From: Joe Reschini

Sent: Tuesday, January 16, 2024 2:56 PM

To: Sheaffer, Kimberly <kimsheaffe@pa.gov>
Subject: [External] Highmark modification request

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Dear Commissioner:

I am writing today as a customer of the western Pennsylvania insurance market. It is the contention of my organization that certain conditions outlined in the 2013 PID order allowing Highmark Health to acquire control of Highmark Inc. have out served their usefulness. Though the conditions were modified in 2017, we believe that they may be hindering healthy competition and, consequently, the quality and affordability of healthcare services in the region.

We understand that the PID order was established with the primary goal of preserving competition for consumers in western Pennsylvania among hospitals and insurers. We commend the efforts made to achieve this objective, and we acknowledge the positive impact that the creation of Highmark Health has had on enhancing competition in the region.

However, as a valued customer and stakeholder in the healthcare industry, we have observed that the current regulatory conditions, particularly those imposed on Highmark Health may be impeding its ability to compete effectively with other integrated delivery systems that operate without similar constraints. Specifically, we would like to bring to your attention two key concerns:

- 1. Limitations on Provider Contracts: The restriction limiting Highmark's provider contracts to no longer than five years appears to be a barrier to fostering long-term partnerships and collaborations. We believe that removing this limitation could encourage stability in contractual relationships and lead to more efficient and cost-effective healthcare delivery.
- 2. Financial Commitment Limitation: The constraints on Highmark's financial commitments may be limiting its ability to support the expansion of access points to care for our members through institutions such as Allegheny Health Network (AHN). We believe that a more flexible financial framework could enable Highmark Health to make strategic investments that ultimately benefit the quality and accessibility of healthcare services in our community.

Considering the overwhelming success of Highmark Health and AHN in preserving healthcare competition in western PA, we respectfully request that you consider removing all remaining conditions in the 2013 order. We believe that a more balanced approach will further promote competition and innovation, ultimately benefiting all stakeholders involved.

We appreciate your attention to this matter and look forward to the continued success of the Pennsylvania insurance market in providing quality healthcare services to our community.

