

# Penn State Board of Trustees

December 15, 2017



PennState Health



PennState  
College of Medicine

**Proposed Partnership  
between  
Penn State Health  
and  
Highmark Health**



**PennState Health**



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# Goals

- **Expand Penn State Health's community network to enhance access to care**
- **Assure that advances in medical research from our College of Medicine are available throughout the region**
- **Develop innovative health care insurance products to bring quality care to employers, employees and residents at competitive rates**
- **Provide for growth of support for education, research and community outreach missions of the College of Medicine**



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# Highmark Health as a Preferred Partner

- **Highmark Health, through its payer subsidiary, Highmark Inc., has historically supported the growth of The Milton S. Hershey Medical Center – in particular Penn State Children’s Hospital and Penn State’s Clinical and Translational Science Institute – and is committed to our educational programs**
- **Highmark Health offers a real opportunity to expand and enhance health care services throughout the region**



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# Key Terms

- **Highmark Health becomes the second member of the non-profit corporation that is Penn State Health**
- **Penn State remains as the majority member**
- **Penn State Health Board of Directors will have 15 directors**
  - **Penn State will appoint 12 directors**
  - **Highmark Health will ultimately appoint 3 directors, with voting rights to be phased in**



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# Key Terms

- **Current Penn State Health leadership team remains in place**
- **Penn State Health is committed to participate in Highmark's wide range of insurance products offered in central Pennsylvania, with more to be developed through this partnership**
- **Highmark Health will invest exclusively in Penn State Health in the region**
- **Penn State Health and Penn State University will refrain from ownership of health insurance companies**



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# Key Terms

- **Penn State Health can and will contract with other health care insurance companies – no restrictions because of this partnership**
- **Highmark Inc. will continue to contract with other hospitals and health care providers – no restrictions because of this partnership**



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# Key Terms

- **Penn State Health commits to investing more than \$1 billion to grow its health care presence throughout central PA**
- **Highmark Health will commit to providing financial support for this initiative, with specific community projects and funds to be identified as plans are finalized**
- **Penn State Health will continue to be responsible for management of The Milton S. Hershey Medical Center**



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# Key Terms

- **Penn State Health commits to the growth of financial support for Penn State College of Medicine at The Milton S. Hershey Medical Center**
- **Highmark Inc. will join Penn State Health in supporting the academic missions of the Penn State College of Medicine**



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# Key Terms

- **Penn State Health has approved amendments to its articles of incorporation and bylaws necessary to implement Highmark Health's status as a member**
- **Proposed resolution asks that the Penn State Board of Trustees confirm those amendments on behalf of the university**

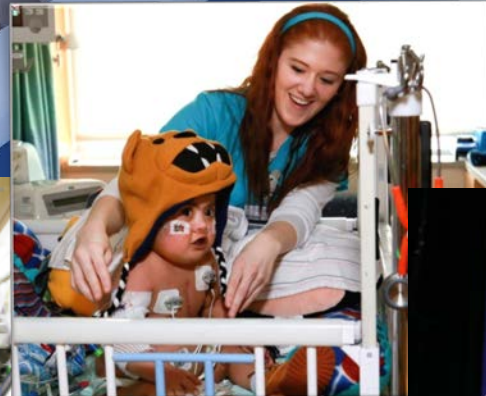


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# Honoring our Heritage



# Assuring our Future



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