, the program provides an overview, explains what the patient needs to know, describes the procedure, lists recovery expectations, and offers alternatives to surgery.

Our consumer-oriented tools include quality and cost comparison tools. The Cost of Care Estimator allows members to determine estimated costs for hundreds of common conditions, procedures, and tests, as well as routine and specialized health care visits.

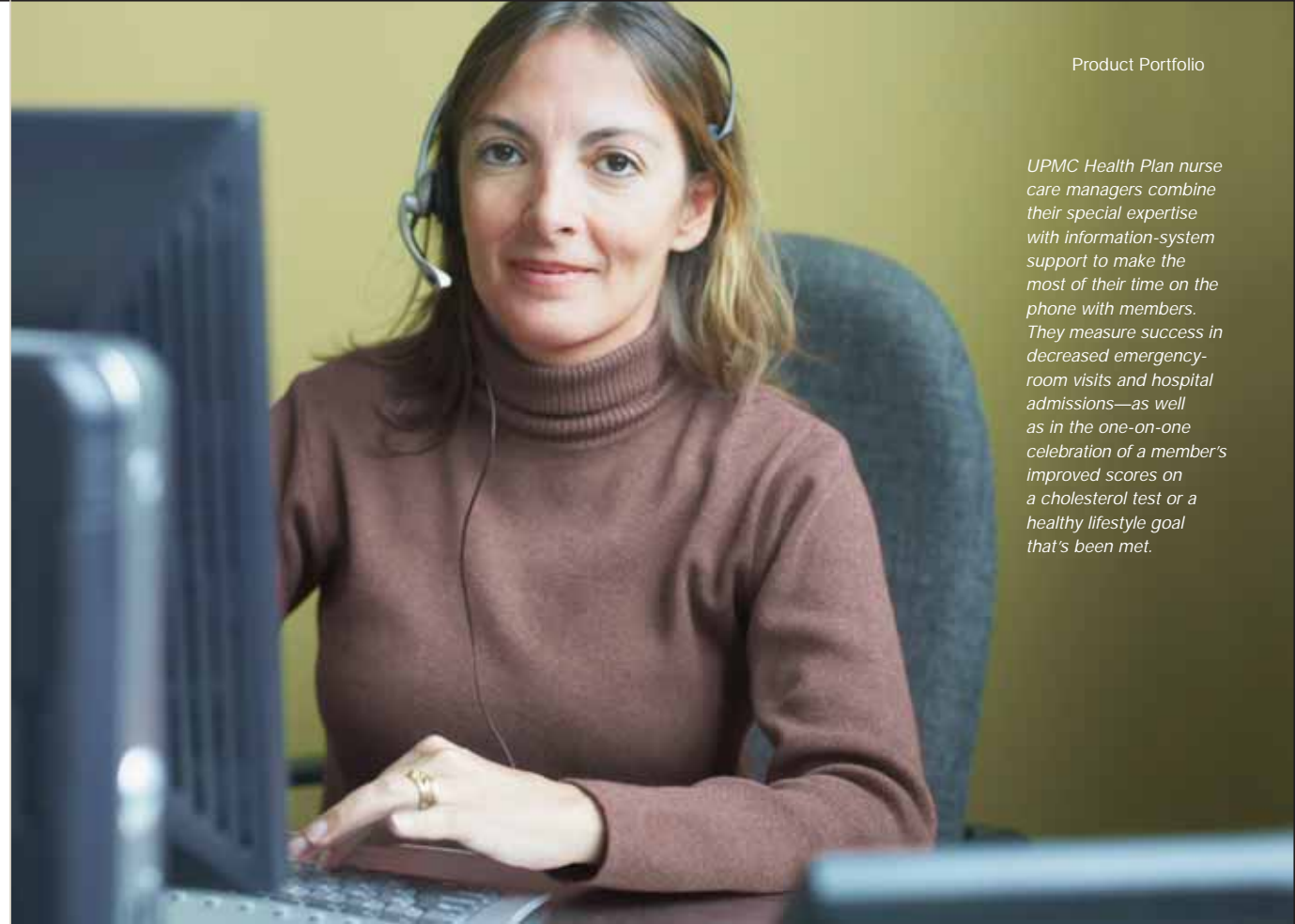
Members can find additional information online with the Web-based hospital comparison tool, Hospital Advisor™. This increased transparency of information can help members choose hospitals based on quality and safety measures.

### Technology helps chronically ill members remain at home

The Health Plan is collaborating with providers in deploying a new technology to help members with congestive heart failure (CHF) learn to manage their own health and remain independent. The Health Plan is able to provide tele-health stations in the homes of members with CHF who are served by home health nurses. These stations monitor the members' vital signs and routinely report them to the members' physicians and the Health Plan's care managers.

By monitoring vital signs at the same time every day, members learn to recognize changes in weight, blood pressure, or blood oxygen levels. They learn ways to improve their symptoms or seek appropriate medical care.

UPMC Health Plan nurse care managers combine their special expertise with information-system support to make the most of their time on the phone with members. They measure success in decreased emergency-room visits and hospital admissions—as well as in the one-on-one celebration of a member's improved scores on a cholesterol test or a healthy lifestyle goal that's been met.



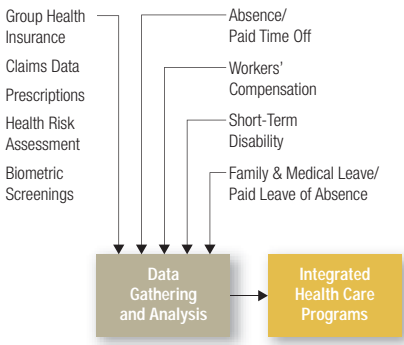
**Health Plan Loses More Than a Ton**  
UPMC Health Plan employees lost 3000+ pounds—an astonishing 1½ tons of weight—during the 12-week *MyHealth* Weight Race. The event attracted more than 500 participants, who were encouraged to reach sensible weight loss goals by forming teams and engaging in healthy lifestyle activities. Each team of five was paired with a senior-level manager who lent his or her name to the team and a health coach who provided extra motivation and support.

Through *MyHealth*, we offer worksite programs like the Weight Race to help employers promote a healthy work environment and to support employees in reaching their personal health goals.

