



**Robert L. Dawson**

*President & Chief Executive Officer*

February 23, 2006

Marc P. Volavka  
Executive Director  
Pennsylvania Health Care Cost Containment Council (PHC4)  
225 Market Street, Suite 400  
Harrisburg, PA 17101

Dear Mr. Volavka:

Thank you for the opportunity to preview and comment on our clinical outcomes in *Measuring the Quality of Pennsylvania's Commercial HMOs: A Managed Care Performance Report (MCPR)*. HealthAmerica and HealthAssurance are proud of our longstanding support of the Pennsylvania Health Care Cost Containment Council's efforts to provide health plan performance data to the consumers of the Commonwealth.

We are pleased with our performance on this latest report:

- For the fourth year in a row our asthma admission rate for members under age 18 is "lower than expected," reflecting the success of our asthma management activities.
- Our admission rate for hypertension is well below the statewide average and demonstrates the effectiveness of our physician network in treating this silent killer.
- Our "lower than expected" hospitalization rate for diabetes shows that we are making inroads in managing the treatment of this disease as well.

Once again the procedure rate for hysterectomies per 10,000 members continues to be higher than expected. After the release of the *2004 Managed Care Performance Report*, HealthAmerica and HealthAssurance implemented several prior authorization processes to lower the hysterectomy procedure rate. As we noted last year, we expect our rates will have improved for calendar year 2005, which will be reflected in the *2007 Managed Care Performance Report*.

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In the meantime, we continue to monitor our participating providers for quality-of-care issues. In doing so, we can ensure our members receive access to the highest possible care and best outcomes. We believe the results of these efforts are paying off in improved member health, decreased admissions-per-thousand, and improved outcomes -- all of which lead to lower health care utilization and costs.

It is imperative that citizens of the Commonwealth receive accurate information on which to base their health care decision. We support the PHC4's efforts to provide this information and look forward to working with your staff to further refine the reporting process. Thank you for the opportunity to comment on this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Dawson". The signature is fluid and cursive, with a large loop at the end.

Robert L. Dawson

RDL/sw

C: Joshua H. Bennett, M.D.  
Eugene F. Sun, M.D.  
John Wallendjack, M.D.