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 5.2.17.1 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

REQUEST 5.2.17.1:

Please provide projected efficiencies and benefits from the Transaction by category or specific type (and the supporting documentation, data or expert opinion).

RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief that it did not prepare a projection of efficiencies and benefits from the Transaction, but anticipates that Highmark will provide a substantive response to this Request. BCNEPA has provided a description of the benefits of the Transaction in its confidential Response to Request 2.1.1 and in the "Overview of BCNEPA Business Perspective", Tab F, of the Form A filing with the Pennsylvania Insurance Department.

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