*"Taylor's Souper Models" Aaron Huet, Jessica Todd, Greg Rayman, Rob Triffanoff, and Matt Mauclair, the winners of UPMC Health Plan's MyHealth Weight Race, lost a greater percentage of goal weight than any of the other 99 teams.*



**Understanding and Addressing Health Risks**



By 2012, disability costs for workers ages 45 to 64 are expected to rise 37%. UPMC Health Plan uses comprehensive data to determine member health risks and develop programs that address these risks. Such programs can help employers direct their limited health care dollars toward helping their workforce become healthier.

**UPMC Work Partners**

In 2006, UPMC Work Partners was incorporated into UPMC's Insurance Services Division. This addition enables the Health Plan to offer employer groups full-service health promotion through the *MyHealth* program, employee assistance through EAP Solutions, and workers' compensation programs.

UPMC Work Partners, one of the area's largest and most capable providers of disability-related services, provides both occupational and non-occupational disability programs.

**Targeting limited health dollars**

For employers, the cost of poor health means more than just paying for medical procedures. It also results in lost productivity and absenteeism.

Health care workers at UPMC McKeesport hospital participated in the UPMC *MyHealth* We've Got Your Back pilot. This program uses *BodyMap*® diagnostics and exercise instruction to help workers whose jobs put them at risk for back injuries. Steeler "McKeesport Mike" Logan (shown in background) lent his support to the initiative.



With support from UPMC Health Plan, Pietragallo Bosick & Gordon initiated a wellness program in 2006. Shown in the photo are the firm's Wellness Committee members, who enthusiastically helped implement the program and encouraged co-workers to participate.



**Estimated Lost Work Hours**

Research shows that poor control of certain chronic medical conditions leads to lost productivity and excessive absenteeism among workers—additional costs that few employers can afford.

Condition	Estimated Lost Hours per Week
Diabetes	11.4
High Cholesterol	6.1
Body Mass Index over 30 (obesity)	5.8
Hypertension	5.1
Smoking	4.2

Source: *Journal of Occupational and Environmental Medicine*

Recent literature shows a correlation between some health conditions, such as depression, and higher rates of job-related injuries. Other studies link high blood pressure, high glucose, and high LDL with devastating consequences such as kidney failure, blindness, stroke, and heart attack.

Understanding what health risks are present in their workforce can help employers direct their limited health care dollars toward helping their workforce become healthier.

Employees actively engaged in our health promotion and care management programs can begin to lose weight, quit tobacco, or dramatically improve their cholesterol and blood sugar levels. Studies show these types of health improvements help create healthier employees who work more productively and stay on the job longer.

**Partners for good health**

In 2006, the law firm Pietragallo Bosick & Gordon launched a wellness program to support employees in adopting healthier lifestyles. UPMC Health Plan helped initiate the program by facilitating an onsite health screening and a weight-loss competition. In 2007, the firm added stress management, weight management, and nutrition components to the program. The Health Plan will implement a screening at the end of the program to measure success. In addition to lunchtime education sessions presented by the Health Plan's health promotion staff, Pietragallo, Bosick & Gordon provides fresh fruit for employees, healthier choices in the vending machines, discounts at local bike shops, and walking clubs.



Support in Making Positive Changes

Whether a member's goal is to exercise more, eat healthier, improve sleep patterns, or kick an unhealthy habit, EAP Solutions offers free, confidential coaching and support. EAP can help with:

- Considering lifestyle changes
- Choosing a positive, healthier direction in life
- Setting and keeping a pace that works for the member to achieve personal goals
- Overcoming backslides
- Having patience and perseverance to reach the finish line



EAP Solutions is committed to improving the health and well-being of employees who seek services as well as organizations that strive to create a healthy workplace. EAP Solutions serves employers, health care and educational organizations, and national and regional trade union groups.

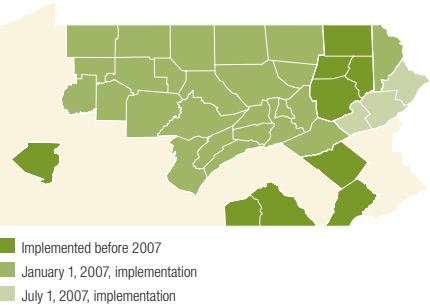
EAP Solutions

EAP Solutions, a service of UPMC Work Partners, provides employers with a comprehensive program that enhances workplace productivity, health, and wellness. Working in a confidential manner, EAP Solutions helps employees and their families address personal and professional concerns. EAP Solutions provides 24/7 access to counselors skilled in services ranging from personal coaching and counseling to management consultation and training, crisis intervention, and workplace wellness.

A Work/Life Balance referral program helps employees and family members address financial and legal concerns, elder care, child care, adoption, college planning, and even pet care.

Community Care Behavioral Health Service Area

The Pennsylvania Department of Public Welfare selected Community Care to manage behavioral health services for Medicaid members in 23 north-central counties, effective January 1, 2007, and in three eastern counties, effective July 1. As of July 1, Community Care will be working in 35 of the state's 67 counties.



The Community Care quality management team and clinical care managers collaborate closely to improve services and increase member satisfaction. Community Care's focus on quality outcomes and excellent clinical care distinguish it as a leader in the managed behavioral health field.

Community Care Behavioral Health

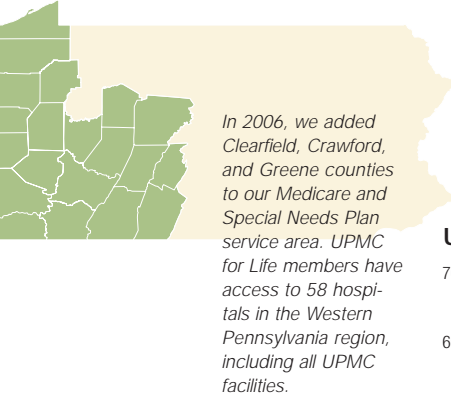
Community Care Behavioral Health, part of the UPMC Insurance Services Division, offers accessible, high-quality, cost-effective care in partnership with local providers. Community Care manages behavioral health benefits for UPMC Health Plan's commercial and Medicare members. Community Care also contracts directly with the state and with county governments to manage behavioral health benefits under Pennsylvania's Medical Assistance HealthChoices program.

Community Care is active in 35 of Pennsylvania's 67 counties. The company serves nearly one million members whose health coverage is sponsored by Medicaid, Medicare, and UPMC Health Plan commercial plans.

