



*Bringing Good Health*

# Home

*UPMC Insurance Services Division*

2010 Annual Report

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# Home

Physical, emotional, behavioral, fiscal . . . **there are many kinds of good health.**  
Family, caregivers, community, region . . . **there are many things we call home.**



For the individuals who live and make their living in our region,  
and for the employers who make it possible,  
UPMC Insurance Services Division is proud to be **bringing good health home.**



## UPMC Insurance Services Division

The UPMC Insurance Services Division is part of UPMC. UPMC is an integrated global health enterprise that also comprises a leading nonprofit health system and an actively expanding international and commercial services division.

The integrated partner companies of the Division include the following.

**UPMC Health Plan**, the second-largest health insurer in western Pennsylvania, which offers a full range of commercial group health insurance, including PPO, EPO, HMO, EAPOS, consumer-directed, and FSA products and services; as well as government programs, including:

**UPMC for Life**, a suite of Medicare HMO and PPO plans, including a prescription drug program as well as health and disease management programs.

**UPMC for Life Specialty Plan (HMO)**, which provides benefits and services for those eligible for both Medicare and Medicaid and is the 7th-largest Special Needs Plan in the U.S.

**UPMC for You**, which provides benefits and services to those eligible for Medical Assistance and is the largest MA program in western Pennsylvania.

**UPMC for Kids™**, a Children's Health Insurance Program (CHIP), which covers uninsured children who do not qualify for Medical Assistance.

**Community Care Behavioral Health**, the largest nonprofit behavioral health managed care company in the U.S., which supports Pennsylvania's HealthChoices program by managing behavioral health services for Medical Assistance recipients in 35 counties. Additionally, through integrated services, Community Care provides behavioral health management for UPMC Health Plan's commercial and Medicare members.

**UPMC WorkPartners**, which offers a comprehensive suite of programs and technology to promote health and productivity to the region's employers, including health management, employee assistance, workers' compensation, family and medical leave, disability, consulting, data analytics, and return-to-work programs and services.

**LifeSolutions®**, which provides employers with a comprehensive and proactive employee assistance program (EAP).

**EBenefits Solutions**, a subsidiary of UPMC that provides superior HR and benefits administration and enrollment services through an innovative Web-based system.

**Askesis Development Group**, which designs and implements innovative software solutions that support behavioral health care services and products.

UPMC HEALTH PLAN

*UPMC for Life*

UPMC Health Plan Medicare Program

*UPMC for Life  
Specialty Plan* (HMO SNP)

UPMC Health Plan Medicare Program

*UPMC for You*

Affiliate of UPMC Health Plan

*UPMC for Kids™*

A Product of UPMC Health Plan



UPMC  
**WorkPartners**

 **LifeSolutions®**

 **E BENEFITS®**  
Solutions

 **ASKESIS**  
Development Group, Inc.





*Diane P. Holder  
Executive Vice President  
UPMC*

*President  
UPMC Insurance Services Division*

*President and Chief Executive Officer  
UPMC Health Plan*

## Bringing Good Health Home

As the first decade in the new millennium came to a close, the values of home and family never seemed more relevant, and this is especially true of the UPMC Insurance Services Division. In addition to the world-class health care that we offer, many of the features that put us ahead of the pack are those that reflect our home-like sensibility. “Bringing Good Health Home” is the theme of our 2010 annual report, as we’ve found that it applies to our mission, our programs, and our relationships.

No program better exemplifies our mission than the patient-centered medical home. When a doctor is partnered with a care manager who is aware of patients’ needs, patients are more likely to get recommended screenings, tests, and medications. This kind of personal attention has a big payoff: healthier members and fewer hospital readmissions.

And when patients spend less time in the hospital, their quality of life goes up, and the cost of health care goes down. Our comprehensive team of health management professionals helps members live their healthiest possible life, whether we’re talking about those who want to maintain their health or those who are dealing with a complex illness.

We work to keep health care affordable in other ways as well. Every employer group has a dedicated account manager who shares data and reports to help control costs from year to year. And our plans include a variety of cost-sharing levels so that businesses can choose one that fits their need.

The building blocks of good health aren’t just physical, but behavioral as well. Community Care, the Insurance Division company that manages behavioral health services, recently scored 100% in its latest audit by the National Committee for Quality Assurance.

No matter how successful our programs are, we constantly look for innovative ways to make our products and services even better. For example, our “e solution” takes advantage of technology to save time (and trees) by letting employer groups access information online, streamlining communications between employers, employees, and the Health Plan. And a unique care management program helps Medicare members remain in their homes after surgery.

Of course, a home is only as strong as its foundation, and ours is a solid one. As part of the UPMC family, Health Plan members have access to more than 135 hospitals and more than 14,200 clinicians, including 11,500 doctors, not to mention the resources of UPMC itself. In 2011, UPMC was the only medical center in western Pennsylvania to be named on the *U.S. News & World Report* Honor Roll of America’s Best Hospitals for its clinical programs.

It should be no surprise that our 1.6 million members are happy with the quality of the service they get from UPMC Health Plan. In 2011, we earned the award for “Highest Member Satisfaction among Commercial Health Plans in Pennsylvania” from J.D. Power and Associates. You can be sure that the next decade will bring lots of changes to health care, but one thing won’t change at UPMC Insurance Services Division: Our determination to always put our members first will remain our top priority.

A handwritten signature in black ink, appearing to read "Diane P. Holder". The signature is fluid and cursive, with a large initial "D" and "H".

# Who We Are



UPMC Health Plan members enjoy  
the Three Rivers Arts Festival in  
downtown Pittsburgh.



For several years, western Pennsylvania has been the proving ground for a high-value model of health insurance — a model in which the insurer serves as the front door to a wealth of world-renowned clinical services and delivers on the promise of achieving both higher quality and lower costs. That's the UPMC Insurance Services Division model — and for years we have been leading the way in this region with innovative and affordable health plans for all, while growing from 300,000 to over 1.6 million members strong.

UPMC Insurance Services Division also offers workplace productivity and health programs, workers' compensation, disability management, and leave management — and some of the most comprehensive, successful, and cost-effective health improvement and health promotion initiatives in America.

This is your home — and ours. We're proud to be leading the way in making it a healthier place to live and work.

## Our values

At UPMC Insurance Services Division, we seek to offer the highest quality and value to our members and our community. As part of the UPMC family, we work closely with the world-class hospitals, physicians, and researchers at the UPMC health care system to deliver award-winning health care products, programs, and services. And we seek to do all this with a personal touch, helping individual members and their families enjoy the best possible health and quality of life.

We continually analyze and improve our products, programs, and services based on our customers' needs and the most current research. This enables us to bring to the marketplace innovative health care offerings along with the advantages customers want from a health plan: quality, choice, access, service, and value. Our commitment is to provide these advantages to every customer.

**Quality.** UPMC, our parent company, is an integrated global health enterprise. In 2011, UPMC was the only medical center in western Pennsylvania to be named on



This is your home — and ours. We're proud to be leading the way in making our region a **healthier place to live and work.**

the *U.S. News & World Report* Honor Roll of America's Best Hospitals. UPMC was one of only 17 hospitals nationwide that made the Honor Roll for its clinical programs. This was UPMC's 12th appearance on the list. UPMC ranked 12th in a national field of nearly 5,000 eligible hospitals.

Our wellness and disease management programs are developed by UPMC experts in the fields of exercise, nutrition, and chronic care, incorporating the latest research findings, best-practice preventive care and disease management protocols, and state-of-the-art technologies.

All of our health plans are highly ranked nationally. We maintain "Excellent" accreditation from the National Committee for Quality Assurance (NCQA) for our commercial PPO, HMO, and POS, our Medical Assistance plan, and our Medicare Advantage plans.

**Access.** Our provider network includes the world-class academic, advanced care, and specialty hospitals of UPMC, as well as excellent community hospitals, cancer centers, physician practices, and long-term

care facilities. Our network of more than 135 hospitals and more than 14,200 total clinicians, including more than 11,500 doctors, constitutes one of the most comprehensive teams of providers in the region.

For members who live or work outside of western Pennsylvania, we offer access to an extensive national network of more than 500,000 physicians and nearly 5,000 facilities. Members also have access to the services of our global travel assistance partner, Assist America®. Our national pharmacy network includes more than 40,000 independent pharmacies and retail chain locations.

**Choice.** UPMC Insurance Services provides a wide selection of commercial and public products and services to meet the needs of people in every segment of the community. UPMC Health Plan offers commercial group health insurance, Medicare, Medical Assistance, Special Needs, and Children's Health Insurance Program benefit plans.

Our portfolio of commercial plans includes choices for small, mid-size, and large companies. These choices include PPO, EPO, POS, HMO, consumer-directed health plans, and individual plans, as well as custom plans. Through UPMC WorkPartners, we also offer a full suite of wellness and health management, employee assistance, workplace productivity, and leave management programs and services.

**Service.** Our service is second to none. Our highly trained and knowledgeable call center representatives have as their goal the resolution of each member's request on the first call. Our claims turnaround speed exceeds the national average. In addition, each client group, regardless of size, is serviced by an account executive and a team of support personnel. We provide account executives to serve the physician practices in our network. We also offer extensive online customer service and a full array of online health and wellness tools and information sources.

**Value.** The quality, access, choice, and service that we provide to every customer every day add up to an outstanding value in health care benefits.



## Quality

### The best from our family to yours

Because we are part of the UPMC family, UPMC Insurance Services Division has access to the resources of the region's premier hospitals, doctors, and a behavioral health organization. This enables us to offer access to health care of the highest quality and the greatest value to our members, their families, and the community.

### Quality, innovation, performance, and value

UPMC Health Plan's mission is to improve population health, enhance member experience with innovative programs and services, and promote effective and efficient care to our members and the community.

Our Quality Improvement Program, in collaboration with practitioners in the Health Plan network, operates according to guidelines established by the National Committee for Quality Assurance (NCQA) and in compliance with federal and state regulatory requirements. We focus on clinical and operational improvement, credentialing and recredentialing of physicians and other providers, utilization management, member rights and responsibilities, health management and complex case management, and preventive health care.

### National recognition for quality

In 2010, UPMC *for You* was 10th overall in the nation and first in Pennsylvania among the more than 100 Medicaid plans nationwide ranked by NCQA.



UPMC Health Plan maintains an "Excellent" accreditation from the National Committee for Quality Assurance (NCQA) for our commercial HMO, POS, and PPO plans, our Medical Assistance plans, and our Medicare Advantage HMO and PPO plans.

Our commercial and Medicare products were ranked in the top 50. All of our product lines maintain "Excellent" accreditation status, the highest recognition available from NCQA.

UPMC Health Plan and UPMC earned Platinum level recognition — in both 2009 and 2010 — from the National Business Group on Health (NBGH) for the UPMC MyHealth program. This innovative program creates a culture of health throughout the workplace and encourages employees and their families to actively manage their health by taking steps to adopt a healthier lifestyle and to optimally manage any health conditions.

### Outstanding service = satisfied customers

UPMC Health Plan earned the award for "Highest Member Satisfaction among Commercial Health Plans in Pennsylvania" in 2011, according to a study on member experience by J.D. Power and Associates, a global marketing information company that represents the voice of the customer.\*



UPMC Health Plan and UPMC earned Platinum level recognition — in both 2009 and 2010 — from the National Business Group on Health (NBGH) for the UPMC MyHealth program.

The Health Plan ranked above 10 other health insurers in the highly competitive Pennsylvania region. The measurement factors included information and communication, approval processes, provider choice, and customer service, among others.

### Promoting inclusion and diversity

UPMC Health Plan participated in award-winning efforts to promote inclusion and diversity in the workplace:

- **Leadership in Action Award.** Diane P. Holder, executive vice president of UPMC, president of the UPMC Insurance Services Division, and president and CEO of UPMC Health Plan, was one of 33 CEOs to earn a Leadership in Action Award presented by *Diversity Journal* magazine. This annual award by the publication recognizes business leaders who support and participate in their organization's diversity and inclusion activities.
- **Innovations in Diversity Award.** UPMC Health Plan participated in UPMC's Dignity and Respect campaign, an initiative that earned UPMC a 2010 Innovations in Diversity Award from *Profiles in Diversity Journal*. The award recognizes organizations that have developed innovative solutions with measurable outcomes in workforce diversity and inclusion. UPMC placed first out of 10 award winners nationwide.

### Dedication to continuous improvement

To continuously improve our products, programs, and services for our customers, we have instituted Six Sigma process improvement initiatives.

UPMC Health Plan earned the award for "Highest Member Satisfaction among Commercial Health Plans in Pennsylvania" in 2011, according to a study on member experience by J.D. Power and Associates.

\*For more information about the J.D. Power and Associates recognition, see page 55.

Six Sigma projects were selected to improve and enhance quality of care, service and perception, financial and operating performance, and organizational growth and development. We estimate that these initiatives have achieved efficiencies totaling nearly \$5 million per year, lowering our administrative costs and enhancing the value to our members. Nearly 60 staff members have participated in our Six Sigma Green Belt and Black Belt training programs.

UPMC Health Plan and the UPMC health system are developing an innovative patient-centered accountable care (PCAC) program. This new model will fundamentally improve the delivery and continuity of care and services to patients. We anticipate significant enhancements to clinical care, population health, and patient experience outcomes as well as reduction in medical cost spending.

#### Helping members make good health care decisions

On our website, [www.upmchealthplan.com](http://www.upmchealthplan.com), we make available a number of tools that help consumers compare the cost and quality of health care services:

- **Hospital Quality** — Hospital Advisor allows users to compare the quality of hospitals for specific procedures and conditions. Hospitals are ranked and rated based on complication and mortality outcomes that are adjusted for condition severity.
- **Hospital Accreditation Status** — Our online provider directory lists the accreditation status of network hospitals.
- **Physician Quality** — Our online provider directory lists network doctors who are board certified and have achieved special certification, such as NCQA's physician designation for select conditions.
- **Treatment Cost Advisor** — This tool allows the user to estimate costs for hundreds of common conditions and procedures.
- **Prescription Drug Cost** — Our online "Price a Drug" feature displays comparative drug prices, enabling members to save money by using lower-cost drugs or home delivery.



Ray Perez, UPMC Health Plan Member

#### Ticket winner enjoys peace of mind and Penguins home game, compliments of "Prevention Pays" program

When UPMC Health Plan member Ray Perez received a letter from UPMC Health Plan reminding him to schedule a screening for preventive health, he found the message very convincing. The letter not only specified what test he needed, but explained that many common chronic conditions could be prevented if caught and treated early. Best of all: If he had the screening by the end of the year, he would be entered in a raffle to win tickets to a Penguins home game. He called for an appointment.

Most people know they should see their doctor for recommended screenings. But when they're busy and feeling healthy, scheduling a screening is often not a priority. The Health Plan's Prevention Pays program identifies members who may benefit from a reminder and educates them on how early detection can prevent a disease from progressing — and it offers an incentive for them to make an appointment.

Ray says that when he learned that he had won the Penguins tickets, "I felt like I had received a pat on the back for taking good care of myself." And, aside from winning the tickets, Ray says he's "glad that I can work with UPMC to make sure I stay healthy."





# Our Network

A different kind of  
winning home team:  
The patient-centered  
medical home

Nadine Tomaino, UPMC Health Plan  
Practice-Based Care Manager;  
Dr. Francis Solano of Solano & Kokales  
Internal Medicine; and Darlene Pirmez,  
UPMC Health Plan Member



“The real story here is this is the right thing to do. When quality of services is higher, cost of services is lower. It’s so beneficial to members.”

