

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



2008 Penn-Ohio Benefits Survey

By the time you read this issue, you should have also received a request to complete a confidential on-line survey regarding healthcare costs, plan designs, future benefit considerations, as well as some general questions regarding how the Penn-Ohio can better serve you in the future. We ask that you please take a few minutes to

complete the survey. If you have not received the survey, could you please provide your current e-mail address to Tom Finneran at tfinneran@tjsins.com. For those of you participating, and that provide company information, remember you will be entered in a drawing for a \$100 Visa Gift Card.

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).

Welcome

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Micro Matic Tool, Inc.
Mighty District
of S.W. PA, Inc.
Millham Enterprises, LLC
Mr. Rooter
Muddy Creek Leasing, Inc.
Non-Profit Emergency
Services of
Beaver County
Ohio Valley Railcar
Phil Fitts Ford Inc.

Premier Hydraulics, Inc.
Q-Cast, Inc.
Rampart Hydro Services, L.P.
Ranier Devido Stone Company
RBS Manufacturing, Inc.
Rebecca Hanigosky
Rinaldi Physical Therapy
Rock Concrete Supply
Ronald Gross, Inc.
Rora Chemicals, Inc.
Saxonburg Blvd Auto Parts, Inc.
Service Specialties, Inc.
Sharon Fence Company
Sharon Packing Company
Slippery Rock Pest Control

South American
Missionary Society
Special Metal Products Co.
Sybert's Garage
T.C. Redi-Mix
of Youngstown, Inc.
Tatko Auto Salvage
Taylor, Hladio and Alsko
The Conti Corporation
The Vac Shop, Inc.
Trinity Services
Turner Funeral Home Inc.
Veri's Heating
& Appliance, Inc.

Voice (Victim Outreach
Intervention Center)
W & R Enterprises
Wagner Motors, Inc.
Watchword Productions
Western Butler County
Authority
Whole Life Services, Inc.
William J. Brown
Trucking, Inc.
Winner Aviation
Woodlawn Oil Co., Inc.
Youngstown Mirror
& Glass Co.



NEWS

Letter from the President

by Pamela K. Vass

As we welcome Spring to the area, I'd also like to take a moment to welcome all the new Penn-Ohio members who have joined the Alliance in 2008. With the new contract from HealthAmerica, which guaranteed that new Members would receive a rate 2.5% lower than they could get on their own, we have seen the membership grow by over 121 companies. For those of you new to the group welcome, for those returning companies, welcome back.

Annual Meeting

The Penn-Ohio Annual Meeting was held February 21, 2008 at the Radisson in Sharon, 35 people attended representing 15 member companies. Our speaker was Vince Phillips, a lobbyist for the Pennsylvania Association of Health Underwriters. Vince discussed a variety of health care issues facing employers today. Vince reviewed the vast number of bills presently being discussed in Harrisburg. He briefly discussed Governor Rendell's attempt at requiring employers to provide mandatory health insurance coverage in Pennsylvania. A number of insurance brokers who place business within our alliance

also attended and were able to receive Continuing Education credits.

Educational Meeting

We will be holding our next Educational Meeting on May 21, 2008 so please mark your calendars. The presenter will be Dr. Heather Gross, Clinical Pharmacy Specialist with HealthAmerica. Dr. Gross will be discussing a variety of topics, including increases in drug prices, specialty pharmaceuticals and their costs, and the impact of using the \$4 generic prescriptions offered through large retailers such as Giant Eagle, Wal-Mart and Costco.

New Initiative

Just a reminder that there is a new member referral program in place for 2008. If an existing Penn-Ohio member makes a referral for membership, we will waive the existing member's annual dues for one year.

Again, thank you for your continued support of the Penn Ohio Regional Health Care Alliance, and remember there is strength in numbers.

See you at the Educational Meeting on May 21, 2008.

—Pam Vass

May 2008 Spring Issue
A reference guide to the Penn-Ohio Alliance HealthAssurance Program

Have Questions About Penn-Ohio? Call:
1-800-211-2253

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TJ & S, Inc.

