Getting health care right.
We know that change continues to be urgently needed in the health care system. Today's system is inadequate. It's not sustainable for future generations. And it doesn't sufficiently serve the needs of many individuals and families in our communities.

At Highmark Health, we and our affiliated companies are driven to change health care to get it right. We are determined to make health care work better and smarter for our customers. We're challenging the status quo because we know we can't build tomorrow's health care using yesterday's ideas. And we've stepped up to lead the way.

We're bringing about change by connecting health care and coverage in bold new ways. Every day we're working hard to reconfigure the care delivery system to transform the patient/member experience into one that is better coordinated, delivered closer to home and that better deploys technologies and innovation to support our mission: providing high-quality, accessible, understandable and affordable experiences, outcomes and solutions to those we serve.

Driven to change health care for the better.

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- David L. Holmberg
President and CEO
Highmark Health

Highmark Health and its affiliated companies comprise a national health and wellness organization that includes more than 35,000 employees who serve more than 50 million Americans in all 50 states and the District of Columbia.

Consolidated revenues in 2015 were $17.7 billion.
Leading the way through a diverse portfolio of health-related businesses.

Highmark Health’s strong and diverse portfolio of businesses meets the broad spectrum of health care needs of consumers, business customers and government entities.

- **The Highmark health plans business** includes Highmark and its Blue-branded affiliates, which serve the health insurance needs of consumers, businesses and government entities.
- **Allegheny Health Network and its affiliates** form an integrated health care delivery network, which provides health care delivery, research, medical education and wellness services.
- **Visionworks** provides exams, eyeglasses, contact lenses and services at more than 700 retail optical stores in the United States.
- **Davis Vision** provides comprehensive, managed vision care coverage through a leading national provider network.
- **United Concordia Dental** delivers high-quality dental solutions through a leading national network of dentists.
- **HM Insurance Group** works to protect United States businesses and their employees from health-related financial risk.
- **HM Health Solutions** provides innovative, technology-based solutions that support the multiple product lines of health plans.
- **HVHC Distribution & Manufacturing** fabricates eyewear exclusively for its affiliates Visionworks and Davis Vision.

Investing to build the future of health care.

In 2015, the Highmark Health organization took bold steps toward transformational change to benefit those we serve.

The Highmark health plans continued to grow through the successful completion of the merger of Highmark and Blue Cross of Northeastern Pennsylvania. Highmark and its Blue-branded affiliates now proudly cover the insurance needs of 5.2 million members in Pennsylvania, Delaware and West Virginia, offering the strength and security of an insurer group that can meet the health care demands of the future.

Allegheny Health Network continued to progress through $180 million in investments in programs, facilities and technologies that expanded the scope, quality and accessibility of its services. Allegheny Health Network continues to garner national recognition as a leading provider of high-quality, comprehensive health care services and as an increasingly important pioneer of medical breakthroughs.

The Visionworks retail optical store business expanded into key new markets including Detroit, Raleigh and the boroughs of New York City, to provide more customers with eyewear and eye care services. It now offers more than 700 locations in 42 states and the District of Columbia. Davis Vision, our managed vision care provider, expanded to better serve customers, growing its network by 11 percent to offer nearly 54,000 points of access to care.

Maintaining a historic commitment to support the community.

Highmark Health and our affiliates uphold a strong commitment to the communities we serve, dating back more than 150 years. Today, as the organization continues to grow, we are touching the lives of more and more community members across the United States and embracing our corporate responsibility on a national scale.

Funding the United Way, promoting employee volunteerism and supporting military veterans returning home are among those initiatives that many of Highmark Health’s businesses are pursuing collectively, serving as economic contributors and catalysts to building stronger communities of healthier people.

**Highmark Health and its affiliated businesses and foundations contributed more than $379 million in charitable care and community giving in 2015.**
“One in four children has a vision problem. We work to get vision care right in every way. And we’re proud to offer ongoing programs such as ‘Let’s Go See’ that are giving kids the vision they absolutely need to succeed.”

- Jim Eisen
President and Chief Executive Officer, HVHC Inc.
President, Visionworks

Through the “Let’s Go See” program, Visionworks and its sister company Davis Vision are providing 10,000 school-age children with vouchers for free eye exams and eyeglasses at Visionworks retail optical stores in more than 700 locations across America.