The Health Plan and Community Care work together to provide exceptional access and service to members who require care for depression, bipolar disorder, anxiety, addiction, and other behavioral health conditions. We collaborate on clinical practice guidelines, screening and outreach programs, and member education.

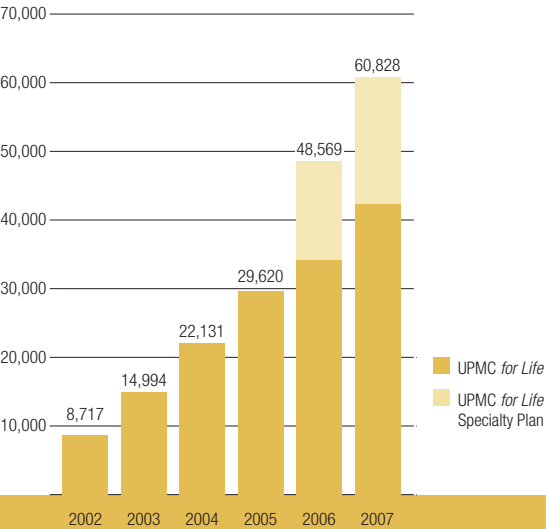
The two companies also work together seamlessly to coordinate care; to promote safer, more effective use of medications; and to provide health management for members with multiple illnesses or complex medical conditions.

UPMC for Life and UPMC for Life Specialty Plan Service Area



Richer, more competitive benefits and innovative, high-quality initiatives such as the Health Care Concierge program contributed to the more than 30% increase in our Medicare membership. The UPMC for Life Specialty Plan was added in 2006 to serve people who are eligible for both Medicare and Medical Assistance.

UPMC for Life Membership Growth



Serving Medicare Beneficiaries

UPMC for Life offers a variety of products and services that fit the needs of older adults—from no-cost plans to prescription drug benefits to personalized customer care.

Our comprehensive suite of Medicare offerings includes plans with and without prescription drug coverage. Our Medicare products are available to individuals and to employer groups that wish to offer retirement benefits.

In response to the federal government's implementation of the Medicare Modernization Act, we introduced a Part D Prescription Drug Plan (PDP) in 2006. Our PDP provides affordable coverage for both generic and brand name drugs.

We recently began offering employers in Pennsylvania, Ohio, and West Virginia a Private Fee for Service Medicare plan for their retirees.

Education for providers and members

In 2006, the Health Plan continued to implement a comprehensive educational campaign to help both our members and our physicians understand the Medicare prescription drug options. We offer hundreds of seminars for Medicare beneficiaries at convenient locations throughout the area.

Service with a personal touch

UPMC for Life members who have questions about their Medicare benefits can call their personal Health Care Concierge any time. As part of our unique and innovative concierge program, each member receives periodic calls from a special customer representative—a concierge—assigned specifically to that member. Members are encouraged to call their personal concierges with concerns about their health care benefits.

UPMC for Life members have their own personally assigned telephone representative, or Health Care Concierge. Concierges are available to help members understand their health care coverage, answer any questions they may have about their medical, dental, vision, and pharmacy benefits, and help them find providers. Concierges also notify members of special events related to their benefits or health and telephone members if they have not heard from them in a while.



Silver&Fit™, a healthy aging program offered at no cost to all UPMC for Life members, includes membership at a local participating fitness club or an at-home fitness program and online health information and tools.

Through our care management programs, we also provide one-on-one support for members who have diabetes, asthma, heart disease, and other chronic conditions. Participants can speak with our nurse health managers over the phone and receive support in following their doctor's plan of care and encouragement in making health lifestyle changes. They also receive educational materials about their condition and reminders to get important tests.

Our Living at Home program helps older members remain in their homes and identifies community resources that can provide support.

Support for healthy living

Our Silver&Fit™ program offers our Medicare members a wide range of health-promotion activities at no additional charge, including access to online information, membership at local fitness centers, and an at-home exercise program.

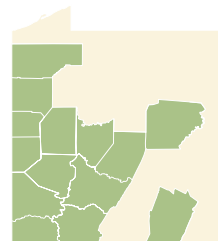
UPMC for Life Specialty Plan

The Health Plan introduced a no-cost Special Needs Plan in 2006 for people who are eligible for both Medicare and Medical Assistance. This plan combines the coverage and protection of both programs.

These members also receive Health Care Concierge services and are enrolled in our Active&Fit™ program, which includes membership in a participating fitness center, an at-home exercise program, and access to an educational website and a toll-free member services hotline.

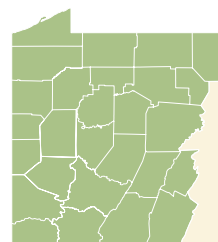


## UPMC for You Service Area



UPMC for You serves members in 14 counties, with the highest concentration of members in Allegheny County. Because we are part of UPMC, our Medical Assistance members have access to some of the finest doctors and hospitals in the region.

## UPMC for Kids Service Area



Our Children's Health Insurance Program, called UPMC for Kids, is available in 27 counties. CHIP provides medical coverage for all children in the state, regardless of income.

In December 2006,  
UPMC for You  
members reached  
a total of

90,910

## Community Programs

**UPMC for You**

One of our most important goals is to serve all members of the community— young and old, healthy and sick, affluent and poor, urban and rural. Through UPMC for You, our Medical Assistance program, we reach out to the disadvantaged residents of Western Pennsylvania.

UPMC for You offers a comprehensive benefit program for people who are eligible for Medicaid. Our goal is to get people the right care at the right time. Programs focused on pediatric obesity, smoking cessation, and other preventive services are available.

We work closely with our UPMC for You members and our physician network to help members get the health services they need, including childhood and adolescent immunizations, breast cancer screenings, prenatal and postpartum care, and comprehensive diabetes and asthma care.

**UPMC for a New Beginning**

Because a healthy community begins with healthy babies, we focus special attention on mothers-to-be. Designed specifically for UPMC for You members, our maternity program, called UPMC for a New Beginning, provides education and coordination of care throughout pregnancy. Our team identifies women at risk for complications and helps them to arrange clinical care with their obstetricians.

As part of this program, a maternity health manager encourages the member to follow her doctor's plan of care and connects her with support services if needed. After the baby is born, a maternity care manager follows up to ensure that mother and child are receiving the necessary clinical services.