Dr. Cynthia Napier Rosenberg, Senior Medical Director, UPMC Health Plan



**T**he patient-centered medical home isn’t a place. It’s an integrated care model in which the care is comprehensive and coordinated, and designed to help people maintain good health and avoid medical complications.

UPMC Health Plan’s medical home program, begun in 2008, has quickly grown to become the largest of its kind in the region. The program, which provides patients with the comprehensive support of an entire team of medical personnel, now extends to 33 physician practice sites serving more than 40,000 UPMC Health Plan members.

“The real story here is this is the right thing to do,” says Dr. Cynthia Napier Rosenberg, Senior Medical Director at the Health Plan. “When quality of services is higher, cost of services is lower. It’s so beneficial to members.”

UPMC Health Plan’s patient-centered medical home program provides physician practices in the program with a care manager, who has access to members’ claims history and serves as a liaison for the doctor, working directly with members to make sure tests are performed and prescriptions filled. The focus is on members with chronic medical conditions, but all members benefit from the improved coordination of care and preventive services.

“It’s a wonderful opportunity to support both the patient and the primary care physician by facilitating care and transition of care,” says Francis Solano, MD, whose practice participates in the Health Plan’s medical home. Dr. Solano’s practice, Solano & Kokales Internal Medicine, achieved Level III Medical Home certification from the National Committee for Quality Assurance (NCQA). The practice also participates in

the Pennsylvania Chronic Care Initiative, which seeks to establish medical homes as part of a comprehensive effort to improve the management of chronic conditions.

“Within the medical home, the whole team is engaged in making the doctor’s office a healing place,” says Dr. Solano. Nadine Tomaino, RN, a UPMC Health Plan practice-based care manager, is part of the medical home team at Dr. Solano’s practice. Nadine has face-to-face interactions in the doctor’s office with patients who are Health Plan members. “The care manager knows all the members who have gaps in care and knows how to facilitate getting those gaps filled. It’s a marvelous model,” says Dr. Solano.

UPMC Health Plan member Darlene Pirmez, a patient of Dr. Solano’s for 22 years, is happy with the care she receives from the medical home team. Of the doctor, she says, “We have a great rapport and I feel very comfortable with him. He’s kind and considerate and will go out of his way to help. He’s always been there for me.”

Darlene has diabetes and works closely with Nadine to manage her condition. “When I go in for checkups, I see Nadine first,” says Darlene. “She helps me prepare for visits, and afterward goes through the doctor’s instructions with me step by step. She helps me with the ins and outs of using my medications and sometimes helps me to get my diabetes supplies quicker. She’s helped me with referrals, too — she’s an encyclopedia of information. When I have questions or need help, I just give her a call — she’s just wonderful!”

Nadine also helps members make follow-up appointments and gives one-on-one — and sometimes

group — education to members with a chronic condition. “I may help members solve other issues that might interfere with their health or their care,” she says. “I can also put members in touch with other Health Plan resources, such as our Living at Home program, which helps members who have complex care needs find ways to remain in their homes.

“Through the medical home program, Health Plan members get a lot of special care,” adds Nadine. “Members get personal follow-up after a visit regarding what changes they need to make. This adds value to the doctor-patient interaction.”

#### **UPMC Health Plan’s patient-centered medical home program achieved some dramatic results**

with regard to the care of members with diabetes in participating practices:

- Eye exams, which are critical to preventing vision loss from diabetes, increased to 90% compared to 60% at conventional practices.
- Long-term blood sugar control improved almost 20% when compared to a control group.
- Cholesterol management increased to 60% of members with cardiac conditions who were treated within a medical home, compared to 30% of members with conventional care.

#### **Other results:**

- Hospital readmissions decreased 13% compared to members outside the medical home model.
- Medical costs were nearly 4% lower for members in the program compared to the control group, even with additional doctor’s office visits and other interventions.

### Expanding our innovative medical home program

The medical home concept, which is gaining ground nationally, places the patient and the patient's family at the center of care. UPMC Health Plan's medical home program began as a pilot in 2008 with six network physician practices serving about 8,500 members. Currently, there are 33 practice sites in the program, serving more than 40,000 members. We expect program growth to result in close to 128,000 members in 2011. Both UPMC and community doctor practices are represented in the program.

Goals of the medical home program include:

- Improving access to care
- Establishing patient-centered medical homes within our provider network
- Developing a new model of care management for chronic illness
- Improving care coordination for our members
- Improving quality of care scores
- Integrating behavioral health and physical health services

The Health Plan's medical home program includes a team of providers, researchers, and other stakeholders from UPMC and designated physician practices. A practice-based care manager is assigned to each practice site, and a care support team located at UPMC Health Plan works with the care manager to support care coordination for the Health Plan members who use that practice. The support team also links the member to community resources when appropriate.

When care is well coordinated, our members receive the right services at the right time in the right place. This results in the highest quality care experience for our members. It also results in affordable care that is delivered cost-effectively.

## A western Pennsylvania home base ... world-class service and expertise

We are a regional health plan, and western Pennsylvania is our home base. We are proud of our local roots and of our longstanding involvement in the local community. We are also part of the UPMC family, an integrated health care system that brings value to this region through its worldwide reputation for excellence and state-of-the-art medical technology.

Our comprehensive network of more than 135 hospitals and other facilities includes the academic, advanced care, and specialty hospitals of UPMC as well as excellent community hospitals, cancer centers,

physician practices, behavioral health programs, and long-term care facilities.

And our network of more than 14,200 clinicians, including over 11,500 primary care physicians and specialists, makes up one of the region's largest and most diverse teams of health care professionals. The physicians in our regional network include outstanding UPMC and community health professionals representing every medical specialty. Network physicians, hospitals, and ancillary providers are carefully selected based on rigorous credentialing standards.







## Local health care experts with world-class expertise

Through our connection to the clinical expertise of UPMC's researchers and physicians, we can offer our members wellness and health management programs that have proven results — both in improving health and controlling costs.

And, unlike other health plans, which typically contract with outside agencies to provide their members with these services, our own clinical professionals conduct our disease management programs on-site.

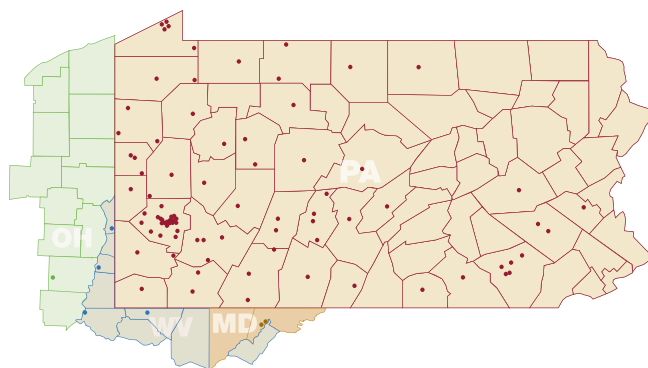
Our in-house staff includes health coaches who have training and expertise in one or more fields, including nutrition, weight management, exercise physiology, tobacco cessation, chronic health condition management, and counseling. Many are registered nurses or certified diabetes educators; others are registered dietitians, exercise physiologists, or certified health education specialists. These professionals have one-on-one contact with our members, offering support that is immediate and personal.

## Seamless service at home and abroad

Our goal is to offer exceptional value, access, and services to all our members, wherever they are. We provide the same seamless access to quality care to members who work for a Pennsylvania employer that has branches in other states, or who have business that takes them outside the region. Members have access to more than 500,000 physicians and 5,000 facilities nationwide.

UPMC Health Plan members traveling 100 miles or more from home — in the U.S. or abroad — have travel assistance through Assist America® as part of their health plan membership. Assist America provides connections to doctors, hospitals, pharmacies, and other services, including evacuation, repatriation, and more.

## Our regional network, which now extends into central and eastern Pennsylvania, includes more than 135 hospitals and 11,500 physicians.



• Indicates network hospital location

*Note: See pages 54-55 for a complete listing of our commercial network hospitals.*



**Jonathan Encarnacion, Director of Strategic Partner Development; Emilie Tierney, Team Lead, Network Physician Account Executives; and Lourdes Kahl, Mobile Social Worker, all UPMC Health Plan staff members for the Lehigh/Capital region; and Jack Kahl, husband of Lourdes. All four participated in a 3-day, 100-mile bike tour to raise funds for Children's Hospital of Pittsburgh of UPMC.**

## Expanding our service across our home state

It is part of Jonathan Encarnacion's job to spread the word about UPMC Health Plan in parts of Pennsylvania where our name might not be familiar. "I use that lack of knowledge and unfamiliarity as a chance to educate and promote UPMC," says Jonathan. "And I'm finding that once people work with us — either as members or providers — they love us."

In his new position as Director of Strategic Partner Development for the Health Plan in the Lehigh/Capital region of the state, Jonathan is responsible for establishing relationships with community organizations to promote our products as well as to address the issues of health equity and health promotion in the communities the Health Plan serves.

That can require him to perform a number of different tasks. For example, in April 2011, he made arrangements to transport Latina women from Reading to Philadelphia to attend a Latinas United for the Cure event. Jonathan arranged funding for buses and recruited the women who needed to attend. His work paid off — 170 Latina women made the trip.

Jonathan has found that the UPMC Health Plan name is quickly gaining recognition and friends. "If people don't know UPMC, it gives me an opportunity to explain who we are. It lets me tell them, for example, that we have the No. 1 Medicaid program in the state," he says.



## Our comprehensive pharmacy services include access to approximately **40,000** pharmacies

### **High-quality, high-value pharmacy services**

UPMC Health Plan offers comprehensive pharmacy services and innovative solutions that maintain a high level of care, quality, service, and value while managing pharmacy costs. Our innovative formularies and clinical programs are collaboratively developed by Health Plan physicians and pharmacists and our Pharmacy and Therapeutics Committee, which includes world-class UPMC physicians, community physicians, and pharmacists.

The result is a high-quality, high-value, cost-effective pharmacy offering that combines real-world clinical experience with evidence-based care, complemented by benefit designs focused on members' needs. As the number of brand-name drugs that have a generic version increases over the next several years, the Health Plan will leverage its pharmacy, clinical, and benefit management strategies to promote the use of affordable, high-quality generics that save our members and clients money.

### **Pharmacists on the care team:**

#### **helping members use medications safely**

To promote safe, appropriate, and cost-effective drug therapy for our members, Health Plan pharmacists are actively involved on the Health Plan's care management team. Our pharmacists assist with medication reconciliation during member transition, conduct ongoing reviews of claims data as part of

our Medication Therapy Management (MTM) Program, and assist with health coaching and case management.

Pharmacists look for potential issues, such as medication non-adherence, duplication of therapy, and drug interactions, and then collaborate with care managers and physicians to determine appropriate solutions for both patients and doctors. Integrating pharmacists into the care teams adds clinical resources, which helps us to obtain the best outcomes for our members.

Our pharmacist outreach programs on health issues, including smoking cessation and diabetes, provide members with the opportunity to discuss newly prescribed medications. Our pharmacists can answer questions related to side effects and dosage while also stressing the importance of following the doctor's directions with regard to medication regimens.



### **Convenient, accessible network pharmacies**

Our comprehensive pharmacy services include access to approximately 40,000 pharmacies, including 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 24 hours a day, 7 days a week. Our pharmacy benefit design offers maximum flexibility by allowing 90-day supplies of maintenance medications both at the retail pharmacy and through home delivery. Members who take advantage of our home delivery service can have their maintenance or specialty medications delivered directly to their home or doctor's office and often save on their copayment as well.

### **Saving money on medications starts on our home page**

Our website, [www.upmchealthplan.com](http://www.upmchealthplan.com), provides members with the latest health and pharmacy information as well as tools that can help them make informed health care decisions. Through UPMC MyHealth OnLine, members can estimate and compare pharmacy costs, review the drug formulary and any generic drug alternatives, and check copayment levels. In addition, members can renew mail-order prescriptions, view their personal medication history, locate a pharmacy, and obtain drug information, including information on generic and specialty drugs.

Saving money on medications starts on our home page: **[www.upmchealthplan.com](http://www.upmchealthplan.com)**



**DeAndra Jones, UPMC Health Plan Pharmacist; Dr. Anthony Yates, Medical Director of the UPMC Corporate Health Program and Team Physician of the Pittsburgh Steelers; and Nadine Tomaino, UPMC Health Plan Practice-Based Care Manager**

## **Our members benefit when doctors and pharmacists work together**

Anthony Yates, MD, whose internal medicine practice is a medical home, Practice-Based Care Manager Nadine Tomaino, and Pharmacy Manager DeAndra Jones are a highly functioning team, and a perfect example of how members benefit when medical professionals work together, even when they are not all in the same office.

It makes good sense that doctors, care managers, and pharmacists rely on each other to support a patient-centered approach to health care. Doctors provide invaluable clinical knowledge and insight. Pharmacists support doctors by providing drug education as well as data that highlights opportunities for optimal drug therapy. Care managers are an additional layer of safety and quality for both.

The patient-centered medical home is evolving and expanding, and UPMC Health Plan is improving patient care by optimizing the role that pharmacists play when working with physicians, nurses, and other members of the care team.

“We are very fortunate to have pharmacists at the Health Plan whom we can consult to help manage care,” says Nadine. “There are many benefits for members when physicians and care managers collaborate with pharmacists. Pharmacists can suggest less expensive medication alternatives, identify duplications in medications and drug interactions, help members stay on their medications, and alert the PCP if a member does not have the lab work that certain drugs require.”

“Health Plan pharmacists work with the practice and the care manager to avoid gaps in care due to noncompliant use of medication,” says DeAndra. “Our Pharmacy Department is a one-stop resource for any pharmacy-related question, from care managers, physicians, office managers, physician account executives, and anyone else who touches the practice.”

“We are fortunate to have both the electronic medical record system (EPICARE) and UPMC Health Plan Pharmacy to enhance patient care by providing cost-effective drug alternatives, identifying potential drug interactions or gaps in care, and providing us with best-practice information,” says Dr. Yates. “This effort is yet another facet that leads to effective coordination and integration of care for the patient-centered medical home. After all, it’s all about the patient.”





# Workforce Productivity

City of Pittsburgh  
Housing Authority:  
Home to high  
participation in  
healthy initiatives

Linda Marie May, Benefits Manager, and  
A. Fulton Meachem, Jr., Executive Director,  
City of Pittsburgh Housing Authority



Through UPMC MyHealth, HACP offers a variety of programs that encourage employees to improve their quality of life by making healthy lifestyle changes.



The City of Pittsburgh Housing Authority (HACP) provides safe and affordable housing to low-income residents in Pittsburgh. Part of the organization's stated mission is to create for its customers "environments that improve the quality of life." And now HACP is actively engaged in providing such an environment for its employees through good health and wellness programs and initiatives. Through UPMC MyHealth, HACP offers a variety of programs that encourage employees to improve their quality of life by making healthy lifestyle changes.

"I want all of our employees to know how important it is to have a healthy lifestyle. And I always tell them I wouldn't ask them to do anything I wouldn't do myself," says Linda Marie May, Benefits Manager for HACP. Linda, an enthusiastic champion of HACP's relationship with UPMC Health Plan in offering the UPMC MyHealth program, encourages employees to be proactive in improving their health.

The initiative has been an overwhelming success.

More than 80% of employees completed the UPMC MyHealth Questionnaire, the first step in HACP's wellness program. The questionnaire is an online health risk assessment that provides the employee

with a personal health overview, including areas for improvement and a comparison with others of the same age and gender. HACP and representatives from UPMC MyHealth conducted a special session in which employees who were not regular computer users could get individual assistance in completing the questionnaire.