Linda A. Horm
Salem Tube Inc.

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PLAN NEWS

Member Company Spotlight: Salem Tube

In this issue, the Penn Ohio Health Care Alliance salutes member company Salem Tube, Inc., located in the Reynolds Industrial Development. Salem Tube has maintained a reputation as a premier supplier of consistently high quality, small diameter tubing. Wholly owned by Tubacex SA in Spain, one of the leading producers of seamless product in the world, Salem Tube has provided long-term employment to Greenville residents and the surrounding

communities for over 40 years. Currently, the 120 full-time employees work three shifts on an average of five and six days a week. Salem Tube, Inc. offers a worldwide resource for cold drawn stainless steel and nickel alloy tubing, from 1/8" OD to 2" OD, used in heat exchanger, military/ aircraft, chemical processing, mechanical applications, heat transfer and monitoring, automotive, medical, and food processing.

Linda Horm Appointed to Penn-Ohio Board of Directors

Meet Linda Horm, newest member of the Penn Ohio Health Care Alliance Board of Directors. Ms. Horm is Human Resource Manager and Safety Director of Salem Tube. A 16-year employee, she joined Salem Tube as the Executive Secretary in 1992, and made significant contributions to the company since then, including serving as a key player in obtaining Salem Tube's quality ISO certification. Ms. Horm takes her responsibilities as Safety

Director very seriously. "It is important for employers to provide a safe work environment for their employees," she says, "as well as provide the most comprehensive benefit package possible for the best premium." Born and raised in St. Marys, Pennsylvania, her home has been in Bristolville, Ohio for a number of years.

Welcome

Penn-Ohio Regional Health Alliance welcomes the following New Member Companies

- A. C. Coach Operations, Inc.
- Advanced Alloy Division
- Advanced Feed Screws, Inc.
- Air Turbine Propeller Co.
- Albert's Heating & Air Conditioning, Inc.
- Aluminum Color
- Aven Fire Systems
- B.E.A.R. of Pennsylvania
- Baje Inc./dba/Dairy Queen Brazier
- Baker Animal Hospital
- Bill McCandless Ford & Mercury
- Billco Manufacturing, Inc.
- Butler County Sewage Association
- Butler Rehabilitation Center
- C. Fassinger & Sons Mfg. Co.
- C.D. Ambrosia Trucking
- C.H. Remodeling Specialists
- Carine & Company
- Charles Gulland Insurance
- Christian Assembly Church
- Community Action Partnership of Mercer County
- Community Alternatives
- Community Food Warehouse
- Cooper Family Daycare
- Cooper Lake Farms, Inc.
- D.D.T.A. Services, Inc.
- Daffin's Inc.
- Dambach Lumber & Supply Co.
- Dave's Super Tire
- David Hesidenz Appraisals
- Don Martin Trucking
- D'Onofrio's, Inc.

- Dr. Dane Benko, D.D.S. Dubs Consulting
- Duke's Sanitary Service, Inc.
- Eagle Printery, Inc.
- Five Points Veterinary Clinic
- Frankferd Farms Foods, Inc.
- Frenz Petroleum Corp.
- Funyak Lawn & Landscape Management
- Gealy Memorials
- Giuseppe's Tuscany Grill
- Green Valley Veterinary Hospital, Inc.
- Greenville Vet Clinic
- Grossi Distributing
- H.R. Evans Steel Company
- Harmony Borough
- Harold Zeigler Heating & Cooling
- Harrisville Memorials
- Hersh Exterminating Service
- Hicks Office Plus
- Hineman's Service Center
- Hudson Construction, Inc.
- Huffman Auto Body, Inc.
- I. Samuels and Sons, Inc.
- J.P. Graham Transport Inc.
- Jack's Independent Service
- Jamestown Paint Co.
- Jefferson Poultry, Inc.
- John D. Clark Trucking, Inc.
- John Reyer Co. Inc.
- Joseph P. Valentino, P.C.
- Keystone Ridge Designs, Inc.
- Kozminski Auto Body
- Linger Light Dairy Co.
- Logan Inc.
- Luigi's Pizza
- Mayberry Supply Company
- Mayhew Steel Products - Old Forge
- McCarter Transit, Inc.
- McElhinny Bros. Inc.
- Meadow Lake Campground

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MILESTONES

Congratulations to These Member Companies

Penn-Ohio Regional Health Alliance is proud to recognize the following members who have reached some milestone years of continuous membership.