In 2006, more than 635 women received the free infant car seats that we offer as part of our maternity program.

UPMC for Kids provides comprehensive coverage for children who would not otherwise have health insurance. Members of this program are also eligible for Healthy Living Rewards for Kids, a program that provides discounts on health and fitness products and services.

**UPMC for Kids Children's Health Insurance Program****Coverage for every child**

As a result of the 2006 Cover All Kids expansion of the Children's Health Insurance Program (CHIP), every child in Pennsylvania is eligible for health insurance coverage.

Regardless of family income, children under age 19 can qualify for CHIP if they are not eligible for Medical Assistance and are not covered by employer-sponsored health insurance. CHIP is a state and federally funded program.

The Health Plan's CHIP program is called UPMC for Kids™. Our CHIP product offers a wide range of benefits, including preventive care and sick visits, behavioral health care, emergency and hospital care, prescriptions, and dental and vision care.

Our MyHealth Advice Line is available to parents 24/7. The Advice Line is staffed by trained nurses who can answer health-related questions and assess the seriousness of a child's condition.

**Services that support healthy kids**

Children in our UPMC for Kids program are also eligible for our care management services for a range of medical conditions, including asthma and diabetes. Our special services also include nutrition counseling for overweight children and smoking cessation programs and products.

UPMC for Kids members have access to our MyHealth OnLine educational materials and tools for maintaining and improving health, and Healthy Living Rewards for Kids, a program that provides discounts on health and fitness-oriented retail products and services.

*The power of a doula relationship lies in sharing: sharing birth experiences, sharing wisdom, and—in the case of the UPMC Health Plan doula pilot program—sharing a neighborhood. Mothers-to-be and doulas are matched, in part, based on where they live.*

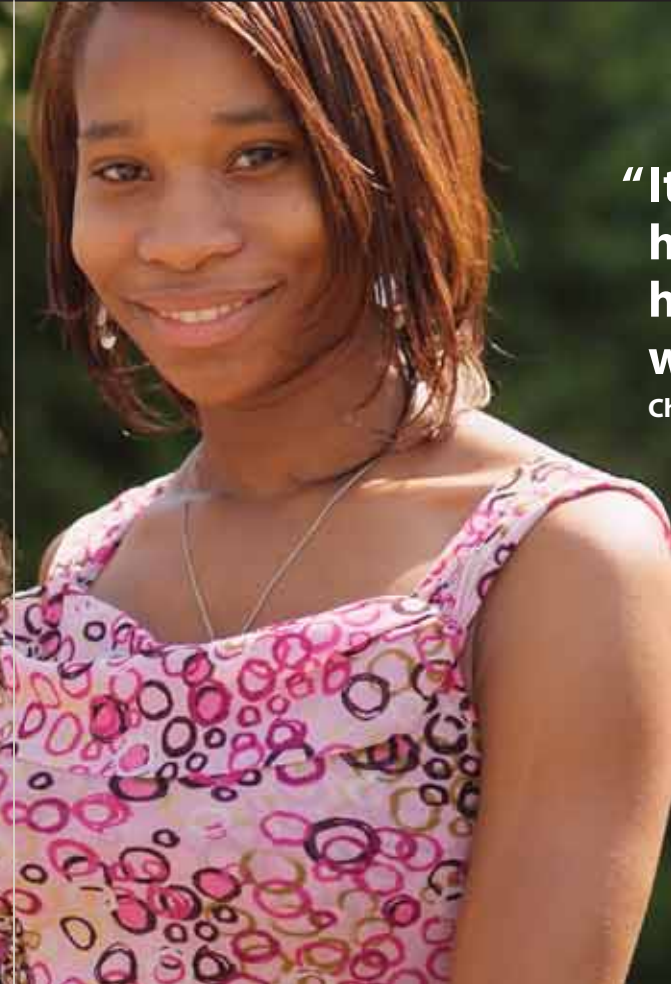
*Doula Courtney Sage coached member Charla Johnson through the birth of her daughter, Khiyah, in early 2006. Charla lives in Swissvale, while Courtney lives in Pittsburgh's East End. Like many parents-to-be, Charla wanted to provide her baby with the best care possible—a concern Courtney was able to address with advice and coaching.*

Photo by Richard Kelly



**“It would have been very hard if she wasn’t there.”**

Charla Johnson



### Outreach to mothers-to-be

UPMC *for You* is one of the first health insurers in the nation to provide coverage for doulas, women who offer non-medical, emotional, and informational support to mothers before, during, and after childbirth. The Health Plan's doula pilot program, a collaboration of UPMC Health Plan, Magee-Womens Hospital, and East Liberty Family Health Care Center, is designed for our UPMC *for You* members in the UPMC Braddock hospital service area.

One of the goals of this community outreach program is to reduce the low-birth-weight rate for its members who live in the Braddock community by helping women access early, high-quality prenatal care. In 2003, more than 11 percent of all babies born in Pittsburgh were considered to be low-birth-weight babies (less than 5.5 pounds). However, for some communities, such as Braddock, the rates may be higher.

Working under the direction of physicians specializing in obstetrics, the program recruits and trains women from the local community to serve as doulas. As members of the community, the doulas understand and are often helpful in resolving the issues these women face. They can work with mothers-to-be to help reduce risk factors associated with premature birth as well as low-birth-weight rates. These factors include timeliness of prenatal care, smoking, nutrition, and stress.

Through this program UPMC Health Plan hopes to strengthen the health of the community by reducing disparities in care and improving clinical and financial outcomes associated with high-risk pregnancies.

### A healthy eating program for children

In an effort to prevent diabetes and related health problems, the Health Plan offers personalized help to UPMC *for You* members with overweight children. Called HEALTH for Families, our program includes shopping trips with personal nutritionists and weekly telephone calls to help families learn about nutrition, healthy eating, and meal preparation.

One of the primary goals of the program is to support parents in helping their children to choose the healthiest foods to eat from each of the food groups in the Food Pyramid. The program features the Go Slow Whoa eating plan, which uses color to encourage families to choose foods that are high in nutrition and low in fat and calories. The eating plan is available as a printed book and as an interactive online tool. A screen from the online version of Go Slow Whoa is shown at right.





