



Horizon Blue Cross Blue Shield of New Jersey

Making Healthcare Work.

Horizon Blue Cross and Blue Shield of New Jersey

Newark, New Jersey

Senior Vice President, Healthcare Management Position Specification

“This is a transformational position. The ideal candidate will be a visionary leader who has managed a large, complex organization focused on medical management and next generation health care delivery.”

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Prepared by:

Michael Meyer
Katie Haddock

Meyer Consulting
5900 North Granite Reef Road
Suite 100
Scottsdale, AZ 85250
480/242.0442
602/321.0753

HorizonSVP@meyerconsultinginc.com

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I. OVERVIEW

Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ) is New Jersey's leading health insurance provider, serving approximately 3.6 million members. It is one of the top five Blue Cross Blue Shield organizations in the country. Horizon BCBSNJ is a not-for-profit company and a licensee of the Blue Cross and Blue Shield Association. Horizon BCBSNJ has annual revenues of \$9 billion and over 5,000 employees. The Company offers traditional indemnity and managed care plans, including HMO, PPO, POS, and Medicare Advantage plans. It also provides dental and behavioral health coverage and manages workers' compensation claims through Horizon Casualty Services. Horizon BCBSNJ is led by President and CEO Robert Marino.

Horizon continually seeks to improve quality, control cost and implement forward-thinking healthcare solutions. With the advent of national health care reform, Horizon was the first Blue Cross organization to create a separate organization, Horizon Healthcare Innovations, to create and develop new innovative models of patient care and reimbursement. HHI is currently involved with several medical home and accountable care organization partnerships with prominent New Jersey providers.

Horizon's largest single account is New Jersey's State Health Benefits Program which covers about 700,000 state government workers. The company also covers federal employees through the Blue Cross and Blue Shield (BCBS) Association's Federal Employee Program. The Company has a dominant position among both New Jersey based Fortune 500 companies (Merck, Novartis, PSEG, etc.) as well as mid-small group employers. Horizon offers a Medicare Part D program. It also has a Medicaid subsidiary, Horizon NJ Health, which has about 535,000 Medicaid members. Other growing businesses within the company include its dental plan (which boasts more than a million members) and its workers' compensation managed care program, Horizon Casualty Services, which also provides personal injury protection.

Mission and Vision Statement

Mission Statement

Our mission is to make health care work by improving the health care experience for our members and the communities we serve.

We provide access to high quality health care, options for financing health care costs, and information and services to help our members make the best decisions about managing their health.

Vision Statement

Our vision is to be the best health plan, both locally and nationally, by helping our members become and stay healthy.

We will achieve our vision by working with the business, government and medical communities to improve the health care experience for our members and ensure they receive the appropriate care at the best price.

History

Founded as the First Hospital Service Plan, Horizon Blue Cross Blue Shield of New Jersey began operations in New Jersey in 1932. In 1936, the Plan went statewide as the Hospital Service Plan of New Jersey (HSP). The Medical-Surgical Plan of New Jersey was incorporated in 1942, and in 1986, the Hospital Service Plan of New Jersey and the Medical-Surgical Plan of New Jersey merged to become Blue Cross Blue Shield of New Jersey, Inc. Since that time, the organization has expanded its footprint, creating subsidiaries in dental, workers' compensation, and its HMO plan.

Key Milestones

1998 - The Company began doing business as Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ) and its operating subsidiaries adopted similar names. Horizon BCBSNJ's membership exceeded 2 million in New Jersey.

1999 - Horizon BCBSNJ announced a corporate realignment and implemented initiatives for the Company to achieve world-class status. Horizon Mercy pursued acquisitions that make it the largest provider of Medicaid HMO services in New Jersey and one of the largest providers in the United States.

2001 - Legislation adopted establishing a process that would allow Horizon BCBSNJ to convert from its current status as a not-for-profit health service corporation to a "for-profit" domestic stock company.

2002 - Horizon BCBSNJ introduced the "World Class Clinical Quality" health care initiative in an effort to improve the overall health of residents in the region by providing

access to care, making information available to providers and consumers and promoting evidence-based medicine through effective preventive health and disease management programs.

