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January 29, 2016

VIA HAND DELIVERY

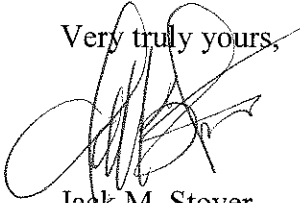
Joseph DiMemmo, CPA
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation
Pennsylvania Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120

Re: *Order No. ID-RC-13-06*
June 19, 2015 Approval Letter, Section III(C)

Dear Deputy Commissioner DiMemmo:

Pursuant to Section III(C) of the above-captioned Approval Letter, Highmark Inc. is filing with the Department the attached non-confidential AHN Financial Commitment Expenditure Report and Certification.

Very truly yours,



Jack M. Stover

JMS/gmt
Enclosure

cc: Lawrence J. Beaser, Esquire (via email: Beaser@BlankRome.com)
Eric Coburn (via email: Eric.Coburn@RaymondJames.com)

RECEIVED
Corporate & Financial Regulation

JAN 29 2016

Pennsylvania
Insurance Department

Allegheny Health Network
Summary of Financial Commitment Expenditure Report
 December 31, 2015

	TOTAL SCHEDULED USE *	TOTAL FUNDING REQUEST	FUNDS EXPENDED	VARIANCE BETWEEN TOTAL FUNDING REQUEST AND FUNDS EXPENDED	BALANCE TO BE REIMBURSED	BENEFIT CATEGORY
(\$ in millions)						
Allegheny General Hospital	\$ 26.2	\$ 0.2	\$ 8.3	\$ 8.1	\$ 26.0	Improving Quality and Coordination of Care
Nursing Unit Renovations	15.3	0.7	1.8	1.1	14.6	Improving Quality and Coordination of Care
Lab/Radiology Renovations	33.8	4.4	9.7	5.3	29.4	Improving Facility Sustainability and Patient Satisfaction
General Hospital Renovations	3.6	0.8	0.8	-	2.8	Improving Quality and Coordination of Care
Equipment Replacement	<u>78.9</u>	<u>6.1</u>	<u>20.6</u>	<u>14.5</u>	<u>72.8</u>	
Allegheny Valley Hospital	\$ 0.1	\$ 0.1	\$ 0.1	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
General Hospital Renovations	0.1	0.1	0.1	-	-	Improving Quality and Coordination of Care
Equipment Replacement	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>-</u>	<u>-</u>	
Canonsburg Hospital	\$ 0.1	\$ 0.1	\$ 0.1	\$ -	\$ -	Improving Quality and Coordination of Care
Equipment Replacement	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>-</u>	<u>-</u>	
Forbes Hospital	\$ 16.7	\$ 10.8	\$ 11.9	\$ 1.1	\$ 5.9	Improving Quality and Coordination of Care
ICU Renovations	0.3	0.3	0.3	-	-	Improving Facility Sustainability and Patient Satisfaction
General Hospital Renovations	0.3	0.3	0.3	-	-	Improving Quality and Coordination of Care
Equipment Replacement	<u>17.3</u>	<u>11.4</u>	<u>12.5</u>	<u>1.1</u>	<u>5.9</u>	
Jefferson Hospital	\$ 1.4	\$ 1.1	\$ 1.1	\$ -	\$ 0.3	Improving Facility Sustainability and Patient Satisfaction
General Hospital Renovations	1.0	0.5	0.5	-	0.5	Improving Quality and Coordination of Care
Equipment Replacement	<u>2.4</u>	<u>1.6</u>	<u>1.6</u>	<u>-</u>	<u>0.8</u>	
Saint Vincent Hospital	\$ 5.3	\$ 2.1	\$ 2.2	\$ 0.1	\$ 3.2	Improving Quality and Coordination of Care
Nursing Unit Renovations	1.9	1.3	1.3	-	0.6	Improving Facility Sustainability and Patient Satisfaction
General Hospital Renovations	7.0	4.6	4.6	-	2.4	Improving Quality and Coordination of Care
Equipment Replacement	<u>14.2</u>	<u>8.0</u>	<u>8.1</u>	<u>0.1</u>	<u>6.2</u>	
West Penn Hospital	\$ 4.7	\$ 0.7	\$ 0.8	\$ 0.1	\$ 4.0	Improving Neonatal Care and Access to Care
NICU	3.9	3.9	3.9	-	-	Improving Women's Health
Unit Renovations	8.9	0.9	0.9	-	8.0	Improving Access and Quality of Care
General Hospital Renovations	1.3	1.3	1.3	-	-	Improving Quality and Coordination of Care
Equipment Replacement	<u>18.8</u>	<u>6.8</u>	<u>6.9</u>	<u>0.1</u>	<u>12.0</u>	
Allegheny Health Network/IT	\$ 10.1	\$ 8.6	\$ 8.9	\$ 0.3	\$ 1.5	Improving Facility Sustainability and Patient Satisfaction
Renovations	9.3	9.3	9.3	-	-	Improving Access to Care
Strategic Acquisitions	23.7	7.1	8.2	1.1	16.6	Improving Quality and Coordination of Care
Equipment Replacement	<u>43.1</u>	<u>25.0</u>	<u>26.4</u>	<u>1.4</u>	<u>18.1</u>	
AHN Total	\$ 175.0	\$ 59.2	\$ 76.4	\$ 17.2	\$ 153.8	

* Scheduled Use may represent only a portion of total project spend.

ALLEGHENY HEALTH NETWORK

CERTIFICATION

This certification is furnished to confirm the following:

The funds expended as provided in the AHN Financial Commitment Expenditure Report (Expenditure Report) have been expended only for the Specific Scheduled Uses (as defined in the PID approval letter dated June 19, 2015) as provided in the Expenditure Report.

The foregoing certification is made and delivered this 29th day of January 2016.

ALLEGHENY HEALTH NETWORK

By

Jeffrey F. Grubisic
Chief Financial Officer

