



2011 HEDIS/CAHPS Effectiveness of Care Report for 2010 Measures Oregon Commercial Business

About HEDIS

The Healthcare Effectiveness Data and Information Set (HEDIS^{®1}) is a widely used set of performance measures in the managed care industry, developed and maintained by the National Committee for Quality Assurance (NCQA). HEDIS is a tool used by more than 90 percent of America's health plans to measure performance on important dimensions of care and service. Because so many plans collect HEDIS data, and because the measures are so specifically defined, HEDIS makes it possible to compare the performance of health plans on an "apples-to-apples" basis. HEDIS includes the following domains:

Effectiveness of Care
Access/Availability of Care

Use of Services
Satisfaction with the Experience of Care

How PacificSource Participates in HEDIS

We enthusiastically support the need for transparency and benchmark data, and place high importance on providing high quality products and services to our members. HEDIS reporting is one of the many ways we measure how we're doing. In addition to HEDIS, we continually monitor our performance on more than 50 customer-facing operational processes. Our own performance metrics use a model similar to HEDIS to demonstrate our quality of care, fiscal responsibility, and customer service. Our customer satisfaction is consistently among the highest in our industry, as demonstrated by ongoing surveys of our employer clients, members, agents, and providers.

This is the second year we have participated in the NCQA national standardized reporting for our Oregon commercial business. Our measures were audited and submitted to NCQA Quality Compass^{®2} for publication and comparison against national health plans.

Our annual Consumer Assessment of Healthcare Providers and Systems (CAHPS^{®3}) survey results enable us to evaluate the quality of our service, as well as help us identify areas in which we can improve. Our HEDIS scores highlight clinical and utilization measures that we can use to improve preventive care and chronic disease management.

The HEDIS and CAHPS measures in this document were deemed reportable according to the NCQA HEDIS Compliance Audit^{™4} standards.

¹ HEDIS[®] is a registered trademark of the National Committee for Quality Assurance (NCQA). For more information, visit www.ncqa.org.

² Quality Compass[®] is a registered trademark of the National Committee for Quality Assurance (NCQA). The source for data contained in this publication is Quality Compass[®] 2011 and is used with the permission of the National Committee for Quality Assurance (NCQA). Quality Compass 2011 includes certain CAHPS data. Any data display, analysis, interpretation, or conclusion based on these data is solely that of the authors, and NCQA specifically disclaims responsibility for any such display, analysis, interpretation, or conclusion.

³ CAHPS[®] is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ). For more information, visit cahps.ahrq.gov.

⁴ HEDIS Compliance Audit[™] is a trademark of the National Committee for Quality Assurance (NCQA).

Selected PacificSource CAHPS Survey Rates

The Consumer Assessment of Healthcare Providers and Systems (CAHPS4.H) survey asks our adult members to rate their satisfaction with PacificSource and their experiences with their physicians and healthcare services during 2010. Included are questions that range from the speed of claims payment and courtesy of customer service representatives to how easy it is to get an appointment with a specialist and how well their doctor communicated with them.

