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**Bybee, Cressinda**

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**From:** Chronister, Ronald <ronald.chronister@bipc.com>  
**Sent:** Tuesday, January 20, 2015 10:23 AM  
**To:** Bybee, Cressinda  
**Cc:** Lorettaraven@aol.com  
**Subject:** Response to Public Comment from Ms. Loretta Raven  
**Attachments:** HBG1\_GENERAL-1911222-v1-Response to Public Comment from Ms. Raven.DOC

Ms. Bybee,

Attached please find Highmark Inc.'s response to the public comment received by the Pennsylvania Insurance Department from Loretta Raven. I am providing Ms. Raven with a copy of the response with this email.

Ron Chronister

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**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., a Pennsylvania nonprofit corporation

**Response of Highmark Inc. to  
Comments of Loretta M. Raven Dated January 7, 2015**

Highmark Inc. (Highmark) is responding to the comment from Loretta M. Raven received by the Pennsylvania Insurance Department (Department) on January 7, 2015. The comment is numbered as Document 0837 on the Highmark/BCNEPA Cumulative Log page of the Department's website.

Ms. Raven has expressed opposition to the merger of "Highmark and Blue Shield" based on her belief that such merger will increase costs to subscribers. The merger currently under review by the Department is between Highmark and Blue Cross of Northeastern Pennsylvania (BCNEPA). Highmark is responding to Ms. Raven's concern about increased costs to subscribers in that context.

Highmark is a leader in addressing health care costs, and will continue to work to address costs through innovative programming. Highmark has substantial experience in implementing Accountable Care Organizations (ACOs) and Patient Centered-Medical Home (PCMH) program models in other regions and intends to introduce these types of programs to the BCNEPA service area following the merger. These programs will augment and expand BCNEPA's existing programs. Early returns from Highmark's programs in other regions indicate that these initiatives slow the growth of health care costs while improving quality, a significant benefit to subscribers and plan sponsors. The introduction of these value-based products and programs should allow Highmark to improve health care quality in northeastern and north central Pennsylvania while still managing costs.

Highmark would like to thank Ms. Raven for her comments.

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

DATE: January 20, 2015

cc: Loretta M. Raven