2003 - The Company's Health Care Dollars and Sense campaign, a multiyear, multimedia initiative, was launched to provide education to the public on the nature of the crisis in rising health care costs and its impact on all health care constituents. The Company established and provided substantial initial funding for The Horizon Foundation for New Jersey, a charitable organization dedicated to promoting health, well being and quality of life in New Jersey's communities.

2004 - Horizon BCBSNJ continued to solidify its position as New Jersey's largest health insurer and a premier regional health care company, with projected year-end enrollment in excess of 3 million members and nearly \$1 billion of accumulated surplus. Over 1 million dental members enrolled as of September 30, 2004.

2005 - During 2005, enrollment grew by 106,000 members, raising the company's total to over 3.2 million members. At the same time, the company retained over 97 percent of its members, which was the second highest retention percentage of all Blue Cross and Blue Shield Plans with similar levels of local market share. In addition, Horizon BCBSNJ made a major commitment to the Medicare Part D program, building the necessary infrastructure to support the program and taking a leadership role in helping seniors understand their health care choices. When the program went live in January 2006, Horizon BCBSNJ covered over 132,000 seniors.

2007 - Horizon BCBSNJ awarded \$6 million in payments to 60 network hospitals as recognition for high quality and patient safety measures in the company's inaugural year of its Hospital Recognition Program. The Hospital Recognition Program is a collaboration between Horizon BCBSNJ and the Leapfrog Group and is focused on encouraging improved quality of care in New Jersey hospitals. The National Committee for Quality Assurance (NCQA) upgraded Horizon BCBSNJ's HMO accreditation to "Excellent with Distinction" for its early adoption of the Physician and Hospital Quality Plus Program that provides members with important information about physicians and hospitals in the Horizon BCBSNJ network.

2008 - Horizon BCBSNJ invests in a ground breaking pilot program demonstrating the effectiveness of the Patient Centered Medical Home concept of care. Focusing on members with diabetes, the pilot program gives incentives to primary care physicians to partner more closely with their patients. As a result of the program, patients dramatically increased adherence to their prescribed medical protocols, improving member health and lowering health care costs. Horizon BCBSNJ announces it is exploring the possibility of converting to a for-profit company

2010 – Horizon BCBSNJ invests in the creation of Horizon Healthcare Innovations to focus on medical home/accountable care partnerships with leading providers statewide.

Awards and Recognition

- Standard & Poor's designated Horizon BCBSNJ with an "A-" rating for financial strength.
- Horizon BCBSNJ was named to the prestigious InformationWeek 500 list (#48) of the most innovative users of information technology in the United States. This is the sixth year in a row that Horizon BCBSNJ has been ranked in the top 500.
- The Centers for Disease Control and Prevention (CDC) recognized Horizon BCBSNJ's Immunization Resources and Education Partnership (IREP) Program for its contribution to the state's dramatic increase in immunization rates, from 58% to 72%.
- Horizon BCBSNJ is the recipient of many Diversity awards.
- Horizon BCBSNJ was the recipient of a Leadership in Healthcare Award from the Biotech Medical Management Association.

Find further information on Horizon Blue Cross Blue Shield of New Jersey on their website:

<http://www.horizon-bcbsnj.com>

II. COMMUNITY DESCRIPTION

New Jersey is the third largest State in the US with a population of over eight million. Horizon Blue Cross Blue Shield of New Jersey offices are located in Newark, the largest city in New Jersey. Newark is the commercial, financial, and transportation nucleus of the Garden State. The Horizon offices are located near Newark Penn Station which allows for easy access to New York City (20 minutes) and beautiful New Jersey communities to the South and West.

Horizon BCBS of New Jersey employees can chose to live in a variety of communities such as Mountain Lakes, the Morristown area, Milburn/Summit, the Princeton area, the Caldwell's, Far Hills/Chester and New York City.

The State is home to some of the finest public and private schools in the country (Milburn and Mountain Lakes, for example). Princeton University is about 45 minutes by train from Newark. The State is also home to New Jersey Institute of Technology, Rutgers University, Seton Hall and the University of Medicine and Dentistry of New Jersey. Numerous Fortune 500 companies call the State home including Merck, Novartis, Johnson & Johnson and Prudential Financial.

