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 2.1.11.1 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

REQUEST 2.1.11.1:

Describe the primary reason(s) why the applicable BCNEPA Entity rejected, did not pursue or failed to consummate each Proposed Prior BCNEPA Transaction and describe the circumstances that prevented the consummation or pursuit of each Proposed Prior BCNEPA Transaction.

RESPONSE:

Highmark interprets this request as being directed to BCNEPA and therefore will not be providing a substantive response.

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