



Report to the Community 2010-11

*Taking Health Care
to the Community*

KEYSTONE MERCY
HEALTH PLAN

Educate | Advocate | Empower



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Greetings!

We are delighted to present Keystone Mercy Health Plan's 2010 Report to the Community. This report provides highlights of our services, programs, and accomplishments over the past year, and details the many ways in which Keystone Mercy works to improve health care quality while making a positive impact on the overall well-being of our Medicaid members.

At Keystone Mercy, we are driven by our mission: to help people get care, stay well, and build healthy communities. We have a special concern for those who are poor. This mission is at the heart of our work, and drives us to go beyond what is expected of a health care company – to truly touch our members personally and to make a difference in their communities.

This report details the following aspects of our work for our members and communities:

- Our efforts to **help members lead healthier lives** through care management and preventive programs,
- Our **community health engagement programs** that educate and empower our members to take charge of their health,
- Our efforts to go **beyond quality health care** to help strengthen our communities,
- And the ways we seek to **empower our communities** by supporting the development of local professionals and businesses.

Keystone Mercy owes much of its success in carrying out its mission to our collaborations with our many partners: health care providers, community organizations and advocates, corporate partner companies, and local and state legislators. Working together with our partners, we make a greater impact than we could alone, and we thank them for their support.

Also, as a member of the AmeriHealth Mercy Family of Companies, we benefit from the resources and experience of a national organization of health plans and companies dedicated to leading America in health care solutions for the underserved. We are grateful to our partner owners and our board for their continued commitment to our business.

Keystone Mercy will continue to provide innovative solutions that improve health outcomes for our members while controlling costs and saving tax dollars for the Commonwealth of Pennsylvania. Thank you for your interest in Keystone Mercy Health Plan, and we hope you enjoy this Report.

Jay S. Feldstein, DO

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Our Mission

- We help people:
- Get care
 - Stay well
 - Build healthy communities

We have a special concern for those who are poor.

Our Values

- Advocacy
- Care of the Poor
- Compassion
- Competence
- Dignity
- Diversity
- Hospitality
- Stewardship



Company Overview

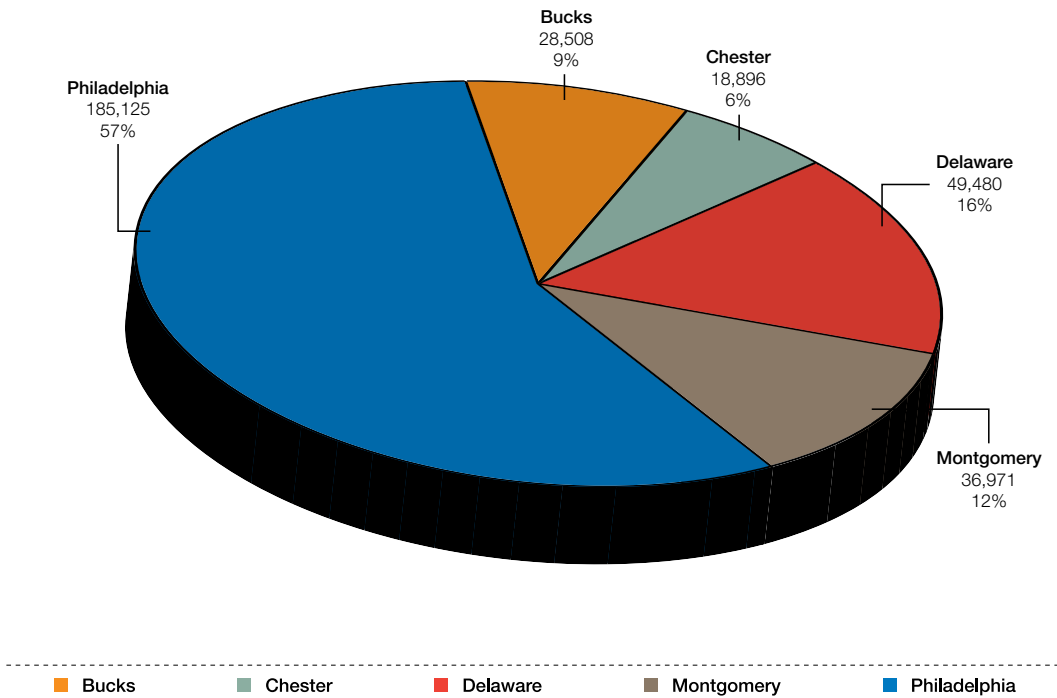
WHO WE ARE

Keystone Mercy Health Plan is a Medical Assistance (Medicaid) managed care health plan serving more than 309,000 Medical Assistance recipients in southeastern Pennsylvania. Headquartered in Philadelphia, Keystone Mercy Health Plan is a mission-driven company dedicated to helping members get care, stay well, and build healthy communities.

