## 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

### SUPPLEMENTAL RESPONSE TO INFORMATION REQUEST 3.5 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

### **Information Request 3.5:**

Provide a full and complete copy of any communication (whether by letter, e-mail or otherwise) and/or other document provided to and/or received from any governmental or regulatory entity related to the Transaction that is not otherwise required to be submitted in connection with this PID Information Request. "Governmental or regulatory entity" includes, but is not limited to, the Pennsylvania Attorney General's Office, the Pennsylvania General Assembly, departments or agencies of the Commonwealth (other than the Pennsylvania Insurance Department), other state insurance departments, the United States Department of Justice, the Federal Trade Commission, other departments or agencies of the United States or any other state, and any political subdivision or other governmental unit.

### **RESPONSE:**

Attached is additional correspondence sent to or received by local counsel with respect to change of control filings required by other state insurance departments.

UPE 120 Fifth Avenue Pittsburgh, PA 15222

# CALIFORNIA



Edmund G. Brown Jr., Governor State of California Health and Human Services Agency

Department of Managed Health Care 980 9<sup>th</sup> Street, Suite 500 Sacramento, CA 95814-2725 Phone: 916.324.9948 Fax: 916.327.6352 Email: jkral@dmhc.ca.gov

March 27, 2013

### VIA ELECTRONIC MAIL

Karen Palmersheim United Concordia Dental Plans of California, Inc. P.O. Box 10194 Van Nuys, CA 91410

Re: Amendment Proposing Notice of Change in Control 12-16-11 Filed on March 1, 2013; Primary Filing No. 20130480

Dear Ms. Palmersheim:

The Department of Managed Health Care (the "Department") has reviewed the information submitted in the above-referenced filing (the "Amendment") filed by United Concordia Dental Plans of California, Inc. (the "Plan") for compliance with the Knox-Keene Health Care Service Plan Act of 1975, as amended<sup>1</sup>. The Department has completed review of the Amendment, and at this time has no objection to implementation of the changes as described in the Amendment.

The Department reserves the right to require additional revisions to the Plan's operations and documents, including but not limited to subscriber and provider documents, and written policies and procedures, as further review may indicate is necessary for compliance with the Act.

### **CONFIDENTIALITY REQUEST**

The Department accepted filing of the Amendment on March 1, 2013. The Plan requested confidential treatment of Exhibit E-1 (unredacted) and Attachment 4 to Exhibit E-1, containing confidential financial information and projections for an indefinite period from the date of the filing.

The Department grants confidentiality on the Exhibit E-1 (unredacted) and Attachment 4 to Exhibit E-1 for indefinitely or until such other time as the Department and the Plan agrees upon the presentation, format, and disclosure of the Confidential Information or the Confidential Information becomes

<sup>&</sup>lt;sup>1</sup> California Health and Safety Code sections 1340 et seq. (Act). References herein to section are to Sections of the Act. References to "Rule" refer to California Code of Regulations, title 28.

March 27, 2013 Page 2

publicly available.

Further, if the Director determines to disclose the information for which confidentiality determination was given above, the information may be disclosed in accordance with the notice and disclosure provision of Rule 1007.

Notwithstanding the above grants, if the Plan notifies the Department that the information no longer constitutes confidential information, the Plan and the Department agree to a disclosure of the information, the Department determines that the private and/or public interests in disclosing such information outweighs the public interests in non-disclosure, the justification for the confidential treatment no longer exists, or the other events described in California Code of Regulations, Title 28, Section 1007(f) occur, the information will disclosed sooner, at whichever is the lesser period of time.

Please contact me if there are any questions regarding the above.

