

Contact Us

Are you on the Penn-Ohio e-mail list?
Please send your updated e-mail address to:
tfinneran@tjsins.com.

If you have a question, comment, or suggestion you want to share with HealthAssurance and/or Penn-Ohio; or if you have a particular HealthAssurance experience you would like to share with other Penn-Ohio members, let us know:

E-mail to:
jwall@cvty.com

Fax to:
1-866-858-1523

Mail to:
Jerry Wall
Vice President, Strategic Accounts
HealthAmerica/HealthAssurance
11 Stanwix Street
Suite 2300
Pittsburgh, PA 15222



President

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employers located within our service area can receive for the PPO and POS insured products if they are outside of the Alliance.

We hope that our members and prospective members take a close look at the options available to them and find plans that can meet their needs and the needs of their employees. We are also encouraging Penn-Ohio members to spread the word and help maintain the strength in numbers that the Alliance provides.

New Initiative

We are excited to introduce a new initiative that we believe will encourage participation in the Alliance and continue to increase our position and strength in the region. We are initiating a new member referral program for 2008. If an existing Penn-Ohio company makes a referral for membership, we will waive their annual dues for one year. Any questions about the referral program, or membership can be directed to Tom Finneran at the Penn-Ohio Alliance at 412-395-4035.

Upcoming Events

The Penn-Ohio Alliance will continue to provide educational meetings and networking opportunities throughout the year. The first event of 2008, will be the Annual Meeting, and it will be held on

February 21, 2008, at the Radisson Hotel in Sharon, Pennsylvania. We are pleased to announce that our featured presenter will be Vince Philips, a lobbyist for the Pennsylvania Health Underwriters. Vince is a dynamic presenter who is in demand as a speaker statewide. Vince will present an update on how employers can reduce health care costs and current legislative issues facing employers today.

We will host three educational meetings and conduct a wellness fair, tentatively scheduled for spring 2008. We encourage all member companies and their employees to participate in meetings and fairs when possible.

Help keep the Penn-Ohio Alliance a strong voice for health care in the region with your active participation in our upcoming events and initiatives. If you have any questions, please contact Tom Finneran at the Penn-Ohio Alliance at 412-395-4035, your HealthAmerica representative, or your broker.

We wish all our members a prosperous and healthy 2008.

—Pam Vass

Pennsylvania in-area PPO and CDPPO (POS) products are underwritten by HealthAssurance Pennsylvania, Inc. (d.b.a. HealthAmerica). All out-of-area PPO products, HealthAmerica One products, and Ohio in-area PPO products are underwritten by Coventry Health and Life Insurance Company (d.b.a. HealthAmerica).



NEWS

Letter from the President

by Pamela K. Vass

Happy New Year! It's hard to believe that 2008 marks the fourteenth anniversary of the Penn-Ohio Alliance.

With that said, it also means that many of us have made difficult benefit decisions for 2008 and are budgeting for 2009. Once again we are faced with rising health care costs, with surveys indicating a national average increase of about 7 percent. The Towers Perrin Annual Health Report indicates that the average cost to provide coverage to an employee is now over \$9,000 annually, with the average monthly premiums of \$378 for single coverage and \$1,100 for family coverage.

Unfortunately, many employers in this region are facing increases significantly higher than the national average. Western Pennsylvania's dominant carrier has passed along increases for January 2008 that average over 16 percent. Ohio is no different, with increases anywhere from the single digits to 20 percent or more.

If you're asking when will these costs level off, the answer is not in the near future. The main factors driving up health care costs are

inflation, an aging population, increasing consumer demand and advances in medical technology and treatments; factors that aren't going away.

As evidenced by the various reports and the feedback from our membership, lower health insurance rates are one of your primary concerns as a business owner, and one of the main reasons for joining the Penn-Ohio Alliance. With that said, we are pleased to announce that we have reached agreement with HealthAmerica regarding the Penn-Ohio contract.

