



2021 Corporate Profile
**Living Health:
Stepping Up, Stepping Forward**



Our Vision
is a world
where
everyone
embraces
health.

Our Mission
is to create a
remarkable
health
experience,
freeing people
to be their best.



Stepping up for our communities is truly part of our DNA at Highmark Health. Simultaneously, we continue stepping forward to build a better future through our ambitious Living Health strategy, opening new facilities, and launching innovative new programs and businesses.”

David L. Holmberg,
president and chief executive
officer, Highmark Health

Through our Living Health strategy, Highmark Health unites payers, providers, tech innovators, and community organizations to build a health ecosystem that works better for everyone. By creating a simpler, more proactive, and personalized health experience for individuals and clinicians, we can achieve better health outcomes, lower total cost of care, and provide a sustainable economic model that solves industry problems at scale.

This ambitious strategy depends on our organization’s financial strength, including the diverse portfolio of affiliates and subsidiaries below. That same strength allowed us to invest nearly \$1.4 billion during the pandemic to support customers, providers, and communities, while making capital investments of more than \$750 million in 2021.

Highmark Inc. and its Blue-branded affiliates (Highmark Health Plans) proudly cover the insurance needs of approximately 6.8 million members in Pennsylvania, Delaware, and West Virginia, along with western and northeastern New York.

Allegheny Health Network (AHN) is a \$4 billion health and wellness organization that has more than 300 clinical facilities, including hospitals throughout western Pennsylvania and one in western New York.

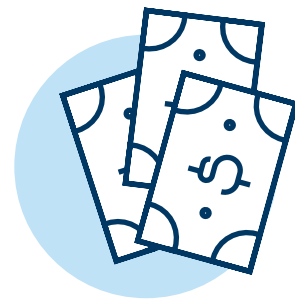
Helion delivers solutions to health plan payers to advance health and healing in the home by transforming the network of providers and nurses to optimize outcomes, provide better value, and enhance the customer experience.

HM Health Solutions combines technology and leading industry knowledge to deliver business solutions to health plan payers so they can run their organizations more efficiently in a competitive and ever-changing market.

HM Insurance Group works to protect employers and health care entities across the country from the financial risks associated with catastrophic health care costs.

Lumevity helps companies transform in ways that drive direct financial benefits while improving quality and increasing employee engagement.

United Concordia Dental is a leading dental solutions partner that delivers access to high-quality, cost-effective dental care through its network of over 125,000 unique dentists across more than 392,000 access points.



STRONG FINANCES ALLOW US TO CONTINUE STEPPING UP AND STEPPING FORWARD

Highmark Health remained financially strong in 2021, reporting \$22 billion in consolidated revenue, and excess revenue over expenses of \$440 million, excluding one-time gains. As of December 31, 2021, the organization had more than \$12 billion in cash and investments and net assets of more than \$10 billion.

Highmark Health Plans reported an operating gain of more than \$300 million for the 2021 fiscal year, primarily driven by strong performance in the commercial and government business and a continued focus on clinical transformation and value-creation activities. The commercial business experienced strong retention rates (98%) as customers in all regions continued to choose the exceptional value of Highmark coverage despite pressures related to the pandemic and economy. Core health plan and Blue Card membership increased slightly to approximately 6.8 million Highmark members.

Allegheny Health Network delivered earnings before interest, taxes, depreciation, and amortization of \$154 million through December 31, an improvement of more than \$70 million compared to 2020. Patient volume increased year over year in several key categories, including a 36% increase in outpatient registrations, a 13% increase in physician visits, and an 18% increase in emergency room visits. These increases were offset by cost pressures related to supply chain challenges, labor costs, and continued high costs for personal protective equipment and drugs.

HM Health Solutions, an information technology services company whose platform serves approximately 11 million lives across the country, reported an operating gain of \$7 million in 2021 driven by platform transformation initiatives.

Highmark Health diversified businesses reported combined earnings of more than \$250 million through December 31, 2021. Notably, **United Concordia Dental** continued to perform well, delivering an operating gain of \$159 million in 2021. A stop loss business, **HM Insurance Group**, reported an operating gain of \$90 million.

