Independence
Blue Cross

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1901 MARKET STREET
PHILADELPHIA, PA 19103-1480

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Corporate & Financial Regulation
MAR 30 2012
Pennsylvania
Insurance Department

March 30, 2012

Stephen J. Johnson, CPA
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation
Commonwealth of Pennsylvania
Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120

Re: Independence Blue Cross -- 2012-2013 Community Health Reinvestment Activities

Dear Mr. Johnson:

Enclosed please find the Independence Blue Cross (IBC) proposal for Community Health Reinvestment (CHR) Activities prescribed by Act 62 of 2008. This proposal represents a reasonable, good-faith estimate of IBC's anticipated community health reinvestment activities for the period of July 1, 2012 through June 30, 2013.

Because IBC operates on a calendar year basis and the form contains projections for the Commonwealth's 2012/2013 fiscal year, actual expenditures could vary slightly due to the timing of payments. Consistent with our submissions in previous years, also enclosed is additional documentation in support of the proposal.

Independence Blue Cross is extremely proud of its commitment to our community. If you have any questions, please feel free to contact me at (215) 241-3027.

Sincerely,

Stephen P. Fera
Senior Vice President
Public Affairs

Enclosures

Independence Blue Cross offers products directly, through its subsidiaries Keystone Health Plan East and QCC Insurance Company, and with Highmark Blue Shield.
Independent Licensees of the Blue Cross and Blue Shield Association.

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PLAN PROPOSAL FOR
COMMUNITY HEALTH REINVESTMENT (CHR) ACTIVITIES

Proposal for Year 2012-2013

FEIN: 2 3 [redacted] 0 3 7 0 2 7 0 **NAIC:** 5 4 7 0 4

I. HOSPITAL PLAN CORPORATION OR PROFESSIONAL HEALTH SERVICE PLAN CORPORATION NAME AND ADDRESS:

Independence Blue Cross
1901 Market Street
Philadelphia PA 19103

II. PLANNED EXPENDITURES: [1]

	Projected Expenditures
1. **Proposed annual CHR for health care coverage for persons unable to pay for coverage** (list and describe proposed endeavors below):	
a. **Non-group product subsidy, including Special Care and CHIP**	**$48,700,000**
2. **Proposed annual CHR for health care services for persons uninsured and unable to pay for services** (list and describe proposed endeavors below):	
a. **See Item 4, below**	
3. **Proposed annual CHR for programs for prevention and treatment of disease or injury or the promotion of health or wellness** (list and describe proposed endeavors below):	
a. **IBC Wellness Van**	**$32,500**
b. **PA Health Care Quality Alliance**	**$50,000**
c. **PA Chronic Care Commission**	**$2,230,000**
d. **Partnership for Patient Care**	**$1,000,000**
e. **American Cancer Society**	**$50,000**
f. **YMCA of Philadelphia & Vicinity – Healthy Living Programs**	**$500,000**
g. **The Broad Street Run (benefitting the American Cancer Society)**	**$100,000**
4. **Proposed other annual CHR activities** (list and describe proposed endeavors below):	
a. **Donations to Health Related charitable organizations in Southeastern Pennsylvania**	**$560,000**
b. **Independence Blue Cross Foundation**[2]	**$10,000,000**
TOTALS	**$63,222,500**

[1] The amounts listed below are projected expenditures only. Changes to state or federal laws (i.e. The Patient Protection and Affordable Care Act) and/or regulations implementing those laws, as well as general economic conditions could impact actual expenditures.

[2] The Independence Blue Cross Foundation focuses its resources on improving access to health care (e.g. charitable medical clinics), health and wellness activities and programs that improve the quality of care in Southeastern Pennsylvania. IBC is anticipating making a contribution of $10,000,000 to the Independence Blue Cross Foundation in 2012-2013. By way of clarification, IBC's Plan Proposal for 2011-2012 contained an anticipated contribution of $10,000,000 to the IBC Foundation. In calendar year 2011, IBC actually contributed $35,000,000 to the Foundation.

Detail for 2012 - 2013 Community Health Reinvestment Activities
Section II. Planned Expenditures, Items 3a - g