The support of A. Fulton Meachem, Jr., HACP's Executive Director, is an essential element in the success of the program. In a 2010 letter to all employees, Mr. Meachem congratulated the employees on their participation thus far and encouraged them to continue their efforts. "This is an ongoing process and I appreciate what you have done. Moving forward, I encourage you to continue with your efforts to improve and maintain good health," he stated in the letter.

HACP offers employees a discount on their health plan premium for completing various wellness activities. In addition to the UPMC MyHealth Questionnaire, employees can choose to participate in a telephone health coaching program for weight management, nutrition, physical activity, stress management, or tobacco cessation; attend Lifestyle Speaker Series presentations on similar topics taught by UPMC experts; or participate in on-site weight management group meetings.

More than 44% of HACP employees have taken advantage of MyHealth health coaching programs. "Our employees who participated speak highly of the health coaches," says Linda. "They refer to the health coaches on a first-name basis, which demonstrates confidence and trust." And nearly 80 employees attended the speaker series, even though sessions were offered after work hours.

Linda attributes the outstanding employee participation in the HACP wellness program to a number of factors. "The convenience and availability of the telephone health coaching programs, the assistance of UPMC Health Plan Member Advocates, and the informative communications in the form of brochures, fliers, and payroll stuffers — all were helpful to our employees," she says.

HACP also offers employees credit for participating in physical activities arranged by the HACP Employee Recreation & Activities Committee, such as softball games, golf outings, and Zumba classes, as well as in Pittsburgh's Great Race.

**"Employers today need more tools in their toolbox to get in front of rising health care costs. Our new expanded suite of services brings together more resources and expertise, all focused on individual employee health and productivity, than any other health care organization in the region."**

David M. Weir, President, UPMC WorkPartners

# UPMC WorkPartners: Meeting the needs of today's employers and employees

UPMC WorkPartners, part of the UPMC Insurance Services Division, offers strategic solutions that integrate all aspects of an organization's health and productivity. In partnership with other Insurance Services companies, UPMC WorkPartners provides a combination of services that results in healthier, happier employees and better organizational performance. These services can also lead to reduced health care cost trends for employers.

The services include absence, medical, and consulting solutions; award-winning health and wellness programs; behavioral and personal need solutions; EBenefits, a user-friendly technology platform; and high-value insurance products.

## Healthy solutions for businesses

UPMC WorkPartners has been a licensed third-party administrator providing workers' compensation services to companies throughout Pennsylvania since 1997. Since then, UPMC WorkPartners has continued to grow and expand its service offerings to meet the health and productivity needs of employers and their employees. In 2010, UPMC WorkPartners unveiled a number of new products aimed at reducing costs and improving employee health.

In early 2010, UPMC WorkPartners introduced its new Commercial Workers' Compensation product, which was built on a long history of providing outstanding workers' compensation services to self-insured employers in Pennsylvania. This new commercial product adds expert underwriting to proven program management practices so that fully insured employers can enjoy the cost savings and productivity improvement benefits.

At the mid-year point, UPMC WorkPartners announced two more new products — comprehensive health management services and on-site health services. The health management services include UPMC MyHealth wellness and condition management programs, health coaching, and access to personalized online tools to help engage individual employees in improving their own health.

UPMC WorkPartners' MyHealth@Work provides on-site health services that include a tailored mix of services, based on an employer's population, that can include diagnosis and treatment of immediate non-emergency health issues, lab work, and wellness and lifestyle management. MyHealth@Work can even

support existing treatments offered by an employee's personal physician, such as allergy shots. With these health services on-site, employees do not have to take vacation or sick time to visit their personal physician. Instead, they can see a physician during a normal work break and be treated in a convenient location.

"Employers today need more tools in their toolbox to get in front of rising health care costs," says David M. Weir, President of UPMC WorkPartners. "That means innovative approaches that work together to make employees healthier and more productive. Our new expanded suite of services brings together more resources and expertise, all focused on individual employee health, than any other health care organization in the region. It creates better, more convenient, and more collaborative care that cuts costs and improves lives."

"There are no shortcuts," he adds. "There are new emerging needs facing employers every day. UPMC WorkPartners is committed to developing the best, most innovative and technologically advanced solutions to meet those needs."

## UPMC WorkPartners Integrated Services

### Absence Management

#### Claim Management Services

- Workers' compensation
- Leave management
  - FMLA
  - Military
  - Employer-sponsored
- Short-term disability
- ADA claim management

### Workers' Comp Advantage

#### For Fully Insured Employer Groups

- Professional claim and case management services
- Accident investigation
- Program management
- Expert risk/loss control services
- Administrative burden relief
- Escalated case review
- Easily understood analytics and reporting

### UPMC MyHealth@Work

#### On-Site Health Services

- Primary care support/triage
- Pharmacy care
- Occupational care
- Urgent care
- Education and awareness programs
- Incentive programs
- Policy and workforce assessment
- Easily understood analytics and reporting

### LifeSolutions®

#### Employee Assistance Program (EAP)

- Executive coaching and counseling
- 24/7 manager and leadership consultation
- Return-to-work programs
- Workplace trauma response
- Intimate partner violence support
- Work-life concierge services
- Easily understood analytics and reporting

### UPMC MyHealth

#### Wellness and Health Management

- Award-winning healthy lifestyle campaigns (weight and stress management, smoking cessation, musculoskeletal fitness)
- Lifestyle health coaching
- Condition management and coaching (diabetes, musculoskeletal, maternity/well baby, asthma, hypertension)
- Incentive design and consultation
- Health risk assessments
- Biometric screenings
- Healthy workplace certificate programs
- Health tools and trackers, analytics and reporting



## Through *LifeSolutions*, UPMC WorkPartners enables employers to provide support for employees at work and at home

### ***LifeSolutions: Balancing work and life***

A UPMC WorkPartners affiliate, *LifeSolutions* has been providing employee assistance programs and services to area employers for more than 30 years.

Studies have shown that over half of employee leaves are due to family and personal issues rather than employee illness. Other studies indicate that the cost of productivity losses due to employees' being present at their jobs but not fully engaged may be four times the cost of their medical care. *LifeSolutions* addresses the behavioral health and personal needs of employees, thereby helping to reduce absenteeism and presenteeism, increase productivity, and reduce costs. Confidential services are provided to employees and their household members to find practical solutions to everyday concerns and promote health and productivity.

Effective performance management is an essential ingredient in a company's success. *LifeSolutions* staff use their expertise in workplace behavioral health to help managers address challenging employee and team issues to positively impact productivity.

Employer and employee services include the following:

- 24/7 access for managers and employees to address emergencies and workplace incidents
- Personal coaching and counseling for behavioral health needs such as anxiety or depression, family and marital issues, workplace problems, financial concerns, and career counseling
- Links to information and community resources
- Manager/supervisor support services for organizational and employee-related issues,

including performance management support, leadership training, and stress management

- Chemical dependency triage, referral, and management
- WorkLife balance resources, accessible via phone or web, to provide information and solutions for day-to-day life issues including child care, elder care, legal and financial questions, consumer purchases, and more
- Disability and leave management support programs for employees on disability or family medical leave
- Workplace trauma support services to successfully address the impact of traumatic workplace incidents
- Online and on-site employee education and training to maximize interpersonal relationships at work

### ***EBenefits Solutions: Support for benefits administrators***

EBenefits Solutions is a UPMC WorkPartners affiliate owned by UPMC that offers employers a state-of-the-art human resources and electronic benefits

administration platform and associated services.

EBenefits provides employees with a simple way of handling benefits administration and other human resources functions. It also reduces the administrative tasks of human resources staff so they can focus on strategic programs and initiatives.

Dedicated, highly specialized UPMC WorkPartners staff work with clients to create seamless and customized solutions to meet each employer's needs. The result is a unique combination of software, human resources consulting services, and technology-based solutions that improves service to employees, enhances employee communications, and substantially lowers operating costs.

Every EBenefits client has achieved greater than 100% return on initial investment, with most clients seeing a return of greater than 200% from direct and indirect cost savings. Dedicated account management, IT staff, and customer service representatives provide best-in-class service to clients. New features and functionality added in the past year include a new online medical plan decision modeling tool and an integrated suite of services from UPMC WorkPartners and UPMC Benefit Management Services that includes COBRA administration, flexible spending account administration, absence management services, and more.

**WorkPartners' new *MyHealth@Work* on-site health services enable employees to see a physician during a regular work break and be treated in a convenient location.**

## Employees' adoption of healthy lifestyles and attention to any existing health conditions are good for them . . . and good for business

### UPMC MyHealth

Today's business leaders care deeply about the health, well-being, and productivity of their employees. And it's no wonder — after all, most employers consider the people who work for them to be their most valuable asset.

Because workers have a range of talents — and a range of health conditions that may affect their performance on the job — UPMC MyHealth programs and tools are fully customizable to meet the needs of companies and the individuals who work for them. By working in a collaborative partnership, with defined, measurable goals, we help employers implement strategies to support worksite wellness initiatives that can reduce health risk factors, increase productivity, improve morale, and, ultimately, decrease the cost of health care.

### Catching problems early prevents more serious issues

UPMC MyHealth offers something for all employees, whether they're managing a chronic condition or are healthy and want to stay that way. No matter what the goal — losing weight, quitting smoking, getting more exercise, eating better, or reducing stress, UPMC MyHealth can help them achieve it. The program can be particularly rewarding for those who are at risk of developing a chronic condition such as heart disease or diabetes. By becoming aware of the early signs of chronic conditions, participants can take preventive steps to avoid more serious complications later.

### The first step: Getting a picture of overall health

Worksite wellness programs should begin with two assessments: an online health risk assessment and a biometric health screening. These help identify risk factors in an employee population and assess employees' willingness to change. Employees who attend a UPMC MyHealth screening receive color-coded printouts of their results along with easy-to-understand explanations. They are given

the opportunity to follow up with their primary care physician and to take additional steps toward living a healthy lifestyle, such as engaging with a health coach.

### Personalized help for lasting results

An important cornerstone of UPMC MyHealth is our staff of health coaches. These experienced professionals are knowledgeable on topics such as nutrition, exercise physiology, and diabetes education. In addition to being health experts, they are trained in motivating people to adopt healthy habits that they can stick with for the long haul. Members can choose

from six lifestyle improvement programs, and each program also has an online option for those who prefer that medium. Health coaches are part of the Health Plan's health management team and complement the treatment members receive from their physicians.

### Coach on Call™

For those who don't want to commit to a formal program, but want to work out something on their own with a little bit of help, we offer UPMC MyHealth Coach on Call. All Health Plan members have the option of calling a health coach for assistance with making or

## Discounts on healthy living activities near home and work

MyHealth Community is a new online tool to help our members find health and wellness resources in their own communities. Members simply enter their zip code to see health and wellness resources and vendor discounts in their area. A special icon indicates vendors that offer a discount available to UPMC Health Plan members only. Members can browse a map and narrow or modify their search. New local vendors and discounts are added to MyHealth Community on a regular basis.

The screenshot displays the UPMC MyHealth Community interface. On the left, there's a sidebar with a search bar and filters. The main area shows a map of Pittsburgh with various health and wellness resources marked. The results list includes:

- De Novo Pittsburgh Chiropractic & Health**: 0.63 miles away, 707 Grant Street Suite 2708, Pittsburgh, PA 15219, (412) 443-8873.
- Golden Triangle Bike Rentals**: 0.75 miles away, 600 First Avenue, Pittsburgh, PA 15219, (412) 600-0675.
- Curves**: 0.8 miles away, 355 5th Ave Ste 203, Pittsburgh, PA 15222, (412) 325-2735.
- Pittsburgh Cultural Trust**: 0.81 miles away, 803 Liberty Avenue, Pittsburgh, PA 15222, (412) 471-6070.
- SouthSide Athletic Club**: 0.92 miles away.

The map view shows the same resources plotted on a map of Pittsburgh, with a search radius of 4 miles centered on the user's location.



maintaining a healthy lifestyle change. After their phone conversation, the health coach sends the member a follow-up e-mail containing a link to printable tip sheets containing helpful information. Participants are free to call back if they have additional questions. During its first months of operation in 2010, 819 members made use of Coach on Call.

### **Weight Races boost workplace weight management**

The UPMC MyHealth Weight Race challenges employees to manage their weight over the course of 12 weeks. Many people find that when slimming down is a team effort, they're more motivated to eat well and exercise, so they get better results than they would on their own. It also fosters a worksite environment that encourages personal improvement and healthy dining. Weight Race communications include regular nutrition and exercise tips and behavior change tools.

The UPMC MyHealth Take a Healthy Step campaign promotes an array of activities and services (Healthy Steps) that employers can offer employees to maintain and improve their health. In the process, employees can earn points toward rewards. Companies that have participated in this program have found that it fosters a culture of health, which can lead to a better quality of

life for employees *and* lower health care costs for their company.

### **Encouraging other lifestyle changes**

Other MyHealth worksite programs and resources designed to promote healthy living include:

- UPMC MyHealth OnLine interactive tools and programs
- Dining Smart, which provides assessments and nutrition criteria for offering healthy food choices in company cafeterias and vending machines
- On-site classes on weight management, healthy eating, physical activity, and stress management
- Lunch and learn presentations by UPMC wellness experts on various health-related topics

### **All employees can participate**

UPMC Health Plan gives employers the option of providing UPMC MyHealth wellness programs to all employees, including those who do not have UPMC Health Plan coverage. These employees, called "Wellness Members," receive the same wellness-related programs and tools as members with Health Plan coverage.

### **MyHealth Central: Home base for health tracking**

In 2011, UPMC Health Plan launched MyHealth Central, part of UPMC MyHealth OnLine. The website allows members to access a wide variety of services and to keep track of all of their health information, from personal goals and recommendations to activities that help them fulfill their goals. MyHealth Central is accessible by all Health Plan members and Wellness Members. Content is customizable by employer group.



### **Social media provide new opportunities for member engagement**

Since November 2010 UPMC Health Plan has made use of Facebook, Twitter, and YouTube to provide health tips, Q&A sessions with experts, informative videos, and wellness program updates.

The Health Plan's social media team is particularly proud of the first live Twitter feed launched in conjunction with the Pittsburgh Half Marathon, an event which the Health Plan sponsored. The live Q&A, which focused on preparing for the marathon with a health expert, attracted many highly engaged Twitter followers.



**In 2010 UPMC employees lost more than 10 tons in the 12-week UPMC MyHealth Weight Race.**

## A mother's gift to her son, her mother, and herself

When Daryl Farneth asked her son Justin what he wanted for his 14th birthday, she wasn't quite prepared for his response: "Mom, I want you to quit smoking."

Daryl is Dietary Manager at Weatherwood Manor in Greensburg, Pennsylvania. She had been a smoker for 30 years and had tried to quit many times. She knew it would not be easy to fulfill Justin's request. "But I knew right away that I had to do this," she says.

She called a UPMC Health Plan health coach and joined the UPMC MyHealth Ready to Quit™ program. With her coach, Laura Fath, Daryl set a quit date that was one month away. Setting that date and allowing time to make a plan for quitting were important for Daryl. "Some people just say they're going to quit on a certain date, but they don't take time to plan ... and they often don't succeed. With Laura and the MyHealth workbook, I learned how to prepare step-by-step for my quit date. And I learned that I needed a health coach and a plan in order to succeed," admits Daryl.

"The UPMC MyHealth Ready to Quit program is wonderful," continues Daryl. "The workbook makes you look at the reasons why you smoke — and your reasons for quitting — in a much deeper way. This really helped me to prepare for my quit date. Smoking is a strong addiction, and there's much more to quitting than just will power."

As part of the program, Daryl received a quit-smoking toolkit in a zippered pouch. "The kit included a stress

reliever to keep my hands occupied and a cost calculator to figure out my cost savings from quitting. The items in the kit were really helpful to me, and I carried that pouch everywhere. I kept my gum and other quitting aids in there," says Daryl.

