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PBGH Health Care Program Yields Significant Cost Savings for Employers *As Plan Administrator, Aetna Provides Suite of Medical Management Programs*

PITTSBURGH (May 21, 2008) – Active health management, including wellness programs, is emerging as the most effective way for employers to manage their health care costs, according to initial results of the Pittsburgh Business Group on Health’s Health Care Program.

PBGH’s self-insured Health Care Program offers PBGH Employer Members a choice of health plan administrators, each of which has met the “Criteria of Excellence” established by PBGH Employer Members. The Criteria of Excellence, critical components and requirements developed by employers, framed the overall health benefits administration and management that employers were looking to purchase.

PBGH’s Health Care Program was launched in January 2006. Employers electing the Aetna option, which includes unique wellness and patient safety services as part of the overall management and fees, saw their annual medical claims costs in 2007 increase only 0.5 percent over 2006. That compares with an 11 percent increase in the same timeframe across employers in Aetna’s health plans.

Aetna’s administrative service fees are determined by the total number of employees covered across all participating PBGH member employers rather than on each employer’s enrolled employee population. The program provides regional and national health care provider networks, enhanced reporting for employers, and performance guarantees.

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Under the Aetna option, participating PBGH employer members are providing benefits to more than 6,700 employees in 175 markets across the country, with 15 percent in Western Pennsylvania and Eastern Ohio.

Wellness services that include coaches, personal health records and health assessment offer simple steps to a healthier life and are central components under Aetna's services. Integral to the success of managing costs and the health of the population, the services are included at no extra cost and are standard in the administrative fees under the plans selected.

"We believe active health management, which is the hallmark of PBGH's Health Care Program, is the answer to managing health care costs," said PBGH Executive Director Christine Whipple. "Employers participating in the program are seeing that the appropriate use of the health care system is an effective way to manage health care costs. The results of the program certainly support that belief."

Aetna offers a unique program called Medquery[®] that turns member data from medical, pharmacy and labs into information that can be used to improve care, patient safety and financial outcomes. Medquery[®] alerts physicians of opportunities to improve care that is patient specific. Fifteen percent of members with Aetna received an alert.

In addition, of the 22 percent identified for outreach as part of the care management program, 80 percent are actively working with a clinical nurse. The clinical nurse, as the single point of contact, supports the members with a holistic approach, actively managing any of the 37 conditions like diabetes or asthma.

Inpatient admissions and lengths of stay among those covered by the PBGH program also have decreased, and preventive care compliance, including cancer screenings and cholesterol tests, exceeded the compliance rate of Aetna's book of business.

"A wellness and management mindset that focuses on prevention results in a shift away from the inpatient hospital setting toward outpatient care, where savings can be realized by avoiding

a hospital stay or emergency room visit. That shift is a significant factor in the small increase in medical claims costs experienced by employers covered under the PBGH plan,” said Whipple.

“This is a model that is gaining real interest among PBGH members as well as the broader national community of employers. Employers that are already taking advantage of the program realize it is an innovative, effective approach to controlling rising health care costs.”

“We are pleased with the success of the program,” said Aetna Market Head William Jesserer. We designed this program as a ‘crown jewel’ with all our medical management programs included. When you couple this with provider transparency on cost and quality, it is an awesome combination in engaging employees in their own health care and changing their behavior.”

About the Pittsburgh Business Group on Health

Founded in 1981, the Pittsburgh Business Group on Health (PBGH) is a non-profit organization and business-only coalition representing 64 member organizations, more than 1 million employees, dependents and retirees, and over \$3 billion in health care expenditures. The organization strives to improve the delivery, cost and quality of health care through implementing and supporting quality initiatives, analyzing health care data and resources, and providing forums for exchange of ideas and viewpoints. Visit www.pbghpa.com for more information.

About Aetna

Aetna is one of the nation’s leading diversified health care benefits companies, serving approximately 37.3 million people with information and resources to help them make better informed decisions about their health care. Aetna offers a broad range of traditional and consumer-directed health insurance products and related services, including medical, pharmacy, dental, behavioral health, group life and disability plans, and medical management capabilities and health care management services for Medicaid plans. Our customers include employer groups, individuals, college students, part-time and hourly workers, health plans, governmental units, government-sponsored plans, labor groups and expatriates.

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