BEFORE THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA

Statement Regarding the Acquisition of Control of or Merger with Domestic Insurers:

Highmark Inc.; First Priority Life Insurance Company, Inc.; Gateway Health Plan, Inc.; Highmark Casualty Insurance Company; Highmark Senior Resources Inc.; HM Casualty Insurance Company; HM Health Insurance Company, d/b/a Highmark Health Insurance Company; HM Life Insurance Company; HMO of Northeastern Pennsylvania, Inc., d/b/a First Priority Health; Inter-County Health Plan, Inc.; Inter-County Hospitalization Plan, Inc.; Keystone Health Plan West, Inc.; United Concordia Companies, Inc.; United Concordia Dental Plans of Pennsylvania, Inc.; United Concordia Life and Health Insurance Company

By UPE, a Pennsylvania nonprofit corporation

<u>RESPONSE TO PID INFORMATION REQUEST 4.6.4 FROM THE</u> <u>PENNSYLVANIA INSURANCE DEPARTMENT</u>

REQUEST 4.6.4

Provide detail concerning how employees (and number of jobs and offices) will be affected by the Transaction.

RESPONSE:

One of the many objectives driving Highmark's desire to effect the Transaction is to retain jobs. Highmark has already saved jobs and seen jobs added at the West Penn Hospital as a result of its funding of the reopening of the West Penn Emergency Department and the expansion of other clinical services. Highmark is also actively engaged in developing several ambulatory medicine and surgery centers that also should result in increased employment and commerce throughout the western Pennsylvania region. As is the case with any operating entity, there will be workforce fluctuations following the affiliation, driven by WPAHS's focus on creating efficiencies, streamlining operations, meeting health system objectives and simple supply and demand. However, Highmark believes that, over time, the Transaction provides the potential for an overall increase in employment in the system and the region.

UPE

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