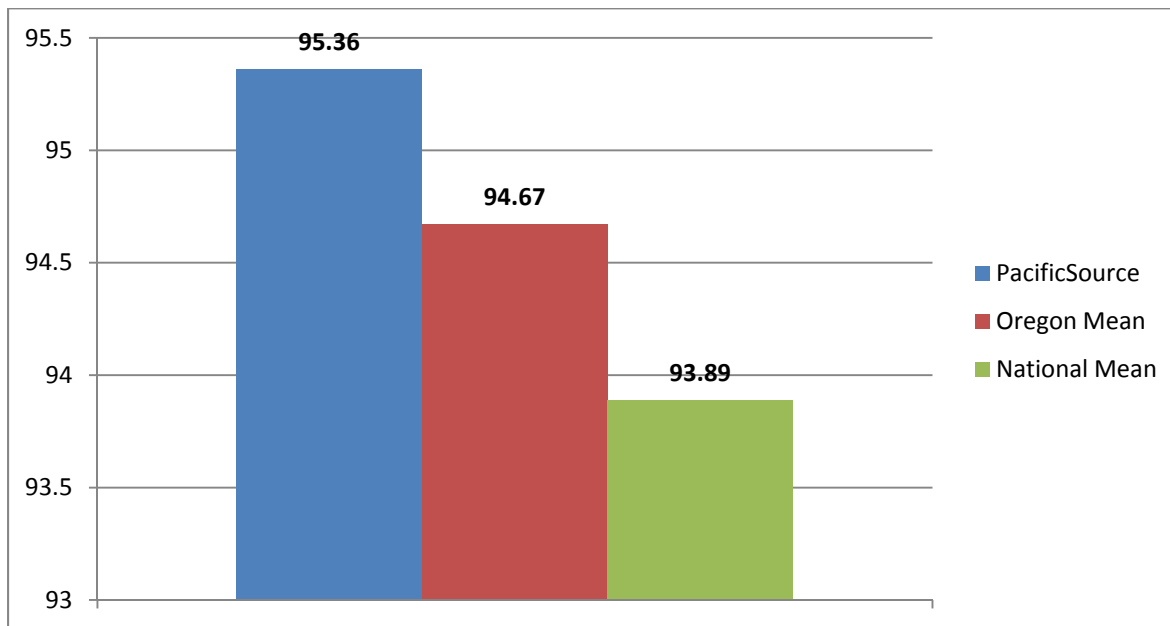
The CAHPS survey is an initiative of the United States Department of Health and Human Services Agency for Healthcare Research and Quality. An NCQA Certified survey vendor conducts our CAHPS survey, ensuring the survey is administered according to NCQA standards and maintaining the accuracy of our CAHPS ratings.

Below are some of our 2011 CAHPS survey composite ratings. Members who responded were age 18 years and older as of December 31, 2009, and selected through a random sampling. Our 2011 rates, published in the NCQA Quality Compass, are compared to two averages: the Oregon plan average, both Preferred Provider Organizations (PPO) and Health Maintenance Organizations (HMO) that submit data, and the NCQA PPO/HMO national average.

How Well Doctors Communicate Composite

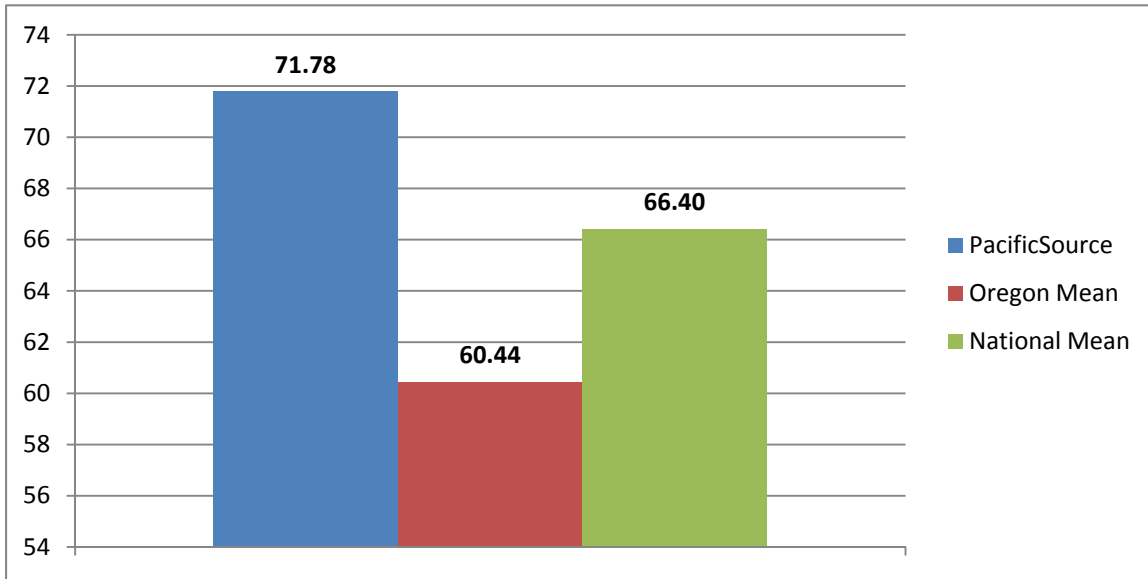
This measure evaluates the communication between doctor and patient. The score is the overall percentage of members who responded “Always” or “Usually” to the following questions:

- How often did your personal doctor explain things in a way that was easy to understand?
- How often did your personal doctor listen carefully to you?
- How often did your personal doctor show respect for what you had to say?
- How often did your personal doctor spend enough time with you?