# Reaching New Heights

Exceeding customer expectations

When UPMC Health Plan members have a question or a concern related to their benefits or care, they need to talk to someone who can help them navigate the health care landscape. We deliver that—and so much more. We consistently surpass industry benchmarks for how quickly and accurately we answer calls.

In all areas of service, demands and expectations continue to rise. Questions are more complex, speed is no longer a luxury but a necessity, and accuracy is critically important. At UPMC Health Plan we not only meet those expectations, we find a way to use every interaction to guide our members toward better health.

*Johnstown boasts the world's steepest vehicular incline. Built in 1891, it carries both people and cars high above the city.*





More than  
**50,000**  
members  
participate in  
our Health  
Care Concierge  
program

Photo by Richard Kelly

*Our high-touch customer service helps guide our members to better health. Our phone representatives are dedicated to “first-call resolution” of inquiries and requests from members.*

Customer Service and Claims  
Payment Measures

Measure	UPMC Health Plan Actual	Industry Standard
Average speed of answer	18 seconds	30 seconds
% of calls answered in 30 seconds or less	83%	80%
First-call resolution	95%	80%
Claim payment turnaround	5 days	14 days
Claims requiring an adjustment	<1%	5%

Superior customer experience

More than 95 percent of the time, members are able to resolve issues with a single phone call. Electronic data interchange with our providers means that nearly every claim in 2006 was automated—allowing us to pay claims in just five days, compared to the standard 14-day turnaround expected within the industry.

But fast and accurate resolution of incoming calls is only part of our success. Equally important are the outgoing calls we make to members. Through our concierge and health management programs, we reach out to members to help them stay healthy or manage health conditions better. Sometimes that means encouraging them to take part in one of our programs, or helping them find a doctor closer to home. At other times it

could be as simple as reminding them to take their medication. Our goal is always the same: providing a superior customer experience that leads our members toward better health.

Concierge at your service

Our highly regarded Health Care Concierge service is free to all UPMC *for Life* members. Dedicated concierges help members navigate the often confusing world of Medicare and make important decisions about medical, dental, vision, and pharmacy coverage. In addition to being available any time a member calls, the concierge calls to “check in” with the member regularly.

*Tyrone Bennett goes to work every day recalling the words of his grandmother: Treat other people the way you want to be treated. That philosophy serves him well in his role as Health Care Concierge for UPMC for Life members. His job is to guide members, one at a time, through the often complex world of Medicare. Tyrone and his fellow concierges are on call to field members’ questions.*

*“When I talk to a member, I imagine how I would want someone to talk to my aunt or my cousin,” he says. “Medicare can be confusing, and I like helping my members figure things out.”*

*And some calls are just plain fun. In between his regular outgoing calls to check on members and any possible concerns, Tyrone dials members to offer birthday wishes each year.*

Technology to simplify health care

In 2006, we undertook a comprehensive redesign of our website that simplifies navigation and enhances features. The new website attracted more users than ever before:

- More than 65,000 registered users accessed our member portal.
- Our network providers posted more than 20,000 online messages.
- Our employer groups processed nearly 23,000 transactions, including enrollments and member updates.

New features offer more ways to manage health and make informed choices. They include:

- A Health Promotion Tool Kit that helps employers get workers involved in wellness activities.
- An online interactive tool called Emmi that provides information on chronic conditions and specific surgeries.