Contract Update

After completing an exhaustive review of six carriers in the market, including on-site visits to the carriers and finalist presentations to the Alliance board of directors, we have made the decision to renew with HealthAmerica. We are excited to announce an agreement that will ensure Penn-Ohio members receive the lowest possible rate for fully insured PPO and POS products from HealthAmerica in our service area. The new contract that became effective January 1, 2008, guarantees that new Penn-Ohio members will receive a rate 2.5 percent lower than what similar

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Published by
HealthAssurance
11 Stanwix Street
Suite 2300
Pittsburgh, PA 15222
412-553-7500
fax 412-553-7386
www.healthassurance.cvty.com

PLAN NEWS

HealthAmerica's Quality Scores Shine

HealthAmerica's Commercial Business Is Number One in Eight of 15 Key Measures — And Ranked Among Top 40 Health Plans in Nation by U.S. News and World Report

HealthAmerica's HEDIS® scores underscore our commitment to quality and our leadership among state insurers. We ranked number one in eight of 15 key measures of medical service and member satisfaction.

HEDIS® (Health Plan Employee Data and Information Set) scores provide health plans with measures they can use to continuously improve their clinical and customer services. They also help employers understand the value of the health care plan they are receiving.

Leading the Competition
Our HMO/POS HEDIS® report received the highest scores among Pennsylvania plans in eight of 15 key measures, including:

- Well-child visits for members 3 to 6 years old
- Well-child visits for members over 6 years old

- Beta blocker after a heart attack
 - Prenatal care in the 1st trimester
 - Cervical cancer screening
 - Screening and testing of adults with diabetes
 - Controlling hypertension (high blood pressure)
 - Cholesterol screening for patients with cardiovascular conditions
- We also exceeded the national average in the following:
- Children's immunizations
 - Overall rating of health care
 - Overall rating of health plan



Our HEDIS® scores are an important part of our accreditation. Yearly we must report HEDIS® data and do well on it to maintain our three-year NCQA accreditation. Our POS and HMO plans in Pennsylvania have earned the "Excellent" accreditation by the National Committee for Quality Assurance (NCQA). NCQA is an independent, not-for-profit organization dedicated to measuring the quality of America's health care.

Penn-Ohio Regional Health Alliance and HealthAssurance Announce New Agreement

The new two-year agreement, which began January 1, 2008, includes the following discounts:

New Business and Renewals

Group Size	Penn-Ohio Discount
PA and OH 2-99 eligible employees	2.5% discount on "street rate"



- Available to all employer groups between 2-99 eligible employees in PA and in OH. These groups will be eligible to join Penn-Ohio and obtain a 2.5% premium discount upon their 2008 renewal date.
- This discount applies to all standard HealthAssurance fully insured, PPO and POS commercial group products (non-Medicare fully insured

PPO & POS) that are offered in the market, and it will be offered to all employer groups meeting the criteria who have at least 50% of their employees in the defined Penn-Ohio areas.

- All underwriting assumptions still apply.
- Groups that joined last year will be renewed under the terms of the current deal.

The House sent the Senate its own version of the regulatory oversight bill at the end of April. Again, the Senate quickly responded and returned the bill for House concurrence on May 22. That is the last we have heard of House Bill 112.

In an effort to prove that the third time is a charm, the Senate approved yet another bill on June 30 to provide state oversight. House Bill 966 includes most of the language previously approved by the Senate in Senate Bill 550 and House Bill 112, along with several changes made in an effort to address what we believe are the Administration's concerns about the legislation.

The Senate has shown on three occasions that we want this oversight and I honestly believe a majority of the House membership wants to pass legislation that provides the essential regulatory review of the proposed Highmark and IBC merger. The oversight proposed in this legislation is indeed extraordinary — and so is this proposed merger. The call for more oversight of this unprecedented consolidation should not be a partisan issue.

Both Republicans and Democrats in the General Assembly realize this proposed consolidation will, because of its size and impact on all Pennsylvanians, mean more in terms of the quality and affordability of health insurance than any

piece of legislation we could enact, including those recommended by the Governor. For the General Assembly not to have a meaningful voice in the review of this consolidation would be irresponsible and a disservice to the constituents we represent.