Extending our reach of care.

The Highmark Health organization is proud to continue to extend its reach to more customers every year. Today, the businesses of Highmark Health serve more than 50 million Americans across all 50 states and the District of Columbia.


Our Members and Customers

Headquarters
> Highmark Health (Pittsburgh, Pa.)
> Highmark Inc. (Pittsburgh, Pa.)
> Highmark BCBS Delaware (Wilmington, Del.)
> Highmark BCBS West Virginia (Parkersburg, W.Va.)
> HVHC Distribution & Manufacturing/ Visionworks/ Davis Vision (San Antonio, Texas)
> United Concordia Dental (Harrisburg, Pa.)
> HM Insurance Group (Pittsburgh, Pa.)
> Allegheny Health Network (Pittsburgh, Pa.)
> HM Health Solutions (Pittsburgh, Pa.)

Stores
> Highmark Direct (13 stores)
> REMWorks Sleep Store
> Visionworks (700 stores)

Hospitals and Medical Facilities
> Allegheny Health Network hospitals
> Allegheny Health Network Health + Wellness Pavilions and facilities

Other Facilities (Sales Offices, Data Centers Manufacturing Labs)
> Health Plans
> HVHC Distribution & Manufacturing/ Visionworks/Davis Vision
> United Concordia Dental
> HM Insurance Group
> Highmark Caring Place
"The grief group helped me by showing me that it’s okay not to be okay. And that there are people there that care, and that you can express your feelings to. I’m forever thankful for that."

- Abby Miller
Student
Meadville, Pennsylvania

Abby participated in a peer support group for grieving students established at Meadville Area Middle School through the help of the Highmark Caring Place, A Center for Grieving Children, Adolescents and Their Families.
Meeting our customers’ needs through a national network of health care businesses.

**Headquarters:** Pittsburgh, Pennsylvania

**Description:** Highmark Health and its subsidiaries and affiliates comprise a national health and wellness organization that employs more than 35,000 people and serves more than 50 million Americans in all 50 states and the District of Columbia. The organization includes businesses in health insurance, health care delivery, managed vision care, retail eyewear and eye care services, eyewear manufacturing, dental solutions, health risk solutions, and innovative, technology-based solutions. Highmark Health is the parent of Highmark Inc., Allegheny Health Network and HM Health Solutions.

**Mission:** Highmark Health is an interdependent system designed to deliver high quality, accessible, understandable and affordable experiences, outcomes and solutions for our customers.

**Number of Employees:** 35,000+

**Leadership:** David L. Holmberg, President and Chief Executive Officer

2015 Consolidated Revenues: $17.7 billion

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**Headquarters:** Pittsburgh, Pennsylvania

**Description:** Highmark Inc. doing business as Highmark Blue Cross Blue Shield in the 42 counties of western, north central and northeastern Pennsylvania and as Highmark Blue Shield elsewhere in the state – Pittsburgh, Pennsylvania

- Highmark West Virginia Inc. doing business as Highmark Blue Cross Blue Shield West Virginia – Parkersburg, West Virginia
- Highmark BCBSD Inc. doing business as Highmark Blue Cross Blue Shield Delaware – Wilmington, Delaware

**Description:** An independent licensee of the Blue Cross and Blue Shield Association, Highmark, together with its Blue-branded affiliates, collectively comprise the fourth-largest Blue Cross and Blue Shield-affiliated organization and one of the nation’s 10 largest health insurance organizations. Highmark is the parent company of HVHC Inc., United Concordia Dental and HM Insurance Group.

**Customers:** Consumers, businesses and government entities

**Products and Services:** Individual and group health insurance; Medicare Advantage plans for seniors; Medicaid (through Gateway Health Plan)

**Brands Offered:** Blue Cross Blue Shield

**Geographic Service Area:** Pennsylvania, West Virginia and Delaware

**Number of Employees:** 7,660

**Leadership:** Deborah L. Rice-Johnson, President, Highmark Health Plan

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**Headquarters:** San Antonio, Texas

**Description:** HVHC Distribution & Manufacturing is the operations division of HVHC Inc. and subsidiaries, an integrated vision solutions organization with three main lines of business that also include Davis Vision, which provides managed vision care benefits (listed separately), and Visionworks, with more than 700 retail optical stores (listed separately). The fourth-largest finisher of lenses in the nation, HVHC Distribution & Manufacturing operates five United States-based, state-of-the-art manufacturing laboratories where it fabricated more than 4.8 million pairs of eyeglasses in 2015.