5-9 Years of Membership

- 6 Alaron Corporation
- 6 AuctionNotebook.Com, Inc.
- 5 Beaver Valley Truck Center, Inc.
- 8 Billco Manufacturing, Inc.
- 5 BNZ Materials Inc.
- 6 Burns Industrial Roofing
- 6 Butler Motor Transit
- 5 C. J. Betters Enterprises
- 5 Chess Service, Inc.
- 6 D'Onofrio's, Inc.
- 7 Eagle Rubber Products
- 5 Emergency Care Consultants
- 6 Gerald Giel Garage Doors, Inc.
- 6 GPX, Inc.
- 9 International Specialty Alloys, Inc.*
- 7 International Staple

- & Machine
- 8 Larry E. Baling, M.D.
- 6 Legacy Products, Inc.
- 6 Mark Mashuda Excavating, Inc.
- 6 Mas Air Systems, L.L.C.
- 9 McConnell Insurance Agency (Thomas C)
- 6 McGonigle Ambulance Service, Inc.
- 5 Molinaro Tool & Die, Inc.
- 6 Oak Springs Mobile Home Park
- 6 Pittsburgh Plastics Manufacturing
- 5 Progressive Wood Working, Inc.
- 5 Purvis Brother, Inc.
- 8 Q-Cast, Inc.
- 7 Radisson Hotel Sharon
- 7 Retail Grocery Services, Inc.
- 5 Ronald Gross, Inc.
- 6 Ronald J. Deangelis
- 9 Shenango Township
- 5 Shipley Bros. Construction Inc.
- 6 Shook Specialty Welding
- 6 Sippel Co., Inc.
- 6 Springfield Restaurant Group
- 8 Steel Built Corp.
- 6 T & U Service Station Maintenance
- 5 T. Bruce Sales, Inc.
- 9 T.J.D. Sports, Inc.
- 8 Tri-State Coin & Wholesale d/b/a MB Games
- 8 Wagner Motors, Inc.

10 -14 Years of Membership

- 10 Four Seasons Construction & Landscaping, Inc.
- 10 Heritage-WTI, Inc.
- 10 Paul E. Pierce Trucking
- 10 Second Phase, Inc.
- 10 Tri-State Maintenance, Inc.
- 10 Wiest Asphalt Products & Paving*
- 10 Wings Way Drive-Thru, Inc.
- 11 A. G. Birrell Company
- 11 Advanced Alloy Division
- 11 Greenville Heating & Air Conditioning
- 11 Harmony Castings, LLC*
- 11 J. J. Kennedy, Inc.
- 11 Mitchell Insurance, Inc.*
- 11 P.F. Cook Brick Company, Inc.
- 11 Viola's Food Stores, Inc.
- 12 Dennis Filges Co., Inc.
- 12 Edmondson Physical Therapy
- 12 GESCO, Inc.
- 12 Herbert Homes, Inc.
- 12 Pioneer Pottery, Inc.
- 12 Portersville Christian School

- 12 S & W Wire Company*
- 13 Ellwood Engineered Castings
- 13 Hermitage Internal Medicine Group
- 13 New Castle Harley Davidson
- 13 Oesterling's Sandblasting
- 13 Pittsburgh Tubular Shafting, Inc.
- 13 RECO Equipment, Inc.
- 14 Ellwood Crankshaft & Machine Company
- 14 Goettler Distributing, Inc.