Initiative / Organization	Description of Initiative / Organization	Contact Person	Amount
IBC Wellness Van	The IBC Wellness Van makes more than 150 appearances each year and its goal is to offer screening services that lead to earlier diagnoses and treatment. The Wellness Van delivers important on-site preventive health screenings and vital wellness information directly to neighborhood schools, community events, and our customers' worksites. We park the van in public locations and offers screenings for height/weight, body mass index, body composition, vision, cholesterol, or blood pressure. We also use the van for our Do The Smart Thing® Youth Smoking Prevention Program conducted at area schools. In addition, for some group customers, the van provides work-site flu shots and DermaScan skin analysis checks.	Lorrie Reynolds Director Preventive Health Services & Wellness Independence Blue Cross 1901 Market Street, 28th Floor Philadelphia, PA 19103 215-241-9075	$32,500
PA Health Care Quality Alliance	A coalition of Pennsylvania health care providers and insurers. Its mission is to improve the quality of patient health by developing a consistent, uniform, statewide approach to hospital quality measures that will: -- Enable consumers to compare hospital performance; -- Allow health care professionals to evaluate and improve the quality of their patient care; and -- Help insurers to evaluate the performance of their provider networks.	Eric Muther Executive Director Pennsylvania Health Care Quality Alliance P.O. Box 15896 Philadelphia, PA 19103	$50,000
PA Chronic Care Commission	The Pennsylvania Chronic Care Commission was established in 2007 through the recommendations of the Pennsylvania Chronic Care Management, Reimbursement and Cost Reduction Commission created by Governor Rendell. It is a groundbreaking, statewide health care initiative that is testing a new model that seeks to revolutionize the treatment of patients with chronic diseases. The Commission involves collaboration among physicians, government representatives, academics, health plans, and consumers whose goal is to implement a patient-centered "medical home" model. The goal is to save more than a billion dollars in avoidable hospital admissions over a three-year period. In partnership with Independence Blue Cross, the Commission set up a pilot project in Southeastern Pennsylvania, which is the largest of its kind in the nation. The practices involved serve as medical homes, or practices devoted to providing accessible, continuous preventive care for people who are chronically ill. The idea is to help patients manage their conditions before health problems get out of control by fundamentally changing the focus of the health care system from reacting to acute illness to preventing it. Rather than being compensated for the number of services provided or patients seen, physicians in "medical home" practices are rewarded for giving more time and attention to each patient, including open scheduling to accommodate urgent care and teaching patients self-management skills.	Brian Ebersole Pennsylvania Department of Health 439 Forum Building Harrisburg, PA 17120	$2,230,000

Detail for 2012 - 2013 Community Health Reinvestment Activities
Section II. Planned Expenditures, Items 3a - g

Initiative / Organization	Description of Initiative / Organization	Contact Person	Amount
Partnership for Patient Care	Independence Blue Cross, the Delaware Valley Healthcare Council, and the Philadelphia region's hospitals joined forces in the fall of 2005 to launch the Partnership for Patient Care, a multi-year initiative to improve patient safety at hospitals in Southeastern Pennsylvania. Key initiatives have included: Improving medication safety; Preventing hospital-acquired infections; Controlling MRSA, preventing blood clots, patent falls, and harmful drug interactions; and Eliminating serious surgical errors, reducing pressure ulcers, and student MRSA education. Area hospitals will participate in a new data-driven, behavioral-focused approach to patient care that rigorously analyzes areas of weakness or vulnerability in safety performance. Similar techniques have been successfully used by the nuclear power and aviation industries to ensure the highest possible safety conditions.	Kate J. Flynn, FACHE President Health Care Improvement Foundation 1835 Market Street Suite 1050 Philadelphia, PA 19103	$1,000,000
American Cancer Society (Coaches vs. Cancer)	Coaches vs. Cancer of Philadelphia is part of the National Coaches vs. Cancer program created in 1993 by the American Cancer Society and the National Association of Basketball Coaches (NABC). The program exists to leverage the strength, community leadership and celebrity of our country's basketball coaches to fight cancer. Since its inception, the Coaches vs. Cancer program has raised more than $50 million nationwide to support the American Cancer Society's lifesaving cancer research, education, advocacy, and community service efforts.	Ruth Anne Dailey Vice President, Southeast Region American Cancer Society 1626 Locust Street Philadelphia, PA 19103	$50,000
YMCA of Philadelphia & Vicinity Healthy Living Programs	The YMCA is one of the nation's leading nonprofits strengthening communities through Youth Development, Healthy Living, and Social Responsibility. Independence Blue Cross has entered into a 3-year agreement as the official sponsor of the Y's Healthy Living Program. The partnership represents our mutual interest in impacting and improving the health and well-being of our customers, clients, and communities.	Christopher Cashman President, Commercial Markets Independence Blue Cross 1901 Market Street, 45th Floor Philadelphia, PA 19103 215-241-2075	$500,000
Blue Cross Broad Street Run (benefitting the American Cancer Society)	Independence Blue Cross will host a signature event each year.... the Blue Cross Broad Street Run. This 10-mile run, which has more than 30, 000 participants, raises awareness and focuses on the health of the region and its residents.	Elizabeth Williams Chief Communications Officer Independence Blue Cross 1901 Market Street, 38th Floor Philadelphia, PA 19103 215-241-2220	$100,000