

**BEFORE THE INSURANCE DEPARTMENT  
OF THE  
COMMONWEALTH OF PENNSYLVANIA**

Statement Regarding the Acquisition of Control of or Merger with  
Domestic Insurers:

Highmark Inc.; First Priority Life Insurance Company, Inc.;  
Gateway Health Plan, Inc.; Highmark Casualty Insurance Company;  
Highmark Senior Resources Inc.; HM Casualty Insurance Company;  
HM Health Insurance Company, d/b/a Highmark Health Insurance Company;  
HM Life Insurance Company; HMO of Northeastern Pennsylvania, Inc.,  
d/b/a First Priority Health; Inter-County Health Plan, Inc.;  
Inter-County Hospitalization Plan, Inc.; Keystone Health Plan West, Inc.;  
United Concordia Companies, Inc.; United Concordia Dental Plans of Pennsylvania, Inc.;  
United Concordia Life and Health Insurance Company

By UPE, a Pennsylvania nonprofit corporation

**RESPONSE TO PID INFORMATION REQUESTS 3.2 AND 3.3 FROM THE  
PENNSYLVANIA INSURANCE DEPARTMENT**

**Information Requests 3.2 and 3.3**

**3.2 For each governmental, regulatory, corporate and/or contractual notice filings, consents, and/or approvals that are or reasonably may be required for or in connection with the Transaction provide:**

- 3.2.1 The name, address of the entity that must give the consent or approval;**
- 3.2.2 The specific notices, filings, consents or approval(s) that will be required;**
- 3.2.3 The timing of the notices, filings, consents or approvals, together with citation to the statutory, regulatory or contractual provision requiring such notice, consent or approval;**
- 3.2.4 Whether contact has been made with the entity regarding the Transaction and, if so, provide the name, address, telephone number and e-mail address of the individual(s) at the entity who was contacted;**
- 3.2.5 Provide a complete copy of any written material that has been submitted to any Person (other than Highmark or WPAHS Entities and their directors, officer, employees and agents) regarding the Transaction and any response to such written material.**

**3.3 Explain the process for obtaining each consent and approval set forth this Section 3 and the expected timeline or schedule for each.**

**RESPONSE(S):**

As reflected in the Highmark organizational charts submitted as an exhibit to the Form A filing, and any amendments to the Form A filing, Highmark has several insurance subsidiaries or affiliates which are domiciled in other states. The table below summarizes the insurance regulatory filing requirements that apply to these Highmark subsidiaries and affiliates:

<b>Regulatory Agency</b>	<b>Timing of Filing</b>	<b>Nature and Status of Filing</b>	<b>Contact Information<sup>1</sup></b>
AL Department of Insurance 201 Monroe Street Suite 502 Montgomery, AL 36104	Prior Approval  Code of Ala. § 27-28-1, <i>et seq.</i> ; § 27-19-1, <i>et seq.</i>	Form A filed on 12/29/11  Notified on 2/15/12 - transaction not subject to filing	J. Fairley McDonald (334) 241-4120 john.mcdonald@insurance.alabama.gov
AZ Department of Insurance 2910 N. 44th Street Suite 210 Phoenix, AZ 85018	Prior Approval  ARS-20-481.02	Form A filed on 12/12/11	Kurt A. Regner, CFE (602) 364-3963 KRegner@azinsurance.gov  Cary W. Cook (602) 364-3986 CCook@azinsurance.gov

<sup>1</sup> The address for each contact person is the same as the Agency address unless otherwise noted.

<p>CA Department of Managed Healthcare 980 Ninth Street Suite 500 Sacramento, CA 95814</p>	<p>Prior Notice of a change of control</p> <p>CA Health &amp; Safety Code, Section 1352(b)</p> <p>CA Code of Regulations Title 28, Section 1300.52.4</p>	<p>Notice of Material Modification filed 12/16/11</p> <p>Approved 1/17/12</p>	<p>Jeff Kral (916) 324-9948 jkral@dmhc.ca.gov</p> <p>Maureen McKennan (916) 445-7976 mmckennan@dmhc.ca.gov</p> <p>Amy Krause (916) 445-2498 akrause@dmhc.ca.gov</p> <p>Stephen Babich (916) 445-2438 sbabich@dmhc.ca.gov</p>
<p>DE Insurance Department Rodney Building 841 Silver Lake Boulevard Dover, DE 19904</p>	<p>Prior Approval</p> <p>18 Del. C. §5001, <i>et seq.</i></p>	<p>Form A Filing not yet filed</p>	<p>Linda Sizemore (302) 674-7343 linda.sizemore@state.de.us</p>
<p>KY Department of Insurance 215 W. Main Street P.O. Box 517 Frankfort, KY 40602</p>	<p>KRS 304.37-120 Prior approval</p>	<p>Form A filed 1/5/12</p>	<p>David Hurt (502) 564-3630 David.Hurt@ky.gov</p> <p>Matthew Finley (502) 564- 6032 Matt.Finley@ky.gov</p> <p>Sharron Burton (502) 564-6032 Sharron.Burton@ky.gov</p> <p>Holly Mullins (502) 564-3630 Holly.Mullins@ky.gov</p>
<p>MD Insurance Administration 200 St. Paul Place Suite 2700 Baltimore, MD 21202</p>	<p>Prior Approval</p> <p>MD Insurance Article, §7-304</p>	<p>Form A filed 12/6/11</p>	<p>Lynn Beckner (410) 468-2126 LBeckner@mdinsurance.state.md.us</p>