Keystone Mercy is a member of the AmeriHealth Mercy Family of Companies, a national organization dedicated to providing quality health care services to low income populations covered by publicly insured programs. Its corporate parent partners are Mercy Health System and Keystone First.

WHO WE SERVE

Keystone Mercy Health Plan serves Medicaid members in Bucks, Chester, Delaware, and Philadelphia counties. The graph on this page shows the distribution of our membership. The majority of our members are children under the age of 20, representing 65 percent, and 56 percent of our membership is female.





Helping Members Lead Healthier Lives

Keystone Mercy Health Plan is committed to helping our members get the care they need to stay well and live healthier lives. Through our holistic care management model, and related efforts to enhance care quality, we work with our members to improve and maintain their health.

CARE MANAGEMENT APPROACH

Our care management program focuses on members with multiple chronic illnesses. It incorporates the best practices in intensive case management, disease management, behavioral health coordination and care coordination for high-risk, high-cost patients through 24/7 nursing support, telephonic outreach, rapid response and individualized care management.

This blended model provides a holistic, member-centered approach that addresses the member's environmental and psychosocial needs along with their chronic disease states. This model fosters maximized care for patients and lowers utilization costs.

Keystone Mercy's care management program actively engages 5,800 high-risk members who are assisted by 70 care managers.

In 2009, Keystone Mercy launched a Care Coordination program in partnership with Mercy Health System. The goal of the program is to improve the quality of health care delivered to individuals served by both organizations by optimizing the efficiency of the integrated delivery system. A Keystone Mercy care management nurse works onsite at Mercy Fitzgerald Hospital Ambulatory Care Center to ensure seamless care coordination and follow-up for our members.

Our high-risk pregnant members receive specialized care management from our WeeCare prenatal care program. WeeCare care managers act as advocates and coaches for pregnant members throughout the pregnancy and into the postpartum period, coordinating both medical care and social services for women with high-risk pregnancies. Keystone Mercy members deliver an average of 12,000 babies per year, and 50 percent of these pregnancies are considered high risk. The WeeCare program is designed to improve birth outcomes and reduce the incidence of pregnancy-related complications through early prenatal education and intervention.

Elena
Mother of 5 year old twins

"My Keystone Mercy care manager has helped with all aspects of care for my 5 year old son with special needs, including monitoring all scheduled surgeries and arranging specialty appointments. My care manager has gone above and beyond in many ways to help us, and Keystone Mercy's pharmacy department is #1. In fact, I believe they saved my son's life."



HEALTHY KIDS PROGRAM

In 2009, Keystone Mercy launched an outreach team to educate and encourage parents to take advantage of the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services available to children on the plan. The objective is to ensure children receive important health services that can prevent impairments to their growth and development – before they occur. This includes age-appropriate, periodic well visits for all children, including adolescents and young adults up to age 21.

The team uses telephonic outreach to contact parents or guardians to advise them on the services their children need at their current age, schedule doctor appointments, and arrange for transportation. The table below highlights the early success of the team, showing significant improvements in the percentage of members receiving their EPSDT services from the second quarter through the balance of 2009.

EPSDT Measure	Q1	Q2	Q3	Q4
Well child visits in the first 15 months of life	16.42%	34.96%	43.76%	49.92%
Well child visits in the 3rd, 4th, 5th and 6th year	15.02%	34.77%	49.37%	67.48%
Adolescent well care visits	8.90%	22.24%	33.81%	47.40%
Child and adolescent access to health care services	61.01%	76.42%	81.81%	87.28%
Annual dental visits	13.98%	29.16%	38.61%	38.84%
Childhood immunization status	29.31%	35.93%	38.04%	39.46%
Lead screening for children	58.70%	62.11%	62.86%	63.41%

