BEFORE THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA

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

Hospital Service Association of Northeastern Pennsylvania d/b/a Blue Cross of Northeastern Pennsylvania; First Priority Life Insurance Company, Inc.; HMO of Northeastern Pennsylvania, Inc., d/b/a First Priority Health

By Highmark Inc.

HIGHMARK INC. ("Highmark") RESPONSE TO INFORMATION REQUEST 2.1.12 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

REQUEST 2.1.12:

Discuss and provide an analysis of alternative relationship/contractual structures that Highmark considered for an extension of Highmark's relationship with BCNEPA once Highmark was selected as BCNEPA's counterparty to the Merger.

RESPONSE:

Highmark certifies that Highmark did not consider any alternative relationship/contractual structures for an extension of Highmark's relationship with BCNEPA once Highmark was selected as BCNEPA's counterparty to the Merger.

Highmark Inc. Fifth Avenue Place 120 Fifth Avenue Pittsburgh, PA 15222