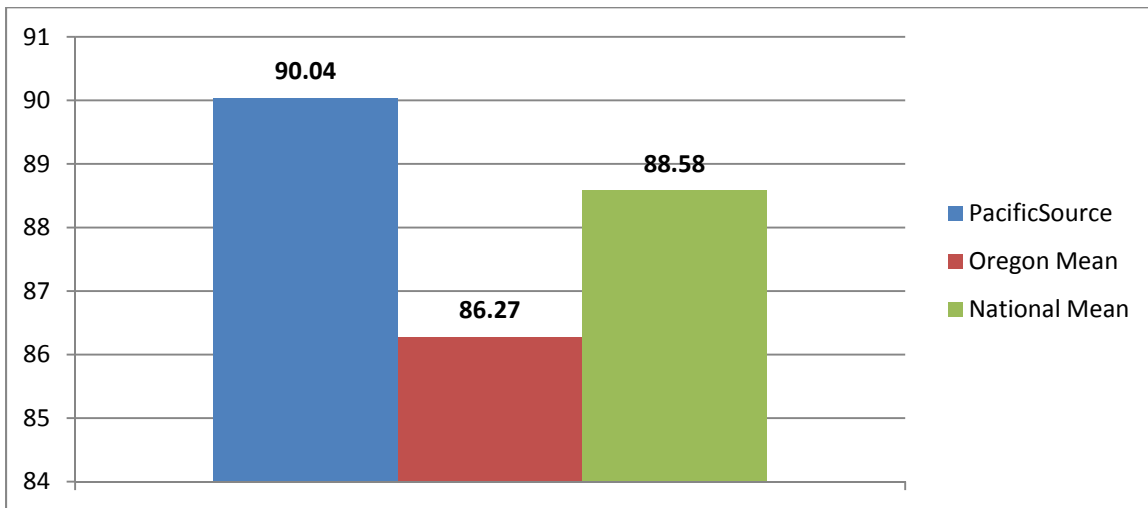
Plan Information on Costs Composite

This measure evaluates how well a plan informs its members about the cost of treatment. The composite score is derived from the percentage of members who responded “Always” or “Usually” to these two questions: “How often were you able to find out from your health plans how much you would have to pay for specific medicines?” and “How often were you able to find out from your health plan how much you would have to pay for a health care service or equipment?”



