



March 30, 2011

Mr. Michael F. Consedine  
Acting Insurance Commissioner  
Commonwealth of Pennsylvania  
1326 Strawberry Square  
Harrisburg, PA 17120

**Re: Highmark Inc. July 2011 – June 2012 Fiscal Year Community Health Reinvestment Proposal**

Dear Acting Commissioner Consedine:

Please accept the proposal for anticipated community health reinvestment activities during the July 2011 – June 2012 fiscal year as required by Article XXV of The Insurance Company Law of 1921, as added by section 9 of Act 62 of 2008 (“Act 62”) for Highmark Inc. (“Highmark”). If you would like to discuss the projected amounts on pages 2 and 3, or have any other questions, I can be reached at 412-544-8322, or through Tija Hilton Phillips at 717-302-3971.

Sincerely,

A handwritten signature in cursive script that reads "Nanette P. DeTurk".

Nanette P. DeTurk  
Executive Vice President Finance, Chief Administrative and Financial Officer & Treasurer

Cc: David M. O'Brien, Government Services, Highmark  
Tija Hilton Phillips, Regulatory Affairs, Highmark  
Stephen J. Johnson, Deputy Insurance Commissioner

**PLAN PROPOSAL FOR  
COMMUNITY HEALTH REINVESTMENT ACTIVITIES**

**Proposal for Fiscal Year July 2011 - June 2012**

**FEIN: 23-1294723**

**NAIC: 54771-PA**

**I. Hospital Plan Corporation or Professional Health Service Plan Corporation Name and Address:**

Highmark Inc.  
1800 Center Street  
Camp Hill, PA 17011

**II. Planned Expenditures:**

	<b>Projected Expenditures</b>
<b>1. Proposed annual community health reinvestment activities for health care coverage for persons unable to pay for coverage (list and describe proposed endeavors below):</b>	
a. Projected underwriting losses on the CHIP and Direct Pay for uninsured children above the CHIP income guidelines	\$ 9,832,720
b. Projected underwriting losses and rate subsidies on the guarantee issue Direct Pay, Medigap and Special Care low-income programs	\$ 45,546,702
c. Projected rate subsidies on guarantee issue Direct Pay and Medigap products and HCTC and HIPAA programs	\$ 24,725,358
<b>2. Proposed annual community health reinvestment activities for health care services for persons uninsured and unable to pay for services (list and describe proposed endeavors below):</b>	
a. Projected activities and expenditures are included in Line 3a	\$ -
<b>3. Proposed annual community health reinvestment activities for programs for prevention and treatment of disease or injury or the promotion of health or wellness (list and describe proposed endeavors below):</b>	
a. Projected grants and donations that support improving health in Pennsylvania and addressing issues such as, but not limited to, health disparities, chronic diseases (such as asthma), health screenings, community health initiatives and influenza shots for seniors	\$ 7,748,716
<b>4. Community health reinvestment activities proposed in your application under paragraph 3 of the Agreement dated February 5, 2005 and published at 35.Pa.B. 4155 or any successor or other agreements (list and describe proposed endeavors below):</b>	
a. None	\$ -
<b>5. Other proposed annual community health reinvestment activities (list and describe proposed endeavors below):</b>	
a. None	\$ -
<b>TOTALS</b>	<b>\$ 87,853,496</b>