The communities which we serve have also been enhanced through our commitment to diversifying supplier activities. Our Supplier Diversity program helps stimulate local economic development by providing minority- and women-owned business enterprises (MWBEs) the opportunity to compete for United Concordia business. I am proud to say that in 2008 we increased our MWBE utilization to 18 percent which equates to $3 million in spending.

Our goal is to be the most valued national dental insurance company and our diversity efforts support that objective. As we continue to provide superior dental benefits and customer service, it is imperative we continue to grow our diversity programs.

In 2009, we will maintain our efforts to recruit and sustain diverse employees and will again expand our outreach efforts across the country. I believe that by honoring these commitments we will grow as a company and will be a stronger organization as a result.

I look forward to a successful year and sharing the results with you in the 2009 Diversity Report.

Sincerely,

Harlon L. Robinson
Corporate Vice President, Human Resources and Administration
Corporate Diversity Chairman

A Word from Our Diversity Chairman

I am proud to share with you this report on United Concordia’s diversity activities. In spite of a challenging economic year, our company and employees surpassed diversity goals in all three targeted areas: workforce, outreach and supplier.

At United Concordia, diversity is the key to who we are and what we do. To that end, in 2008 we reconfirmed our commitment to diversity by maintaining a workforce that is reflective of our ever-changing society, drastically expanding outreach efforts and increasing utilization of diverse suppliers.

We see our staff as key assets and devote considerable time and resources to ensure their success and sense of inclusion. As a testament to our achievement, according to a recent employee survey, a significant majority of employees feel their individual differences are valued and that people are treated fairly regardless of age, race, sex or sexual orientation. We believe it is through these differences that we are able to communicate effectively with our customers and partners, overcome challenges, and identify new opportunities. We are confident that growing our diverse workforce and utilizing their different perspectives and ideas will lead to competitive advantages and continued success.

While I am proud of the effect our diversity program has had on our workforce, I am equally excited about the advancements we have made in our community efforts which include outreach and supplier activities.

United Concordia’s dedication to the community reflects the company’s core values. To that end, our outreach activities are designed to aid individuals and non-profit organizations through activities that address critical issues of dental care, education and material need. In 2008 we provided an estimated $100,000 in dental services to nearly 2,500 underserved individuals and touched the lives of thousands more through corporate contributions, employee donations and volunteerism.
This year, we also expanded on the success of established programs including Diversity Lunch and Learn sessions that explore cultural differences in the workforce, community and individuals. Moreover, staff were encouraged to participate in wellness and consumer-education workshops offered within the company throughout the year.

Looking forward, we will continue to introduce new workforce diversity initiatives while strengthening current programs. In 2009 we will implement Celebrate Diversity Week as a pilot for 2010. Our goal is to dedicate one month every year to acknowledge and celebrate the many differences that make us unique.

We place a strong emphasis on leadership development for staff who aspire to management and leadership positions. In 2008 we began creating a Leadership Development program as well as a succession plan that will help employees gain the necessary skills to be promoted to management and specialized positions within the company. Diversity is one of the components that is considered when potential candidates are selected for development and promotion as we are committed to having a leadership team that is reflective of our culture.

Supporting our Communities

The strength of the communities in which we work and live is as integral to us as providing superior customer service and dental benefits to our members. In effect, our success depends upon the sustainability of our communities as vibrant and financially stable hosts, safe and healthy places to live and work, and environments that encourage cultural development. To that end, we invest our time and creativity, as well as monetary contributions, in improving the quality of life for those in our communities through our Community Outreach program.

United Concordia’s Community Outreach program is a comprehensive plan that addresses multiple interrelated societal problems, including access to dental care, oral health education and material necessity.

As a dental insurance provider, we believe we have a responsibility of ensuring the oral health of those in need as well as those fortunate enough to have dental insurance. In 2008, we provided an estimated $100,000 of free dental care to more than 2,500 individuals with minimal or no dental insurance throughout the country through our free dental clinic initiative. This was possible because of the dedication of our staff and the remarkable relationships we have built with dentists and community organizations nationwide.

For each clinic, we partner with dentists who participate in one of our provider networks as well as local hygienists and assistants. These dental professionals volunteer their time and services to the patients to make sure they receive the best care possible. We also partner with clinics and hygiene schools that provide the facilities in which we hold the events.

In addition, we foster and create relationships with local associations and national organizations benefiting communities where we work and live. We increased participation with these partners and communicated to them our goals in diversity. Through relationships with Big Brothers Big Sisters, United Way, Central PA Food Bank, as well as many others, employees participated in fundraising events, donated necessities and holiday gifts to those in need and assisted with operational tasks of charitable organizations. This includes contributions to the United Way, breast cancer research and Big Brothers Big Sisters. Staff also conducted teambuilding successes at the Central Pennsylvania Food Bank and Highmark’s Caring Place to help the organizations prepare for their daily activities.

We also continued our commitment to military personnel by providing funding, supplies and encouragement to military service members, their families and the wounded. In 2008, United Concordia and its employees provided school materials to Iraqi children, gifts to wounded service members at Walter Reed Army Medical Center and supplies to Marine Corps members supporting Operation Iraqi Freedom.

Furthermore, our community outreach program provides corporate contributions to programs serving causes and organizations throughout the country. This year the company contributed more than $200,000 to institutions that provide assistance to military members, their families or the general public. A few of our larger contributions benefited the National Military Families Association, Fisher House, National Foundation of Dentistry for the Handicapped and Armed Forces YMCA.

In 2009, we will again expand outreach initiatives to include a minimum of 50 free dental clinics in targeted areas nationwide. We will also partner with colleges and universities to expand our scholarship program and will utilize existing partnerships to enhance communities in which we work and live. For more information on United Concordia’s outreach programs, visit our Web Site: www.unitedconcordia.com and click the Community button at the top.