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Brackbill, Robert

From: Brackbill, Robert
Sent: Monday, January 28, 2013 2:55 PM
To: 'Chronister, Ronald'
Subject: Highmark/UPE Form A Filing: Public Comment Received from Ms. Peg Bittner

Dear Mr. Chronister,

The following public comment concerning the subject filing is being forwarded to you for appropriate response by the applicant.

Robert E. Brackbill, Jr. | PIR | Chief, Company Licensing Division
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From: pearlreapaf@comcast.net [mailto:pearlreapaf@comcast.net]
Sent: Thursday, January 24, 2013 8:16 PM
To: Brackbill, Robert
Subject: Highmark's bailour of WestPennAllegheny

Good Morning Sir,

It has been just over a year since Highmark layed off the last group of their massive layoff of employees in efforts to reduce costs in anticipation of the Affordable Care Act coming into effect in 2014. This was the plan as explained to the employees at the time. The management had gone into details that, at the time made sense that the insurance carriers could only declare their expenses as 15% of the premium price for their overhead cost. The 85% was to go for the payment of claims submitted.

The company offered a "voluntary" and I use that term very loosely, plan for people within certain areas considered back end that did not have direct impact on the member. Theses areas include IT, Membership Enrollment and Premium Billing, Advertising, Programming, Training and other departments along that line. These jobs went to India where they could be done at one fourth the price. Withing four months after the second wave of layoffs in membership it was discovered very easily that India was not a good idea. It was also found even before anyone left that the people who had over 20 years of service and had been there since they graduated from high school were not going to receive the same health benefit as those who were over 45 with 15 years of service as of 2010. Those people were earned a special retirement health insurance nest egg they could count on when they left. This was set up prior to any talk of layoffs.

Now in the latest development of the Highmark/ WestPenn-Allegheny merger it comes out that Highmark's bailout amount has now gone over $1.6 billion dollars. Where is this money coming from and what about all those other new business projects they have announced this past year? Their actions do not set an example of cost cutting as explained to their employees. If they have had this kind of funding within their grasp why could they not expand that medical coverage nest egg to all the employees who where with them for over 15 years and of a certain age? But more importantly why did they have to lay so many off? Many fo those people were in their fifties with less than ten years to go before retiring.

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I strongly believe that 1) Once Highmark gets approval, gets all their new businesses in place, and signs on one more Blue Cross they are going to go through one long financial crisis of their own making. Through business life experience I have seen and experienced too many times to feel otherwise. Is there a financial plan B when that happens.

2) Since Highmark is throwing all this money around, then they should be expected to take care of their own who were there to get them this far. Both those currently and those before them. They should be held to not raise premium rates so fast and high. If they have !.6 billion to just turn over to an enterprise that they do not fully own yet, they eat premium costs for the loyal members that made them who they are. 3) I feel strongly about that Highmark should be held accountable for how they manipulated their employees and lied to them.

The insurance industry is a business just like McDonald's and Best Buy. They are not a government that gets to tell everyone else what to do. Both Highmark and UPMC have become too big for their, our and all own good. It is now to settle them down across the board and stop them with their own language and start living with real people.

Thank you. I am getting tired of seeing the special HIghmark sections in the paper and having to hear the latest corporate rhetoric that comes out of their public relations area. The average citizen needs a translation dictionary to understand it.

Peg Bittner
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