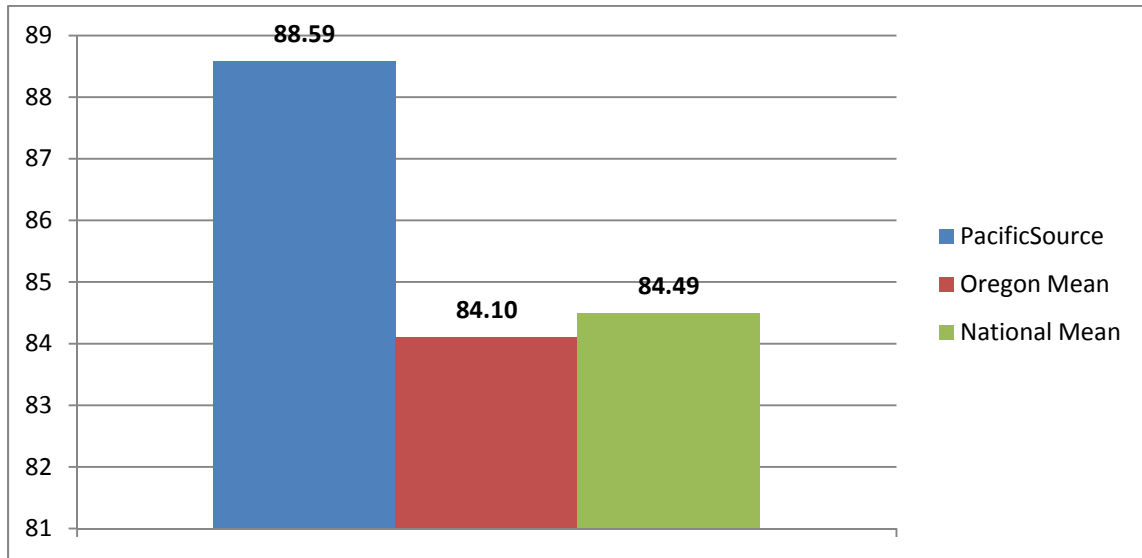
Claims Processing Composite

This measure reports on the ease with which members can access care they needed. The composite score is the overall percentage of members who responded “Always” or “Usually” to the following questions: “In the last 12 months, how often did your health plan handle your claims quickly?” and “In the last 12 months, how often did your health plan handle your claims correctly?”



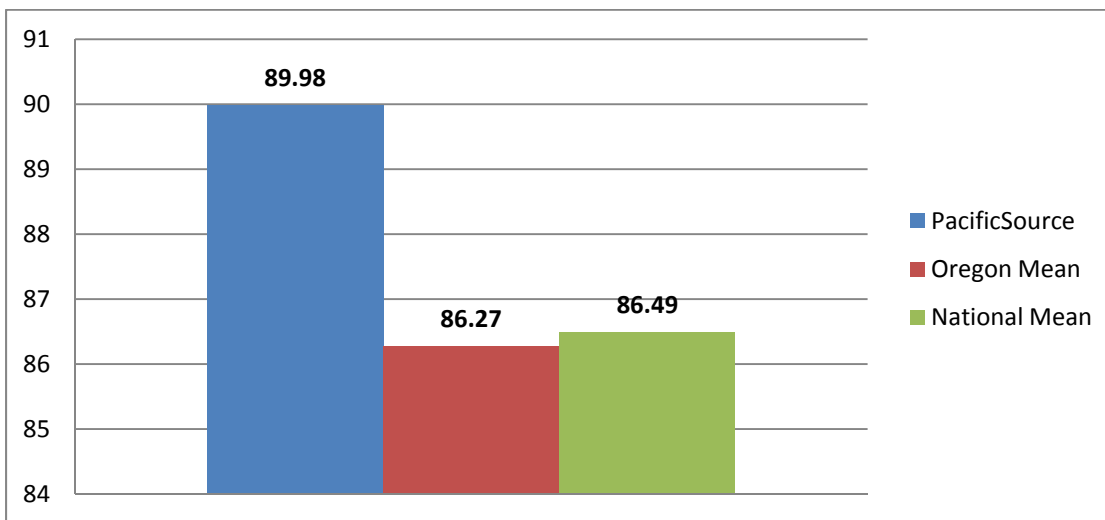
Customer Service Composite

This measure reports members' customer service experience when contacting the plan. The composite score is the percentage of members who responded "Always" or "Usually" to the following questions: "In the last 12 months, how often did your health plan's customer service give you the information or help you needed?" and "In the last 12 months, how often did your health plan's customer service staff treat you with courtesy and respect?"