Sincerely,

Jugs Kul

Jeff Kral Associate Health Program Advisor Department of Managed Health Care Office of Plan Licensing

# WEST VIRGINIA

# MITCHELL WILLIAMS RECEIVED APR 1 2 2013

Frederick K. Campbell Direct Dial: 501-688-8882 Fax: 501-918-7882 E-mail: rcampbell@mwlaw.com

425 West Capitol Avenue, Suite 1800 Little Rock, Arkansas 72201-3525 Telephone: 501-688-8800 Fax: 501-688-8807

April 11, 2013

# VIA FEDERAL EXPRESS

The Honorable Michael D. Riley Commissioner of Insurance West Virginia Offices of the Insurance Commissioner 1124 Smith Street Charleston, West Virginia 25301

- Attn: Andrew R. Pauley, Esquire General Counsel
  - Re: Supplement No. 3 to Amendment No. 1 to Form A Statement Regarding the Acquisition of Control of Highmark West Virginia, Inc. d/b/a Highmark Blue Cross Blue Shield West Virginia ("the Domestic Insurer") by UPE (the "Applicant")

Dear Commissioner Riley:

The purpose of this letter is to supplement the above-captioned Form A filing with three additional documents. Enclosed is a set of public and confidential disks with revised exhibits to the Form A as follows:

- 1. A public disk labeled **Exhibit A (Exhibit F 2<sup>nd</sup> Revised)** replacing the "public" version of the Amended & Restated Bylaws of WPAHS effective at Closing;
- 2. A confidential disk labeled **Exhibit J (Revised)** updating the "**Confidential**" copy of the Revised Schedules to Affiliation Agreement; and
- 3. A public disk labeled **Exhibit K-1 (Revised)** updating the "public" version of the "Supplemented Overview of Highmark's Strategic Vision."

**Exhibit J (Revised)** is marked "**Confidential**" and was submitted to the Pennsylvania Insurance Department with a request that it be treated as confidential under Pennsylvania law. Therefore, we ask that this document be afforded confidential treatment and be excepted from disclosure (to the fullest extent permitted under West Virginia law) because it contains personal and/or proprietary information which we wish to remain as confidential. The Applicant also requests that it be notified in advance if any person requests access to this document so that it has the opportunity to take action to prevent or limit any such disclosure. The Honorable Michael D. Riley April 11, 2013 Page 2

We appreciate your assistance and courtesy in working with us on this matter.

Very truly yours,

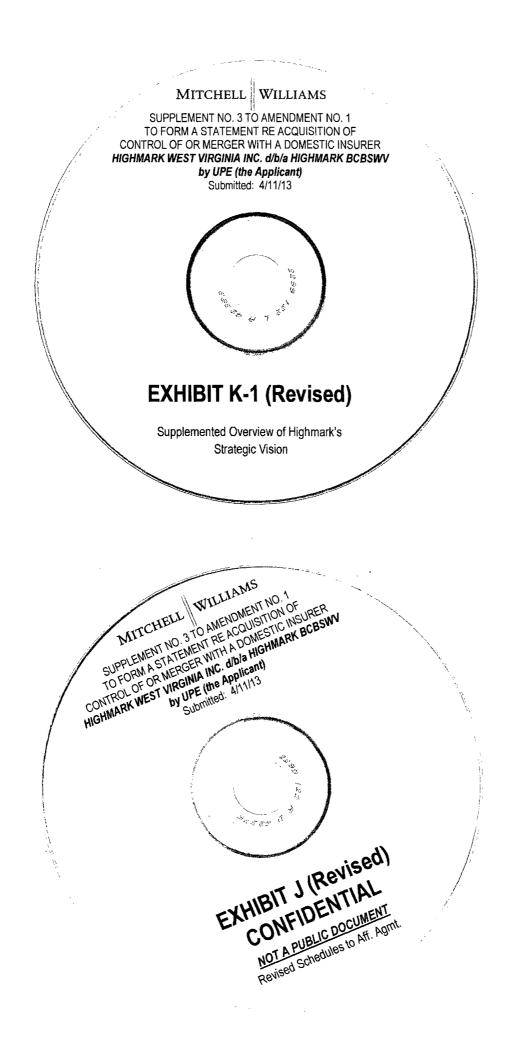
MITCHELL, WILLIAMS, SELIG, GATES & WOODYARD, P.L.L.C.

