

August 7, 2000

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

Dr. Mr. Volavka,

Thank you for the opportunity to preview the preliminary copy of the Managed Care Performance Report for HealthAmerica Pennsylvania, Inc. We have reviewed and verified the 1998-reporting year HEDIS measures and CAHPS Survey results and find them to be accurate. We have also verified the Financial Information and Provider Network Information by comparing the results to the Pennsylvania Department of Health *Annual Report* and the Pennsylvania Insurance Department annual Statement, which you identified as your source for this information.

We were unable to independently verify the Hospitalization Outcome Data due to the methodologies being used. In the future, HealthAmerica would respectfully suggest the use of HEDIS data, which is already audited and publicly reported information.

While we realize that your data is for the fiscal year as compared to a calendar year used by HEDIS, it would seem appropriate to use the HEDIS data and remain consistent in your performance reporting, since you use HEDIS data for the other outcome measures such as Cervical Cancer Screening, Beta Blocker usage, etc..

Thank you for inviting HealthAmerica to participate in this project. We look forward to receiving the final report later this month.

Sincerely,



Paul M. Vaughan, M.D., MPH,
Vice President, Medical Affairs – Western Region

cc: Fran Soistman
Elaina Wickas