Getting Care Quickly Composite

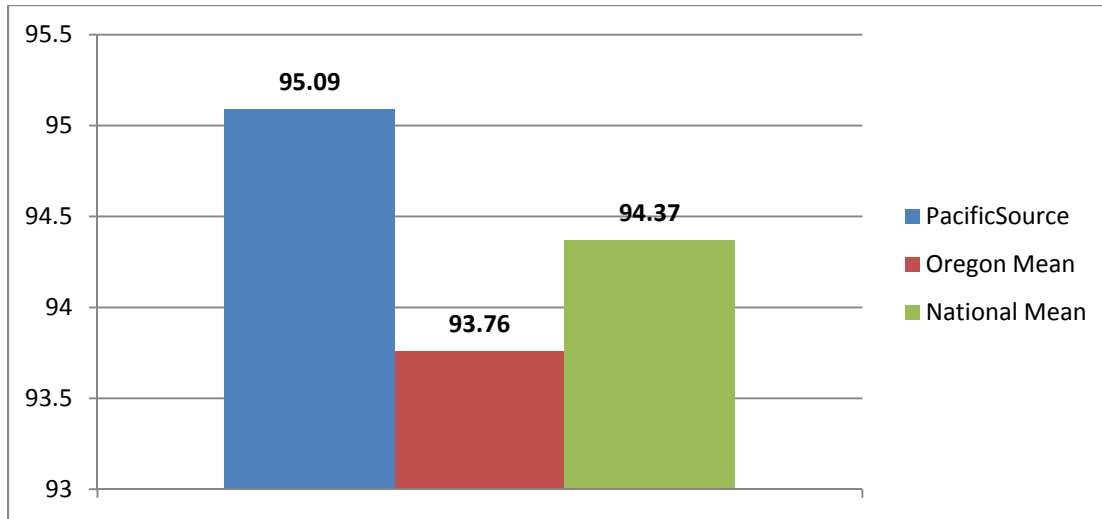
This measure reports on the ease with which members can access care quickly. The composite score is the overall percentage of members who responded "Always" or "Usually" to the following questions: "In the last 12 months, when you needed care right away, how often did you get care as soon as you thought you needed?" and "In the last 12 months, not counting the times you needed care right away, how often did you get an appointment for your health care at a doctor's office or clinic as soon as you thought you needed?"



Selected PacificSource HEDIS Measures

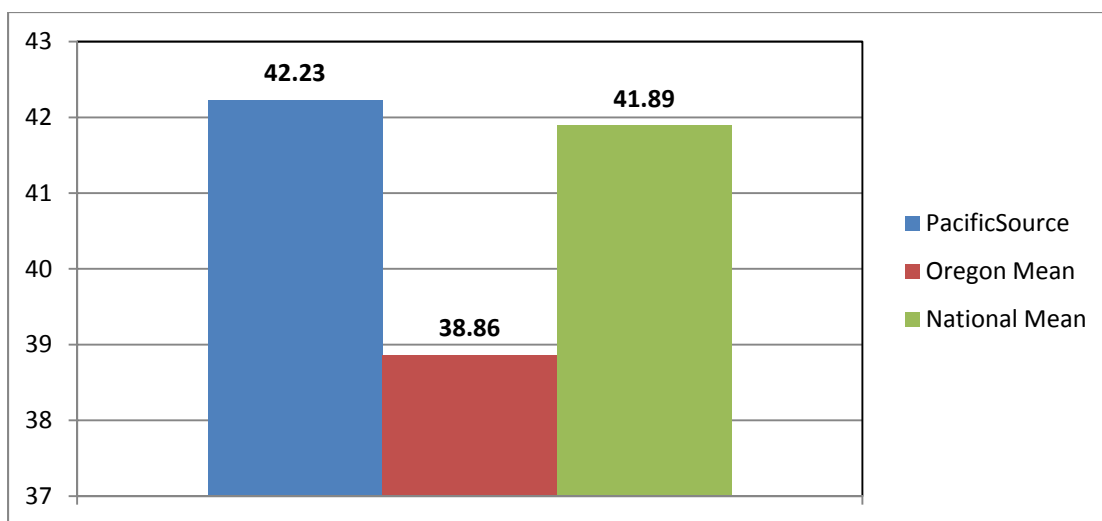
Adults' Access to Preventive/Ambulatory Health Services

This measure reports the percentage of members, age 20 or older, who had an ambulatory or preventive care visit in the last three years. This measure excludes acute inpatient encounters and emergency department (ED) visits.