Daryl followed the workbook's instructions to clean out her car so it wouldn't smell of cigarettes, and to get rid of her smoking paraphernalia. "I followed the book as well as Laura's suggestions and did all my 'homework,'" she says. "When my quit date arrived I wasn't stressed — I knew what to do. I got into my clean car, which didn't smell of smoke, and I made a clean start. And I haven't taken one puff since that date."

Daryl admits it was a struggle to keep to her goal. "When a challenging situation would arise at work — like the time I was making banana pancakes and they were sticking to the pan — I'd think about having a cigarette. But then I'd remind myself that I was now a nonsmoker — and I'd find a better way to manage stress."

"I can't say enough about the Ready to Quit™ program and the help I got from Laura," says Daryl. She also credits her coworkers with being a great support team for her, writing notes of encouragement and cheering her on. Her son Justin and her older children — Ross, Brian, and Kristina — were very supportive of her efforts to quit as well. The three older children do not smoke, and Daryl hopes her good example will keep Justin from ever starting. "And I don't want to smell like cigarettes when I'm a grandmother!" she exclaims.

Daryl received the UPMC MyHealth Role Model Award from UPMC Health Plan in 2010 for her achievement in quitting smoking, and she has indeed become a positive example for family and friends. Her example has inspired both her boyfriend and a coworker to make a quit attempt.

Among the many benefits of quitting for Daryl is healthier skin. "People say my skin looks so good. I also have more energy, I can breathe easier, and my horrible smoker's cough is completely gone." In addition, she calculates that she is saving \$140 a month by not buying cigarettes.

But the benefit Daryl cherishes most is the freedom she experiences in being a nonsmoker. "As a smoker, you're always planning your escape route," she explains. "You may be enjoying a play or movie or family event, but you still always have that monkey on your back. A part of you is thinking about when you can have your next cigarette."

"Now I can be in the moment, enjoying it and the people I'm with. It's so freeing now to be one with whatever I'm doing."

"My mother died of a lung disease, and she wanted me to quit smoking," remembers Daryl. "June 2 was her birthday — and also the day my photo was taken for this story. So, my mother's birthday wish came true, too."

**"When a challenging situation would arise at work, I'd think about having a cigarette. But then I'd remind myself that I was now a nonsmoker — and I'd find a better way to manage stress."**

Daryl Farneth





Daryl Farneth and son Justin



## Managing health for quality of life

UPMC Health Plan supports each member in striving for the best possible quality of life and health. Our programs provide a continuum of education, support, and care for members who want to maintain their health, those at risk, the chronically ill, and those suffering from a complex illness or injury or multiple conditions. The Health Plan's health management function includes a comprehensive team of health professionals who serve members' needs where and when that service is most effective.

### Care management

**Condition management.** Clinical health coaches reach out to members who have a chronic disease such as diabetes, asthma, or heart failure or a complex medical condition. These coaches help members to manage their condition by following their doctor's plan of care. They provide members with educational materials and support them in obtaining the skills and knowledge necessary for self-management.

**Practice-based.** As part of our patient-centered medical home program, practice-based care managers (PBCMs) are based in primary care physician offices. PBCMs are able to meet face-to-face with UPMC Health Plan members, with the goal of helping them to become more involved in their own care. The PBCM

functions as part of the doctor's team and is the bridge that connects the Health Plan to the physician to help facilitate the development of a care plan. This program is featured on pages 9–10 of this annual report.

**Hospital-based.** Health Plan care managers work on-site at network hospitals to help streamline care delivery and facilitate a safe, high-quality inpatient experience. These care managers review member admissions to make sure they meet medical necessity criteria. They also help to plan and arrange discharge services, providing authorization for appropriate services, disease management programs, complex case management, social work services, and prevention and health promotion services.

**Skilled facility-based.** Health Plan care managers work on-site at skilled facilities in our network to assist with care transitions. They educate members about their condition and medications and assist with developing a self-management plan as needed. On discharge, they notify the member's physician and help transition the member back to the Health Plan for continuation in case and health management programs as appropriate.

**Mobile care.** The Health Plan's care management team also includes mobile care managers who serve members in designated areas of Pennsylvania, Ohio, and West Virginia. These members may reside in rural areas and need support in accessing medical care. Care managers may visit members about to be discharged from the hospital or visit a member at home after discharge to assess the member's medical condition and coordinate further care as needed. They may transition members to a Health Plan health management program, help them get to follow-up doctor appointments, or assist them in obtaining other services within the community.

### Innovating to improve quality of care

In partnership with medical researchers and experts at the University of Pittsburgh and UPMC, the Health Plan continues to develop and implement leading-edge clinical programs and medical support technology.

**Care management technology.** UPMC Health Plan clinical staff use HealthPlaNET, a robust claims-based record and care management system that supports high-quality care and resource utilization as well as prevention and wellness programs. The Health Plan designed HealthPlaNET to support multidisciplinary teams of clinicians in delivering effective member care.

**Wound care program.** The UPMC Wound Care Program is designed to facilitate state-of-the-art treatment for chronic wounds in a home care setting. The program employs a team-oriented approach in which wound care specialists and a Health Plan wound care case manager collaborate with each patient's primary care physician.

### Caring for mind and body

The Health Plan offers behavioral health treatment for members of all ages for all types of mental health and substance abuse problems. We are sensitive to the fact that some people with chronic medical conditions also develop depression. Our health management programs screen participants to see if they could benefit from our depression management program. Primary care physicians, who are often the first contact for patients with depression, also make referrals. We provide telephone outreach and ongoing support as well as educational materials, appropriate referrals, and care coordination.



#### MyHealth Advice Line

Health care advice from experienced registered nurses is available 24/7 to all members through the MyHealth Advice Line.



## Clinical health coach helps growing family to stay healthy, at home and abroad

When Charlene Brower and her husband, Shane, set off for Costa Rica, where he would spend a sabbatical year doing research, she had mixed feelings. She was excited about sharing the family adventure with their 5-year-old son, Shelton. But she was six months pregnant with her second child and nervous about the prospect of giving birth in a foreign country. “After much prayer, we decided to go,” she says.

When a routine test conducted in the U.S. before she left revealed that Charlene had gestational diabetes, her anxiety level rose. “When I received the results, I was already in Costa Rica. We had found an ob-gyn in Costa Rica before we left, and I immediately made an appointment to see him,” Charlene notes.

The assistance of a UPMC Health Plan clinical health coach, Allison Ridilla, RN, was extremely reassuring and valuable to Charlene. “She was an answer to our prayers, following several days of second-guessing and doubt,” says Charlene. Allison gave her advice over the phone about what questions to ask her doctor and what procedures she should request, some of which were not standard in Costa Rica. “Thankfully, the doctor was very willing to order whatever test I requested, so I was able to receive the appropriate preventive care,” she says.

Allison also helped Charlene become an expert on her condition, explaining the risks of elevated blood sugar levels and what she could do to stay healthy. Charlene learned to eat small, frequent meals, with balanced healthy carbohydrates and protein, and to avoid the processed foods that could cause a spike in her blood sugar. Allison also suggested that Charlene get a glucometer and explained how to use it, so she could monitor her sugar levels on her own.

In April 2009, Charlene gave birth to Chalina, who weighed in at a healthy 7 pounds, 8 ounces, and had no diabetes issues. But the relationship between patient and health coach didn’t end there. When Charlene became pregnant with her third child, this time back in the U.S., the Health Plan asked her if she’d like to have Allison’s help again.

“Obviously my answer was an enthusiastic yes!” Charlene says, especially since she was diagnosed with gestational diabetes again, as well as placenta previa. “Even though I was back home, with the best health care system in the world, I still wanted the reassurance of knowing that Allison was looking out for me,” says Charlene, who gave birth to a healthy girl, Cheylan, in December 2010 at UPMC Mercy. “Allison has truly been a blessing in our lives,” says Charlene.



Charlene Brower with daughters Cheylan and Chalina, son Shelton, and husband Shane

## Time for a healthy change

Michael Schall was taken by surprise when he was diagnosed with diabetes. Results of a lab test confirmed his blood sugar level was over 400. His doctor prescribed medication, but Mike decided it was time to change his lifestyle as well.

In his job as a Medical Assistance Eligibility Specialist for UPMC Senior Communities, Mike interacts with younger residents who reside in UPMC skilled nursing facilities. Several are there because of complications due to diabetes. “I have two sons, and I want to be around for them,” says Mike. He joined the UPMC



MyHealth Weigh to Wellness™ program and worked with health coach Janine Jones weekly by phone to lose weight and get his blood sugar under control.

Mike credits Janine and the Weigh to Wellness program with helping him turn his life around. He lost more than 35 pounds over a 6-month period. According to Mike, the program enabled him to lose weight “the right way,” with counseling in the areas of nutrition, exercise, and stress management.

Once Mike started on the path to health, he saw results quickly. “In a matter of two weeks, my blood sugar level went from 400 to 150. Within two more months it was consistently under 100. Eventually, it averaged well below 100, and I asked my physician if the medication could be discontinued,” says Mike. “My physician was amazed at the turnaround and said he wished other patients would take it as seriously.”

Janine coached Mike to look at what he was eating and monitor his daily calorie intake. Now he reviews food labels and makes more informed choices in preparing healthy meals. In addition, he monitors his intake of carbohydrates. “She taught me how to eat healthy without being hungry. I’m never hungry,” he says. Mike still enjoys his favorite foods, but in moderation.

“If I really want something, like Italian bread or a fried food, I’ll have it occasionally. But I limit myself and watch portions,” he says.

Although getting his health back was the most important result of Mike’s efforts, it wasn’t the only one. His pants size went from a 38 to a 32. “I’m in better physical shape now than my 18-year-old!” he jokes, referring to his son Evan, who exercises and plays deck hockey regularly. Mike enjoys motorcycle racing, and he’s now at the right weight for the sport. And, due to his daily regimen of weight training morning and evening, “I have abs again!” he exclaims. “I haven’t seen my abs in decades!” His exercise schedule also includes taking 10,000 steps a day, including a daily 2-mile walk.

Mike hopes his success in getting healthy will inspire others to do the same. “If more people were proactive about their health, their dependence on medical intervention could diminish. In addition, there might not be as many health problems due to obesity,” he reflects. “UPMC Health Plan was instrumental in helping me reach my health goals. I’m very happy with the changes I’ve made and thankful that UPMC Health Plan was there for me.”

“In a matter of two weeks, my blood sugar level went from 400 to 150. Within two more months it was consistently under 100. I’m in better physical shape now than my 18-year-old! I’m very happy with the changes I’ve made and thankful that UPMC Health Plan was there for me.”

Michael Schall





Michael Schall and son Evan



# Customer Satisfaction



**“Highest Member Satisfaction  
Among Commercial Health Plans  
in Pennsylvania”\***

– J.D. Power and Associates  
2011 U.S. Member  
Health Insurance Plan Study<sup>SM</sup>

\*For more information about the J.D. Power and Associates recognition, see page 55.



## Bringing home service, satisfaction — and the J.D. Power trophy

**A**t UPMC Health Plan, we don't set out to receive awards. We simply focus on doing what is right for our members. We provide them with access to world-renowned UPMC doctors and hospitals as well as outstanding community hospitals and physicians. We give them the tools and programs they need to live a healthy lifestyle. And we offer them a personal Member Advocate and online chat capabilities to answer all of their questions. So when J.D. Power and Associates ranked the Health Plan as having the "Highest Member Satisfaction Among Commercial Health Plans in Pennsylvania," while we were certainly delighted to bring home the trophy, we saw it as simply doing our job.

J.D. Power and Associates is a global marketing information company that represents the voice of the customer. Our goal has always been to listen to our members and to do everything we can to make sure they are satisfied with their experience. Our recognition by J.D. Power and Associates tells us that we are succeeding — not only by J.D. Power and Associates' measures, but by our members' as well.

The Health Plan ranked above 10 other health insurers in the highly competitive Pennsylvania region. The measurement factors included information and communication, approval processes, provider choice, and customer service, among others.

In this section of our annual report, three individuals with key roles in selecting employees' health benefits describe why they are satisfied with UPMC Health Plan's service and affordability.



Terry Buxbaum, Director of Human Resources for Johnstown Wire Technologies

## Personal attention = high satisfaction

Johnstown Wire Technologies is a company steeped in history. Housed in the former Bethlehem Steel building in Johnstown, it manufactures steel wire that is used in a host of products, from fasteners for automobiles to chain-link fencing and industrial staples.

When the company switched to UPMC Health Plan in 2006, "We wanted to be sure our employees, represented by the Steelworkers Union, would have the same benefits they had under our previous plan," says Terry Buxbaum, Director of Human Resources. The Health Plan's benefits package was comprehensive, rich with services that would help the employees maintain and improve their health. Some of the offerings were slightly different, though, from their previous offerings, causing concern.

The Health Plan account manager was able to facilitate a solution by setting up a meeting with the Health Plan's Director of Account Management and a committee made up of union representatives and Johnstown Wire management. "Transparency is very important to us," says Terry. "When we're negotiating with the union, we want everyone to understand their health care benefits. So the fact that UPMC Health Plan was willing to sit down and talk with us meant a lot."

In a relatively short amount of time, the Health Plan team was able to address the plan differences to meet all of the employees' and Steelworkers' needs. "Our satisfaction with the Health Plan is very high," says Terry. He notes that they're particularly happy with the customer service provided by Health Plan Member Advocates. "That kind of personal attention is what we like."

At UPMC Health Plan, we strive to continuously improve our service to members, employers, and providers. Our Member Services and Enrollment Services teams have made significant improvements in efficiency and accuracy, based on customer feedback. We highly value such feedback, and we continue to rely on it.

### **Members can “chat” from the comfort of home**

Nothing is more innovative than being first, and UPMC Health Plan was the first health plan to offer online chat to its members. Our members can chat with us over a secure and confidential website. And because they are typing rather than talking, members can use the service while at home or work, even if other people are present.

Through online chat, our Member Advocates can answer any question a member has about his or her health care, benefits, and coverage. After the chat, the member can print a copy of the entire conversation and have documentation of the conversation and the response given.

### **Online messaging for easy communication**

UPMC Health Plan members can use our online secure messaging center to ask about any topic related to their health care, make pharmacy inquiries, ask about benefits, or request to be contacted by a health

We’ve “chatted” online **more than 14,500 times** with our members since becoming the first health plan to offer this service in 2010.

coach or nurse. Our Member Advocates analyze each message and route it to the correct person. Return messages to members are posted the next business day in each member’s own secure portal. In addition to being able to ask questions 24 hours a day, our members have documentation of the correspondence in writing.

### **Enhanced call routing gets members where they need to go**

Our Member Advocates answered 775,000 calls in 2010, with an average wait time of 18 seconds. We updated our options to allow quick access for speaking with an Advocate or (for our UPMC *for Life* members) a

Concierge. Our call routing technology selects the best person for our members to speak with, based on their situation and reason for calling.

### **Automated calls help get the message out**

In 2010, automated calling allowed us to reach more than 300,000 members with important information about their health care and benefits. During a call, a member can press “1” to be instantly connected with a Member Advocate or a Health Care Concierge. Our calls can help members get the care they need, notify them of special events, and inform them about important changes in their benefits.



### **Teamwork yields healthy results**

One of the reasons Somerset County switched from another insurance company to UPMC Health Plan in 2003 was the savings to the county’s bottom line. But that’s not the main reason the county has stayed with the Health Plan ever since. “There is a tremendous sense of teamwork between the county commissioners, the Health Plan account manager, and the broker,” says Vince Pavic, Director of Human Resources for Somerset County. “Whether it’s customer service or plan design, we all brainstorm together and come up with solutions.”

