

Jack M. Stover
717 237 4837
jack.stover@bipc.com

409 North Second Street
Suite 500
Harrisburg, PA 17101-1357
T 717 237 4800
F 717 233 0852
www.bipc.com

May 1, 2017

VIA HAND DELIVERY

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

RECEIVED
Corporate & Financial Regulation

MAY 01 2017

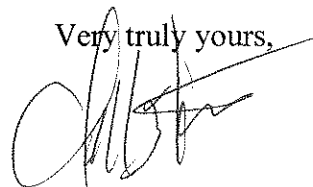
Pennsylvania
Insurance Department

Re: Order No. ID-RC-13-06
June 19, 2015 Approval Letter, Section III (C)(1)

Dear Mr. DiMemmo:

Pursuant to the above-captioned Order and Section III (C)(1) of the above-captioned Approval Letter, Highmark Inc. is filing with the Department the attached non-confidential AHN Financial Commitment Expenditure Report as of March 31, 2017.

Very truly yours,



Jack M. Stover

JMS/gmt
Enclosure

cc: Lawrence J. Beaser, Esquire (via email: Beaser@BlankRome.com)
Patrick T. DeLacey (via email: pat.delacey@raymondjames.com)

Allegheny Health Network

Summary of Financial Commitment Expenditure Report

March 31, 2017

	REVISED SCHEDULED USE PROJECT TOTAL *	FUNDS EXPENDED	TOTAL REIMBURSED	AMOUNTS NOT YET REIMBURSED	AMOUNTS NOT YET EXPENDED	BENEFIT CATEGORY
(\$ in millions)						
Allegheny General Hospital						
Nursing Unit Renovations	\$ 15.7	\$ 15.7	\$ 15.7	\$ -	\$ -	Improving Quality and Coordination of Care
Lab/Radiology Renovations	3.3	3.3	3.3	-	-	Improving Quality and Coordination of Care
General Hospital Renovations	25.7	25.7	25.7	-	-	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	9.1	9.1	9.1	-	-	Improving Quality and Coordination of Care
	\$ 53.8	\$ 53.8	\$ 53.8	\$ -	\$ -	
Allegheny Clinic						
General Office Renovations	\$ 4.5	\$ 4.5	\$ 4.5	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	0.2	0.2	0.2	-	-	Improving Quality and Coordination of Care
	\$ 4.7	\$ 4.7	\$ 4.7	\$ -	\$ -	
Allegheny Valley Hospital						
General Hospital Renovations	\$ 0.1	\$ 0.1	\$ 0.1	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	1.1	1.1	1.1	-	-	Improving Quality and Coordination of Care
	\$ 1.2	\$ 1.2	\$ 1.2	\$ -	\$ -	
Canonsburg Hospital						
General Hospital Renovations	\$ 1.7	\$ 1.7	\$ 1.7	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	1.1	1.1	1.1	-	-	Improving Quality and Coordination of Care
	\$ 2.8	\$ 2.8	\$ 2.8	\$ -	\$ -	
Forbes Hospital						
ICU Renovations	\$ 13.6	\$ 13.6	\$ 13.6	\$ -	\$ -	Improving Quality and Coordination of Care
General Hospital Renovations	8.4	8.4	8.4	-	-	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	1.9	1.9	1.9	-	-	Improving Quality and Coordination of Care
	\$ 23.9	\$ 23.9	\$ 23.9	\$ -	\$ -	
Jefferson Hospital						
General Hospital Renovations	\$ 4.3	\$ 4.3	\$ 4.3	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	2.1	2.1	2.1	-	-	Improving Quality and Coordination of Care
	\$ 6.4	\$ 6.4	\$ 6.4	\$ -	\$ -	
Saint Vincent Hospital						
Nursing Unit Renovations	\$ 3.1	\$ 3.1	\$ 3.1	\$ -	\$ -	Improving Quality and Coordination of Care
General Hospital Renovations	11.0	11.0	11.0	-	-	Improving Facility Sustainability and Patient Satisfaction
Equipment Replacement and Leases	12.2	12.2	12.2	-	-	Improving Quality and Coordination of Care
	\$ 26.3	\$ 26.3	\$ 26.3	\$ -	\$ -	
West Penn Hospital						
NICU	\$ 1.5	\$ 1.5	\$ 1.5	\$ -	\$ -	Improving Neonatal Care and Access to Care
Unit Renovations	3.9	3.9	3.9	-	-	Improving Women's Health
General Hospital Renovations	1.8	1.8	1.8	-	-	Improving Access and Quality of Care
Equipment Replacement and Leases	5.7	5.7	5.7	-	-	Improving Quality and Coordination of Care
	\$ 12.9	\$ 12.9	\$ 12.9	\$ -	\$ -	
Allegheny Health Network/IT						
Renovations	\$ 12.2	\$ 12.2	\$ 12.2	\$ -	\$ -	Improving Facility Sustainability and Patient Satisfaction
Strategic Acquisitions	9.3	9.3	9.3	-	-	Improving Access to Care
Equipment Replacement and Leases	21.5	21.5	21.5	-	-	Improving Quality and Coordination of Care
	\$ 43.0	\$ 43.0	\$ 43.0	\$ -	\$ -	
AHN Total	\$ 175.0	\$ 175.0	\$ 175.0	\$ -	\$ -	

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

ALLEGHENY HEALTH NETWORK

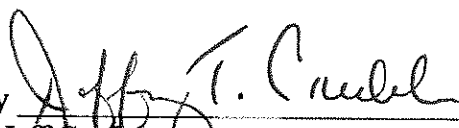
CERTIFICATION

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 1st day of May 2017.

ALLEGHENY HEALTH NETWORK

By 

Jeff Crudele
Chief Financial Officer