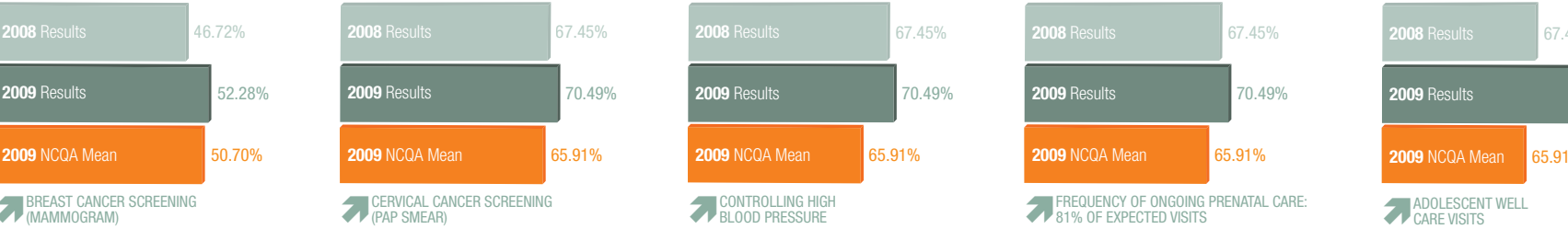
INNOVATIVE TECHNOLOGY

In 2009, Keystone Mercy introduced a new Web-based tool that identifies “gaps in care” data, which is information about important preventive services or tests that a member may be missing, ranging from mammograms to asthma medication check-ups. Keystone Mercy is currently tracking more than 35 health screenings with this new system.

The service helps get important information to the people who need it, when they need it. Every time a network provider checks patient eligibility online through our secure portal, he or she is automatically alerted if there are gaps in care, such as an overdue A1c screening or an adolescent well visit, which can then be discussed with the member or their parent or guardian at the next appointment. Likewise, when a member calls Member Services or a care manager, the representative automatically sees what important services the member is missing and can help them schedule the needed appointment.

Keystone Mercy is one of the first Medicaid managed care organizations in the nation to electronically deliver these alerts to its providers. This new tool has helped the plan improve in 11 out of 12 HEDIS measures targeted by the Commonwealth of Pennsylvania. HEDIS is a group of preventive care guidelines set and reported by the National Committee for Quality Assurance (NCQA).

The charts on this page provide a snapshot of our success in improving health outcomes for our members, and demonstrate how Keystone Mercy scores in comparison to the national Medicaid mean for HEDIS measurements.



“The Care Coordination program has enabled us to work collaboratively with the physician to really understand the patient’s issues and the plan of care, and to begin to work with the member to support their care. By establishing this personal connection with the member, we can identify the gaps in their care. Sometimes we find that people have a lot of social issues that act as a barrier to care and we help to address those needs by connecting them to resources that can help support them.”

Lynne
Lynne Major, MSW, LCSW, CCM
Keystone Mercy Care Manager





Community Health Engagement Programs

In our efforts to increase access to care for our members, Keystone Mercy takes health care and education into members' communities, making health care convenient and comfortable for them, and increasing their engagement in their own health and wellness.

LOSE TO WIN PROGRAM

In 2009, Keystone Mercy kicked off the Lose to Win program, a 12-week program that helps members with type-2 diabetes learn the importance of regular exercise, eating a balanced diet and living a healthy lifestyle. The program was presented in partnership with five local branches of the YMCA of Philadelphia & Vicinity, where members participated in fitness programs, personalized wellness coaching, nutrition workshops and cooking demonstrations.

At the end of the 12-week program, an awards ceremony celebrated the success of the 115 members who completed the program, and each received a year-long membership to the YMCA to encourage them to keep up the good habits they developed during the program.

COMMUNITY HEALTH SCREENING EVENTS

Throughout the year, Keystone Mercy participates in over 100 community health events and neighborhood festivals where we provide a range of health screenings to the general public and our members, as well as distribute health education materials.

All of the information we collect in the community is entered into the same system used by our Member Services personnel and care managers, ensuring that the care our members receive is fully coordinated and documented across all touch points. In many instances, members who are screened in the community are referred for further follow-up with their doctor or for participation in our care or disease management programs.

COMMUNITY BABY SHOWERS

As part of our effort to educate our pregnant members about the importance of regular prenatal care, Keystone Mercy hosts baby shower events in underserved communities. These events encourage our high risk pregnant members to get connected to care managers from our WeeCare program, OB providers in their area, and community organizations that provide support and resources. Participants receive dental screenings (a vital part of prenatal care) and information on a wide range of topics such as the importance of early and consistent prenatal care, proper nutrition, and recognizing the signs of perinatal depression and pre-term labor, all in a fun and relaxed atmosphere.