Residents of New Jersey enjoy a variety of top entertainment, sports (Giants, Nets), fine dining and shopping locally, as well as the amenities of New York City. The State is home to numerous museums, cultural centers, and examples of historic architecture.

New Jersey offers a wide variety of activities for outdoor enthusiasts and ocean lovers such as water sports, fishing, golfing, hiking and camping. Numerous resort towns are located on the

Jersey shore as well as on the New Jersey-Pennsylvania border. From sophisticated urban settings to rural environments, from small towns to suburban living, few States offer the quality, variety and diversity of lifestyle options to suit a person or family's interests and needs.

For more information, see the following websites:

www.visitnj.org

www.chambersnj.com

www.nj.gov

III. POSITION SUMMARY

Title: Senior Vice President, Healthcare Management

Reports to: Robert A. Marino, President and Chief Executive Officer

Location: Newark, New Jersey

The Senior Vice President, Healthcare Management is responsible for medical management, medical quality and all relationships (contracting, network) with hospitals, physicians, and all providers in the Horizon networks. The Senior Vice President has specific responsibility, through nine direct reports, for the following: healthcare services, medical and health affairs, pharmacy operations, all clinical operations, healthcare management administration, and finance/data management and analysis. The SVP also serves as President and Chief Executive Officer of Horizon Healthcare, Horizon Blue Cross Blue Shield of New Jersey's 600,000 member, statewide HMO, as CEO of Horizon Healthcare Innovations, created to develop new, innovative models of patient care and reimbursement, and CEO of New Jersey Health, Horizon BCBSNJ's Medicaid subsidiary. The SVP is one of ten direct report to the President and CEO and oversees approximately 1400 employees through nine direct reports – see Appendices for the organization charts.

This is a transformational position. This senior executive will provide the leadership, strategic vision and operational expertise to address both the quality and cost challenges in New Jersey at a time of significant change with healthcare reform. The ideal candidate will be a visionary leader who has managed a large, complex organization focused on medical management.

IV. DUTIES AND RESPONSIBILITIES

The Senior Vice President will be responsible for leadership and operational day-to-day management of a staff of approximately 1400 people. Specific responsibilities by functional area are:

Healthcare Services (through Vice President of Healthcare Services)

- Provide strategic leadership in the development, implementation and management of clinical/provider networks and relationships (physician and hospitals) that support Horizon BCBSNJ's business and growth objectives.
- Provide oversight of the network strategy, contracting and provider relations functions.
- Conceive and implement a market-wide platform to aggressively build and maintain a best-in-class provider network for existing and future markets.
- Build and maintain all relationships with Horizon's network providers, plan members, alliance partners, and other external constituencies.

- Ensure that Horizon’s contracting strategy aligns with corporate, market- and product-specific goals and objectives.
- Responsibility for all physician reimbursement and physician certification/recertification

Medical Management/Health Affairs/Clinical Operations (through Chief Medical Officer and Director of Clinical Operations)

- Oversee medical policy/medical review, appeals, quality, utilization management, clinical development of medical cost reduction initiatives, participation and retention standards for all networks, outlier management and behavioral health policy.
- Set clinical strategy in line with the overall company vision and continually monitor Horizon BCBSNJ’s utilization policies to ensure the company stays current with changing local and national trends.
- Oversee the development of world-class clinical quality programs; attain and retain the highest appropriate level of accreditation for Horizon.
- Attain high quality, effective communications and relations with providers.
- Drive the latest medical policies through the Horizon BCBSNJ organization, striving for consistency with national standardized practice.

Pharmacy Operations (through Chief Pharmacy Officer)

- Design, develop and implement corporate strategy and programs that provide for the administration of pharmacy benefits for Horizon BCBSNJ members.
- Oversee all pharmacy quality and cost initiatives for members

Horizon NJ Health

Functioning as a subsidiary of Horizon BCBSNJ, Horizon NJ Health is New Jersey's largest health care management company serving publicly insured individuals in the Medicaid and New Jersey FamilyCare programs. Since its inception in 1993, Horizon NJ Health has grown to more than 600,000 members and provides services in all 21 New Jersey counties.