15 Years of Membership

- 15 Economy Plumbing & Heating
- 15 Ellwood City Forge
- 15 Ellwood Quality Steels Company
- 15 INMETCO
- 15 Meyer Builders, Inc.

** Associate Member*

MANAGED HEALTH CARE UPDATES

Using the Emergency Room Wisely

Save time and money by knowing where to go for treatment.

If you have a medical problem that is not a true emergency, be sure to call your doctor first. He, she, or an on-call partner is available 24 hours a day and knows you, your medical history, and the best place to go for your care.

What Is an Emergency?

HealthAmerica and HealthAssurance define a medical emergency as a sudden accident or medical condition that causes severe symptoms or severe pain. You could reasonably expect that if you

did not receive immediate medical attention in a medical emergency, it would:

- Place your health (or — for a pregnant woman — the health of your fetus) in serious jeopardy.
- Cause serious impairment to bodily functions.
- Cause serious dysfunction of any bodily organ or part.

A true medical emergency presents an immediate danger to your health and/or the health of your family member. Some examples might include, but are not limited to:

- Severe pain.
- Lacerations or bleeding you cannot stop.
- Chest/abdominal pain or difficulty breathing.

- Loss of consciousness.
- A heart attack or stroke.
- Poisoning or a drug overdose.

True medical emergencies do not need prior authorization. If you believe that you or your family member should be treated right away, call 911 or your local emergency number, or go directly to the nearest ER.

Your Coverage

In most cases, emergencies treated in the ER are covered in full by HealthAssurance,



even if the attending physicians are not part of our network. If you are treated for an emergency and released, you will generally need to pay a copayment to the hospital. However the copayment is waived if you are admitted to the hospital.

Follow up with Your Doctor

You are encouraged to notify your doctor as soon as possible after you are treated or admitted to a hospital. This will ensure that your medical records are kept up-to-date and you can arrange for any follow-up care, such as the removal of stitches, so that you're covered at the highest level.

MILESTONES

Farewell to Mr. Herb Skuba

Mr. Herbert Skuba, President and Chief Executive Officer of Ellwood City Hospital, recently announced that he would be retiring at the end of June after 34 years of service.

Mr. Skuba has provided exceptional leadership through the years, typified by the recent announcement

of an alliance with Allegheny General Hospital. This alliance will insure that the community retains ownership of the hospital and preserves jobs for in the region, while expanding services at the facility.

In recognition of his dedication and leadership, the Board has voted to name Mr. Skuba President Emeritus of Ellwood City Hospital.

Mr. Skuba's successor, Raymond Beck, assumed the duties of president and CEO on March 31, 2008. Mr. Beck previously served as president/CEO of UPMC Passavant for about 12 years, and before that was vice president and controller at the

former Montefiore University Hospital for about 10 years. He is a graduate of Carnegie Mellon University and Robert Morris University.

Please join the Penn Ohio Health Care Alliance in thanking Mr. Skuba for his tireless service to the hospital and promoting health care in the region.

LEGISLATIVE CORNER

How High Loss Ratios Undermine Affordable Health Insurance



States across the country are unveiling various health reform proposals, and chief among those is the regulation of health insurance rates. California, Michigan, New Mexico and Pennsylvania have all introduced a health insurance price-control scheme that limits the insurers "loss ratio" (i.e., the percentage spent on direct health expenditures) to 70 percent of premium. While some believe the states have found a solution to the rising cost of health insurance, states that have actually implemented similar proposals have not been successful at lowering health insurance premiums.

What Is a Loss Ratio?

A loss ratio is the percentage of premiums spent on direct patient care. A 70 percent loss ratio means that health insurers would be required to spend at least \$70 on patient care for every \$100 in premiums. Conversely, health insurers may spend only \$30 of every \$100 on administrative expenses. Loss ratios are, in effect, price controls, seeking to limit the cost of insurance by controlling administrative expenses.

What Is Included in Administrative Expenses?

