



News for Immediate Release

Nov. 7, 2011

Insurance Department Receives Transactional Filing on Behalf of Highmark

Harrisburg – The Pennsylvania Insurance Department has received a filing which seeks approval of proposed changes in control of Highmark and its subsidiary insurance entities, Insurance Commissioner Mike Consedine announced today. This "Form A" transactional filing is related to Highmark's proposed affiliation with the West Penn Allegheny Health System (WPAHS).

"Our team will now begin its rigorous review to evaluate this transaction against the standards in state law," Consedine said. "We will focus on licensure, solvency, business plans and management, as well as the impact the transaction could have on competition and consumers. It is very important to be as transparent as possible in our review, and to involve consumers and stakeholders every step of the way."

The "Form A" was filed by a newly-formed nonprofit corporation, UPE, which seeks approval for change of control of Highmark and its insurance subsidiaries. The department anticipates that, after review by the Pennsylvania Office of Attorney General, a petition to approve the affiliation will be filed by WPAHS in the Orphan's Court Division of the Court of Common Pleas of Allegheny County.

The department will evaluate the proposal against a set of standards, including whether the transaction will lessen competition, produce new efficiencies, or be hazardous to the insurance-buying public. Standards also focus on financial solvency; the competence, experience, and integrity of company management; the fairness and reasonableness of any changes in business operations, as well as compliance with all other state laws. Public input, including a public hearing, will be part of the department's review process.

The filing and related information will be available Nov. 9 on the department's website at www.insurance.pa.gov. Public comments are invited and will be indexed and periodically posted on this site.

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Editor's Note: Beginning Nov. 9, interested parties who wish to offer a written comment should submit comments to: Robert Brackbill, Chief, Company Licensing Division, Insurance Department, 1345 Strawberry Square, Harrisburg, PA 17120, by fax to 717-787-8557, or via email at: rbrackbill@pa.gov.

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