By

JAECARICI II. (DWDOH) Frederick K. Campbell

FKC:ka Enclosure

J. Fred Earley II, Esquire (w/enclosures) cc: Linda Beckman, Esquire (w/enclosures) John L. Sencak, Esquire (w/enclosures) Richard J. Enterline, Esquire (w/enclosures) Ronald E. Chronister, Esquire (w/enclosures)





# DELAWARE

Frederick K. Campbell Direct Dial: 501-688-8882 Fax: 501-918-7882 E-mail: rcampbell@mwlaw.com

425 West Capitol Avenue, Suite 1800 Little Rock, Arkansas 72201-3525 Telephone: 501-688-8800 Fax: 501-688-8807

April 11, 2013

# VIA FEDERAL EXPRESS

The Honorable Karen Weldin Stewart, CIR-ML Commissioner of Insurance Delaware Insurance Department Rodney Building 841 Silver Lake Boulevard Dover, Delaware 19904

- Attn: Linda Sizemore, CPA, CFE Director of Company Regulation
  - Re: Supplement No. 3 to Change No. 2 to Form A Statement Regarding the Acquisition of Control of Highmark BCBSD, Inc. d/b/a BlueCross BlueShield of Delaware ("the Domestic Insurer") by UPE (the "Applicant")

Dear Commissioner Stewart:

The purpose of this letter is to supplement the above-captioned Form A filing with three additional documents. Enclosed is a set of public and confidential disks with revised exhibits to the Form A as follows:

- 1. A public disk labeled **Exhibit A-1 (Exhibit F 2<sup>nd</sup> Revised)** replacing the "public" version of the Amended & Restated Bylaws of WPAHS effective at Closing;
- 2. A confidential disk labeled **Exhibit J (Revised)** updating the "**Confidential**" copy of the Revised Schedules to Affiliation Agreement; and
- 3. A public disk labeled **Exhibit K-1 (Revised)** updating the "public" version of the "Supplemented Overview of Highmark's Strategic Vision."

The Applicant requests confidentiality of **Exhibit J (Revised)** pursuant to Del. C.  $\S 10002(g)(2)$ , and that (i) the Applicant be notified in advance of any proposed disclosure by the Delaware Insurance Department, and (ii) the Applicant be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

The Honorable Karen Weldin Stewart, CIR-ML April 11, 2013 Page 2

We appreciate your assistance and courtesy in working with us on this matter.

Very truly yours,

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MITCHELL, WILLIAMS, SELIG, GATES & WOODYARD, P.L.L.C.

