

Evan Frazier



**PENNSYLVANIA
HOUSE FINANCE COMMITTEE**

**TESTIMONY
ON
HOUSE BILL 2213
PRINTER'S NUMBER 3613**

**NEIGHBORHOOD ASSISTANCE TAX
CREDIT PROGRAM**

**EVAN FRAZIER
SENIOR VICE PRESIDENT, COMMUNITY AFFAIRS**

AUGUST 25, 2016

Statement of Evan Frazier
PA House Finance Committee Hearing
August 25, 2016

Good morning Chairman O'Neill, Chairman Wheatley, and members of the Pennsylvania House Finance Committee. My name is Evan Frazier, and I am Senior Vice President of Community Affairs for Highmark Health. I am pleased to be here to speak about Highmark Health's support for the Neighborhood Assistance Tax Credit Program and to talk about how the program has been a successful vehicle for Highmark Health's community and corporate giving.

As you may know, Highmark Health is the parent organization of Highmark Inc (our health insurance arm), Allegheny Health Network (our integrated delivery network), our diversified businesses (dental, vision, stop-loss) and HM Solutions (our technology solutions organization). The companies which comprise the Highmark Health enterprise have demonstrated a strong and continuing commitment to community. That commitment is expressed through various philanthropic means, including supporting programs and initiatives that positively impact health and quality of life.

In 2015, philanthropic giving by Highmark Health companies amounted to more than \$20 million. These dollars were directed to charitable health, wellness, education, human services, arts, community and civic organizations, all doing invaluable work to improve the health and resiliency of the communities served by the Highmark Health companies.

One of the important programs that Highmark Health utilizes for our community giving is the Neighborhood Partnership Program, which is one of the programs available under the Neighborhood Assistance Tax Credit Program. This program provides for a unique public-private partnership. It is another investment vehicle for organizations to utilize in revitalizing communities throughout the Commonwealth.

Highmark Health currently participates in five (5) Neighborhood Partnership Programs. Highmark Health's total investment through these five partnerships will total \$3.6 million through the duration of our various partnerships, and we will contribute \$700,000 in 2016 for vital community improvements.

In 2013, Highmark Health participated in our first NPP by partnering with Tri State Capital and Dollar Bank in support of the Wilksburg Community Development Corporation. I know that Tracey Evans is here today to speak with you about the importance of this program, but Highmark Health saw the need to help fund the commercial revitalization of Wilksburg's business district. We believe that improving the economic health of our community will also yield improvements in physical and behavioral health. Similarly, Highmark Health has partnered with Economic Development South to support the commercial revitalization of Mount Oliver and the Carrick neighborhood business district.

After becoming an integrated delivery network and acquiring West Penn Allegheny Health Systems, Highmark Health partnered with the Northside Leadership Conference on a NPP to

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support the Conference with several important initiatives on the Northside. Our flagship hospital, Allegheny General, and the communities that comprise the Northside, rely on each other for continued success. For Allegheny General to thrive, so must the residents and businesses which call the Northside home. The Neighborhood Partnership Program provided an avenue for Highmark Health to invest in the success of the Northside and to strengthen the bond between our business and the community.

Our most recent partnership in Allegheny County was with Operation Better Block, and I know that you will hear from Jerome Jackson about their ambitious initiative. Highmark Health is proud to support this partnership which will revitalize Homewood's business district, and also provide for vacant lot maintenance and a home repair program for Homewood. I think the quality of this program can be best evidenced by the fact that both Highmark Health and UPMC have invested resources toward its success.

Currently, Highmark Health has an application pending to support the Sisters of Saint Joseph in Erie. Much as we did with the Northside Leadership Conference, we have partnered with the Sisters to provide community improvements near our St. Vincent Hospital campus in Erie. Highmark purchased St. Vincent Hospital from the Sisters, and we recognize their commitment to the surrounding community which we look forward to supporting via the Neighborhood Partnership Program.

As I mentioned, Highmark Health has a vast Community Affairs program which utilizes several programs to support the communities where our employees and members live and work. The Neighborhood Assistance Tax Credit Program, and specifically the Neighborhood Partnership Program, has been an excellent vehicle for Highmark Health to support our communities.

While I understand that the Commonwealth faces an ongoing budget challenge, I trust that you will see that having state resources available through this tax credit program provides organizations like Highmark Health with additional opportunities to provide funding support for important, life-changing community programs which will contribute to making our region healthier.

I urge you to continue funding this vitally important program which provides for a unique public private arrangement to support communities across the Commonwealth, and to consider supporting HB 2213, sponsored by Representative Mustio, which would make more funding available for this program.

Thank you again for the opportunity to speak with you today. I am available to answer any questions that you may have.