June 14, 2001

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

RE: Comment on PHC4's publication:
Measuring the Quality of Pennsylvania's Commercial HMOs: Managed Care Performance Report

Dear Mr. Volavka:

UPMC Health Plan would like to submit the following comment for inclusion in the comment booklet that will be distributed along with the above-referenced public report.

UPMC Health Plan would again like to commend PHC4 for the tremendous effort it has made in preparing the Managed Care Performance Report for FY 1999. We feel that by taking data from already submitted reports, PHC4 has achieved three very important goals:

- It has created a reporting model that aims to effectively integrate various sources of information about managed care organizations, thus avoiding a "silo" approach to health care information across regulatory reports, accreditation measures and hospital data.
- It has not added yet another reporting mechanism to those that managed care organizations already must file, but has instead worked collaboratively with managed care organizations to review and analyze existing data.
- Inpatient data from Pennsylvania acute care hospitals are being tied back to patients' managed care organizations. This approach views outcomes performance along a continuum of care.

We would also like to point out that, most significantly, HC4 has resolved the main concern that UPMC Health Plan had with last year's report: differing time frames for the data sources culled (fiscal year vs. calendar year). All data reviewed for this year's report are now from the same time frame: CY 1999. We feel that this is a more sound approach to measuring performance and quality. Furthermore, we are convinced that this approach ultimately strengthens the report and makes it a more clear, comprehensive, and precise "snapshot" of HMO status and performance.

As for the clinical outcomes data, we would like to point out the following for several areas of our data:

Acute Care – Neck and Back Procedures

- The higher than expected procedure rate for neck and back procedures is not surprising. The Health Plan, through the Musculoskeletal Subcommittee, identified these types of procedures for intervention during calendar year 2000. Since that time, many initiatives have been developed by the subcommittee and implemented by the Health Plan. Every initiative is geared at ensuring members receive the appropriate treatment at the right time.
- Initiatives to address neck and back procedures include: development and dissemination of guidelines to all network providers for treatment of neck and back pain, a health education and wellness video on dealing with neck and back pain, numerous educational materials for both providers and members, and focused programs for employer groups identified with a high volume of members receiving treatment for neck and back pain.

Management of On-Gong Illnesses – HEDIS Measures

- HEDIS 2000 (representing calendar year 1999) was the Health Plan's first attempt at generating and reporting HEDIS measures. The Health Plan felt it was important to begin generating these types of rates while knowing various difficulties with capturing all relevant data existed. Significant progress has been made in improving data systems, as well as implementing programs to increase member compliance with recommended services.
- Scores on measures related to diabetes & mental health were lower than expected for this reporting period. In fact, after addressing several data issues, the follow-up after hospitalization for mental illness rate jumped to 56%. We recognize this rate offers significant opportunity for improvement and have implemented quality improvement programs to address this issue.
- Implementation of a diabetes health management program and improved coordination with the behavioral health providers have both led to improved rates and outcomes for calendar year 2000.

Access and Service – Member Satisfaction

- Member satisfaction scores related to clinical areas demonstrated the Health Plan is at or above regional and national benchmarks. However, service-related measures have proven to be the factor most influencing overall rating of the Health Plan for the member satisfaction scores. As a result, the Health Plan identified significant opportunity for improvement, and since the time these rates were generated, timeliness of service to members has improved dramatically, as has the overall rating of the health plan as demonstrated in an interim survey conducted in December, 2000.

We once again wish to 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