

**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”) SUPPLEMENTAL RESPONSE TO SUPPLEMENTAL
INFORMATION REQUEST I.A.(2) FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

SUPPLEMENTAL REQUEST I.A.(2) (via letter from PID dated August 27, 2014)

Required Action:

(2) The following responses require a certification from Highmark that it has provided a response based upon all information available to it: 2.1.11, 2.1.11.1, 2.4.2, 2.4.3, 2.4.6, 2.6.3, 2.6.6, 2.7.1, 5.2.11.11, 5.2.15, 5.2.15.1, 5.2.18.4, 5.2.18.5, 5.2.18.6, 5.2.18.7, 5.3.2, 5.3.5.2, 5.3.5.3, 5.3.15.1, 5.3.18, 5.4.8.1, 5.4.8.2, 5.4.8.5, 5.6.11, 5.6.13, 6.1.1.3, 6.1.1.13, 6.3.1.1, 6.3.1.2 and 6.3.2.1.

RESPONSE:

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

Highmark indicated in a previous response to this supplemental Request that BCNEPA’s responses to, among others, Requests 5.2.18.4, 5.2.18.5, 5.3.18 and 5.6.13 had not been made available to Highmark and, therefore, that Highmark was not able to make any certification with respect to such responses. Highmark further indicated that it would separately supplement its responses to these requests with any such reasonably responsive information as it might identify upon further good faith and diligent review of such information as was reasonably available to it. Highmark now has completed such a review and, based thereon, provides the following further supplemental responses.

REQUEST 5.2.18.4:

To the extent BCNEPA discussed any current Joint Venture or negotiated with respect to such a Joint Venture, how was the Joint Venture addressed? Please provide a copy of any Documents that reference any such discussions or negotiations.

RESPONSE:

Highmark has no information regarding the extent to which BCNEPA discussed any current Joint Venture or negotiated with respect to such a Joint Venture other than the

information that was previously provided in Highmark's non-confidential response to Request 2.4.2 and Highmark's confidential response to Request 2.4.4.

REQUEST 5.2.18.5:

Please identify all providers with which any Joint Venture contracts (separated by Joint Venture) and the employers with which any Joint Venture contracts.

(A) Are there separate contracts with the same provider where both BCNEPA and a Joint Venture contract with that provider? If so, please specify these.

RESPONSE:

Highmark has no information regarding the identity of providers with which any Joint Venture contracts or the employers with which any Joint Venture contracts other than the information that was previously provided in Highmark's confidential response to Request 6.2.2.1.

REQUEST 5.3.18:

Provide a full and complete copy of any analysis of alternatives to entering into the Transaction, including but not limited to 'worst case' or similar analysis, performed for or provided to BCNEPA or any BCNEPA Affiliate and the assumptions underlying such analysis.

RESPONSE:

Highmark does not have copies of any analysis of alternatives to entering into the Transaction performed for or provided to BCNEPA or any BCNEPA Affiliate.

REQUEST 5.6.13:

Provide a full and complete copy of any BCNEPA Board of Directors Documents regarding the consideration of other relationships with any of the Highmark Entities as alternative transactions to the merger under the Merger Agreement.

RESPONSE:

Highmark does not have copies of any BCNEPA Board of Directors Documents regarding the consideration of other relationships with any of the Highmark Entities as alternative transactions to the merger under the Merger Agreement.

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