



March 30, 2015

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 Health Group, Inc. – 2015-2016 Community Health Reinvestment Activities

Dear Deputy Commissioner Johnson:

Enclosed please find the proposal for Community Health Reinvestment (CHR) Activities for the period of July 1, 2015 through June 30, 2016 submitted on behalf of Independence Health Group, Inc. and the other reporting affiliates (collectively, "Independence"), as specified in paragraph 1.C. of the Pennsylvania Insurance Department's Order of June 9, 2014 approving the application of Independence Blue Cross to restructure its holding company system, and in accordance with Act 62 of 2008.

Although the submission contains projections for the Commonwealth's 2015-16 fiscal year, Independence operates on a calendar year basis, and thus, actual expenditures and timing of payments may vary. The proposed amounts do not include, but do take into consideration, approximately \$138 million in additional federal taxes Independence anticipates paying under the Affordable Care Act in the period covered by the proposal. Additional changes to state or federal laws and/or regulations implementing those laws may also impact actual expenditures.

Independence 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

**PLAN PROPOSAL FOR
COMMUNITY HEALTH REINVESTMENT (CHR) ACTIVITIES**

Proposal for Year 2015-2016

FEIN: 4 7 [redacted] 1 2 3 3 1 9 8

NAIC: [] 0 9 3 6 []

I. HOSPITAL PLAN CORPORATION OR PROFESSIONAL HEALTH SERVICE PLAN CORPORATION NAME AND ADDRESS:¹

Independence Health Group
1901 Market Street
Philadelphia, PA 19103

II. PLANNED EXPENDITURES:²

	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 CHIP	\$4,500,000
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. HealthShare Exchange of Southeastern Pennsylvania, Inc.	\$1,340,000
b. YMCA of Philadelphia & Vicinity - Healthy Living Programs	\$500,000
c. Health Care Improvement Foundation	\$435,000
d. The Broad Street Run (benefitting the American Cancer Society)	\$125,000
e. American Cancer Society	\$100,000
f. University of Pennsylvania Master Clinician Program	\$100,000
4. Proposed other annual CHR activities (list and describe proposed endeavors below):	
a. Donations to Health Related charitable organizations in Southeastern Pennsylvania	\$2,750,000
b. Independence Blue Cross Foundation³	\$6,600,000
TOTALS	\$16,450,000

¹ This proposal is submitted on behalf of Independence Health Group, Inc. and the other reporting affiliates (collectively, "Independence"), as specified in paragraph 1.C. of the Pennsylvania Insurance Department's Order of June 9, 2014 approving the application of Independence Blue Cross to restructure its holding company system, and in accordance with Act 62 of 2008.

² The amounts listed are projected expenditures only. Changes to state or federal laws and/or regulations implementing those laws, as well as general economic conditions could impact actual expenditures. The amounts proposed do not include, but do take into account, an additional \$138,000,000 in federal taxes that Independence anticipates paying under the Affordable Care Act in the period covered by the proposal.

³ 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.