**Customers:** HVHC Distribution & Manufacturing fabricates eyewear exclusively for its affiliates Visionworks and Davis Vision.

**Products and Services:** HVHC Distribution & Manufacturing custom fabricates eyeglasses and distributes vision products across the country for Visionworks and Davis Vision.

**Brands Offered:** Frames by GUESS®, Diane von Furstenberg®, Lacoste®, Anne Klein®, Just Cavalli®, Nine West®, Gant®, Diesel® and Nike®, plus exclusive brand frames including Chelsea Morgan, Salsa, Robert Michel and Alberto Romani. Lens brands include the family of Transitions® adaptive lenses and Coppertone polarized lenses.

**Geographic Service Area:** 42 states and the District of Columbia

**Number of Employees:** 7,600

**Leadership:** James N. Eisen, President and CEO, HVHC Inc. and John Kay, Executive Vice President, HVHC Inc., Distribution and Manufacturing

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**Headquarters:** San Antonio, Texas

**Description:** Visionworks is the third-largest specialty retail optical chain in the United States and a leading provider of eyewear and eye care services, with more than 700 retail optical stores in 42 states and the District of Columbia. Visionworks is a subsidiary of HVHC Inc., the parent company for an integrated vision solutions organization.

**Customers:** Consumers

**Products and Services:** Prescription eyeglasses and contact lenses in stores and online; eyewear services including exams

**Brands Offered:** Frames by GUESS®, Diane von Furstenberg®, Lacoste®, Anne Klein®, Just Cavalli®, Nine West®, Gant®, Diesel® and Nike®, plus exclusive brand frames including Chelsea Morgan, Salsa, Robert Michel and Alberto Romani. Lens brands include the family of Transitions® adaptive lenses and Coppertone polarized lenses.

**Geographic Service Area:** 42 states and the District of Columbia

**Number of Employees:** 7,600

**Leadership:** James N. Eisen, President and Chief Executive Officer, HVHC Inc. and President, Visionworks
Meet our customers’ needs through a national network of health care businesses.

Learn more about how we proudly serve you at highmarkhealth.org/annualreport2015

Davis Vision

**Headquarters:** San Antonio, Texas  
**Description:** Davis Vision is the third-largest provider of comprehensive, managed vision care products and services in the United States, with coverage through a national provider network that includes more than 53,000 points of access for customers. Davis Vision is a subsidiary of HVHC Inc., the parent company for an integrated vision solutions organization.

**Customers:** Eye care and eyewear consumers, network providers, businesses and government entities

**Products and Services:** Managed vision care coverage through benefits plans.

**Brands Offered:** Many of the frame brands available in a Visionworks store are available in the Davis Vision Exclusive Collection featured in participating provider offices. Lens brands are fabricated by the HVHC Distribution & Manufacturing facilities.

**Geographic Service Area:** United States

**Number of Employees:** 908

**Leadership:** James N. Eisen, President and Chief Executive Officer, HVHC Inc., and Danny Bentley, President, Davis Vision

United Concordia Dental

**Headquarters:** Harrisburg, Pennsylvania

**Description:** United Concordia Companies, Inc., and its subsidiaries—collectively referred to as United Concordia Dental—comprise a leading dental solutions organization that delivers high-quality, cost-effective dental care through a network of nearly 108,000 dentists and more than 351,400 access points.

**Customers:** Consumers, businesses and government entities

**Products and Services:** Dental care and oral wellness.

**Brands Offered:** Smile for Health®, UCVision®, UCSelect, Healthy Stages

**Geographic Service Area:** United States and Puerto Rico

**Number of Employees:** 940

**Leadership:** F.G. “Chip” Merkel, President and Chief Executive Officer, United Concordia Companies, Inc.

HM Insurance Group

**Headquarters:** Pittsburgh, Pennsylvania

**Description:** The companies within the HM Insurance Group work to protect businesses and their employees across the nation from the financial risks associated with health costs. With 23 offices across the nation, HM Insurance Group is one of America’s top four stop loss carriers.