- Through a Chief Medical Officer and President/Chief Operating Officer of Horizon NJ Health, oversee the organization and its government program business.

Horizon Healthcare Innovations

During the development of the federal health reform law, all stakeholders recognized that the current health care system is financially unsustainable. In response to this, Horizon BCBSNJ created Horizon Healthcare Innovations - a new company to partner with stakeholders and focus

on new health care models to improve quality and affordability. By rethinking their approach to health care delivery models, Horizon is collaborating with partners to find innovative, cooperative solutions to build a health care system marked by high quality, increased patient satisfaction and improved affordability.

- Through the President and COO of Horizon Healthcare Innovations, design and pilot new models of patient care and reimbursement that address population and chronic care management, acute care procedures and consumer engagement.
- Further models currently under development such as the patient-centered medical home (PCMH), accountable care organization (ACO) and episodes of care. Promote the conception and development of new, innovative models.
- Ensure that HHI is capturing and closely examining clinical evidence-based quality measures and efficiencies, as well as cost and patient satisfaction.

HCM Administration/Finance/Data Management and Analysis

These departments provide support to the Senior Vice President and the other senior leaders in Healthcare Management. The Director of Administration serves as chief of staff and has three direct reports in project management, data support and business analysis. This Director also prepares all Board materials for Healthcare Management. The Director of Finance/Data Management and Analysis has responsibility for medical cost savings, provider claim audit, and Medicare reimbursement audit; the position has five direct reports.

V. CANDIDATE QUALIFICATIONS

The successful Senior Vice President, Healthcare Management candidate will possess at least 10 to 15 years of senior level experience in multiple facets of a healthcare delivery system with successful, broad operating and medical management experience. S/he will possess demonstrated leadership experience in the setting and execution of clinical quality guidelines and creation of a “world-class” healthcare delivery network. The ideal candidate will have senior-level operating experience and have managed medical operations including a chief medical officer. The new Senior Vice President, Healthcare Management will ideally possess the following experience and personal characteristics:

Experience:

- Successful experience working within a large, multi-level organization similar in size and complexity to Horizon BCBSNJ - experience working in a health plan is preferred but other backgrounds will also be considered.
- Knowledge of various facets of healthcare systems including health plans, hospitals and providers; knowledge of both the commercial and Medicaid markets a plus.