Administrative expenses include all the costs required to conduct the business of

health insurance and provide customer services to members. These expenses include, among many others:

- The cost to collect premiums and credit those premiums to the correct account;
- The cost to process a medical claim accurately, including issuing and sending a check for services and providing an explanation of the payment;
- Monitoring efforts to ensure patients are getting appropriate care, especially those with chronic medical conditions;
- Customer service staff — often more than half of an insurer's employees — to answer questions from members and medical providers 24 hours a day, 7 days a week;
- Agent commissions;
- Costs imposed by state and federal laws, including premium taxes, external review fees (i.e., costs an insurer must pay to an independent provider to review a claim), assessments for high risk pools, timely claims payment requirements, and others; and,

- Profit, or excess revenue (non-profits), and general overhead costs.

In other words, insurers and health plans incur numerous costs in their efforts to process and monitor claims and care, set premiums, and comply with state and federal requirements. Unfortunately, while those efforts surely reduce claims costs and therefore reduce upward pressure on premiums, critics see only the costs, not the benefits. They are ignorant of the fact that some of those costs may actually save money.

Do Administrative Costs Add Value?

Customer service and the business of insurance are not the only components of administrative expenses. Some health insurers have even spent millions of dollars on information systems to help consumers understand their medical choices, while others have provided direct phone access to nurses to help patients understand their medical conditions. These efforts reduce health care expenditures and result in lower health insurance premiums. Thus, loss ratios set too high may actually result in a lower quality of care and higher health insurance premiums.

Solution

A few states have experimented with increasing loss ratios to artificially lower premiums and cut administrative expenses. Both Kentucky and North Dakota passed higher loss ratios as part of a series of reforms in the 1990s. Kentucky's loss ratio bill was part of larger health reform legislation that decimated the market. Not until the loss ratio was lowered to a more reasonable 65 percent (which also allowed some administrative expenses to be included in claims costs, thereby lowering the actual loss ratio) did the individual market finally begin to recover. North Dakota has faced a similar crisis with carriers abandoning the market, few choices and higher premiums. With the passage of Senate Bill 2154, which lowers the group loss ratio from 75 to 70 percent and individual market loss ratio from 65 to 55 percent, policymakers in North Dakota expect a similar resurgence in the market. In rate regulation, it appears that less is more. States that rely on a competitive market have tended to have lower overall health insurancerates.

Source: The Council for Affordable Health Insurance, February 2008

HEALTH AND WELLNESS

What You Don't Know Can Cost You

by Vishu Jhaveri, M.D.,
Chief Medical Officer,
Coventry Health Care

“Health is wealth and it is tax-free.” That adage is proven daily in the consumer age. One sure way to get healthy and stay “wealthy” is to become health literate. And that requires taking an interest in your own well-being.

Health literacy is more than just being able to read. It is the ability to get, understand and act on health information. In the simplest terms, being health literate means knowing your condition and how it affects your body. People who are health literate understand what makes their health worse and what makes it better. They also know when, how and in which setting to seek care from a professional.

They save money, too, because they make cost effective choices.

Unfortunately, many people are not health literate. These people are more likely to end up in the hospital, and they use emergency services more often.¹ Frequent use of these services results in higher out-of-pocket costs for these patients — and for all consumers — in copayments, coinsurance or deductibles.

How to Become Health Literate

The first step in becoming health literate is taking an interest in your own health. Learn where to get reliable health information. Then make a practice of seeking out health information for yourself. As a member of the Penn Ohio Health

Care Alliance, your HealthAssurance plan offers many easy-to-use tools to help you improve your health and well-being. You can take a health risk assessment, request wellness reminders, create fitness and eating plans, and much more. You can also learn about special support services for people with ongoing or serious conditions.

Becoming health literate doesn't have to be difficult. It's as easy as clicking your mouse or picking up the phone. You can find reliable information in the following places:

VISIT the member website printed on your ID card.

