

**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 5.2.18.8 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.2.18.8:

With regard to any Joint Venture in effect since January 1, 2012: Is Community Blue or a similar plan currently offered in the Northeastern Pennsylvania area by any Highmark Entity, BCNEPA Entity and/or any Joint Venture? How, if at all, will this change if the Transaction is approved?

RESPONSE:

Highmark certifies that to the best of its knowledge, information and belief as follows:

Community Blue PPO plan designs (specifically a plan involving a select provider network design that does not include all providers in the network) are not currently offered in the Northeastern Pennsylvania area by any Highmark Entity, BCNEPA Entity and/or any Joint Venture.

Highmark notes, however, that certain Joint Venture products such as CustomBlue PPO and AffordaBlue are administered similarly to Community Blue in central Pennsylvania but through benefit design tiering of a broad network instead of by use of a select network. One additional difference is in the treatment of BlueCard providers. In the case of CustomBlue PPO and AffordaBlue products, BlueCard providers are treated as out of network. By contrast, while Community Blue does not

include select providers in its network, unlike the Joint Venture products, it includes BlueCard providers in the highest tier of in-network benefits.

Integration planning, including analysis of the current and future product portfolio for the northeastern Pennsylvania area if the Transaction is approved, is currently underway. (See Highmark's confidential response to Request 2.5.2.) This response will be supplemented as more information becomes available.

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