Dale

Lose to Win Program participant who lost 28 pounds during the 12 week program

"I was diagnosed with type 2 diabetes in 2003. When Keystone Mercy contacted me about the Lose to Win program, I was really in need of help with managing my diabetes and I knew this program was ideal for me. My favorite part of the program was the nutrition classes because I learned so much about the right foods to eat. At my last appointment, my doctor lowered my doses of my diabetes and blood pressure medicines. If every community had a program like this, we could reverse a lot of health conditions that are draining our system."



THE GIFT FOR LIFE PROGRAM

Keystone Mercy's Gift for Life program aims to increase the number of female members receiving routine mammograms. Our partnership with Fox Chase Cancer Center and Lackawanna mobile mammography vans enables us to deliver the screenings to members at convenient neighborhood locations, like grocery stores. The program targets women who have never had a mammogram or who have not been tested in over two years.

Keystone Mercy's community outreach team increases participation through phone calls – providing encouragement and counseling to members, scheduling appointments, and offering gift card incentives for completed screenings. In 2009, more than 1,190 women received mammograms through the program.

THE HEALTH MINISTRY PROGRAM

The Health Ministry Program was created to provide health and wellness information in a faith-based environment – including churches, synagogues and mosques – thus providing minority women with a safe, supportive setting in which to learn about their health and receive needed health screenings.

The 40 Day Journey is a component of the Health Ministry program that engages women in a six-week educational series emphasizing nutrition, exercise, medication compliance and water intake. The 40 Day Journey was recognized by NCQA with its Innovations in Multicultural Healthcare award in 2008, and by America's Health Insurance Plans (AHIP) with its Community Leadership Award in 2009.

In 2009, more than 1,000 women received life-saving health screenings (including mammograms and blood pressure, glucose, and cholesterol screenings) through the Health Ministry program.

THE HEALTHY HOOPS PROGRAM

Healthy Hoops® is an innovative health education program that uses basketball to help children with asthma and their families learn about the disease and how to manage it through appropriate nutrition, medication use, and monitored exercise. The program has been shown to decrease emergency room visits and hospital stays related to asthma, and Healthy Hoops families also report increased use of controller medications with subsequent decreased use of rescue medications, decreased nocturnal awakenings, and improvement in asthma control test results and overall quality of life.

In 2009, the Healthy Hoops program partnered with the Charlie Mack Celebrity Basketball Game. Over 650 children with asthma and their family members attended the event. The children received full asthma screenings, and then were given a chance to visit with celebrities and attend the basketball game with their families.

"Breast cancer runs in my family and I was 10 years overdue for a mammogram because I was petrified of getting bad results. When I received a call from someone at Keystone Mercy, she convinced me that today was going to be the day. Having mammograms available in the community is the best thing Keystone Mercy has ever done....Keystone Mercy probably saved my life today."

Miriam

Keystone Mercy member who received a mammogram through the Gift for Life program

Beyond Quality Health Care



At Keystone Mercy Health Plan, our mission is to help people get care, stay well, and build healthy communities. This mission is the foundation of all that we do, and is what makes us different from many other health care companies. The Keystone Mercy team puts our mission into action in many ways that go beyond health care to help our members and their communities.

MISSION PARTNERSHIP

Mission Partnership is an employee-funded giving program that serves our members' needs beyond traditional health care services. Started in 1988, the program brings employees together each year and gives them a chance to become personally involved in helping our members. Last year, employees raised more than \$210,000 to fund the Member Scholarship and Gifts of Mercy programs.

The Member Scholarship program recognizes Keystone Mercy members who have committed themselves to continuing their education beyond high school. The program provides financial assistance to members of all ages, both recent high school graduates and non-traditional students, to help them pay for their education from an accredited college or trade school. Over the past 22 years, the Member Scholarship Program has awarded over 600 scholarships to members, totaling nearly \$2 million.

The Gifts of Mercy program provides holiday gifts for members' families who are in extreme need. Each year, teams of employees use the funds raised to shop for gifts for identified families, which are then wrapped and delivered to our members' homes. Over the past 17 years, our employees have shared the season's joy with over 600 families.

