

March 4, 2003

Marc P. Volavka
Executive Director
Pennsylvania Health Care Cost Containment Council
225 Market Street, Suite 400
Harrisburg, Pennsylvania 17101

**Re: *Measuring the Quality of Pennsylvania's Commercial HMOs:
Managed Care Performance Report***

Dear Mr. Volavka:

UPMC Health Plan is submitting the following comments for inclusion in the comment booklet that the Pennsylvania Health Care Cost Containment Council will distribute along with the above-referenced public report.

UPMC Health Plan commends the PHC4 for the tremendous effort it made in preparing the Managed Care Performance Report for calendar year 2001. We feel that by taking data from already submitted reports, PHC4 has achieved four very important goals:

- PHC4 has created a reporting model that aims to integrate various sources of information about managed care organizations. This approach overcomes any incompatibility among regulatory reports, accreditation measures, and hospital data.
- PHC4 has not added another reporting mechanism to those that managed care organizations already file. PHC4 instead has worked collaboratively with managed care organizations to review and analyze their reported data.
- PHC4 takes inpatient data from Pennsylvania acute care hospitals and shows how that data relates to patients' managed care organizations. This approach shows clinical measures along a continuum from care through payment.
- PHC4 documents the positive results that managed care organizations can help their members achieve. It also provides Pennsylvanians with an important comparative analysis tool they can use to become informed consumers.

The following points relate to clinical outcomes for the Health Plan that were included in this year's report:

- **Hospitalization for Diabetes**

UPMC Health Plan's hospitalization rate for diabetes was within expected levels for calendar year 2001. The diabetes rate previously exceeded expected levels. During calendar year 2000, the Health Plan identified diabetes interventions and implemented new programs. A diabetes health management program is helping members receive routine services, resulting in improvements to our diabetes hospitalization rate for calendar year 2001.

- **Hysterectomy**

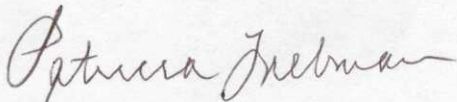
The rate of complications from abdominal hysterectomies is higher than expected. However, the Health Plan has investigated related issues and is now analyzing the results of this investigation to determine the best opportunities for improvement.

- **Neck and Back Procedures without Fusion**

While the rate of complications from neck and back procedures without fusion is higher than expected, the Health Plan recognizes the importance of quality of care and investigates all potential issues. The Health Plan is conducting a detailed analysis of complications related to this procedure to identify any patterns of care (physician trends, facility trends, etc.) that require interventions.

We thank PHC4 for its collaborative and thoughtful approach in the production of this managed care report, as well as for the opportunity to submit comments on the report.

Sincerely,



Patricia A. Liebman
Chief Executive Officer

cc: Anne Boland Docimo, MD, Chief Medical Officer