

UPMC HEALTH PLAN

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Marc P. Volavka
Executive Director
Pennsylvania Health Care Cost Containment Council
225 Market Street, Suite 400
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**Re: *Measuring the Quality of Pennsylvania's Commercial HMOs:
A Managed Care Performance Report***

Dear Mr. Volavka:

UPMC Health Plan would like to thank the Pennsylvania Health Care Cost Containment Council (PHC4) for again affording us the opportunity to submit written comments in response to the information presented in this year's PHC4 Managed Care Performance Report.

The Health Plan commends PHC4 for continuing to expend the tremendous time and resources needed to evaluate the data and to prepare this report. Through PHC4's use of data from existing sources, not only does this reduce the administrative burden of health care organizations but also empowers Pennsylvania consumers with information on standardized data which also provides state and national performance comparisons assisting them in making informed health care decisions. This enables PHC4 to continue to achieve the following goals related to managed care:

- Creating a reporting model that aims to integrate various sources of information, overcoming incompatibility among regulatory reports, accreditation measures, and hospital data.
- Working collaboratively to review and analyze existing data instead of adding an additional reporting mechanism.
- Utilizing data obtained from both nationally recognized clinical benchmarks, such as HEDIS measures from the National Committee for Quality Assurance (NCQA), as well as inpatient data reported by Pennsylvania acute care hospitals.
- Documenting the positive results that managed care organizations and their providers can assist their members to achieve.

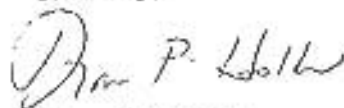
This year's PHC4 report presents clinical data from calendar year 2003. The data in this report for UPMC Health Plan is a reflection of not only our strengths but also opportunities for continued improvement. As part of the quality improvement processes that UPMC Health Plan and other managed care organizations have in place, the analysis of this data, identification of barriers and opportunities for improvement have taken place. Care management enhancements and interventions have been initiated and monitored for the opportunities that were identified.

UPMC Health Plan continues to be committed to providing quality care to our members. Our annual HEDIS® results and other utilization information are analyzed as part of our continuous quality improvement process. The care management programs and processes in place are refined and enhanced along with the development of new programs to continually increase and enhance the quality of care that our members receive.

Along with the 'Excellent' Accreditation that UPMC Health Plan received from the NCQA in 2003, in 2004, we received two other recognitions from NCQA. UPMC Health Plan was named as the top plan nationally for breast cancer screening and in the top five accredited plans in the Middle Atlantic region for HEDIS® Effectiveness of Care measures. The continued recognition by an external agency such as NCQA is an acknowledgment of our commitment to provide high quality of care to our members and for the results we have obtained through our efforts.

We would like to thank PHC4 for its continued 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,



Diane P. Holder
President
UPMC Health Plan