CALL the member service number printed on your ID card. You can ask for general health information and help with your benefits. In addition,

if you have an ongoing condition, like asthma or diabetes, you can speak with a nurse case manager who can give you tips about how to manage your condition.

GO to www.nlm.gov and under *Quick Link* on the right-hand side of the page, click *Health Information on the Web*. Under *Topics on This Page*, click *For the Public*.

Dr. Jhaveri is board certified in pediatrics, and in quality assurance and utilization management. He studied at Bombay University, served his residency and fellowship at Johns Hopkins Hospital and Saint Agnes Hospital, and earned his master's degree in health care administration at Central Michigan University.

Achieve Your Wellness Goals With *My ePHIT*

Exercise and healthy eating are tough. They require a plan, tools and motivation. That's why Penn Ohio Health Care Alliance members have free access to “*My ePHIT*” — an online wellness program that helps you meet your goals of achieving and maintaining good health.

Customized Plans

My ePHIT helps you develop a plan customized to your needs:

- **GetPHIT** offers a fitness plan for any skill level.
- **EatPHIT** helps you create a nutrition plan, offering easy-to-use shopping lists.
- **LivePHIT** helps instill a positive outlook so you can handle life's stress.

Motivational Tools and Resources

- **Coaching:** *My ePHIT* also offers confidential interaction with health and wellness professionals, including personal trainers, dietitians and psychologists. There's also a virtual trainer—an animated coach that conducts exercise demonstrations. It teaches you how to properly exercise and avoid injury.

- **Rewards:** When you use *ePHIT*, you earn rewards that are redeemable for items like retail and restaurant gift cards, iPods and more, in the *My ePHIT* Mall.

Trying to get well and stay well? Log on to *My Online Services* at www.healthamerica.cvty.com to find WellBeing options to help you manage your health and your health care.

MANAGED HEALTH CARE UPDATES

Focus on Quality and Safety

To promote safe practices, HealthAssurance encourages our network hospitals to respond to the national Leapfrog hospital safety survey. The Leapfrog Group works with medical experts nationwide to identify problems and propose solutions to improve hospital safety. (For more information, go to www.leapfroggroup.org.)

In addition, we recognize doctors in our network who have been acknowledged by the Diabetes Physician Recognition Program (DPRP) for consistently providing comprehensive, quality health care to people with diabetes. (For more information, visit the DPRP website at www.ncqa.org/dprp.)

You can find a list of our network hospitals that have completed the Leapfrog survey and our network doctors recognized by the DPRP online at www.healthamerica.cvty.com, click *Members*, then click *Helpful Information*.

You're Not Alone

Health education coaches provide invaluable support to members with asthma, diabetes, COPD, coronary artery disease, and congestive heart failure.

When you're battling a chronic illness, it helps to have someone in your corner who knows about the disease, the treatment options, and ways to maintain a healthy lifestyle. That's the job of HealthAmerica and HealthAssurance's health education coaches.

Our health coaches help you stay focused, offer valuable guidance, and provide support — all to help you create and maintain a healthy, winning lifestyle.

In the past, our health coaches have been available to members with diabetes and asthma. Now, however, HealthAmerica has expanded



this successful program to make health coaches available to members with chronic obstructive pulmonary disease (COPD), coronary artery disease, and congestive heart failure.

What a Coach Can Do for You

Through occasional telephone calls and mailings, health education coaches work with members to help them reach their personal health goals through:

- Coaching on nutrition and exercise,
- Helping members develop short-term and long-term goals,
- Connecting members to health education classes,

- Helping members obtain needed supplies, and
- Referring people to web-based and community resources.

If you're battling a chronic illness, you're not alone. HealthAmerica's health education coaches are in your corner to help you live a winning lifestyle.

We Can Help

To learn more about asthma, diabetes, coronary artery disease, congestive heart failure, or COPD, visit our website at www.healthamerica.cvty.com. To speak to one of the HealthAssurance health education coaches regarding these diseases, call **1-866-777-7150**.