<p>MI Office of Financial and Insurance Regulation 611 W. Ottawa Street Lansing, MI 48909</p>	<p>Prior Approval</p> <p>MCLA 500.1301 <i>et seq</i></p>	<p>Form A filed 1/17/12</p>	<p>Judy Weaver (517) 335-1742 weaverj3@michigan.gov</p> <p>Kristin M. Hynes, CFE (517) 241-0020 hynesk@michigan.gov</p> <p>Alex Hertrich (517) 335-4074 hertricha@michigan.gov</p> <p>Randall Gregg (517) 241- 3068 gregg2@michigan.gov</p>
<p>NY Department of Financial Services 25 Beaver Street New York, NY 10004</p>	<p>Section 1506 of the NY Insurance Law</p> <p>Regulation No. 52 (11 NYCRR Part 80-1.6)</p>	<p>Form A filed 12/9/12</p>	<p>Charles Lovejoy clovejoy@ins.state.ny.us (212) 480-5045</p> <p>Eugene T. Murphy EMurphy@ins.state.ny.us (212) 480-5041</p>
<p>OH Department of Insurance 50 West Town Street Third Floor, Suite 300 Columbus, OH 43215</p>	<p>Prior Approval</p> <p>Ohio Revised Code 3901.321</p>	<p>Form A filed 1/17/12</p>	<p>Stephen Vamos III (614) 728-1274 steve.vamos@insurance.ohio.gov</p> <p>James May (614) 644-3330 james.may@insurance.ohio.gov</p> <p>Timothy Biler (614) 728-1377 tim.biler@insurance.ohio.gov</p> <p>Barbara Brown (614) 644-3336 barbara.brown@insurance.ohio.gov</p>

TX Department of Insurance 333 Guadalupe Austin, TX 78701	Prior Approval  Tex. Ins. Code, Ch. 823 (2010)	Form A filed 1/3/12	Jodi Rider (512) 322-5095 jodi.rider@tdi.state.tx.us
VT Department of Banking, Insurance, Securities and Health Care Administration 89 Main Street Montpelier, VT 05620	Prior Approval  Section 14 of Regulation 81-2	Letters sent to Insurance Division on 11/29/11  Approvals received 12/12/11	David F. Provost (802) 828-3304 david.provost@state.vt.usa
WV Office of Insurance Commissioner 1124 Smith Street Charleston, WV 25301	Prior Approval  W.Va.Code § 33-27-1, <i>et seq.</i> (2011)	Form A filed 1/11/12	Andrew Pauley (304) 558-6279, ext. 1402 Andrew.Pauley@wvinsurance.gov

With the exception of California and Vermont, the filing in each of the above states consists of a Form A that generally follows the format and content set out in the NAIC Insurance Holding Company System Regulatory Model Act and the companion model regulation. The Pennsylvania Insurance Holding Company Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, No. 284, is fashioned after and largely consistent with the aforementioned NAIC model act. The required format and content for Form A filings in Pennsylvania is set forth in 31 Pa. Code, Chapter 25 and is consistent, for the most part, with the format and content for Form A filings as delineated in the NAIC model Act. Consequently, the Form A filings submitted in other states contain information that is consistent with and, if not identical, very similar to the Form A filed with the Department. To the extent that there are variances, the Form A filings submitted in other states generally contain less information and fewer exhibits than the Form A filed with the Department and may include state-specific exhibits or information related to the domestic insurer for which the Form A has been filed. Form A filings in three states are treated as confidential in their totality and have therefore been submitted on a confidential basis.

The Highmark subsidiary domiciled in California (United Concordia Dental Plans of California, Inc.) is subject to regulation by the California Department of Managed Health Care.

The filing in California is called a Notice of Material Modification. While it contains some of the same information that is generally required to be disclosed in a Form A, the format and content varies from that in a Form A. Much of the information is related to the California licensee.

The Highmark subsidiaries domiciled in Vermont are licensed as captive insurers. Vermont does not require a comprehensive change of control filing. The Vermont Department requires the submission of a letter outlining the transaction that will result in a change of control of the captive insurer(s).

The review process in other states where a Form A has been filed is similar to that being undertaken by the Department. In a few instances there may be explicit timeframes within which a filing must be reviewed and in at least two states (Delaware and Kentucky) an administrative hearing is required. As noted above, Vermont and California have approved the change of control as of the date of filing of this Response. The California order conditions approval on subsequent approval by the Department.

This Response relates to governmental and regulatory approvals in other states only and will be supplemented with respect to other notices, consents or approvals.

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