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Brackbill, Robert

From: Linda Dickerson [ldickerson@verizon.net]
Sent: Wednesday, February 29, 2012 10:51 PM
To: Brackbill, Robert
Subject: Highmark/West Penn Allegheny Health System (WPAHS) affiliation
Attachments: Highmark_WPAHS letter of support to PA Insurance Dept.docx

Dear Mr. Brackbill,

Please find attached my written statement in support of the Highmark/West Penn Allegheny Health System (WPAHS) affiliation.

Thank you,
Linda Dickerson

Linda A. Dickerson
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February 29, 2012

Subject: Highmark/West Penn Allegheny Health System (WPAHS) affiliation

Robert Brackbill
Chief, Company Licensing Division
Pennsylvania Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120
rbrackbill@pa.gov

Dear Mr. Brackbill,

Monopoly or oligopoly is rarely, if ever, a positive force in any economic system. Clearly, a monopoly or oligopoly in healthcare delivery systems causes costs to spiral and ultimately quality of care to deteriorate.

By permitting the affiliation of Highmark with the West Penn Allegheny Health System (WPAHS), the Pennsylvania Insurance Department will preserve consumer choice, encourage competition, lower costs, and ensure higher quality of care. Integrated Delivery Systems, which align healthcare providers and insurance payors, are emerging in cities and communities across the country to prevent an absence of competition. Most markets throughout the United States have at least two healthcare delivery systems, unlike Southwestern Pennsylvania, which continues to permit the deleterious consequences of UPMC dominating the market.

An alliance between Highmark and the WPAHS will restore true competition to the marketplace. This, combined with a strong infrastructure of community hospitals, will eliminate a monopoly or oligopoly.

The WPAHS hospitals are critically important community assets. Without the resources that Highmark can induce and without the strategic capacity that Highmark would provide, the WPAHS hospitals are unequivocally in jeopardy. Identified by Reuters as one of the 57 top-performing healthcare systems in the country based on quality, safety, and patient satisfaction, WPAHS adds enormous value to Southwestern Pennsylvania. I strongly encourage the Pennsylvania Insurance Department to support an affiliation of Highmark and the West Penn Allegheny Health System to preserve and build upon this added value.

Western Pennsylvania needs true competition in its healthcare delivery system. This will be difficult, if not impossible, to achieve without strengthening the West Penn Allegheny Health System. Highmark is well positioned to build a new system that can better control costs, introduce innovative reimbursement models, improve the quality of care, and provide consumers the options that they richly deserve in selecting their healthcare providers.

Sincerely,

Linda Dickerson

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