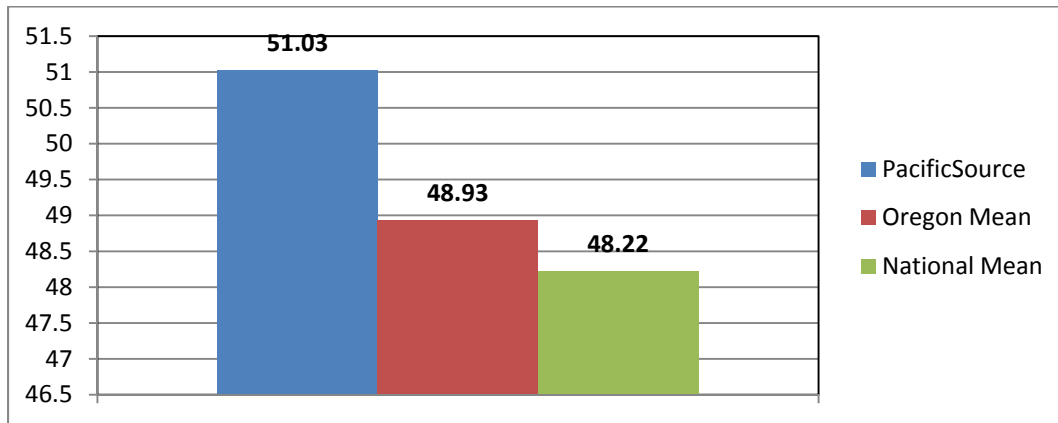
Initiation of Alcohol and Other Drug Dependence Treatment (Age 13+ years)

Research supports the need for those with alcohol or other drug dependence (AOD) to engage in ongoing treatment to prevent relapse. Those who complete treatment or receive more days of treatment typically show more improvement than those who leave care prematurely. This measure reports members, age 13 and older, who begin treatment after an inpatient admission, outpatient visit, intensive outpatient encounter or partial hospitalization within 14 days of the service.



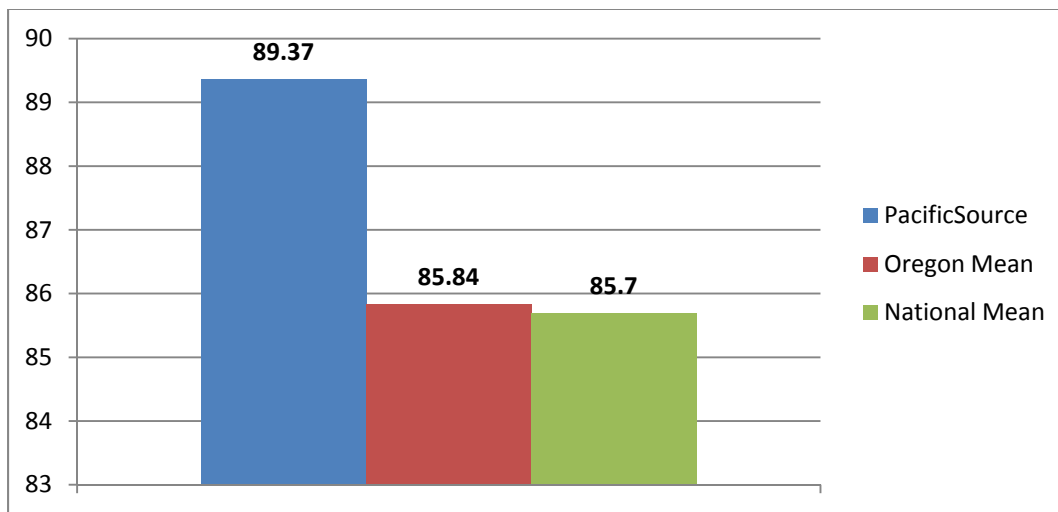
Antidepressant Medication Management – Effective Continuation Phase Treatment

Major depression and recurrent depression are among the most prevalent mental disorders, affecting about 10 percent of all adults each year. Patients who have moderate to severe cases of major depression are generally good candidates for treatment with antidepressant medication. For patients 18 years or older with new episodes of major depression, the measure assesses the percentage that remained on an antidepressant medication for the 180-day Continuation phase of treatment.