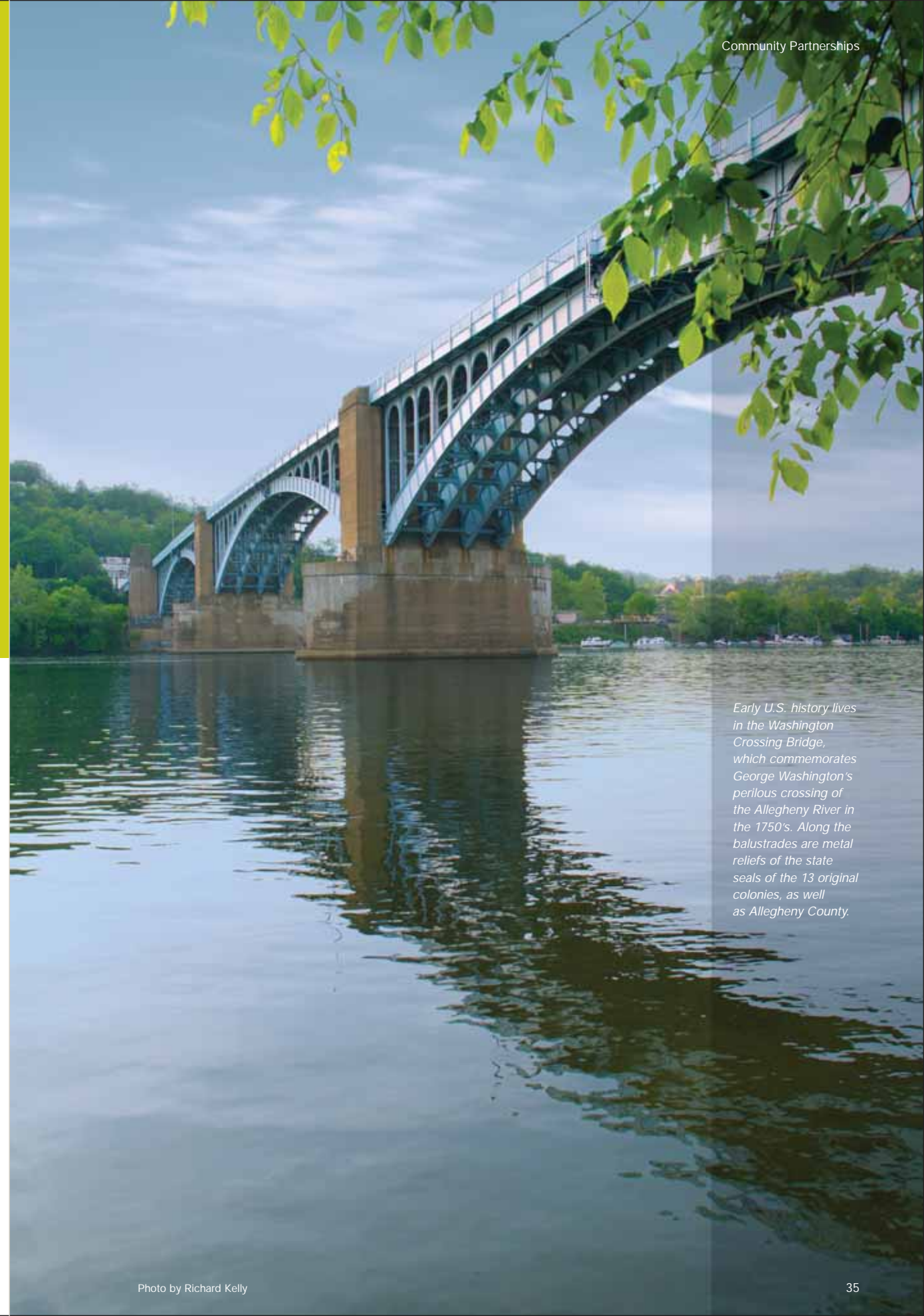


# Building Bridges

Partnerships to improve health

UPMC Health Plan reaches out to the communities we serve. We want to help all our neighbors lead healthier lives, so we work with community leaders to create programs for people of all ages.

Sometimes the path to better health is learning how to prepare nutritious after-school snacks. Sometimes it's a group walk-about during the lunch hour, or a festival celebrating outdoor activity. Whatever it is, a community improves its health one step at a time—and UPMC Health Plan leads the way.



*Early U.S. history lives in the Washington Crossing Bridge, which commemorates George Washington's perilous crossing of the Allegheny River in the 1750's. Along the balustrades are metal reliefs of the state seals of the 13 original colonies, as well as Allegheny County.*



The number of community organizations UPMC Health Plan sponsored or contributed to in 2006 was nearly

# 300



### UPMC Health Plan in the community

We invest in our communities through strategic partnerships that promote the health and well-being of all people in Western Pennsylvania. Through our efforts, community leaders join together to discuss issues facing this region, including hunger, fitness, and family health.

We collaborate with local and national organizations, focusing on initiatives that involve the active participation of Health Plan employees while improving the health and well-being of community members.

#### 1 America On the Move

Through our sponsorship of "America On the Move" in Pittsburgh—part of a national initiative to promote active living and healthy eating across the country—we encourage team participation in large public walking events, engaging participants in a shared effort to move more, eat less, and embrace healthier lifestyles. In the photo, UPMC staff participate in the "America On the Move" kick-off event in downtown Pittsburgh.

#### 2 Healthy Living Lecture Series

In partnership with the Pittsburgh Parks Conservancy, the Health Plan presented a series of lectures that highlighted some of today's most important health issues, including alternative medicine, fitness and strength, asthma and allergies, and healthy shopping and cooking with organic foods. The photo shows a fitness demonstration led by one of our health coaches.

#### 3 Working Hearts

Heart disease is the leading cause of death among women and men in the United States. UPMC Health Plan's partnership with the Jewish Healthcare Foundation's Working Hearts initiative encouraged people to improve their heart health through better nutrition, more physical activity, screenings, and stress management. The photo shows Health Plan staff preparing for the event.

#### 4 Greater Pittsburgh Community Food Bank

UPMC Health Plan has strategically partnered with the Food Bank to provide resources and support for the Campaign to End Hunger in our region. The photo shows Health Plan staff members volunteering their time to sort and pack food for members of the community in need.

#### 5 Venture Outdoors

The Health Plan is the title sponsor of the annual Venture Outdoors Festival. This free event provides the opportunity for individuals and families to discover the diversity and richness of the recreational activities available in Western Pennsylvania. The climbing wall shown in the photo is one of many outdoor activities featured at the event.

#### 6 Community Sponsorships

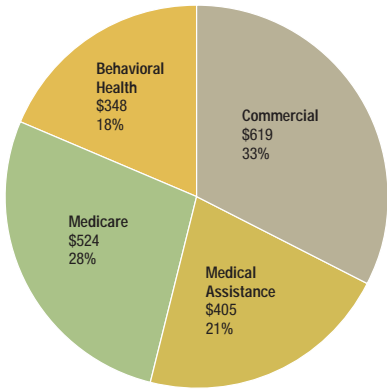
The photo shows Steeler Charlie Batch, who helped kick off the Health Plan's 2006 United Way campaign. The Health Plan helps support many other local community organizations, including:

- Bethlehem Haven
- Boy Scouts of America
- Genesis of Pittsburgh
- Manchester Bidwell Corporation
- March of Dimes
- Rainbow Kitchen



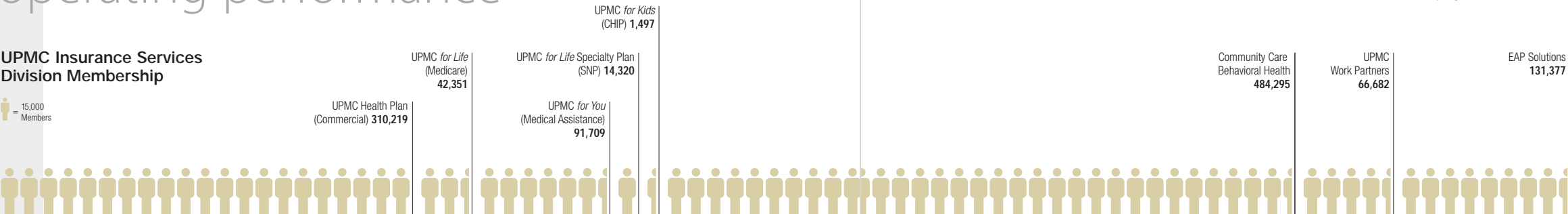
2006 Insurance Services Revenue Distribution by Product  
*(in millions of dollars)*

While revenue for all product lines increased in 2006, the share of revenue attributable to Medicare sales jumped from 15% in 2005 to 28% in 2006.



UPMC Insurance Services Division Membership

15,000 Members



UPMC Insurance Services Division financial highlights reflect the combined operating results and financial position among the University of Pittsburgh Medical Center (UPMC) health insurance subsidiaries.

Calendar year 2006 represented another strong year of growth, with Division revenue increasing by \$296 million (18.5%) to nearly \$1.9 billion. Division operating margins were \$62 million (3.3 % of revenue) in 2006, compared to \$57 million (3.5%) in 2005.