**Customers:** Benefits brokers, consultants and third party administrators on behalf of group policyholders; providers; managed-care entities

**Products and Services:** Health risk solutions including stop loss, managed care reinsurance and workers’ compensation insurance

**Geographic Service Area:** Stop loss and managed care reinsurance are offered across the United States. Workers’ compensation is offered exclusively in Pennsylvania.

**Number of Employees:** 426

**Leadership:** F.G. “Chip” Merkel, Chief Executive Officer, HM Insurance Group, Inc., and Matt Rhenish, President and Chief Operating Officer, HM Insurance Group, Inc.

Allegheny Health Network

**Headquarters:** Pittsburgh, Pennsylvania

**Description:** Allegheny Health Network is the lead company for an integrated health care delivery network that includes eight hospitals; more than 2,500 affiliated physicians; six ambulatory surgery centers; a research institute; home- and community-based health services; a group purchasing organization; and three Health + Wellness Pavilions. The network also serves as a clinical campus for Temple University School of Medicine, Drexel University College of Medicine and the Lake Erie College of Osteopathic Medicine.

**Customers:** Patients

**Products and Services:** Integrated health care delivery, health care research, medical education, wellness services

**Brands Offered:** Allegheny Health Network, Allegheny General Hospital, Allegheny Valley Hospital, Canonsburg Hospital, Forbes Hospital, Jefferson Hospital, Saint Vincent Hospital, West Penn Hospital and Westfield Memorial Hospital

**Geographic Service Area:** 29 counties in Pennsylvania and portions of New York, Ohio and West Virginia

**Number of Employees:** 17,500

**Leadership:** Cynthia D. Hundorfean, President and Chief Executive Officer

HM Health Solutions

**Headquarters:** Pittsburgh, Pennsylvania

**Description:** HM Health Solutions provides innovative, technology-based solutions that enable health plans to achieve top-line revenue growth, reduce costs and gain economies of scale. HM Health Solutions’ Enterprise Platform leverages state-of-the-art cloud technology to support a comprehensive suite of offerings. HM Health Solutions offers expertise in multiple product lines, including Medicare, Medicaid, commercial and individual business. HM Health Solutions’ industry-leading people, process and platforms deliver measurable results while increasing customer engagement.

**Customers:** Businesses, specifically health plans

**Products and Services:** Advanced, end-to-end health insurance solutions including the enterprise health solution, print management, infrastructure management and data center hosting

**Geographic Service Area:** Global

**Leadership:** Matthew V. T. Ray, President

HM Health Solutions Website: [hmhs.com](http://hmhs.com)
Diversification is a cornerstone of the Highmark Health organization, enabling it to pursue its mission and long-term strategies for growth.

The Highmark health plan organization is supported by more than 75,000 in-network physicians, and it processed more than 16.2 million claims on behalf of customers in 2015.

Visionworks continues to grow, now offering customers over 700 retail optical stores in 42 states and the District of Columbia.

HVHC Distribution & Manufacturing fabricated more than 4.8 million pairs of eyeglasses in 2015.

The Highmark Health Plans organization is supported by more than 75,000 in-network physicians, and it processed more than 16.2 million claims on behalf of customers in 2015.

Allegheny Health Network hospitals make up one of the few hospital systems in Pennsylvania that increased inpatient and outpatient volume in 2015. Inpatient discharges rose 5 percent and outpatient registrations improved by nearly 2 percent.

Davis Vision’s year-over-year network growth was 11 percent in 2015, with 55,607 points of vision care access available to members. The company processed over 6 million claims, demonstrating that the members value their benefits.

HM Insurance Group companies rank among America’s top four stop loss carriers, providing protection from financial risks for self-funded groups.

Members managed by HM Health Solutions grew 12 percent in 2015, to nearly 7.5 million members.

Learn more about us through the stories told by our patients and customers. Visit highmarkhealth.org/annualreport2015