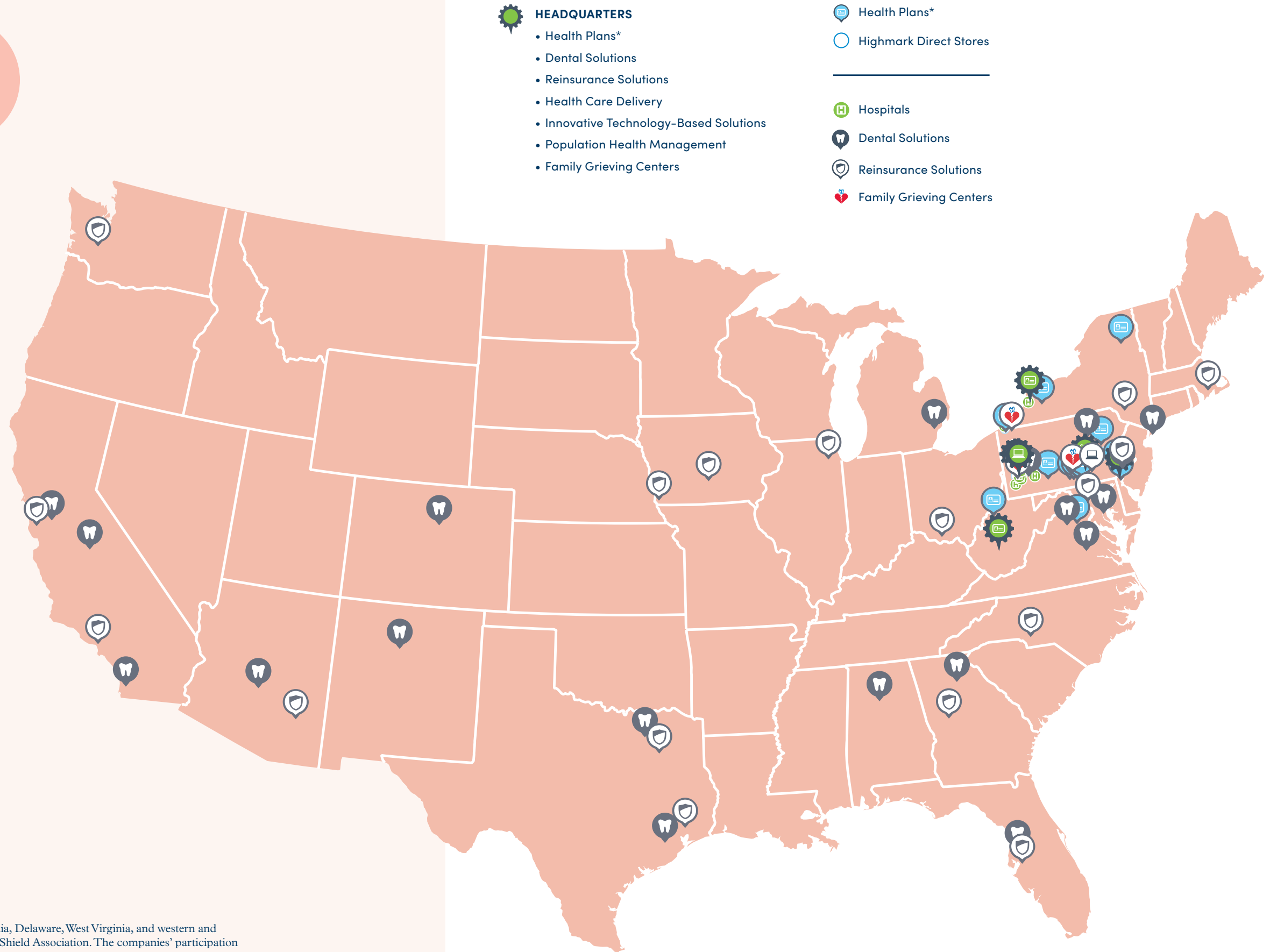


Geographic Footprint



MILLIONS OF AMERICANS SERVED

Highmark Health serves millions of Americans through a diverse portfolio of health-related businesses. Our Blue-branded health plan businesses serve approximately 6.8 million members in Pennsylvania, West Virginia, and Delaware, along with western and northeastern New York. Our health care delivery network, led by Allegheny Health Network, serves patients throughout western Pennsylvania and parts of neighboring states. Other subsidiaries — including Helion, HM Health Solutions, HM Insurance Group, Lumevity, and United Concordia Dental — proudly serve customers and businesses across America.



*Highmark Inc. and its affiliates offer health insurance products in Pennsylvania, Delaware, West Virginia, and western and northeastern New York, and are independent licensees of the Blue Cross Blue Shield Association. The companies' participation in the BlueCard® program offers members access to plans that include benefits through provider networks of other independent Blue Cross and Blue Shield plans nationally and worldwide. Most, but not all, plans include Blue Card benefits.