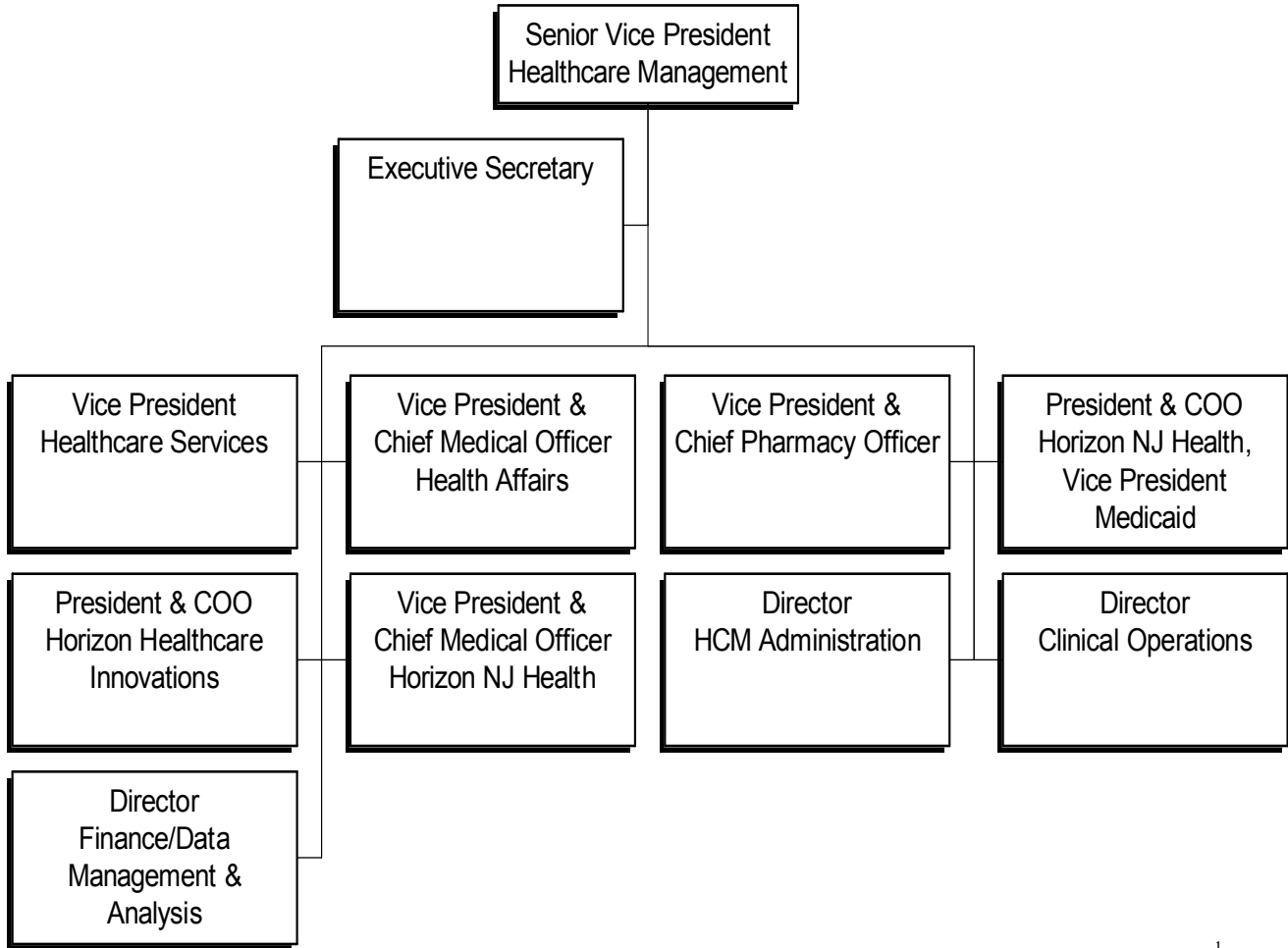
- Knowledge of plan products, applications, policies, procedures, systems, regulatory requirements preferred.
- Experience with state regulators.
- Broad clinical knowledge and track-record of clinical excellence along with current knowledge of clinical concerns and issues; successful management of senior level medical executives
- Strong working knowledge of issues central to achieving success in a competitive managed care arena.
- Strong understanding of the financial and strategic impact of provider contracts and network affiliations in a healthcare delivery marketplace.
- Must have overseen a staff of at least 500. Demonstrated experience as an excellent leader/ manager of people.
- Proven ability to create and implement a strategic plan that is aligned with corporate growth goals and objectives.
- Ability to lead change within an organization.
- Proven ability to hire, train, develop, and lead high performing teams.
- Bachelor's degree required. Masters or professional degree preferred.

Personal Characteristics:

- A proven, dynamic leader who is able to drive change through an organization;
- Passionate, quality driven, someone with a common touch who believes he/she can make a difference;
- Proven results as a visionary but also with the ability to be hands on; perceives projects and initiatives with a future-driven perspective.
- Knows, appreciates, and capitalizes upon the value of maintaining a strong presence in the national healthcare arena.
- Proven ability to exercise sound judgment and strong problem solving skills.
- Strong spokesperson with the ability to effectively present information and respond to questions from senior management and the Board, groups of managers, clients, customers, and the general public. Top notch presentation skills.

- Strong analytical and technical skills;
- Works collaboratively and effectively, specifically in leading fellow officers on medical management and operational issues.
- Demonstrated ability to build and maintain relationships.
- Exceptional interpersonal and communication skills.

Healthcare Management



VII. APPENDIX B

Horizon Blue Cross Blue Shield

