

FRANK DERMODY
DEMOCRATIC LEADER
33RD LEGISLATIVE DISTRICT
ROOM 423 MAIN CAPITOL
PO BOX 202033
HARRISBURG PENNSYLVANIA 17120-2033
PHONE: (717) 787-3566
FAX: (717) 787-8060



DISTRICT OFFICE
HARMAR
1331 FREEPORT ROAD
CHESWICK PENNSYLVANIA 15024
PHONE: (724) 274-4770
FAX: (724) 274-8814

HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

May 1, 2017

Joseph DiMemmo, CPA
Deputy Insurance Commissioner
Office of Corporate & Financial Regulation
Pennsylvania Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120

VIA EMAIL: ra-in-comment@pa.gov

RE: Modification to Order No. ID-RC-13-06

Dear Deputy Commissioner DiMemmo:

As elected officials who represent constituents in Allegheny County, we have witnessed firsthand the need to preserve competition in the healthcare marketplace, which is why we are writing in support of the proposed modification to Order No. ID-RC-13-06. The proposed modification would help to foster a more level playing field for real health care competition in western Pennsylvania.

In order for Highmark Health and AHN to effectively compete, they must have the flexibility to make timely, strategic investments as required to execute their strategy. We are confident that the company has a sound, comprehensive strategic plan for AHN through 2020 that will help Highmark Health to thrive as a market leading Integrated Delivery and Financing System after the Consent Decree with UPMC ends.

Also, we know that AHN's strategy is built around its transition to a value based care delivery model, and away from the traditional and more costly fee for service model. A financially stronger AHN will allow Highmark to further limit the growth of premium costs for Highmark members and reduce overall health care costs for all customers while maintaining convenient access to high quality providers and resources across western Pennsylvania, which will significantly benefit our constituents.

We urge you to favorably consider the requested modification.

Sincerely,

Handwritten signature of Frank Dermody in black ink.

Frank Dermody
Democratic Leader
33rd Legislative District

Handwritten signature of Dan Frankel in black ink.

Dan Frankel
Democratic Caucus Chair
23rd Legislative District