The Health Plan covers about 670 Somerset County employees working in 30 different departments, from the county jail to the tax assessor’s office.

Creative collaboration on wellness programs is an example of this teamwork. The county offered the Health Plan’s online health risk assessment and on-site biometric screening for interested employees. These wellness tools gave employees a baseline assessment of their health status and tips on how to improve it.

Health Plan staff continue to be a source of ideas for Vince. He has generated several innovative programs, including a Wellness Committee, a newsletter on wellness, and fresh fruit stands staffed by Somerset employees. Vince views these as the beginning of an even larger effort to improve employee health. “Without UPMC Health Plan’s support, nothing would have happened,” Vince says.

**Vince Pavic, Director of Human Resources for Somerset County**



## Customer service seals the deal

When it came time for Vista Metals, Inc., a company based near McKeesport, to select a health insurance provider for the following year, the company knew it would be a challenge in today's evolving health care market. Vista's health care mission is to maintain quality benefits at a competitive cost to both the employee and employer. The company had been with an insurance carrier other than UPMC Health Plan for 10 years, but remained open to alternatives. "Providing stability to our 120 employees is important to us," says Mark Shelleby, Treasurer for Vista. "We needed to be sure any change of carrier would result in a long-term relationship."

What sealed the deal to change to UPMC Health Plan for Mark and his colleagues was the customer service they received from the Health Plan before they even

signed the contract. For example, a local surgical center that was in the Health Plan's network was unfamiliar to many of Vista's employees, so the Health Plan sales representative arranged a personal tour for Vista executives to see firsthand that the center offered a high level of service. "I thought that was above and beyond the call of duty," says Mark. The rep also showed them a model of a UPMC hospital under construction at a nearby location.

Once Vista was on board with the Health Plan, feedback from employees was — and continues to be — very positive. "They love the fact that there are fewer copays, and claims are resolved quickly," he says. "When it came time to renew, it was an easy decision to continue with UPMC Health Plan."



## Enrolling new members more quickly than ever

Our innovative, internally built workflow system has reduced the processing time for new enrollment applications from 5-7 days to just 2 days.

In addition, new functionality has been incorporated to electronically process enrollment information for new Medicare members. We processed more than 3,600 applications through this technology during our busiest season ever, while at the same time reducing turnaround time. In addition, the increased accuracy of the information means that we can send out confirmation letters more quickly than in the past.

More than 93% of our enrollment transactions are completely automated. This gives our team the time to focus on internal quality assurance measures and to identify additional opportunities for improvement.

Our employer groups now have one point of contact when they need to communicate with our Enrollment Services and Coordination of Benefits teams. This new structure has been so effective that it has reduced our response time to just 24 hours.

Improvements like this help us ensure accurate payment and an excellent experience for our members and customers.

**"Our employees love the fact that there are fewer copays, and claims are resolved quickly. When it came time to renew, it was an easy decision to continue with UPMC Health Plan."**

Mark Shelleby

UPMC Health Plan Call Answering and Claims Payment — 2010		
Measure	Our Actual	Industry Standard
Average speed of answering	18 seconds	30 seconds
% of calls answered in 30 seconds or less	85%	80%
First-call resolution	85%	65%
Claims payment turnaround	7 days	15 days
Claims requiring an adjustment	<1%	5%



# People We Serve



Kenneth Donahue, President, and  
Jennifer Capozza, Director of  
Human Resources, rose plastic USA



**W**ellness programs are right at home at rose plastic USA. Jennifer Capozza, Director of Human Resources for the California, Pennsylvania company, firmly believes that employers can play a vital role in helping their workers stay healthy. “Wellness programs increase productivity and morale,” she says. In 2006, the company installed a gym for employees to use during off-work times as part of their wellness offerings. So when Jennifer met with a UPMC Health Plan account manager to discuss wellness programs, she was very interested to hear about the Health Plan’s smoking cessation program.

When she suggested to management that rose plastic sponsor such a program, they were enthusiastic supporters, offering to have the class on-site and adjusting work schedules so interested employees could attend. For those who wanted to try a prescription smoking cessation product, the company covered the copay for a 90-day supply. “In my 20 years of experience, I’ve never known of a company that provided as much financial and emotional support for employees’ health,” says Jennifer.

Thirteen people signed up for the six-week program led by Health Plan health coach Shellie Yeung. “The group was made up of mostly long-term smokers,” she says. “We started by exploring why they smoked and why they wanted to stop, and set a quit date for two weeks from the first class. That gave everyone time to gear up and mentally prepare.”

One month after the official “quit day,” 10 participants were still nonsmokers. For these employees, the fact that the program was work-based was key to their success. Ted Stockdale, a production technician who has been with rose plastic for 13 years, had been smoking at least two packs a day for more than 30 years. “The program was offered at the perfect time for me. I was finally ready to quit. The fact that I could attend sessions during the workday made a big difference,” he says.

For Erin Hemmings, who’s been with rose plastic for 5 years, the support she received from co-workers was helpful. “It was easy to relate to people I already knew, who were in the same situation,” she says. She also learned helpful strategies for managing stress. “I used to have a cigarette to calm my nerves, but Shellie taught me to take a series of deep breaths instead, and I was shocked to find that it really worked.”

Erin’s fiancé, Don Maxon, a 10-year veteran of rose plastic, also participated in the program. Like Erin, he found being part of a group helpful, though for a different reason. “I didn’t want to be the guy who let everyone down by going back to smoking. I felt like I had to hang in there,” says Don.

All three rose plastic employees are looking forward to a future that doesn’t include smoking. “I want to be in good shape in my old age. I have grandkids and I want to see them grow up,” says Ted. Erin and Don are putting aside the money they would have spent on cigarettes and saving it for their wedding. They both agree that a celebration of a life together is a much better investment!

**Standing:** Shellie Yeung, UPMC Health Plan Health Coach  
**Seated:** rose plastic employees Ted Stockdale, Erin Hemmings, and Don Maxon



## UPMC Insurance Services Division seeks to serve all members of the community through our comprehensive and innovative array of products and services:

### UPMC Health Plan Commercial Products

**Small Business Advantage** – Suite of benefit plans for companies with 2 to 99 employees

**Business Advantage** – Suite of benefit plans for companies with 100 or more employees

**UPMC HealthyU** – High-deductible plan coupled with a unique health incentive account

**HMO** – Member’s care is coordinated by a PCP

**EAPOS** – Member is encouraged to have a PCP, but can self-direct care

**PPO** – Member can go to providers of choice, in or out of network

**EPO** – Member can receive care from any network provider

**Individual Advantage** – Member gets benefits without group enrollment

**Flexible Spending Account** – Member saves on health and family expenses

### UPMC WorkPartners

**Health Management** – Wellness and condition management programs

**On-Site Health Services** – Total health management and wellness workplace clinics

**LifeSolutions®** – Personal and work-life consultation, counseling, and referral resources for employees

**Commercial Workers’ Compensation** – An integrated solution for fully insured businesses

**Claims Management Services** – Workers’ compensation, short-term disability, FMLA, ADAA, and return-to-work program management

**Consulting Services** – Safety and productivity consulting, plus expert data analysis services

**EBenefits** – Online human resources benefits administration

### Government Programs

**UPMC for You** – Medical Assistance

**UPMC for Life** – Medicare HMO or PPO with or without Rx; Prescription Drug Plan

**UPMC for Life Specialty Plan (SNP)** – For people eligible for both Medical Assistance and Medicare

**UPMC for Kids™ (CHIP)** – For uninsured children not eligible for Medical Assistance

### Community Care Behavioral Health

**Commercial** – Identified services for UPMC Health Plan commercial members

**Medicare** – Identified services for UPMC for Life Medicare members

**Medical Assistance** – Behavioral health coverage for PA HealthChoices Medical Assistance members

## INNOVATION

**New technology and new ideas improve lives, save time, and deliver value**

At UPMC Health Plan, we continuously look for new and better ways to support our members in living healthy, satisfying lives and to save our customers time and money. To these purposes, we take advantage of the latest advances in technology to improve our products

and services. The following three stories illustrate ways in which some recent product and program innovations have benefited people we serve in terms of improved health, cost savings, or both.



Beth Ober, Business Manager, Family House, Inc.

### **Flexible spending account and e option find a home at Family House**

If you or a loved one are seeking medical care in Pittsburgh, the last thing you want to worry about is paying for a pricey hotel room. That's where Family House comes in. It offers an inexpensive and safe place to stay, no matter what hospital you're using. Family House has hosted people from all over the world and all 50 states.

"We have staff here around the clock," says Beth Ober, business manager of Family House. "If someone arrives hungry in the middle of the night, we're here to offer a warm welcome, food, and whatever else they need."

Anything that can save Family House employees time or stress enables them to better focus on their job and the people they're helping. So when UPMC Health Plan introduced products that would reduce paperwork and speed turnaround time, Family House was quick to sign up.

With the Health Plan's flexible spending account (FSA), gone are the days when employees would have to wait for up to a month to be reimbursed for health care expenses. "Now we just swipe the card and the cost is deducted from our account," Beth says. And the Health Plan's e option enables employees to fill out health claims paperwork online, saving time and money. "The Health Plan offers a two percent discount for using the e option, and we pass that on to our employees," says Beth.



### Switch to UPMC Health Plan CDHP brings service and value home for Toma Metals

Toma Metals, a secondary stainless steel service center in Johnstown, is a relatively small operation with just 48 employees “It’s a middle-aged, hardworking, relatively healthy group,” says Lynn Harding, Director of Human Resources and Safety. “The company is committed to providing health insurance for employees, but keeping costs down is a constant challenge.” Last year, when it was time to select a health plan, Toma was ready to explore something new.

The company chose UPMC Health Plan’s consumer-driven high-deductible plan (CDHP). Such plans offer incentives for employees to be more engaged in their health care and to take steps to stay healthy. “We’re very in tune with the people who work for us and thought this approach could be a way to keep high-quality health care affordable,” says Lynn. “The Health Plan offers our employees an excellent network of doctors and facilities to provide the care they need, and the lower premiums make running our business more cost-effective.”

Lynn and his colleagues have been very satisfied with the new plan, and signing on for another year was an easy decision. “We were looking for a cost-efficient way to provide excellent service,” says Lynn, “and, with UPMC Health Plan, we found it.”



Lynn Harding, Director of HR/Safety, Toma Metals, Inc.

“We were looking for a cost-effective way to provide excellent service — and with UPMC Health Plan, we found it.”

Lynn Harding





Jack Bradstock, UPMC *for Life* member, and Arlene Dodds, family friend and advocate

### Supportive Care Program helps seniors live at home

Jack Bradstock, an 84-year-old UPMC *for Life* member, wanted to be able to remain in his South Side home after having hip surgery. Thanks to the support of his close family friend and advocate, Arlene Dodds, and UPMC Health Plan's Supportive Care program, Jack got his wish. "I feel good about the help I got from the Health Plan team," says Jack, a World War II Navy veteran and former truck driver.

The Supportive Care program, initiated by UPMC Health Plan in January 2011 in collaboration with UPMC Geriatric and Palliative Care Services, is currently being piloted at a UPMC hospital. The program focuses on Health Plan members age 65 or older who have been hospitalized. The program provides proactive care by a team that includes the member's doctor and a Health Plan case manager.

According to Dr. Neil Resnick, chief of Geriatrics at the University of Pittsburgh and a member of the Supportive Care team, "Most older people are leading happy, productive lives. But an episode of hospitalization can lead to complications or an escalation of illness. Many older people have more than one chronic condition. The hospitalization may treat one condition but leave the person weaker with regard to other symptoms." Rather than the traditional medical model of reacting after the patient acquires a condition, the Supportive Care program seeks to identify risk factors of the hospitalized person so steps can be taken to prevent secondary problems from occurring.



“The idea of the program is to screen people who have been hospitalized before they have symptoms that interfere with care,” explains Dr. Robert Arnold of the University of Pittsburgh Physicians, Division of General Medicine Palliative Care Section, who is also part of the Supportive Care team. “This is a unique clinical program that includes a variety of elements of programs others have done. It does something really innovative and it hinges on a fabulous staff person who has both interpersonal and clinical skills.”

The “fabulous staff person” is Sharon Hudak, RN, who serves as the Supportive Services case manager. Partnering with the member’s physician, Sharon serves as the member’s advocate and as intermediary between the medical system, caregivers, and the member’s wishes. She also makes sure the member and his or her caregivers understand the member’s condition and the possible complications. She follows up with the member, sometimes on a daily basis, until the member’s first post-hospital doctor visit. “I go home every single day feeling good. Every day I feel I made a difference in someone’s life,” says Sharon.

When members are discharged, the program provides a safety net to allow them to return home rather than go to a nursing home. “We do anything we can to help them stay at home,” says Sharon.

Arlene Dodds, Jack’s close friend and advocate, is enthusiastic about the help provided by Sharon and the Supportive Care program. “After his surgery, Jack went to a nursing home only for rehab, and then to his own home,” explains Arlene. “Sharon made sure he got to his follow-up doctor appointment. She made sure information about Jack got from the nursing home to the home health care team so they knew his status.

“Sharon also brought in resources I knew nothing about, even though I had researched the many services Jack might be eligible for,” she says. “Without someone like Sharon, it’s daunting. How do you line up resources and let everyone know what everyone else is doing? Coordination of care is key, and that’s part of the wonderful service that UPMC Health Plan provides.”

“Coordination of care is key, and that’s part of the wonderful service that UPMC Health Plan provides.” Arlene Dodds

“Supportive Care is a unique program developed by UPMC Health Plan to promote the quality of life of frail elders by providing them with support to overcome the burdens of illness ... and to ensure that their values drive the treatment plan.”

Sharon Hudak, RN, Supportive Services Case Manager

## COMMERCIAL PLANS

### Partnering with our employer groups

Through our commercial plans, UPMC Health Plan serves as a partner to our employer groups. We assess their employee population needs and properly price their plan of choice the first time. Then, we work with employer and employees to bring about better health outcomes through our integrated care delivery model.

### New option will launch in January 2012

Today's health care consumers are interested in learning how to manage their health and reduce their health care costs. UPMC *HealthyU*, our new consumer-directed health plan set to launch in January 2012, will enable consumers to accomplish this goal by providing them with encouragement, tools, and incentives to:

- Understand their health and care
- Improve their health and care
- Partner with their physician

### Innovative products, a quality network, and best-in-class service distinguish UPMC Health Plan commercial plans

**UPMC Business Advantage.** We provide Business *Advantage* clients — employers with 100 or more employees — with stable pricing and multiple ways to finance their health insurance benefits. And we even offer multiple plans within the same employer group to allow employees the opportunity to select a plan based on their individual and family needs.

**UPMC Small Business Advantage.** We realize that small businesses have unique challenges. This plan is built specifically for companies with fewer than 100 employees and offers a robust benefit package, with little effect on cost. It includes a choice of medical,

pharmacy, dental, and vision coverage, coupled with a comprehensive collection of value-added services.

**UPMC Individual Advantage.** For people who are temporarily without group health coverage — recent college graduates, job seekers, early retirees, and other adults in transition — this short-term product covers all the basics: preventive and emergency care, women's care, diagnostic and behavioral health services, and generic \$4 prescriptions. Prospective members can apply online and manage their health care benefits online — from the comfort of their own homes.

### UPMC Dental Advantage



**UPMC Dental Advantage: Something to smile about**  
The addition of a new dental plan, called UPMC Dental *Advantage*, to our suite of commercial products enables our members to access convenient one-stop service for medical, dental, and flexible spending account benefits (if applicable). That means they have only one person to call when they have questions. And, of course, they receive our unparalleled customer service.