The Enterprise At a Glance



Headquarters: Pittsburgh, Pennsylvania

Description: Highmark Health, with its headquarters in Pittsburgh, PA, is the lead company in an enterprise that employs more than 37,000 people who serve millions of Americans across the country. Highmark Health is the parent company of Highmark Inc., Allegheny Health Network, HM Health Solutions, and various other companies.

Highmark Inc. and its subsidiaries and affiliates provide health insurance to approximately 6.8 million members in Pennsylvania, West Virginia, Delaware, and parts of New York, as well as dental insurance and related health products through a national network of diversified businesses.

Allegheny Health Network is an integrated delivery network comprised of 14 hospitals, more than 2,600 affiliated physicians, ambulatory surgery centers, an employed physician organization, home and community-based health services, a research institute, a group purchasing organization, and health and wellness pavilions in western Pennsylvania. HM Health Solutions is focused on meeting the information technology platform and other business needs of the Highmark Health enterprise as well as unaffiliated health insurance plans, by providing proven business processes, expert knowledge, and integrated cloud-based platforms.

Mission: To create a remarkable health experience, freeing people to be their best

Number of Employees: 37,000+ across the organization

Leadership: David L. Holmberg, president and chief executive officer

2021 Consolidated Revenues: \$22 billion

highmarkhealth.org



Headquarters: Pittsburgh, Pennsylvania

Description: Allegheny Health Network is a \$4 billion health and wellness organization that has more than 300 clinical facilities, including hospitals throughout western Pennsylvania and one in western New York; Health + Wellness Pavilions; a comprehensive research institute; ambulatory surgery centers; an employed physician organization; home- and community-based health services; a group purchasing organization; and nearly 2,600 affiliated physicians. While AHN began operations in 2013, AHN's member hospitals share legacies of charitable care that date back more than 170 years.

Customers: Patients

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

Brands Offered: Allegheny Health Network, AHN Allegheny General Hospital, AHN Allegheny Valley Hospital, AHN Brentwood, AHN Canonsburg Hospital, AHN Forbes Hospital, AHN Grove City, AHN Harmar, AHN Hempfield, AHN Jefferson Hospital, AHN McCandless, AHN Saint Vincent Hospital, AHN West Penn Hospital, AHN Westfield Memorial Hospital, and AHN Wexford Hospital

Geographic Service Area: Western Pennsylvania and portions of New York, Ohio, and West Virginia

Number of Employees: 21,000

Leadership: Cynthia D. Hundorfean, president and chief executive officer

ahn.org



Headquarters:

- Highmark Inc., doing business as Highmark Blue Cross Blue Shield in the 42 counties of western 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

- Highmark Western and Northeastern New York Inc., doing business as Highmark Blue Cross Blue Shield of Western New York in eight counties in western New York and Highmark Blue Shield of Northeastern New York in 13 counties in northeastern New York — Buffalo, New York

Description: One of America's leading health insurance organizations and an independent licensee of the Blue Cross Blue Shield Association, Highmark Inc. (the Health Plan) and its affiliated health plans (collectively, the Health Plans) work passionately to deliver high-quality, accessible, understandable, and affordable experiences, outcomes, and solutions to customers.

Customers: Consumers, businesses, and government entities

Products and Services: Individual and group health insurance; Medicare Advantage plans for seniors

Brands Offered: Blue Cross Blue Shield and/or Blue Shield

Geographic Service Area: Pennsylvania, West Virginia, Delaware, and New York

Number of Employees: Approximately 4,683

Leadership: Deborah L. Rice-Johnson, chief executive officer, Diversified Businesses, Highmark Inc. and chief growth officer

highmark.com



Headquarters: Pittsburgh, Pennsylvania

Description: Helion, an indirect wholly-owned subsidiary of Highmark Health, specializes in population health management solutions that benefit payers, providers, and customers.

Customers: Health care organizations accountable for managing populations in home and community settings, including integrated delivery and financing systems, health plans, accountable care organizations, hospitals, and health systems

Products and Services: Helion provides health care organizations that are accountable for managing populations in home and community settings with customized solutions for the entire episode of care. These solutions uniquely focus on collaboration, evidence-based pathways of care, automation, innovation, and value-based incentives to transform the networks of skilled nursing facilities and home health agencies, enabling a higher level of performance, lower cost, better health outcomes, and a better patient experience.

Leadership: Nick Stupakis, vice president, Commercial Services, Helion

helion.health



Headquarters: Pittsburgh, Pennsylvania

Description: HM Health Solutions Inc. (HMHS) delivers business solutions to health plan payers so they can run their organizations more efficiently in a competitive and ever-changing market. By offering leading technology and industry expertise, HMHS meets the many operational needs of health plan payers. A wholly-owned subsidiary of Highmark Health, HMHS is partnered with 12 health plans serving approximately 11 million members.

