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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

April 17, 2012

Mr. Robert Brackbill, Chief
Company Licensing Division
Pennsylvania Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120

Submitted Testimony for the record
PA Insurance Department-Hearing on Highmark-West Penn Merger
House Insurance Chairman-D, Tony Deluca

Dear Mr. Brackbill:

The issue of healthcare has long been at the top of my list of priorities, both as a Representative of people who live in the Pittsburgh region and as Chairman of the House Insurance Committee. Healthcare is an issue that my committee debates often and we realize the importance of a strong and competitive network. Although I have been vocal about the need for Highmark and UPMC to find a way to contract together and I still believe this fact, today I express my strong support for the proposed affiliation between West Penn Allegheny Health Systems (WPAHS) and Highmark Inc.

Always keeping an eye on the job climate and the importance of saving jobs in our region-we must all realize that almost 12,000 jobs are at stake. WPAHS is a major employer in Pittsburgh neighborhoods and nearby municipalities. Many of my constituents have relied on their five hospitals for years and want to continue to affordably access them.

The West Penn Allegheny Health System provides an important alternative provider network within our area. These are quality facilities and quality jobs. No one hospital network should ever dominate or exclusively serve a geographic region. Quality indicator data from the Pennsylvania Health Care Cost Containment Council (PHC4) will verify that these hospitals are consistently performing as expected or at better than expected levels on outcome measures of: Mortality, Length of Stay and Readmission rates. The merger with Highmark would provide WPAHS with the sound financial basis they need to continue to provide high quality care, and enhance their competitiveness in the region.

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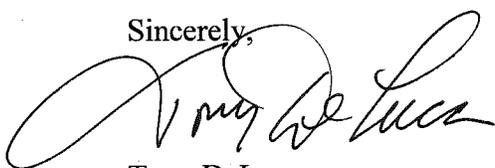
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I believe that Highmark insured's would benefit from this merger for many years to come. For the good of health care in our region and for protecting almost 12,000 jobs that might be lost, I agree that this merger should occur.

Our community has committed to these hospitals in the past, assisting them with government support, and through their tax exempt status. By supporting this affiliation between WPAHS-Highmark, we can contribute to the future success of WPAHS, but also to the enhancement of health care in Western Pennsylvania as a whole. Most importantly, this region cannot afford to lose 12,000 jobs in this economic climate.

Sincerely,



Tony DeLuca
State Representative
32nd Legislative District

Cc: Honorable Michael Consedine, Insurance Commissioner