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 Northern 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 SUPPLEMENTAL REQUESTS 3.2 AND 3.3 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

SUPPLEMENTAL REQUEST 3.2 (via letter from the PID dated September 26, 2012):

- 3.2 Please respond to each of the items in this Section 3.2 for each response to Supplemental Filing Request 3.1.1. For each governmental, regulatory, corporate and/or contractual notices, 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 and WPAHS Entities and their directors, officers,

employees and agents) regarding the Transaction and any response to such written material.

SUPPLEMENTAL REQUEST 3.3 (via letter from the PID dated September 26, 2012):

3.3 Please respond to each of the items in this Section 3.2 [3.3] for each response to Supplemental Amendment [Filing] Request 3.1.1. Explain the process for obtaining each consent and approval set forth this Section 3 and the expected timeline or schedule for each.

RESPONSE:

With respect to the JRMC transaction only, UPE responds as follows:

- 3.2.1 The name, address of the entity that must give the consent or approval.
- A. Office of the Attorney General Charitable Trusts and Organizations Section 564 Forbes Avenue, 6th Floor Manor Complex Pittsburgh, PA 15219
- B. Court of Common Pleas of Allegheny County, Orphans' Court Division 1700 Frick Building 437 Grant Street Pittsburgh, PA 15219
- 3.2.2 The specific notices, filings, consents or approval(s) that will be required.
- A. The parties to the JRMC transaction must receive a letter from the Pennsylvania Attorney General's Office, Charitable Trusts and Organizations Section (the "Office"), to the effect that the Office does not object to the JRMC transaction.
- B. The parties to the JRMC transaction must receive an order of the Court of Common Pleas of Allegheny County, Orphans' Court Division, approving the JRMC transaction and finding that the JRMC transaction does not result in a diversion of charitable assets.
- 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.
 - A. The Attorney General's Office, Charitable Trusts and Organizations Section, will review the JRMC transaction and has acknowledged the need to act on an expedited basis. The review will be conducted in accordance with the Attorney

General's Review Protocol for Fundamental Change Transactions for healthcare organizations.

B. The petition for approval by the Court of Common Pleas of Allegheny County, Orphans' Court Division, will be filed upon receipt of the no objection letter from the Attorney General's Office. The Orphans' Court has jurisdiction over the JRMC transaction under Rule No. 2156 of the Pennsylvania Rules of Judicial Administration and under Section 711(3) of the Probate, Estates and Fiduciaries Code, 20 Pa. C.S.A. § 711(3).

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.

Contacts have been made as follows:

A. Gene J. Herne
Senior Deputy Attorney General-in-Charge
Charitable Trusts and Organizations Section
564 Forbes Avenue, 6th Floor Manor Complex
Pittsburgh, PA 15219
(412) 565-3581
eherne@attorneygeneral.gov

Sandra Mackey Renwand
Senior Deputy Attorney General
Charitable Trusts and Organizations Section
564 Forbes Avenue, 6th Floor Manor Complex
Pittsburgh, PA 15219
(412) 880-0466
srenwand@attorneygeneral.gov

- B. No contact has been made.
- 3.2.5 Provide a complete copy of any written material that has been submitted to any Person (other than Highmark and WPAHS Entities and their directors, officers, employees and agents) regarding the Transaction and any response to such written material.
 - A. Written materials have been submitted in response to Supplemental Filing Request 3.5.1.
 - B. No submissions.

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

See responses to 3.2.2 and 3.2.3 above.

UPE 120 Fifth Avenue Pittsburgh, PA 15222