Our dental providers have agreed to develop a comprehensive care plan for each member according to the Health Plan's high standards. This leads to dependable professional care and patient satisfaction.

More than 1,200 dentists participate in our growing UPMC Dental *Advantage* network, which currently includes 26 counties in Pennsylvania.

### e solution

#### e solution: Saving time and trees

Our all-electronic **e** solution eliminates many of the hassles of benefit management for our employer groups, and it reduces paper use. Business decision-makers can use our sophisticated online **e** portal to electronically access price quotes, enrollment applications, employee status updates, and a bill payment system. Members can access welcome materials and explanations of benefits. **e** solution streamlines communications between employers, employees, and the Health Plan, and it can be incorporated into most UPMC Health Plan benefit packages.

### MyFlex Advantage®

#### MyFlex Advantage: Enhancing employees' benefits and reducing employers' taxes

With MyFlex Advantage, the Health Plan's flexible spending account (FSA), employers enjoy a cost-effective way to enhance their benefits packages. At the same time, they reduce their payroll taxes, including Social Security and Medicare taxes. Our FSA is a voluntary IRS-approved plan that allows members to pay for eligible medical, dental, vision, and dependent care expenses for themselves and their families with a portion of their salary that is not taxed. In addition, our members can use their combination member identification/debit cards for immediate payment of eligible medical expenses.



Our commercial membership is at a record high, with  
**339,608 members.**



### MyHealth Print-Post-Promote™

#### Employees take home healthy information to share with their families

Our monthly online feature, Print-Post-Promote™, is available at no charge to all of our employer groups. Print-Post-Promote™ provides employers with high-quality, clinically sound and engaging health-related messaging — in the form of printable posters and fliers and e-mail messages — to use with their employees. Most months' offerings also include a video.

Monthly topics are based on national focuses and events, such as American Heart Month in February and the Great American Smokeout in November.

This initiative aligns with the Health Plan's commitment to providing consistent, effective support to our members and employer groups.

### Unions feel right at home with UPMC Health Plan

"It's important to us that our membership be served, and the service has been great. We can't say enough good things about UPMC Health Plan."

Bill Cagney, Business Manager  
 Operating Engineers Local 95



"What we wanted was a close relationship with our insurer and we got that. And we wanted access and we got that. I'm really happy with UPMC Health Plan."

Jim Cassidy, Business Agent  
 International Association of Heat and Frost Insulators and Asbestos Workers Local 2



"I like UPMC Health Plan's approach as well as the lower rates. And, as far as the service goes, it's been excellent."

Bucky Donkin, President  
 Bricklayers & Allied Craftworkers Local 9



## MEDICARE PLANS

### **UPMC for Life:** **Keeping our seniors healthy**

Our innovative programs as well as the outstanding service and value we provide have led to excellent growth and member retention for our Medicare plans. Nearly 9,300 HMO and PPO members joined UPMC for Life in January 2011, bringing our Medicare membership total to more than 81,000 members. In addition, we retained approximately 97% of individual plan members.

UPMC for Life offers a comprehensive suite of products and services, including plans with a \$0 premium. Our Medicare offerings include plans with and without prescription drug coverage that are available both to individuals and to employers that wish to offer retirement benefits.



### **High-quality, personalized service**

Special call center representatives called Health Care Concierges are dedicated to providing personal assistance to our Medicare members. They can help members find a provider or manage prescription drug costs. Members can call their Concierge anytime with questions or concerns about their benefits.

In 2010, UPMC for Life hosted over 35 member retention meetings with more than 5,500 attendees at community locations throughout our service area. Members of our Resources for Life, Medicare Case Management, Health Care Concierge, Silver&Fit®, Pharmacy, and Quality teams were on hand to answer members' questions.

UPMC's Mobile Health Unit was on-site at the meetings to offer preventive services to members at no additional cost. Services included:

- Annual flu shot
- Diabetes testing
- Bone mass measurement
- Cholesterol testing
- Lung function testing (spirometry)
- Mammogram scheduling

### **Innovative clinical programs**

Our health management team of doctors, nurses, pharmacists, social workers, and behavioral specialists works closely with members, their families, and their doctors to deliver optimal clinical support and educational services. Clinical health coaches emphasize the importance of self-care and the doctor-patient relationship and work with members and doctors to implement a plan of care. Two new programs, the Supportive Care Program and the Care Through Transitions Program, help members who are receiving care for a medical issue.

**A UPMC for Life initiative helps members avoid the prescription drug coverage "donut hole."**



**Seniors participate in a Zumba demonstration on Senior Health & Fitness Day.**

UPMC for Life was the Pennsylvania state sponsor of National Senior Health & Fitness Day, held annually in May, for the fifth year in a row. Special activities were held at the Pittsburgh Zoo & PPG Aquarium, Penn State Altoona Campus, and Presque Isle State Park.

This year's activities featured a Zumba demonstration and free preventive services, including a blood pressure reading and a bone density test. A UPMC Health Plan pharmacist was on-site at the event to answer questions about medications.



**Supportive Care Program.** In contrast to the traditional medical model of reacting after a patient acquires a condition, this unique, innovative program seeks to identify risk factors of a hospitalized member so steps can be taken to prevent secondary problems. Initiated by the Health Plan in January 2011 in collaboration with UPMC Geriatric and Palliative Care Services, the program focuses on Health Plan members age 65 or older. It is featured on pages 34–35 of this annual report.

**Care Through Transitions Program.** This program, which focuses on members in skilled nursing facilities, uses a team approach that includes nursing facility staff, physicians, pharmacists, health plan support staff, and the attending physician. Health Plan care managers experienced in geriatric care visit and provide an on-site assessment of these members, consult with nursing facility staff, and meet in person with families and caregivers to determine the member's needs and goals for care. They then work together to make sure everything is in place for the member's transition to home. This approach facilitates early intervention for any medical needs and helps members to avoid complications and hospital readmission.

## Helping members avoid the “donut hole”

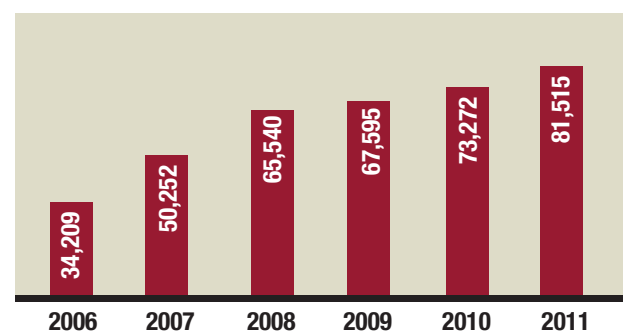
In 2010, UPMC *for Life* developed an initiative to help members avoid the Medicare prescription drug coverage gap (donut hole). Members who were at risk for entering the coverage gap received a letter from the Health Plan Pharmacy Department explaining the “donut hole” and encouraging them to speak with their doctor about using a less expensive generic alternative for one or more of their brand-name prescriptions. The letter was followed up with a call from a Health Care Concierge reinforcing the messages of the letter. Doctors also received a letter explaining the initiative and the benefits of generic alternatives for Medicare members.

## A plan with many “extras”

All of our individual Medicare Advantage plans provide more benefits than original Medicare alone, including:

- Worldwide emergency assistance coverage 24/7 when traveling in the U.S. or abroad with Assist America®
- Membership at a participating fitness club at no additional cost through our Silver&Fit® health and wellness program
- Routine vision care allowance and dental discount services
- UPMC Resources *for Life* for managing everyday life challenges, such as legal or financial guidance and short-term counseling
- InSight™ brain fitness program, a clinically proven computer program that uses game-like exercises to make brain fitness challenging and fun
- Confidential resources through MyHealth OnLine to help members keep information on their health care visits, prescription refills, health history, and benefits up to date
- “Powerful Tools for Caregivers,” a 6-week education program to help family caregivers practice self-care while managing care-giving responsibilities.

## UPMC *for Life* Membership Growth



In January 2011, nearly 9,300 new members joined UPMC *for Life* — and retention was approximately 97%.

## Health Care Concierge Team

The Health Care Concierge team is here to help members get the care they need. They can help make an appointment, find a doctor, locate a pharmacy, and much more.



Michelle Nguyen, UPMC *for Life* Health Care Concierge

“I enjoy being a Health Care Concierge because it feels great to help our members better understand the complex world of Medicare and to pass on the knowledge I’ve learned to them. They in turn teach me a lot about life from their stories and experiences. It is a great feeling when a member calls in and asks for me personally — because it lets me know that I was able to build a personal bond and trust.”

## CHILDREN'S HEALTH

### UPMC for Kids: Access to affordable, quality care for children and teens

The Children's Health Insurance Program (CHIP) of Pennsylvania makes health insurance available for every child in the state under age 19. Regardless of family income, children can qualify for CHIP if they are not covered by employer-sponsored health insurance and are not eligible for Medical Assistance. UPMC for Kids™, UPMC Health Plan's CHIP program, offers coverage to families whose children and teens might not otherwise have health insurance.

UPMC for Kids provides a broad array of benefits, including preventive care and doctor visits, behavioral health care, emergency and hospital care, prescription drug coverage, and dental care, including orthodontia when medically necessary, and vision care. Enhanced services covered by UPMC for Kids include nutritional counseling, tobacco cessation counseling, and web-based tools and resources.

#### Partnering with our communities

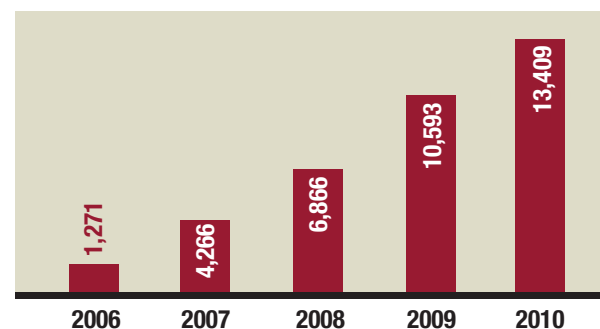
Our UPMC for Kids Community Outreach staff are active in promoting health and wellness for children and teens. In 2010, we participated in over 150 events that

were attended by over 210,000 people. UPMC for Kids outreach efforts are focused on connecting with families that may benefit from CHIP coverage through partnering with community organizations, schools, and cultural institutions.

#### Growing our service area and our brand

In 2010, UPMC for Kids became available to families in four additional Pennsylvania counties — Berks, Lancaster, Lehigh, and Northampton — all within the Lehigh/Capital region.

#### UPMC for Kids Membership Growth



UPMC for Kids grew by 26.5% in 2010, one of the largest growth rates among all existing Pennsylvania CHIP health plans.



### Hometown fun in eastern PA

UPMC Health Plan sponsored a Family Night at a Reading Phillies minor league baseball game. UPMC for Kids member Michael Freed was chosen to meet the mascot and throw out the night's first pitch.





## SPECIAL NEEDS PLAN

### UPMC for Life Specialty Plan

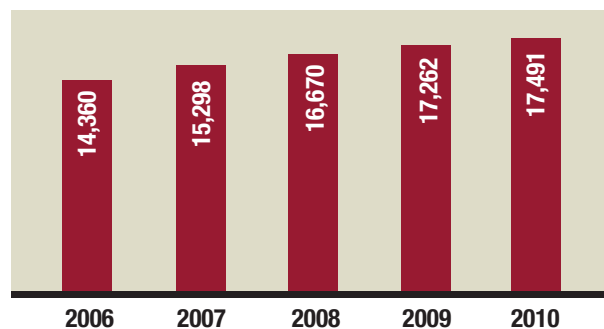
UPMC for Life Specialty Plan, our no-cost Special Needs Plan (SNP) for members eligible for both Medicare and Medical Assistance, provides supplemental Medicare benefits, including dental, vision, and hearing. With more than 17,000 members, the UPMC for Life Specialty Plan is the 7th-largest Special Needs Plan in the country.

#### Providing excellent care and service

In 2010, the National Committee for Quality Assurance (NCQA) sponsored an audit of the Structure and Process of Medicare Special Needs Plans. The UPMC for Life Specialty Plan Structure and Process audit earned scores of 100% in the following elements due to a team effort that produced excellent results.

- Identifying unplanned transitions
- Reducing transitions
- Coordination of benefits for dual eligibles
- Administrative coordination for dual-eligible benefit packages
- Service coordination

#### UPMC for Life Specialty Plan Membership Growth



**Our Specialty Plan is the 7th-largest Special Needs Plan in the U.S.**



### For the homeless, a healthier life begins with a place to live

At the heart of UPMC Health Plan's mission is our strong dedication to helping improve the health of our communities. Typically, we mean medical health. But for some people, being healthy medically is not the first step.

Cultivating Health for Success is a unique collaboration among UPMC Health Plan, Community Human Services, and Metro Family Practice, Inc. This innovative program supports our Medical Assistance and Specialty Plan members (those on both Medicare and Medical Assistance) who face unique challenges.

To be eligible for the program, members must live in Allegheny County, have a physical disability, and be homeless. Staff from each of the three organizations work together to develop a unique care plan for each member, monitor the member's use of services, provide support,

and evaluate the member's progress in the program. Each plan is specifically designed to suit the individual member.

"We really help get members settled in life. It's not just about finding a house for them or getting them to the doctor. We teach them how to live on their own and to be accountable," says Debra Smyers, Senior Director of Program Development for UPMC Health Plan. "We teach them how to buy groceries and get prescriptions filled."

Cultivating Health for Success is the only program of its kind. By providing intense case management service, life skills training, care coordination, housing assistance, in-home assistance, and consistent medical monitoring, this program brings much-needed stability to the lives of our members who need it most.

## MEDICAL ASSISTANCE

### UPMC for You: Caring for those in need

Our Medical Assistance program, UPMC for You, offers comprehensive benefits that help members get health services such as prenatal care, immunizations, and dental and vision services. Members also have access to health management programs for chronic conditions, and preventive services and screenings, such as smoking cessation and weight management programs, mammograms, colonoscopy, and childhood well visits, to name a few.

UPMC for You membership has increased by more than 18% in the last 12 months to a total of nearly 150,000, making it the fastest-growing Medical Assistance plan in the region. UPMC for You members reside in 14 counties in western Pennsylvania and 10 counties in the Lehigh/Capital region. During our first 12 months of operation in the Lehigh/Capital region, 8,500 members enrolled in UPMC for You.

UPMC for You's provider network includes both UPMC and community providers, totaling more than 80 hospitals and more than 7,000 physicians in the 24-county region.

#### Special services for mothers and families

Our UPMC for a New Beginning maternity program encourages members to obtain services that promote the birth of a healthy baby. Mothers who seek early prenatal care and keep all their doctor appointments are eligible for a baby gift incentive — either a baby car seat or a portable play yard at no cost.

We offer eligible members a variety of additional services that support our maternity program, including a doula program that provides support to women before, during, and after childbirth and a neonatal intensive care (NICU) program that supports parents of NICU babies.

#### "Going Home" program helps UPMC for You members transition from hospital to home

Our "Going Home" program uses the services of specially trained Emergency Medical Technicians (EMTs) and paramedics to help members make a successful transition

UPMC for You  
is ranked the  
**#1 Medicaid  
Plan in PA**  
and #10 in the nation.