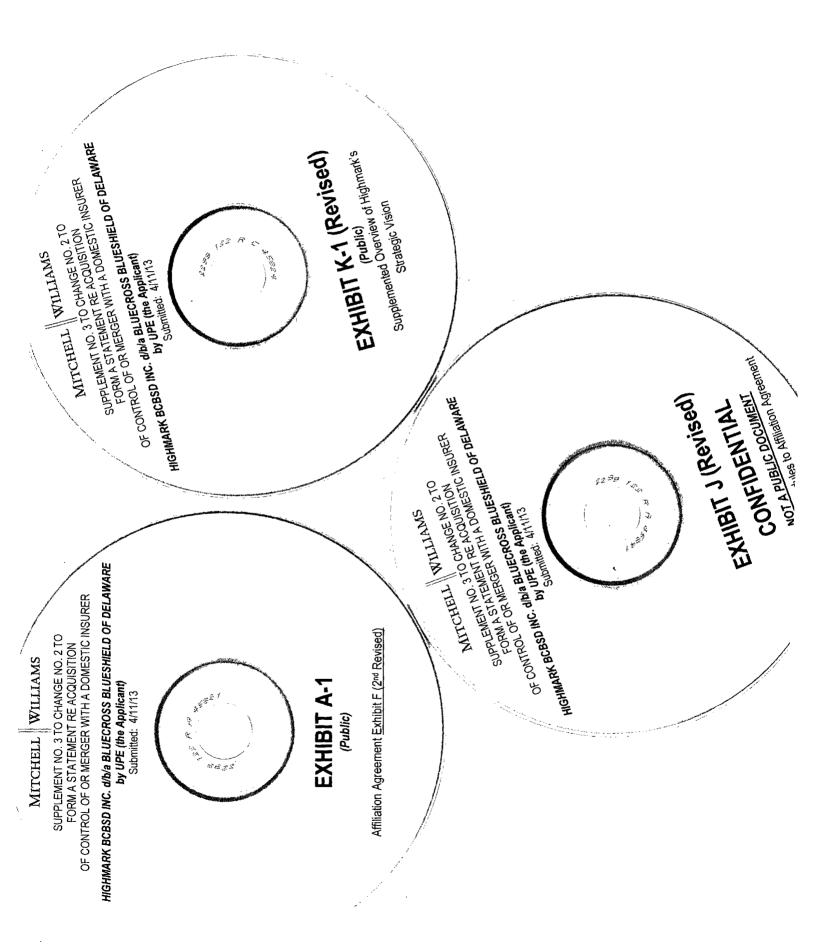
By

Frederick K. Campbell

FKC:ka Enclosure

cc: The Honorable Joseph R. Biden, III Attn: Ian R. McConnel, Esquire (w/enclosures)

> Michael Houghton, Esquire (w/enclosures) Leslie Polizoti, Esquire (w/enclosures) John L. Sencak, Esquire (w/enclosures) Ronald E. Chronister, Esquire (w/enclosures) William E. Kirk, III, Esquire (w/enclosures)



OHIO

#### STATE OF OHIO DEPARTMENT OF INSURANCE 50 W. Town Street, Third Floor, Suite 300 Columbus, Ohio 43215

IN THE MATTER OF: UPE APPLICATION TO ACQUIRE CONTROL OF GATEWAY HEALTH PLAN OF OHIO INC.	:	MARY TAYLOR LT. GOVERNOR/DIRECTOR ORDER AND JOURNAL ENTRY
	ORDER	

Based upon representations made in the application and documentation on file at the Department, the Superintendent makes the following findings:

- The requirements and procedures for mergers or acquisitions of control of domestic insurance companies are set forth in Ohio Revised Code Section 3901.321 and Ohio Administrative Code Section 3901-3-01 ("Form A").
- 2. Gateway Health Plan of Ohio, Inc. ("Company"), is an Ohio domiciled health insuring corporation. The Company is a wholly owned subsidiary of Gateway Health Plan, LP, a Pennsylvania domiciled limited partnership, which is jointly controlled by Highmark, Inc. ("Highmark"), Highmark Ventures Inc. and Mercy Health Plan. Highmark, a Pennsylvania domiciled non-profit corporation, is currently the ultimate controlling person of the Company.
- 3. On January 17, 2012, UPE, a Pennsylvania domiciled non-member, non-profit corporation, filed an application for the acquisition of control of the Company. UPE is the sole corporate member of Highmark and was created for the purpose of completing an affiliation agreement between Highmark and West Penn Allegheny Health System, Inc ("WPAHS"). UPE is also the sole member of UPE Provider Sub which, in turn, will become the sole member of WPAHS.
- 4. As a result of the reorganization of the holding company to facilitate the affiliation, UPE will become the new ultimate controlling person of the Company.
- 5. The application to acquire control is supported by the required documents, either attached to the application or on file with the Department.
- 6. There are no facts before the Superintendent to support a determination that any of the items set forth in Ohio Revised Code Section 3901.321(F)(1)(a)-(f) apply.

#### NOW, THEREFORE, IT IS ORDERED:

The acquisition of Gateway Health Plan of Ohio, Inc. by UPE is hereby approved.

This Order made and entered into the Journal of the Ohio Department of Insurance this \_\_\_\_\_\_ day of \_\_\_\_\_\_\_2012.

Mary Taylor

Lt. Governor/Director