Beyond empowering the Department of Insurance to regulate the proposed merger, our legislation calls for the creation of a Public Interest Review Board comprised of representatives from the Auditor General's Office, the Administration, the General Assembly, and policyholders or providers of the 'Blues.' This Board would present recommendations to the Department and provide information that will enable citizens — and those of us elected to represent them — to gain a better understanding of the far reaching consequences this merger will have on every facet of Pennsylvania's health care system.

The legislation also calls for an accounting by the Blues of all amounts spent on social mission and advertising. I believe it is in the public interest to be able to transparently review social mission spending on an annual basis to ensure the Blues are properly fulfilling their intended role in the Commonwealth. Those insured by the Blues have a right to know what advertising and community initiatives their premium dollars are subsidizing.

Finally, the legislation would require assurances that the merger — if it occurs — will result in sustained benefits for policyholders. In my mind, that is the key question we must ask and have answered satisfactorily: *'Is this merger in the best interests of everyday Pennsylvanians who are struggling to maintain adequate health care coverage?'*

I hope we can resolve our differences and enact the oversight provision this fall. If the existing gap in the Department of Insurance's regulatory authority is allowed to persist, the Department will remain unable to protect the interests of the Blue plans' policyholders in ruling on corporate transactions or review of any pending transactions involving the parent Blue plans for anti-competitive effect. Just as significantly, the General Assembly must be actively involved in reviewing the merger to ensure the citizens of this Commonwealth are part of the process.

Many people don't realize that the non-profit Blues have invested hundreds of millions of premium dollars in other for-profit subsidiaries across the state and the nation. Fortunately, the Insurance Department does have oversight over these for-profit subsidiaries and is

accepting comments from the public regarding their proposed merger which is part of the two non-profit parent companies' merger proposal.

Details about how to find more information about the 17 subsidiaries, as well as the applications and related materials filed by IBC and Highmark, are available through my website: senatoronwhite.com. I encourage you to read the filings and offer your opinions on this issue. The Department of Insurance needs to hear from Pennsylvanians who are as concerned as I am about the consequences this merger could have on long-term cost and availability of health insurance.

In addition to enacting legislation to ensure appropriate review of the Blues merger, I am committed to working with my colleagues during the fall session to explore comprehensive reform measures that ensure employers and individuals have more choices in the health insurance marketplace. Initiatives such as allowing small business to "pool" resources to purchase health insurance, encourage competition in the marketplace and small employer rating reforms are proposals that must be advanced as part of the fall legislative session.

For more information, call Joe Pittman at 724-357-0151

LEGISLATIVE CORNER



“Blues” Merger Must Be Part of Fall Legislative Agenda

By State Senator Don White. Senator White represents the 41st Senatorial District and serves as Chairman of the Senate Banking and Insurance Committee.

Following on the heels of a very strident clash over the state budget this year, Governor Ed Rendell has laid out a rather extensive agenda of issues he would like the General Assembly to consider.

Many of the Governor’s proposals deal with health care and I am heartened he has expressed an interest in ensuring that Pennsylvanians have access to affordable health insurance coverage.

However, it is distressing he did not include the passage of legislation requiring state oversight of the pending merger of Highmark and Independence Blue Cross (IBC) as part of his agenda. This merger is a major issue as it involves the potential joining of the largest health care insurance company in Western Pennsylvania with that of the largest insurer in Southeastern Pennsylvania — which could have a dramatic impact on both access to, and affordability of, health care insurance for millions of our citizens.

In my view, any of the Governor’s health care proposals are dwarfed when

compared to the enormity and far-reaching influence that a new mega-blue insurer would have on health care in Pennsylvania for years to come. Therefore, we must make sure the Commonwealth has the ability to thoroughly and appropriately review this proposed merger.

All told the four Blues (Highmark, IBC, Capitol and Northeast) account for more than 62 percent of Pennsylvania’s health insurance market, according to 2005 statistics from the National Association of Insurance Commissioners. By comparison, the two top private health insurers in Pennsylvania (Coventry Corp. and Aetna) each have only about 6 percent of the market.

I don’t think we are being alarmists when we raise concerns that this merger would create a single, multi-billion dollar, mega-entity which could crush what little competition remains in Pennsylvania’s health care insurance market by creating a near monopoly environment. There should be real concerns that costs will skyrocket, quality of care will decrease and the workforce will be stuck with the bill. If there is only one option for consumers to consider, and only one entity to reimburse doctors and hospitals for services, increased costs and decreased quality are real possibilities.