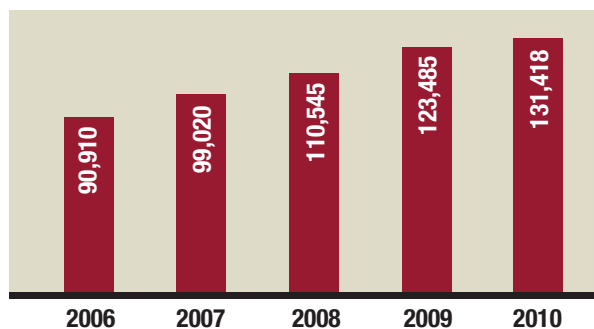
Consumer Reports/NCQA listing of  
America's Best Health Plans

from hospital to home. Following discharge, the EMT reviews medications and assesses other needs. The EMT shares this information with a Health Plan health coach, who assists in coordinating any additional services for the member.

#### Addressing disparities in care

UPMC for You partnered with the Center for Healthy Hearts and Souls (CHHS) to assist African Americans with diabetes. As part of this program, UPMC for You members learned about managing diabetes, had lab screenings, and learned how to use the results to help manage their health.

#### UPMC for You Membership Growth



### Children's healthy eating and activity begin at home with We Can!®

UPMC for You, in collaboration with UPMC Health Plan and in partnership with other organizations, helped to bring to this area We Can!® (Ways to Enhance Children's Activity & Nutrition), a national health education program.

We Can!® is a science-based program developed by the National Institutes of Health (NIH) to help children ages 8-13 improve food choices, increase physical activity, and reduce screen time (television, computers, video games). The focus of this initiative is to promote healthy eating and active lifestyles for the youth of the region. We Can!® is unique among existing youth obesity prevention initiatives in its focus on reaching parents and families as a primary group for influencing young people.

Partners include the City of Pittsburgh, Children's Hospital of Pittsburgh of UPMC, Children's Community Pediatrics, Children's Museum of Pittsburgh, H.J. Heinz Company, and the Jewish Community Center (JCC) of Greater Pittsburgh.



## Connected Care™

The Connected Care program is a collaboration of UPMC *for You* (Medicaid), UPMC *for Life* Specialty Plan (SNP), and Community Care with the Department of Public Welfare, the Center for Health Care Strategies, and Allegheny County. The goal of the program is to improve health care access and outcomes for members with serious mental illness by coordinating care among health plans, primary care physicians (PCPs), and behavioral health providers.

Connected Care seeks to decrease gaps in care for these members, support them in receiving preventive and other appropriate care, and decrease avoidable emergency room visits and readmissions. The program also aims to improve patient satisfaction through better access and services.

As part of this program, our clinical health coaches work closely with the provider's staff to develop integrated care plans for these members. The outcomes for a 6-month period showed a decrease of 25% in total ER visits, a decrease of 33% in non-emergent ER visits, and an increase of 14% in PCP office sick visits.



# Community Care scored 100% in its latest audit by the National Committee for Quality Assurance (NCQA).

## Community Care Behavioral Health

Community Care Behavioral Health, part of the UPMC Insurance Services Division, manages mental health and substance abuse services for members of the HealthChoices (Medicaid) programs in 35 Pennsylvania counties. Community Care also provides behavioral health coverage for the members of other insurance companies of the UPMC Insurance Services Division.

Community Care is active in a joint initiative between New York City and New York state that seeks to increase the monitoring of high-need individuals who have mental illness or substance abuse problems. As part of the New York Care Monitoring Initiative, Community Care, along with its New York partners, has opened two offices in New York City.

### Unique, innovative recovery initiatives

Community Care has expanded its focus on recovery by increasing its support of services rendered to members by trained peers. In addition, Community Care has introduced a series of recovery-focused tool kits into provider organizations throughout all of the counties it serves. This focus on recovery is unique for behavioral health managed care organizations, and Community Care is a national leader in implementing recovery initiatives from a health benefits perspective.

### Focus on school-based services for children

Community Care has enhanced its focus on outcomes and monitoring of its School-Based Behavioral Health Services. This innovative program, which coordinates services for all children within one school building, is now being served by a data collection application that allows teachers and parents to complete their assessments of a child's functioning online rather than on paper. The response to this application has been very positive, and the ability to collect data in rural counties has been greatly enhanced.

## Integrated care for body and mind

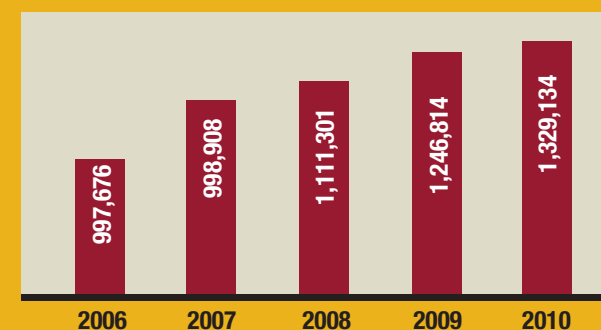
Community Care is a committed partner, along with UPMC *for You*, UPMC Health Plan's Medicaid plan, in Connected Care, an initiative that focuses on the coordination of services for the physical as well as the mental well-being of members with serious mental illness. During the past year, Community Care expanded its collaborations related to physical and behavioral health coordination to focus on wellness and care coordination in other Community Care contracts.

## Askesis Development Group

### Software solutions for behavioral health care

Askesis Development Group, part of the UPMC Insurance Services Division, designs and implements software solutions for behavioral health providers and managed care companies. Innovations in managed care software implemented in conjunction with Community Care have led to new opportunities to support clinical practice. Version 7.0 of the PsychConsult® Provider software is designed to be compliant with both meaningful use and Certification Committee for Health Information Technology (CCHIT) standards. CCHIT is an independent organization that certifies electronic health record technology.

## Community Care Membership Growth



Community Care has more than 1.3 million members in 35 Pennsylvania counties.



# In Our Community





## Battling hunger on the home front

UPMC Health Plan is a business that's about helping people, and that includes not just members, but also the community as a whole. Our support cuts across a broad range of local institutions and events, from the parks that get people exercising outdoors to school-based obesity prevention projects. Every program the Health Plan backs helps promote good health in places beyond doctor's offices and medical facilities. But there is one issue on our agenda that is particularly urgent to our mission of helping communities thrive: feeding the hungry.

While most would agree that the struggle for food is a global issue, many do not realize how widespread the problem is right here in western Pennsylvania. In the region's 11 counties, more than 385,000 people live below the poverty line. And 39% of those receiving food assistance are children. The problems associated with hunger ripple throughout the community and in one way or another affect us all. People who don't have enough to eat have a hard time focusing on work and may not be as productive on the job or in society; children often don't learn as well or develop to their full potential, both physically and intellectually; and the stress of not knowing where the next meal is coming from takes a powerful toll on families and relationships.

To combat the problem, the Health Plan supports four programs that make impressive strides on behalf of the less fortunate. While we offer significant financial support to these organizations, the Health Plan does a lot more than write checks. For example, we mobilize

our employees to provide hands-on help and raise awareness. And Health Plan executives lend their names, resources, and know-how to take leadership roles in combating the problem.

This page and the following two pages feature programs we support in the effort to reduce hunger in our region.

### Greater Pittsburgh Community Food Bank

The Community Food Bank distributes an average of two million pounds of food to approximately 120,000 people every month via the more than 400 local food assistance providers in its network. Delivering food to these numbers requires tremendous resources, and UPMC Health Plan has been a major donor for the past 5 years. "The Health Plan's financial support is huge," says Joyce Rothermel, founder and CEO, who retires in August 2011 after more than 30 years of service. "It helps keep our trucks running and the building functioning," she says. It also supports the Food Bank's purchasing of some of the food it distributes, to fill in nutritional gaps.



◀ **Members of the Greater Pittsburgh Community Food Bank leadership team:** Anne Hawkins, Chief Development Officer; Ivy Ero, Director of Education; Joyce Rothermel, Chief Executive Officer; Iris Valanti, Director of Communications; and Alyssa Jurewicz-John, Volunteer Manager



Joyce Rothermel

### Southwestern Pennsylvania Food Security Partnership



An offshoot of the Community Food Bank, the Partnership is a group of community leaders and organizations that have an ambitious agenda of significantly reducing hunger in southwestern Pennsylvania over the next few years. The Partnership is co-chaired, along with Joyce Rothermel, by UPMC Health Plan's CFO, Scott Lammie. As part of its support for the initiative, the Health Plan has also been instrumental in working with the Partnership to develop branding and communications materials. "If we're going to succeed in the war on hunger, we need a lot more people to join the fight," says Joyce. "The Health Plan's leadership brings people and resources to the table."



### Scouting for Food

Spring can be a tough season for food banks. The holidays typically inspire a lot of giving, but as the weather warms, the problem of hunger drops off the radar screen, and reserves often run low at food pantries. To replenish the inventory, every April more than 5,800 Boy Scouts collect food and household products in their neighborhoods throughout southwestern Pennsylvania. The food is then counted, boxed, and donated to county food banks and 368 neighborhood pantries.

To conduct a drive on this scale, the Scouts have lots of help. Of the more than 200 companies that pitch in to help, “UPMC Health Plan has been one of our biggest and most stable sources of support,” says Bruce McDowell, Director of Special Projects for the Boy Scouts of America–Laurel Highlands Council. Health Plan President and CEO Diane P. Holder served as Chair of Scouting for Food in 2010 and 2011. The 50,000 employees of UPMC typically bring in \$1.3 million worth of food for the needy, according to Bruce.

The value of the Health Plan’s involvement isn’t just in the sheer amount of food it motivates people to collect. “The leadership lends their voice, the power of the pen, and their presence at meetings,” says Bruce. “They get involved on many levels, and that helps magnify what the Scouts are doing out in the community.”



Eagle Scouts John Barczynski, Dakota Chirdon, and Colby Schindel led their troops' efforts in collecting canned foods and household supplies for the Scouting for Food Drive.



## Rainbow Kitchen Community Services: A hot “home-cooked” breakfast daily is just the beginning

Rainbow Kitchen serves nearly 500 households a month from its food pantry and offers a daily hot breakfast to those in need, as well as dinner for low-income children at risk for hunger. Although food assistance is the centerpiece of the program, the organization provides case management and a wide variety of other supportive services. Rainbow Kitchen responds to an average of 200 requests each month for help with emergency situations and immediate needs.

Rainbow Kitchen also collaborates with other programs to help low-income kids find jobs and mentors. “We offer volunteer opportunities for these children, so they can feel positive and productive and make a contribution that they’re proud of,” says Executive Director Donna Little.

“Just as people rely on Rainbow Kitchen for a strong and dependable source of help, we, in turn, rely on the support of our community partners,” says Donna. For the past seven years, the Health Plan has been the title sponsor of Rainbow Kitchen’s major annual fundraising event, the W.A.R. Against Hunger. “This ‘walk and ride’ event is a significant source of funding for our programs and services. The prestige of having UPMC Health Plan as the lead sponsor has opened doors for us,” says Donna. “It gives the event credibility, and makes other companies want to join forces, so we’ve been able to develop many new relationships.”



Marlene Murphy, Outreach Coordinator for Rainbow Kitchen



# Improving the health of the region we call home

The health of western Pennsylvania depends on the well-being of the people who live here. That's why feeding the hungry is such an important community initiative for UPMC Health Plan. And that's why, as part of the UPMC family, we also contribute to the vibrancy of our community by promoting access to care and health resources.

UPMC Insurance Services Division — through UPMC Health Plan, Community Care Behavioral Health, and UPMC WorkPartners — reaches out to more than 1.6 million members with comprehensive health care programs and services that help members maintain and improve their health.

## A caring environment for managing health

Using the patient-centered medical home model to encourage collaboration among the UPMC network of primary care physicians and specialists, the Health Plan makes it possible for area residents to take a leading role in maintaining and improving their health. For example, working in partnership with UPMC McKeesport, the Health Plan has initiated a program that fosters the development of stronger relationships between patients and primary caregivers.

The Health Plan offers an extensive array of wellness programs — such as Coach on Call, UPMC MyHealth, and the Health Care Concierge program for Medicare members — to help individuals enhance their quality of life and more effectively manage or slow the progression of chronic conditions.

## Clinical and social support

For individuals with behavioral health conditions, the Connected Care program links patients with needed physical health services in an effort to address issues before they become major concerns. Community Care

Behavioral Health maintains an adult services Learning Collaborative with 45 agencies across the state to improve recovery initiatives. And the Health Plan's innovative doula program provides physical, emotional, and social support for women during pregnancy in an effort to improve birth outcomes.

## Helping people thrive in their home communities

Recognizing that the economic vitality of our communities is crucial these days, UPMC Health Plan has reached out in a number of ways to support individuals, families, and communities:

### We foster education

As a participant in the Pennsylvania Department of Community and Economic Development Educational Improvement Tax Credit Program, we have contributed to scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations to help individuals in our community receive high-quality education.

For example, **Neighborhood Academy** offers college-prep education to low-income students. Another program we support, **Bidwell Training Center**, prepares students for working life by partnering with area companies to offer majors in fields such as culinary services and horticulture.

### We empower women

The Health Plan supports women in a variety of ways, from meeting the most basic needs for safety and shelter, to maximizing their potential in the work world and funding research on women's health. Some of the programs we support include:

- **Bethlehem Haven** provides women with emergency shelter and support services and helps them develop a plan to achieve self-sufficiency and permanent housing.



- **Women's Center and Shelter of Greater Pittsburgh** provides sanctuary from domestic violence for women and their children, as well as help navigating the legal system.
- **Pennsylvania Governor's Conference for Women** is a leadership forum for women. The Health Plan was a co-presenting sponsor of the 2010 conference, which offered a career fair, resume critiquing, and other opportunities for women to strengthen their skills and advance in their careers.
- **Magee Women's Research Institute and Foundation** focuses on health issues specific to women and infants.



### **We strengthen neighborhoods**

Workforce and neighborhood development programs empower our neighbors to be self-sustaining. Through the Neighborhood Partnership Program, we provide support to Oakland Planning and Development Corporation, South Side Local Development Corporation, and the McKees Rocks Community Development Corporation.

### **We invest in the cultural arts**

Groups that received our financial support include the Children's Museum, MCG Jazz Pittsburgh, Zoo & PPG Aquarium, Carnegie Library, Bodiography Contemporary Ballet, and City Theater.



### **We promote family health**

**Helping Families Raise Healthy Children** identifies young children with developmental delays, and screens their caregivers for depression; parents who have the condition receive treatment from providers who have specialized training in the context of child development.

The program, run by Community Care Behavioral Health, part of the UPMC Insurance Services Division, received a three-year, \$500,000 matching grant from the Robert Wood Johnson Foundation. Now in its third year, it has higher completion rates for screening and retention in treatment than any other project on maternal depression.

### **Partnerships for a Healthy Future**

UPMC Health Plan works with numerous local and national organizations to improve the health of the people of western Pennsylvania. In addition to the Greater Pittsburgh Community Food Bank and Scouting for Food, these efforts include:



*HEALTHY Armstrong*, a coalition of organizations in Armstrong County to improve the health of families in the community and to help children achieve and maintain a healthy weight.



*We Can!*, A science-based national education program developed by the National Institutes of Health to help children ages 8-13 eat better, move more, and reduce screen time.



*LifeSmart*, a joint effort with Heritage Valley Health System to identify pre-diabetic patients and help them adopt a healthier lifestyle.



*Parks Are Free*, a campaign with the Pittsburgh Parks Conservancy to encourage the use of parks for active, healthy living.

# About Our Company



Ray Boettner and Krista  
Terpack, UPMC Health  
Plan Members



UPMC brings together a seamless, end-to-end continuum of care to meet the full spectrum of health care needs.



## Year-on-Year Success

In last year's annual report, we told the stories of members who were using our programs to make healthy improvements or maintain their good health. Now, one year later, we have followed up with two annual report "alumni" to see how they are doing.