Cholesterol Management for Patients with Cardiovascular Conditions: LDL-C Screening

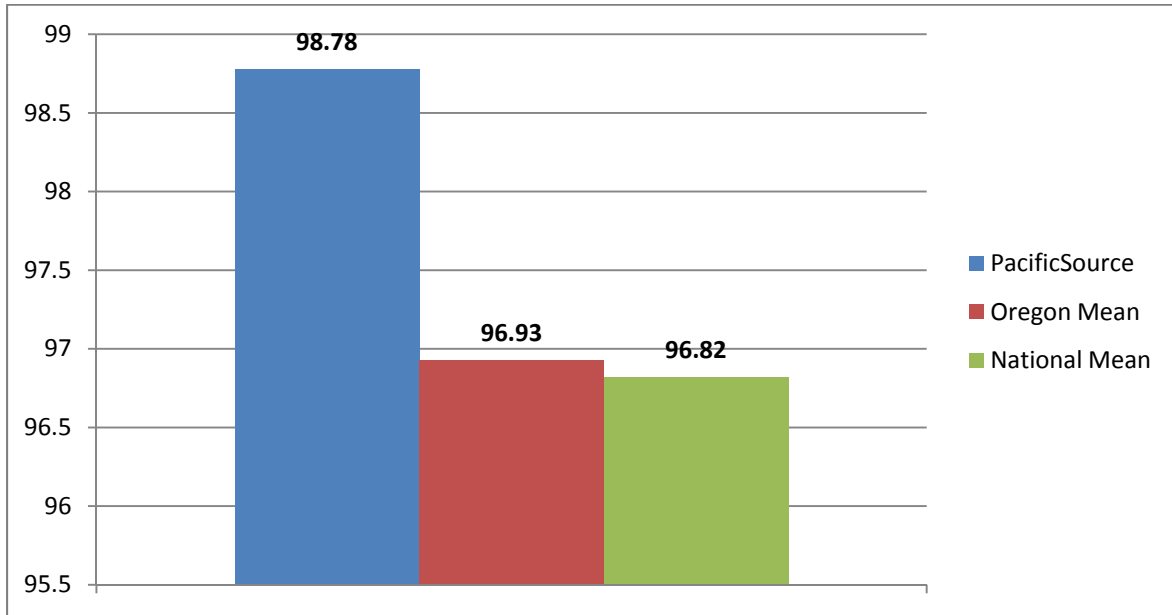
Approximately 15 million Americans suffer from coronary artery disease, the most common form of heart disease. Heart disease is America's number one killer – it claims more than 40 percent of the 2.4 million Americans who die each year. Total blood cholesterol is directly related to the development of coronary artery disease and coronary heart disease, with most of the risk associated with LDL cholesterol. This measure assesses the percentage of members 18-75 years of age who were discharged for acute myocardial infarction, coronary artery bypass graft or percutaneous coronary interventions, or who had a diagnosis of ischemic vascular disease. The measure is the percentage of those patients who had an LDL-screening. Monitoring and lowering LDL levels can help prevent heart attack and stroke.



Use of Appropriate Medications for People with Asthma

(Age 5–11)

This measure is the percentage of members 5–11 years of age with asthma who are prescribed appropriate medications. Asthma is the most common chronic childhood disease, affecting an estimated 7.7 million children and adolescents—and 15 million people overall—in the United States. Adults lose an estimated 3 million workdays and children lose an estimated 10 million school days annually because of asthma. Nearly 5,000 people die from asthma each year. Much of the death and morbidity associated with asthma is avoidable. Successful management of asthma can be achieved for most asthmatics if they take medications that provide long-term control.



Beyond HEDIS: Additional Quality Initiatives

We are committed to quality improvement that adds value to our members and communities. As such, we are deeply involved in the following initiatives, all of which we believe have a direct impact on the quality of care in our communities:

- In 2009, we started the PacificSource **Community Health Excellence** program. Through this program, we partner with physicians and hospitals to support innovative healthcare initiatives that will have a significant positive impact for all patients, improving the overall quality of care in the communities we serve.
- We are an active member and data contributor to the **Oregon Health Care Quality Corporation**, which focuses on many of the same quality metrics as HEDIS.
- We are a founding member and active participant in the **Oregon Health Leadership Council**, a group of Oregon physicians, hospitals, and health plans working collaboratively to slow the rise of healthcare costs.

We continually measure and evaluate our performance and look for opportunities to improve through innovative programs and process improvements. In everything we do, we strive to provide the highest level of quality and service to our customers.