

**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.

**BCNEPA RESPONSE TO INFORMATION REQUEST 5.2.18.12 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.2.18.12:

With regard to any Joint Venture in effect since January 1, 2012: In addition to the benefits currently provided by the Joint Ventures, what are the incremental or added benefits to the Highmark Entity and/or BCNEPA Entity by consummating the Transaction?

RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief the following:

The expected benefits of the Transaction for key stakeholders of BCNEPA are described in BCNEPA's confidential response to Request 2.1.1.

Since FPH and FPLIC deliver most of the branded products offered by BCNEPA in the 13 counties, the expected benefits of the Transaction are the same.

**Hospital Service Association of
Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern
Pennsylvania ("BCNEPA")
19 North Main Street
Wilkes-Barre, PA 18711**