A highly disciplined focus on product line management as well as the application of innovative technology solutions to achieve optimal clinical outcomes for our members while effectively managing member care costs accounts for the Division's exceptional operating performance. Once again, UPMC Health Plan's administrative costs were less than 8% of premium revenue in 2006, an industry best practice performance. This illustrates our commitment to cost containment as well as efficiency.

The Health Plan also received SAS70 certification from its independent auditor for its claims-processing internal controls environment, providing additional independent quality assurance for our self-insured customers.

UPMC Insurance Services Combined Statement of Revenue and Expenses  
*For the year ended December 31 (in millions)*

	2006	2005
Enrollment Revenue	\$1,896	\$1,600
Operating Expenses	\$1,834	\$1,543
Operating Margin	\$62	\$57
Operating Margin %	3.3%	3.5%
Investment Income	\$15	\$9
Interest Expense	\$6	\$5
Income Taxes	\$22	\$20
Net Income	\$49	\$41

UPMC Insurance Services Combined Balance Sheet Highlights  
*For the year ended December 31 (in millions)*

Assets	2006	2005
Cash and Investments	\$358	\$317
Current Receivables	\$120	\$102
Other Assets	\$11	\$8
Total Assets	\$489	\$427
Liabilities and Equity		
Health Claims Reserves	\$157	\$147
Other Current Liabilities	\$92	\$74
Surplus Notes	\$111	\$128
Common Shareholder Equity	\$129	\$78
Total Liabilities and Equity	\$489	\$427

With the addition of three new product lines in 2006—UPMC for Kids, UPMC for Life Specialty Plan, and UPMC Work Partners—UPMC Insurance Services Division membership surpassed 1 million.

The University of Pittsburgh Medical Center (UPMC) is strongly committed to best-in-class governance and organizational transparency standards. In 2006, UPMC, including the UPMC Insurance Services Division, became the first—and only—nonprofit health enterprise to fully adopt Sarbanes-Oxley, including the stringent requirements of section 404, for which an unqualified opinion from UPMC's external auditors was received.

The Division, along with UPMC, has also adopted industry-leading public financial disclosure practices for both quarterly (unaudited) and annual (audited) results, allowing our community stakeholders to review our progress and fiscal health. The reporting can be found at [www.upmc.com](http://www.upmc.com).

Serving more than  
**1 million members**

## Insurance Services Division: responsive community partners

### Division Overview

As a world-class integrated health care delivery system, the University of Pittsburgh Medical Center (UPMC) brings together a seamless end-to-end continuum of care to meet the full spectrum of patients' health care needs. UPMC clinical services and facilities include academic, community, and specialty hospitals, affiliated physician practices, outpatient rehabilitation services, cancer centers, senior living facilities, and imaging services, among others.

As part of this integrated system, UPMC's Insurance Services Division provides a diverse array of health and well-being services related to health benefits, health promotion and care management, employee assistance and behavioral health, and workers' compensation to the employers and the communities of Western Pennsylvania.

The Division comprises a variety of health maintenance organizations, preferred provider organizations, and health-related technology and benefit management companies offering a variety of commercial and governmental health insurance and health-related products.

UPMC Health Plan offers commercial and Medicare HMO products while also providing administrative, personnel, and financial services required by most entities in the Division. The nonprofit UPMC *for You*, Inc., offers benefits to Medical Assistance beneficiaries.

Community Care Behavioral Health provides behavioral health programs for members of UPMC Health Plan, as well as separately contracted services delivered under Pennsylvania's HealthChoices Medical Assistance program.

UPMC Work Partners provides health and wellness, employee assistance, and workers' compensation and disability programs and services.



*UPMC and its Insurance Services Division promote the health and well-being of the people of Western Pennsylvania by sponsoring and participating in a variety of community activities and events.*

### UPMC Insurance Services Division companies include:

- UPMC Health Plan, Inc.—A Pennsylvania nonprofit HMO offering commercial, Medicare, Special Needs, and CHIP products.
- UPMC Health Benefits, Inc.—A PPO offering Medicare Select and Supplemental products.
- UPMC Health Network, Inc.—A PPO offering Medicare and commercial PPO products.
- UPMC *for You*, Inc.—A Pennsylvania nonprofit HMO offering a Medicaid product.
- UPMC Benefits Management Services—An entity that offers administrative services to self-insured employers.
- UPMC IS technology Services, LLC—An entity offering ASP hosting and other technology services.
- EAP Solutions—A division of a nonprofit entity offering employee assistance programs.
- UPMC Work Partners—A for-profit subsidiary of UPMC offering a full range of workers' compensation and short-term disability benefit services, as well as health and wellness services to Western Pennsylvania employers.
- Community Care Behavioral Health Organization—A tax-exempt PPO offering both commercial and governmental behavioral health products.
- Askesis Development Group, Inc.—An entity engaged in the development and sale of behavioral health technology products.



Division leadership:  
expert governance

Insurance Services  
Leadership Group

Diane Holder  
*President*  
UPMC Health Plan and Insurance Services Division

Scott Lammie, CPA  
*Chief Financial Officer*  
UPMC Health Plan  
*Sr. Vice President*  
Insurance Services Division

Catherine Batteer  
*Vice President*  
Medicare

Anthony Benevento  
*Vice President*  
Sales and Marketing

Michael Culyba, MD  
*Vice President*  
Medical Affairs

Richard Citrin, PhD, MBA  
*Vice President*  
EAP Solutions

Sharon Czyzewski  
*Vice President*  
Human Resources

Anne Docimo, MD, MBA  
*Chief Medical Officer*

James Gavin  
*President*  
Community Care Behavioral Health Organization

Gordon Gebbens  
*Vice President*  
Finance and Division Controller

William Gedman  
*Vice President*  
Quality Audit, Fraud and Abuse

Sharon Hicks  
*President and Chief Executive Officer*  
Askesis Development Group  
*Vice President*  
Internet Strategy  
UPMC Health Plan

Mary Beth Jenkins  
*Chief Operating Officer*  
UPMC Health Plan and UPMC Work Partners

John Lovelace  
*President*  
UPMC for You, Inc.  
*Vice President*  
Children's Health Insurance and Medicare Special Needs Plan

Chronis Manolis, RPh  
*Vice President*  
Pharmacy

Edward McCallister  
*Chief Information Officer*

Pamela Peele, PhD  
*Vice President*  
Health Economics

Michael Taylor  
*Executive Director*  
Marketing and Communications

Daniel Vukmer, Esq.  
*Vice President and General Counsel*  
*Vice President*  
Product Development

David Weir  
*President*  
UPMC Work Partners

Quality Improvement

We believe that to improve the quality and efficiency of health care delivery in our community, all stakeholders need to be involved in the decision-making process. This applies with particular significance to the physicians who care for our members. UPMC Health Plan's

Quality Improvement Committee is largely made up of practicing physicians who create and support the Health Plan's clinical policies. The committee is a forum enabling these physician leaders to establish collaborative clinical programming with our provider community.