Highmark and IBC have contended the merger should be approved based on the premise it will result in \$1 billion in savings and according to Highmark, “bring benefits to Pennsylvania citizens, physicians and other providers and the communities in which we operate.” If so, there must be iron clad assurances that those savings and the win-win-win situation Highmark claims will result not only in the short-term, but the long-term as well.

The Blues must also not lose sight of their primary mission — the reason why they were created and why they receive special tax treatment. This merger must not undercut the social mission obligation Highmark and IBC have — an obligation that is part of their being excused from premium taxes and affords them other advantages under Pennsylvania law.

Most importantly, we must ensure those savings do not come at the cost of consumers’ accessibility to essential health care — and to the doctors, hospitals, pharmacists and others who provide that care. If such assurances cannot be made, then I do not believe there is any reason to approve such a merger. The Blues have stated this merger

is in the best interests of Pennsylvanians, so we need to make sure they stick to their word. This should be an easy commitment for the new company to keep.

Unfortunately, under current law, the Commonwealth is limited in making sure such assurances stick. This proposed merger, which involves multi-billions of dollars and potentially impacts the lives and well-being of hundreds of thousands of Pennsylvanians, is currently outside the purview of the state Department of Insurance and General Assembly.

Today, the Insurance Department is only empowered to review proposed mergers of for-profit health insurance providers. The Highmark-IBC deal, because it involves two non-profit organizations, is not subject to the same scrutiny. But we are working to change that. In fact, the Senate has approved oversight legislation on three separate occasions — and as recently as June 30 — only to see the bills sit idle in the House of Representatives because the Governor has threatened a veto if it reaches his desk.

I introduced Senate Bill 550 in early March and am proud to say that bill was unanimously passed by the Senate on March 28 and sent to the House, where it has languished.

PRODUCT NEWS

Are your Employees Approaching the “Big 65”? Recommend HealthAmerica Advantra

The 65th birthday is a major milestone. It’s a time for celebration with family and friends, reminiscing about good times in the past, and looking ahead to a positive future. It is not a time for worrying about health care coverage.

When your retirees turn 65, they will need to select the type of health insurance plan that best meets their individual needs. They will be asked to choose among Original Medicare, Medicare Supplemental Programs (also known as Medigap policies), Medicare Advantage Plans, and Medicare Prescription Drug Plans.

These choices can be confusing and overwhelming, so it’s important that they carefully evaluate their options, and learn the differences among the plans. Some of the important questions they need to ask themselves are:

- Which type of health care coverage is best for me?
- Can I afford it?
- Will I still be able to keep my doctor?
- Does the plan I select provide someone to help me understand how everything works?



One health care plan choice that you should share with your retirees is HealthAmerica Advantra. HealthAmerica’s Medicare Advantage products include an HMO, PPO, and Private Fee for Service options.

HealthAmerica Advantra provides more coverage and has lower out-of-pocket costs than traditional Medicare, and can also be less costly

than a Medigap policy. Advantra offers prescription drug coverage, and has an extensive network of hospitals, doctors, and specialists. Health club memberships are also included with most Advantra plans.

If you would like to learn more about this opportunity to offer your retirees one of HealthAmerica’s Medicare Advantage products, please call 1-866-261-8420, Monday through Friday, 8 a.m. to 5 p.m.

PROVIDER SPOTLIGHT

HeartCenter at Butler Memorial Hospital Joins Elite Ranks

In November, the HeartCenter at Butler Memorial Hospital added an option to treat vascular disease by performing an abdominal aortic aneurysm repair. BMH joins the ranks of a very few hospitals outside big tertiary centers that can offer this procedure to patients.

An abdominal aortic aneurysm, also called an AAA or a triple A, is a bulging weakened area in the wall of the aorta (the body's largest artery) resulting in abnormal widening/ballooning greater than 50 percent of normal diameter.