Last year, Ray Boettner shared with us the story of his amazing 100+ pound weight loss. Ray wanted to improve his health and feel better. Even more, he wanted to be able to fit into the small back seat of a Cessna 172 so he could accompany his daughter, Samantha, a Civil Air Patrol cadet, on her first solo flight across the country.

One year later, Samantha is almost ready to make that flight, and Ray will fit comfortably into that seat. He has successfully maintained his impressive weight loss by continuing to use the methods and tools he learned through the MyHealth Weigh to Wellness™ program.

"I feel good and my doctor is happy," confirms Ray. "I still watch what I eat. If I pick up a pound or two, I start counting calories again until I'm back to my goal weight. One thing that helps, Ray explains, is that he has discovered lower calorie foods he can truly enjoy. He notes enthusiastically, "I now prefer turkey burgers to beef burgers, and I really enjoy the low-cal spray butter."

Krista Terpack, a Chatham University employee, was part of our 2009 annual report story featuring Chatham's Fit for the Future® program, which is supported by UPMC MyHealth programs and services. Krista is active in the program and has participated in the Fit for the Future Weight Race two years in a row. In her regular fitness routine, Krista takes advantage of the facilities available on the Chatham campus. "I swim two mornings a week in the Chatham pool and I work out in the fitness center on the other three week days," says Krista. "I think it's pretty awesome to have a pool and a fitness center right on campus."

Ray and Krista exemplify how the Health Plan's integrated programs and services help members enjoy their best possible quality of life.

## Company overview

As a world-class integrated health enterprise, UPMC brings together a seamless end-to-end continuum of care to meet the full spectrum of 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, the UPMC Insurance Services Division provides a diverse portfolio of health and well-being services related to health benefits, health promotion, and 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 an array of commercial and governmental health insurance and health-related products.

UPMC Health Plan offers commercial and Medicare HMO products while also providing the administrative, personnel, and financial services required by most entities in the Division.

The nonprofit UPMC for You, Inc., offers HMO 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 WorkPartners provides health and wellness, employee assistance, and workers' compensation and disability programs and services.

## UPMC Insurance Services Division companies include:

- **UPMC Health Plan, Inc.** — a Pennsylvania non-profit HMO offering commercial, Medicare, Special Needs, and CHIP products.
- **UPMC Health Benefits, Inc.** — a PPO offering Medicare Select products.
- **UPMC Health Network, Inc.** — a PPO offering commercial and Medicare PPO products.
- **UPMC for You, Inc.** — a Pennsylvania non-profit HMO offering a Medicaid product.
- **IS Technology Services, LLC** — an entity offering ASP hosting and other technology services.
- **LifeSolutions®** — a product line offering employee assistance programs.
- **UPMC Benefit Management Services, Inc.** — d/b/a UPMC WorkPartners — a 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, and administrative services to self-insured employers.
- **Community Care Behavioral Health Organization** — a non-profit PPO offering both commercial and governmental behavioral health products.
- **EBenefits Solutions, LLC** — an advanced HR and employee benefits technology platform service.
- **Askesis Development Group, Inc.** — an entity engaged in the development and sale of behavioral health technology products.

## Financial report

UPMC Insurance Services Division financial highlights reflect the combined operating results and financial position among UPMC health insurance subsidiaries.

Calendar year 2010 represented another strong year of growth, with Division revenue increasing by \$246 million (8.1%) to \$3.3 billion. Division operating income was \$85 million (2.6% of revenue) in 2010, compared to \$51 million (1.7%) in 2009.

A highly disciplined focus on product line management as well as the application of innovative technology solutions helped to achieve optimal clinical outcomes for our members while achieving strong operating performance. Administrative costs were approximately 7.8% of premium revenue in 2010, 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 is strongly committed to best-in-class governance and organizational transparency standards. In 2006, UPMC, including the UPMC Insurance Services Division, became the first nonprofit health enterprise to fully adopt Sarbanes-Oxley, including the stringent requirements of section 404. Sarbanes-Oxley certification has been received annually since adoption in 2006.

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. UPMC's financial reporting can be found at UPMC's corporate website, [www.upmc.com](http://www.upmc.com).

## UPMC Insurance Services Combined Statement of Revenue and Expenses

For the year ended December 31 (in millions)

	2010	2009
<b>Total Revenue</b>	<b>\$3,296</b>	<b>\$3,050</b>
Operating Expenses	\$3,211	\$2,999
Operating Income	\$85	\$51
<b>Operating Margin</b>	<b>2.6%</b>	<b>1.7%</b>
Investment Income	\$20	\$27
Interest Expense	\$3	\$3
Income Taxes	\$23	\$11
<b>Net Income</b>	<b>\$79</b>	<b>\$64</b>

## UPMC Insurance Services Combined Balance Sheet Highlights

For the year ended December 31 (in millions)

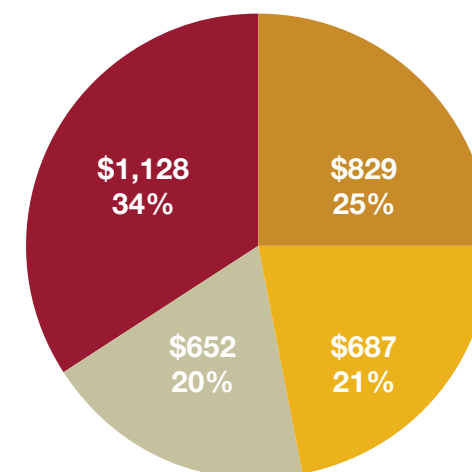
	2010	2009
<b>Assets</b>		
Cash and Investments	\$662	\$513
Current Receivables	\$210	\$205
Other Assets	\$16	\$19
<b>Total Assets</b>	<b>\$888</b>	<b>\$737</b>

### Liabilities and Equity

Health Claims Payable	\$249	\$230
Other Current Liabilities	\$143	\$89
Surplus Notes	\$103	\$103
Common Shareholder Equity	\$393	\$315
<b>Total Liabilities and Equity</b>	<b>\$888</b>	<b>\$737</b>

## 2010 Insurance Services Division Revenue Distribution by Product

(in millions)



- Medicare
- Commercial
- Behavioral Health
- Medical Assistance

Revenue for all product lines increased in 2010, while the mix remained consistent with 2009.



## UPMC Insurance Services Division Leadership Group

### **Diane P. Holder**

Executive Vice President, UPMC  
President, Insurance Services Division  
President and Chief Executive Officer,  
UPMC Health Plan

### **Scott Lammie**

Sr. Vice President  
Insurance Services Division  
Chief Financial Officer, UPMC Health Plan

### **Kimberly Cepullio**

Vice President, Sales and Account Management

### **Sharon Czyzewski**

Vice President, Human Resources

### **Anne Docimo, MD**

Chief Medical Officer, UPMC Health Plan

### **John Galley**

President, EBenefits Solutions, LLC

### **James Gavin**

President and Chief Executive Officer,  
Community Care Behavioral Health

### **Gordon Gebbens**

Vice President, Finance, and Division Controller

### **William Gedman**

Vice President, Quality Audit, Fraud and Abuse

### **Sharon Hicks**

President, Askesis Development Group (ADG)  
Chief Operating Officer,  
Community Care Behavioral Health

### **Kim Jacobs**

Vice President  
Product & Consumer Innovation

### **Mary Beth Jenkins**

Sr. Vice President and Chief Operating Officer  
UPMC Health Plan and UPMC WorkPartners

### **John Lovelace**

President, UPMC *for You*, Inc.  
Vice President, Medicaid Services  
UPMC Health Plan

### **Chronis Manolis, RPh**

Vice President, Pharmacy

### **Sandra McAnallen**

Sr. Vice President, Clinical Affairs and  
Quality Performance

### **Edward McCallister**

Chief Information Officer

### **Pamela Peele, PhD**

Vice President, Health Economics

### **Stephen Perkins, MD**

Vice President, Medical Affairs

### **Gina Pferdehirt**

Interim Vice President, Marketing and Communications

### **Eugene Scanzera**

Vice President, Medicare

### **Daniel Vukmer, Esq.**

Vice President and General Counsel  
Chief Compliance Officer

### **David M. Weir**

President, UPMC WorkPartners

## Quality Improvement Committee

Margaret Bruno  
Salim Chowdhury, MD  
Kenneth Ciesielka, MD  
Lauren Craig  
Jessica Daw, PharmD  
Roseann DeGrazia  
Nicholas DeGregorio, MD  
Angelo DeMezza, MD  
John Fisch, MD  
Juliet Jegasothy, MD  
Tammi Minnier  
S. Ramalingam, MD  
Cynthia Rosenberg, MD  
James Schuster, MD  
Lalith Kumar Solai, MD  
Dennis Stull, MD  
Jalit Tuchinda, MD  
Colleen Walsh  
Thomas Worrall, MD  
Qi Zhou  
Jay Ziegler, MD

### **Behavioral Health**

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Salim Chowdhury, MD  
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Karen DePasquale  
Michele Farabaugh, PhD  
Timothy Gaul, DO  
Frank Ghinassi, PhD  
S. Ramalingam, MD  
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James Schuster, MD  
Debra Rose Smyers  
Sabato Stile, MD  
Lisa Wallace  
Colleen Walsh

## Quality Improvement

(continued)

### Pharmacy and Therapeutics

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Shelby Corman, PharmD  
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Margaret Hrinya, RPh  
Susan Hunt, MD  
Michael Jacobs, PharmD  
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Thomas Laton, MD  
Douglas Lienesch, MD  
Jorge Lindenbaum, MD  
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Manuel Reich, DO  
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Paul Rowland, MD  
Mark Schmidhofer, MD  
James Schuster, MD  
Scott Stephens, RPh  
Sabato Stile, MD  
Audrey Zelkovic, MD

## UPMC Insurance Services Division Committee

### 2010-2011 Directors

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Robert G. Lovett, Esq., Vice Chairperson  
Howard W. Hanna III  
D. James Heatherington  
Mark J. Laskow  
Eric K. Mann  
Loren H. Roth, MD (Ad hoc)

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James W. Boyle, MD  
J. Eric Bruce  
John Dempster

Peter Eisenbrandt  
Kimberly Tillotson Fleming  
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William Kottner, MD  
Scott Lammie  
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Norman Mitry  
Joseph Molinero  
Deb Moon  
Gregory Peaslee  
William Pietragallo II  
Arthur Ramicone  
Loren Roth, MD  
Steven Shapiro, MD  
Gary Weinstein

## Community Care Behavioral Health Board

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Jeannette South-Paul, MD  
Laura Thomas

## UPMC for You Board

Diane Holder, Chairperson  
Paula Garafola  
George Huber, JD  
John Lovelace  
Christina Mikolay  
Stephen Perkins, MD

## UPMC Health Plan Commercial Network Hospitals by County

### ADAMS

The Gettysburg Hospital

### ALLEGHENY

Children's Hospital of Pittsburgh of UPMC  
Eye & Ear Institute  
Heritage Valley Health System  
Heritage Valley Sewickley  
Jefferson Regional Medical Center  
Kindred Hospital Pittsburgh  
North Shore  
Main Campus  
Suburban Campus  
Lifecare Hospital  
Magee-Womens Hospital of UPMC  
Ohio Valley General Hospital  
Select Specialty Hospital – McKeesport  
Select Specialty Hospital – Pittsburgh  
St. Clair Memorial Hospital  
The Children's Home of Pittsburgh  
The Children's Institute  
UPMC Cancer Centers  
UPMC McKeesport  
UPMC Mercy  
UPMC Montefiore  
UPMC Passavant  
McCandless Campus  
UPMC Presbyterian  
UPMC Shadyside  
UPMC Sports Medicine  
UPMC St. Margaret  
Western Psychiatric Institute and Clinic of UPMC

### ARMSTRONG

Armstrong County Memorial Hospital

### BEAVER

Heritage Valley Health System  
Heritage Valley Beaver  
Kindred Hospital at Heritage Valley

### BEDFORD

UPMC Bedford Memorial

### BERKS

St. Joseph Medical Center  
The Reading Hospital and Medical Center



**BLAIR**

Altoona Regional Health System  
Altoona Hospital Campus  
Bon Secours Hospital Campus  
Nason Hospital  
Tyrone Hospital

**BUTLER**

Butler Memorial Hospital  
UPMC Passavant  
Cranberry Campus

**CAMBRIA**

Conemaugh Health System  
Memorial Medical Center  
Lee Campus  
Main Campus  
Miners Medical Center  
Select Specialty Hospital – Johnstown

**CENTRE**

Mount Nittany Medical Center

**CLARION**

Clarion Hospital

**CLEARFIELD**

Clearfield Hospital  
DuBois Regional Medical Center

**CRAWFORD**

Meadville Medical Center  
Titusville Area Hospital

**ELK**

Elk Regional Health Center  
St. Marys Health Center Campus

**ERIE**

Corry Memorial Hospital  
UPMC Hamot  
Millcreek Community Hospital  
Saint Vincent Health Center  
Select Specialty Hospital – Erie

**FAYETTE**

Highlands Hospital  
Uniontown Hospital

**FULTON**

Fulton County Medical Center

**GREENE**

Southwest Regional Medical Center

**HUNTINGDON**

J.C. Blair Memorial Hospital

**INDIANA**

Indiana Regional Medical Center

**JEFFERSON**

Brookville Hospital  
Punxsutawney Area Hospital

**LANCASTER**

Ephrata Community Hospital  
Heart of Lancaster Regional Medical Center  
Lancaster General Hospital  
Lancaster General Women & Babies Hospital  
Lancaster Regional Medical Center

**LAWRENCE**

Ellwood City Hospital  
Jameson Health System  
North Campus  
South Campus

**LEHIGH**

Sacred Heart Hospital

**McKEAN**

Bradford Regional Medical Center  
Kane Community Hospital

**MERCER**

Grove City Medical Center  
UPMC Horizon  
Greenville Campus  
Shenango Campus

**MIFFLIN**

Lewistown Hospital

**POTTER**

Charles Cole Memorial Hospital

**SCHUYLKILL**

Schuylkill Medical Center  
East Norwegian Street  
South Jackson Street

**SOMERSET**

Meyersdale Medical Center  
Somerset Hospital  
Windber Medical Center

**TIOGA**

Soldiers + Sailors Memorial Hospital

**VENANGO**

UPMC Northwest

**WARREN**

Warren General Hospital

**WASHINGTON**

Monongahela Valley Hospital  
The Washington Hospital

**WESTMORELAND**

Excelsa Health Frick Hospital  
Excelsa Health Latrobe Hospital  
Excelsa Health Westmoreland Hospital  
Select Specialty Hospital – Laurel Highlands

**YORK**

York Hospital

**OUTSIDE PENNSYLVANIA**

Western Maryland Regional Medical Center (Maryland)  
Monongalia General Hospital (West Virginia)  
Reynolds Memorial Hospital (West Virginia)  
Sistersville General Hospital (West Virginia)  
Weirton Medical Center (West Virginia)  
Wetzel County Hospital (West Virginia)  
Wheeling Hospital (West Virginia)

*\*UPMC Health Plan received the highest numerical score among commercial health plans in Pennsylvania in the proprietary J.D. Power and Associates 2011 U.S. Member Health Insurance Plan Study<sup>SM</sup>. Study based on 33,039 total member responses, measuring 11 plans in the Pennsylvania-Delaware Region (excludes Medicare and Medicaid). Proprietary study results are based on experiences and perceptions of members surveyed December 2010-January 2011. Your experiences may vary. Visit [jdpower.com](http://jdpower.com).*

### Our 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.

### Our Values

# PRIIDES



## 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.



# Offices



## Pittsburgh

UPMC Health Plan  
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## Erie

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## Johnstown

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UPMC Insurance Services Division  
2010 Annual Report

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