Quality Improvement  
Committee

Daniel Brooks, MD  
Richard Cartwright, MD  
Kenneth Ciesielka, MD  
Michael Culyba, MD  
Nicholas DeGregorio, MD  
John Fisch, MD  
William Fera, MD  
Jay Harper, MD  
Juliet Jegasothy, MD  
Kevin Kearns, MD  
Ken Nash, MD  
S. Ramalingam, MD  
Cynthia Rosenberg, MD

James Schuster, MD  
Lalith Kumar Solai, MD  
Dennis Stull, MD  
Jalil Tuchinda, MD  
Ted Vana, MD  
Michael White, MD  
Jay Ziegler, MD

**Behavioral Health/  
Physical Health**

Bernard Bernacki, DO  
Frank Ghinassi, PhD  
S. Ramalingam, MD  
Manuel Reich, MD  
Eric Rodriguez, MD  
James Schuster, MD

Tony Stille, MD  
Lisa Strouss, PharmD  
Anne Toland, PhD

**Credentialing**

Eileen Baade, MD  
Michael Culyba, MD  
Nicholas DeGregorio, MD  
Marc Finder, MD  
Renata Hoca, MD  
John Maher, MD  
Christopher Olbrich, MD  
S. Ramalingam, MD  
Jay Ziegler, MD

**Pharmacy and  
Therapeutics**

Colleen Culley, PharmD  
Michael Culyba, MD  
Anne Docimo, MD  
Eileen Engel, MD  
Roger Haskett, MD  
Margaret Hrinia, RPh  
Michael Jacobs, PharmD  
Juliet Jegasothy, MD  
Michael Lamb, MD  
Joon Sup Lee, MD  
Jorge Lindenbaum, MD  
Chronis Manolis, RPh  
Michael McGonigal, MD  
David Paterson, MD

Cynthia Rosenberg, MD  
Paul Rowland, MD  
James Schuster, MD  
Steven Simon, RPh  
Anthony Spinola, MD  
Scott B. Stephens, RPh  
Audrey Zelkovic, MD

UPMC Insurance  
Services Division  
Committee  
2006-2007

**Community Director**  
David M. Roderick,  
Chairperson

**University Director**  
Robert G. Lovett, Esq.

**Hospital Directors**  
UPMC Shadyside  
Mark J. Laskow

UPMC McKeesport  
D. James Heatherington

Children's Hospital of  
Pittsburgh of UPMC  
Howard W. Hanna III

Magee-Womens  
Hospital of UPMC  
William Pietragallo II  
*Vice Chairperson*

University of Pittsburgh  
Medical Center  
upmc.com

UPMC Health Plan  
upmchealthplan.com

*Ad Hoc*  
Loren H. Roth, MD, MPH  
*Sr. Vice President*  
Quality Care  
*Chief Medical Officer*  
University of Pittsburgh Medical Center

**UPMC Health Plan  
Board**

*Board Chair*  
George Huber  
*Sr. Vice President*  
Corporate Relations and Regional Programming  
University of Pittsburgh Medical Center

Richard Ash, MD  
Children's Community Pediatrics

G. Nicholas Beckwith, III  
*Chairman and Chief Executive Officer*  
Arch Street Management, LLC

James Boyle, MD  
James W. Boyle, MD, Associates LLC

Eric Bruce  
*President*  
Trilogic Corporation

Edward Donnelly, MD  
PrimeCare Medical Associates UPMC

Peter Eisenbrandt  
*Sr. Vice President*  
Bank Broker Division  
Federated Investors

Diane Holder  
*President*  
UPMC Health Plan and Insurance Services Division

William Kottner, MD  
Internal Medicine & Geriatrics of Washington

Scott Lammie, CPA  
*Chief Financial Officer*  
UPMC Health Plan  
*Sr. Vice President*  
Insurance Services Division

Mark J. Laskow  
*Chief Executive Officer*  
Greycourt

Robert G. Lovett, Esq.  
Lovett Bookman Harmon Marks, LLP

Norman Mitry  
*President and Chief Executive Officer*  
Heritage Valley Health System

Joseph Molinero  
*President*  
Teamsters Local Union No. 211

Deb Moon  
*Vice President of Finance and Chief Financial Officer*  
Carnegie Mellon University

Gregory Peaslee  
*Chief Human Resources Officer*  
University of Pittsburgh Medical Center

William Pietragallo II  
*Managing Partner*  
Pietragallo, Bosick & Gordon

Arthur Ramicone  
*Vice Chancellor for Budget and Controller*  
University of Pittsburgh

Loren Roth, MD, MPH  
*Sr. Vice President*  
Quality Care  
*Chief Medical Officer*  
University of Pittsburgh Medical Center

Telford Thomas  
*President and Chief Executive Officer*  
The Washington Hospital

Thomas Timcho  
*President and Chief Executive Officer*  
Jefferson Regional Medical Center



**Mission**

UPMC Health Plan employees are committed to improving the health of our members by offering innovative products, cost-effective solutions, and service excellence through our unique partnerships with our health system, our members, the community providers, and our purchasers.

**Values**

**Partnership**

We believe positive partnerships and teamwork improve results.

**Respect**

We treat others as we want to be treated.

**Integrity**

We do what is right.

**Innovation**

We create products and services for current and future success.

**Development**

We invest in our staff members' continued growth and satisfaction.

**Excellence**

We strive for "best-in-class" practices and outcomes.

**Service**

We view exceptional service to all customers as a critical differentiator.

**PRIIDES**



*First in operation in 1873—and built even higher 13 years later—this lighthouse now stands 73 feet above the shores of Lake Erie on Presque Isle.*

Photo by Richard Kelly

Design: ThoughtForm Inc.