

**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 7.1 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 7.1:

If the entity is a membership corporation, discuss how each Highmark Entity and BCNEPA Entity has complied or plans to comply with section 5922(d) of the Non Profit Law and its bylaws concerning member or subscriber approval of the Transaction.

RESPONSE:

BCNEPA certifies to the best of its knowledge, information and belief that the Merger Agreement and the Merger was submitted by the BCNEPA Board of Directors to the members of BCNEPA for their consideration and approval, and the members of BCNEPA approved the Merger Agreement and the Merger on March 10, 2014.

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