

June 15, 2001

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

Dear Mr. Volavka:

HealthAmerica Pennsylvania, Inc. appreciates the opportunity to comment on the Pennsylvania Health Care Cost Containment Council's latest report *Measuring the Quality of Pennsylvania's Commercial HMOs: A Managed Care Performance Report*. It is our pleasure to continue working with the Council in support of public reporting of meaningful performance data on health care in Pennsylvania.

This PHC4 report clearly documents HealthAmerica's commitment to partner with our members and participating providers to improve the quality of care and services delivered to our customers. We are pleased to note that our HEDIS Effectiveness of Care scores exceeded the national averages for all measures presented in this report. Our quality programs including; member reminder mailings, member telephone contacts, and physician communications are just a few of the steps taken to encourage these important health care services.

Our only comment regarding this current report pertains to the calculation of hospitalization rates for the various conditions. Upon review of the cases included, it appears that there may be an issue related to hospital coding of admissions. For example, four (4) patients who were included in the Pediatric Ear Nose and Throat Infection hospitalization rate, were actually patients who underwent planned outpatient surgeries with a subsequent period of observation (i.e. 23 hour observation) and were never actually admitted. However, the data provided by the hospital classified these four (4) instances as "admissions." The suspected discrepancy between hospital data and health plan data can result in misleading rate calculations. We realize that this is a potential limitation to this approach of validating the data provided in the report.

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Again, we applaud the Cost Containment Council for continuing this process of providing the public with health plan performance data and stimulating the continued dialogue of continuous quality improvement. We appreciate the opportunity to participate in this important endeavor. Should you have any questions, please do not hesitate to contact us.

Sincerely,

Francis S. Soistman, Jr.  
President and Chief Executive Officer

cc: Dr. Paul Vaughan  
Ms. Elaina Wickas, RN