SAFE PLAYGROUND PROGRAM

In keeping with Keystone Mercy Health Plan's mission to build healthier communities, the Safe Playground program provides new playgrounds to schools identified as lacking safe play areas. The Keystone Mercy team plans the build project with a contractor and organizes the building team. In one day, Keystone Mercy's leadership team and associates – along with community members, school leadership, and corporate sponsors – build the playground structures from the ground up.

Besides preventing injuries, safe play areas help address the issue of childhood obesity. Play has also been shown to have other powerful benefits for children, including increasing academic performance, reducing youth violence, and enhancing social development.

Since 2007, Keystone Mercy has built seven new playgrounds at elementary schools in Philadelphia, Delaware and Montgomery counties, contributing to the safety and healthy development of more than 3,400 children.

Sharon Neilson
Director,
Woodland Academy Day Care Center

"We were delighted when Keystone Mercy called to say they wanted to partner with us to build a new playground for our children. It's like a dream come true. It makes such a big difference to our neighborhood because there aren't many safe places to play and this new playground totally transforms this area. We look at this playground as another learning opportunity for our children to explore, to improve their motor skills and to increase their socialization skills."



REBUILDING TOGETHER PHILADELPHIA

Keystone Mercy Health Plan has been a partner to Rebuilding Together Philadelphia for more than ten years. Rebuilding Together is a volunteer organization that makes essential repairs for low-income homeowners in the city's most fragile neighborhoods.

In 2009, the Keystone Mercy team, consisting of associates and family members, worked for four weekends on a twin home in the Germantown section of Philadelphia that required clean-up and small renovations to provide a warm, safe, and dry environment for the residents.

Additionally, our associates sponsored one of two Rebuilding Together Philadelphia Dragon Boats in the International Dragon Boat Festival, held on the Schuylkill River in October. The Rebuilding I and Rebuilding II paddlers raised more than \$15,000 for the organization.

SUPPORT SAVES NEIGHBORHOOD POOL

In the summer of 2009, Keystone Mercy Health Plan proudly supported Mayor Michael Nutter's "Splash and Summer FUNd" to keep Philadelphia city pools open to the public. Keystone Mercy's participation helped to keep the Christy Recreation Center and Swimming Pool in West Philadelphia open, providing children with safe and healthy summer fun. In partnership with Mercy Philadelphia Hospital and Independence Blue Cross, Keystone Mercy also presented "family fun nights" at the pool throughout the summer, which included health education and health screenings for the public.



Community Empowerment



Keystone Mercy supports the economic development of our communities through two key initiatives: creating jobs for transitional employment, and providing contract opportunities to local businesses.

JOB CREATION PROGRAM

Through several key partnerships, Keystone Mercy Health Plan provides transitional work opportunities to Medicaid members. We work with the Philadelphia Transitional Work Corporation (TWC), the Philadelphia County Assistance offices, People's Emergency Center (PEC) and other programs that provide paid work experience to individuals who receive Medical Assistance.

This transitional work program provides much more than a temporary job to the participants. Keystone Mercy provides the men and women in the program with extensive training that helps them develop transferable skills that will benefit them for future employment. Since this program began in 2008, Keystone Mercy has recruited over 80 people to work in our Public Affairs, Community Outreach Solutions, Operations and Medical Affairs departments. Of that number, 54 have been hired into permanent, fulltime positions, and eight of these have since been promoted to other positions with increased responsibilities and pay.

SUPPLIER DIVERSITY PROGRAM

Keystone Mercy has a proactive Supplier Diversity program that seeks to provide minority (66%) and women (34%) owned suppliers with access to purchasing opportunities. The Purchasing department continuously works to expand this program by communicating monthly with the Minority Business Enterprise Center (MBEC) and the Minority Supplier Development Council (MSDC) to exchange ideas on enhancing the program. From January 2007 to December 2009, Keystone Mercy Health Plan has spent \$28.8 million through the supplier diversity program. By creating awareness about the importance of providing economic support to small businesses, an important part of the communities we serve, our Purchasing department continues to offer opportunities to a diverse group of vendors.

