

# Independence Blue Cross Chief Operating Officer to Retire in July 2010

## Orderly internal succession planned

PHILADELPHIA, Oct. 29 /PRNewswire/ -- Independence Blue Cross's Chief Operating Officer and Executive Vice President Christopher D. Butler will retire July 1, 2010, after a 35-year career with Blue Cross health insurance companies, including 18 years in Philadelphia with IBC.

In a joint announcement today, IBC and the AmeriHealth Mercy Family of Companies said that under a six-month succession plan, IBC will create two new positions which will be filled by senior executives from AmeriHealth Mercy and IBC. The positions will be aligned with IBC's strategies for growth, operations, and medical management. The two executives will report to IBC President and CEO Joseph A. Frick, who will continue to lead the corporation.

On January 1, 2010, Butler will step down as COO and continue in his role as executive vice president. For the next six months, he will work with his two successors to ensure a smooth transition as they assume their new responsibilities. After his retirement, Butler will continue to serve as a member of the IBC Board of Directors.

Also on January 1, Daniel J. Hilferty will become president of health markets for IBC, reporting to Frick. Hilferty is currently president and chief executive officer of AmeriHealth Mercy, a Medicaid managed care company headquartered in Philadelphia and providing services in 13 states. AmeriHealth Mercy is jointly owned as a partnership of Independence Blue Cross and Mercy Health System. AmeriHealth Mercy is the largest organization of Medicaid managed care plans and affiliated businesses in the United States, serving 6.5 million people nationwide through publicly funded programs, including Medicare, Medicaid, and State Children's Health Insurance Programs. In his new role at IBC, Hilferty will oversee sales, marketing, and subsidiary operations, which include AmeriHealth Administrators, AmeriHealth New Jersey, and Comp Services. He will also have profit-and-loss responsibility for IBC's five-county core business.

On January 1, I. Steven Udvarhelyi, M.D., who has served for 13 years as IBC's senior vice president and chief medical officer, will become IBC's executive vice president for health services, reporting to Frick. He will lead health services, pharmacy, operations, information technology, and customer service.

"We are deeply grateful to Chris Butler for his extraordinary leadership for the last 18 years, building our membership, developing innovative health plans to serve the changing needs of our customers, and introducing new capabilities like informatics," said Frick. "While it is always hard to lose an accomplished leader and close friend like Chris, we are pleased with this planned, orderly transition and I am looking forward to the opportunity to work more closely with both Dan Hilferty and Steve Udvarhelyi whose judgment, commitment, and vision I admire."

Butler joined IBC in 1991 as senior vice president of marketing for Keystone Health Plan East, a subsidiary of IBC that manages its HMO plan. In 1995, he became the chief marketing officer for IBC and its subsidiaries, including the Keystone HMO and the AmeriHealth Companies. He became chief operating officer and executive vice president in 2005. Before joining IBC, Butler served in several different leadership roles at Blue plans in Ohio and New Jersey.

In addition, Michael Rashid, who is currently the executive vice president of AmeriHealth Mercy, will become its president and CEO on January 1, succeeding Hilferty. Rashid, who has been with AmeriHealth Mercy for 14 years, previously served senior executive roles at Medicaid organizations in New Jersey, Maryland, and the mid-Atlantic region, including president and chief executive officer of Mercy Health Plan of New Jersey (now Horizon NJ Health) and director of Medicaid Operations for Prudential Health Plan's Atlantic region.

"In challenging times like these, it is important that IBC continues to be led by seasoned industry experts, and our board has full confidence in the proven leadership of Dan Hilferty and Steve Udvarhelyi and the strength of the team they will form with our CEO Joe Frick," said IBC board chairman Walter D'Alessio.

Commented H. Ray Welch, Jr., chair of the board of the AmeriHealth Mercy Family of Companies: "Dan Hilferty's leadership has driven the success of AmeriHealth Mercy for more than a decade. His appointment to a top executive role at IBC is a natural progression in a long career of increasingly responsible leadership positions. We are fortunate to have great bench strength at AmeriHealth Mercy, with our Executive Vice President Michael Rashid, who is ready to take the reins as CEO."

Hilferty is known nationally as a leader in the publicly insured managed care industry and an advocate for health care access and quality, and is the board president of Medicaid Health Plans of America, a trade and advocacy organization. Hilferty has more than 25 years of experience in health care, government affairs, communications and education, having worked in government affairs for Mercy Health System in Southeastern Pennsylvania and as executive director of PennPorts with the Office of Pennsylvania Governor Robert P. Casey.

Dr. Udvarhelyi is a board certified internist and has almost 20 years of experience in the managed care industry, including working with the health plans of the Prudential Insurance Company of America in Florida, Georgia and New Jersey and as a faculty member at Harvard Medical School. As chief medical officer at IBC, Dr. Udvarhelyi has had overall responsibility for medical management programs and policies, provider contracting and provider relations, enterprise-wide information management (informatics), and pharmacy services, which includes IBC's pharmacy benefit management subsidiaries, FutureScripts and FutureScripts Secure.

Prior to joining AmeriHealth Mercy, Rashid was president and chief executive officer of Mercy Health Plan of New Jersey (now Horizon NJ Health), where he led managed health care services to Medicaid clients in New Jersey. Prior to that, Rashid served as director of Medicaid Operations for Prudential

Health Plan's Atlantic region, which included operations in Baltimore, Maryland and start-ups in Washington, DC and Virginia. He also served as chief executive officer of Total Health Care, a Medicaid managed care plan in Baltimore. In addition, Rashid has several years of experience in health care management consulting and managing health care provision in a city health corporation.

For more information about Independence Blue Cross, check [www.ibx.com](http://www.ibx.com). For further information about AmeriHealth Mercy, go to [www.amerhealthmercy.com](http://www.amerhealthmercy.com).

About Independence Blue Cross Independence Blue Cross, an independent licensee of the Blue Cross and Blue Shield Association, is a leading health insurer in southeastern Pennsylvania. Nationwide, Independence Blue Cross and its affiliates provide coverage to nearly 3.3 million people. For more than 70 years, Independence Blue Cross has offered high-quality health care coverage tailored to meet the changing needs of members, employers, and health care professionals. Independence Blue Cross's HMO and PPO health care plans have consistently received the highest ratings from the National Committee for Quality Assurance.

Independence Blue Cross supports comprehensive health care reform that would extend coverage to all Americans, reduce costs, and improve quality. We also advocate reform that builds on the current employer-based system that currently serves 170 million Americans. Learn more about our views on health care legislation now working its way through Congress.

About the AmeriHealth Mercy Family of Companies The AmeriHealth Mercy Family of Companies is the largest organization of Medicaid managed care plans and affiliated businesses in the United States, touching the lives of more than 6.5 million individuals. With more than 20 years of experience exclusively serving the Medicaid population, AmeriHealth Mercy's core products include full-risk HMOs, management, administrative, pharmacy benefit, and care management services, and behavioral health care services.

SOURCE Independence Blue Cross

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