Customers: Health plans

Products and Services: Advanced, end-to-end health insurance solutions, including the Enterprise Health Solution and HM Document Solutions

Geographic Service Area: Global

Number of Employees: 3,000

Leadership: Mick Malec, CEO and enterprise technology and operations officer, HMHS

hmhs.com



Headquarters: Pittsburgh, Pennsylvania

Description: Companies within HM Insurance Group, a wholly-owned subsidiary and diversified business of Highmark Inc., provide insurance and reinsurance coverage to protect businesses from the financial risk associated with catastrophic health care costs. A recognized leader in employer stop loss, the company delivers protection for a range of group sizes. HM Insurance Group also offers managed care solutions, including provider excess loss insurance and health plan reinsurance.

Customers: Benefits brokers, consultants, and third-party administrators on behalf of group policyholders, HMOs, health plans, or provider organizations

Products and Services: Stop Loss and Managed Care Reinsurance

Geographic Service Area: National

Number of Employees: 325

Leadership: Mark Lawrence, president, HM Insurance Group

hmig.com



Description: Lumevity, an indirect wholly-owned subsidiary of Highmark Health, helps companies transform in ways that drive direct financial benefits while improving quality and increasing employee engagement. Lumevity partners with companies to drive transformation quickly and effectively with ready-to-deploy, integrated capabilities centering on organization effectiveness, automation solutions, agile approaches, ideation solutions, readiness and adoption, and employee activation. Lumevity fills capability and capacity gaps quickly to get its partners on the path to eliminating inefficiencies, creating new revenue opportunities, inspiring and enabling teams to do innovative work, and delivering enhanced outcomes for customers.

Products and Services: Organization Effectiveness, Automation Solutions, Agile Processes, Ideation Solutions, Readiness and Adoption, and Employee Activation

Geographic Service Area: National

Number of Employees: 85

Leadership: Larry Kleinman, board chair; Marcus Johnson, managing director, Delivery; Kelli Amerine, managing director, Marketing and Product Development; Rob Spence, managing director, Planning and Operations; Anthony Gardner, managing director, Market Development; Duane Dickson, managing director, Client Growth and Delivery

lumevity.com



Headquarters: Camp Hill, Pennsylvania

Description: United Concordia Companies, Inc. and its subsidiaries — collectively referred to as United Concordia Dental — is a leading dental solutions partner that delivers access to high-quality, cost-effective dental care through its network of over 125,000 unique dentists across more than 392,000 access points. United Concordia is a subsidiary of Highmark Inc.

Customers: Consumers, businesses, and government organizations

Products and Services: Dental solutions, including insurance products and services

Brands Offered: Concordia Preferred (PPO), Concordia Flex (PPO), Concordia Plus (DHMO), Concordia EPO (EPO), Smile for Health® Value Plan (low-cost PPO)

Geographic Service Area: All 50 states, the District of Columbia, Puerto Rico, and Guam

Number of Employees: 1,000

Leadership: Tim Constantine, president and chief executive officer, United Concordia Dental

unitedconcordia.com



Enterprise Fast Facts

TO LEARN MORE, VISIT [HIGHMARKHEALTH.ORG/ANNUALREPORT2021](https://highmarkhealth.org/annualreport2021)



\$22 billion — operating revenue in 2021



The Health Plans are supported by more than 145,000 in-network physicians; in 2021, the Health Plans processed more than 149 million claims on behalf of customers.



HM Insurance Group generated \$17.4 million in savings through cost containment efforts in 2021.



Since the start of the pandemic, Highmark Health and its subsidiaries and affiliates have invested nearly \$1.4 billion to support customers, providers, and communities.



In 2021, AHN administered more than 400,000 COVID-19 vaccinations.



Within Highmark Health, thinkUP and Lumevity processes have enabled \$500 million of direct bottom-line impact over three years.



An independent licensee of the Blue Cross Blue Shield Association, Highmark Inc., together with its Blue-branded affiliates, collectively comprise the fourth-largest overall Blue Cross Blue Shield-affiliated organization in the country with approximately 6.8 million members in Pennsylvania, Delaware, West Virginia, and western and northeastern New York.



As of January 2022, HMHS services approximately 11 million members of separate health plans via the Enterprise Health Solution.



United Concordia Dental's network includes over 125,000 unique dentists across more than 392,000 access points. As of January 2022, the dental solutions partner has 9.3 million members and more than 22,000 commercial clients.