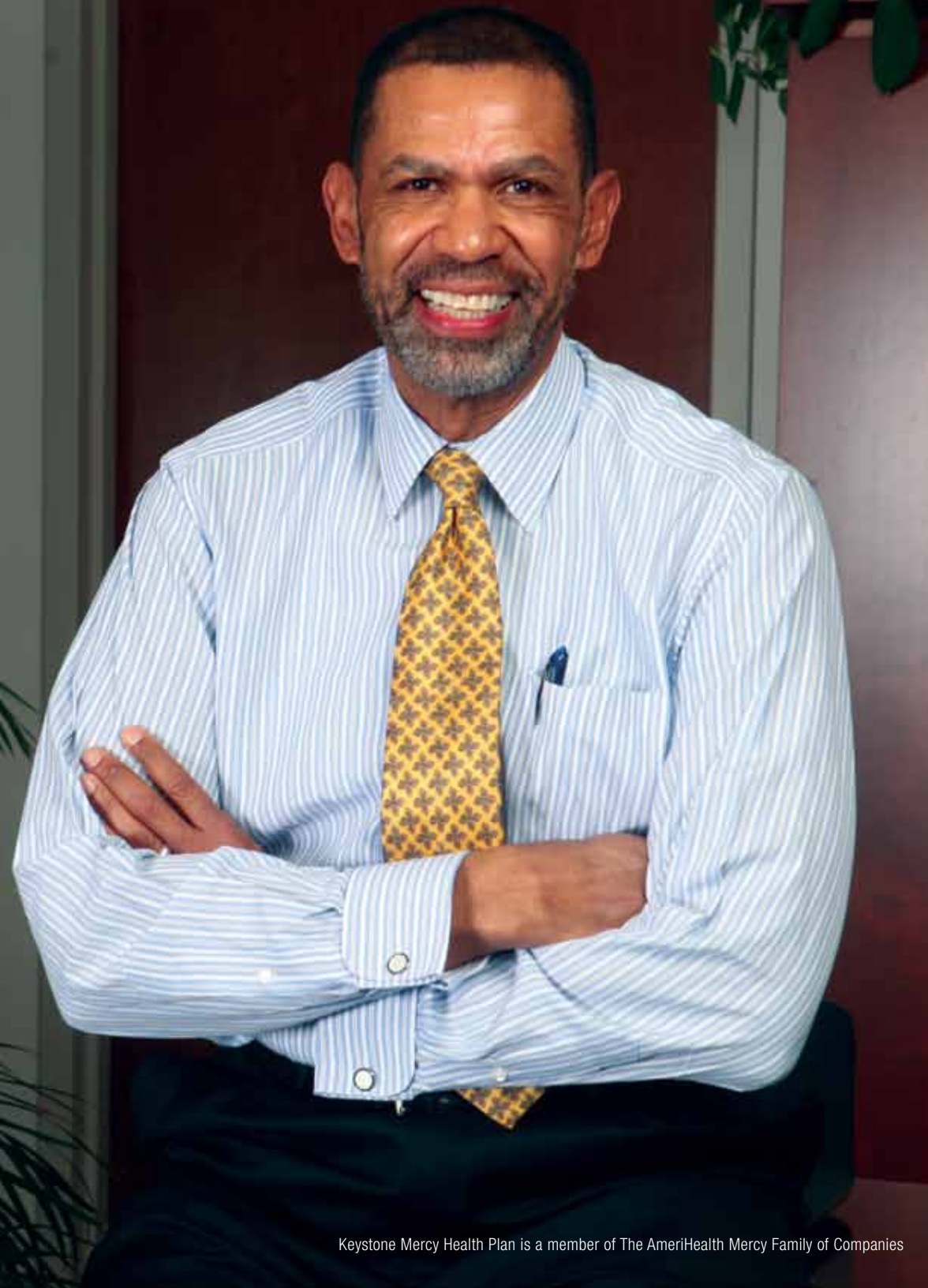
James Brown
CEO, Alpha Office Supplies

"Keystone Mercy is among an elite class of companies that exemplify the commitment to minority business inclusion. Supplier diversity has gone beyond what was simply an externally imposed 'requirement' to become a corporate core value. Our 17-year relationship with Keystone Mercy has given us credibility and helped us gain the opportunity to win other corporate accounts through referrals."



Michael A. Rashid

President and Chief Executive Officer,
The AmeriHealth Mercy Family of Companies



KEYSTONE MERCY HEALTH PLAN LEADERSHIP TEAM:

Jay S. Feldstein, DO

Corporate Chief Medical Officer and President, Pennsylvania Managed Care Plans

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Russell Gianforaro

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Keith Eckert

Associate Vice President, Corporate Communications

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