This can now be repaired at the HeartCenter at Butler Memorial Hospital with a small incision in the patients' groin and using x-ray guidance and specially-designed instruments to insert a stent-graft in the aneurysm to repair the weakened vessel. With this type of procedure, the patient can usually leave the hospital in three days.

The HeartCenter at BMH was also recognized in the November issue of *Modern*

Healthcare as one of the nation's 100 Top Hospitals® for cardiovascular care by Thomson Healthcare. The annual award is based on hospitals' performance in treating congestive heart failure and heart attacks. This is the third time Butler Memorial Hospital has been recognized with a Top 100 Hospitals® honor.

"This recognition is an honor for our system and our employees," says Ken DeFurio, President and CEO of Butler Health System. "Providing quality care is our goal as we strive to develop needed services for this region. Our HeartCenter is just one example of our success in creating a regional healthcare system prepared to meet the health needs for decades to come as we expand our system to provide even more services to this region."

In January 2007 the Cardiology Department at BMH was granted

accreditation by the Intersocietal Commission for the Accreditation of Echocardiography Laboratories. Then in February 2007 (National Heart Month) BMH employees and physicians who address peripheral vascular disease (both heart and stroke) were featured guests for five days on Pittsburgh Today Live on KDKA television. That same month the HeartCenter once again held a comprehensive cardiovascular screening for the public.

In April, the Beaver Butler Division of the American Heart Association held a gala during which they honored heart disease survivor Lauren McCune, RN, a long-time nurse at the HeartCenter at BMH. In June, BMH received the American Heart Association's "Get with the Guidelines" initial performance achievement award for coronary artery disease and stroke. The Stroke Program at BMH went on to achieve silver recognition a few months later.

In July, the HeartCenter at BMH opened its third cardiac catheterization lab. "This lab features state-of-the-art imaging equipment which allows cardiologists and radiologists to perform procedures to diagnose and treat patients anywhere in the vascular system," says Dave Villani, Invasive Cardiovascular Supervisor. "The image quality and features incorporated in the new lab allow us to image blood vessels in unique ways, which will give us more information resulting in better treatment decisions for our patients."

— contributed by
Butler Memorial Hospital.
For more information,
call Melissa Allen
at 724-284-4438.



HEALTH AND WELLNESS

Beat the Cold and Flu

Do you suffer with a stuffy or runny nose, sore throat, cough and/or fever for a week or two? Are you feeling fatigued, or having headaches, nausea, loss of appetite, body aches, a dry cough, or perhaps chills? You may be experiencing a cold or the flu. Follow these tips to keep both nuisances at bay.



for 15 seconds. Sing "the ABCs" as you wash; it lasts about 15 seconds.

- Get the flu vaccine. According to the Centers for Disease Control and Prevention (CDC), this is the best way to prevent and control the flu epidemic. It is common to get the vaccination in October and November, but it can be administered through January.
- Practice thorough hand washing, especially after sneezing or coughing. The CDC recommends regular scrubbing of the hands with warm, soapy water
- Practice healthy habits such as getting enough rest and exercise, eating balanced meals, and staying well hydrated. These healthy habits help the immune system fight off germs that cause sickness.
- Never share cups, glasses, or eating utensils.
- Don't smoke. Both direct and second-hand smoke weakens the body's ability to keep bacteria and toxins out of the lungs.
- If you do have a cold or the flu, stay home and rest. You will have a better chance of ridding yourself of the bug sooner, and you will spare your co-workers of your germs.
- Avoid exposure to people who are infected with a virus. If you are caring for a sick child, try to wash your hands frequently and use virus-killing disinfectants on all surfaces that he may have touched.
- Stay social. Research has proven the more outgoing a person is, the less likely he will be to get sick.
- Seek professional help if you are depressed or overly stressed. Both

conditions can contribute to one's susceptibility to colds and flu.

- If you choose to take over-the-counter medications, select ones that address your symptoms. There is no reason to use medications that are for symptoms you don't have or risk potential side effects.

Sources:

HealthAmerica KidsHealth (www.healthamerica.cvty.com), Centers for Disease Control and Prevention (www.cdc.gov) and Web MD (www.webmd.com)

This information should not be used as a substitute for medical advice from, or treatment by, your physician. Please contact your physician for additional information about your condition.