



November 1, 2011

Mr. Mitch Kalish
Vice President, Chief Actuary
BlueCross of Northeastern Pennsylvania
19 North Main Street
Wilkes-Barre, Pennsylvania 18711-0302

Re: 3/23/2011 BlueCross of Northeastern Pennsylvania Act 62 Filing

Dear Mr. Kalish:

The Pennsylvania Insurance Department has completed its review of the Act 62 Filing of BlueCross of Northeastern Pennsylvania ("BCNEPA"), including its response to the Department's June 15, 2011 letter. As you are aware, the Department's authority under Act 62 is limited to approving or disapproving a Blue Plan's itemized individual community health reinvestment activity expenditures. The Department does not have the authority to dictate how much a Blue Plan should dedicate to CHR activities or specify where or how those funds should be spent, beyond the limitations set forth in the definition of "community health reinvestment activity".

With those statutory guidelines in mind, we approve BCNEPA's Act 62 Filing and the expenditures itemized therein, with the exception of its planned donations to various local United Way organizations, section II.2.c of the filing. This type of general charitable donation, while it may support a worthy cause, is insufficiently related to the definition of "Community Health Reinvestment Activity" in Act 62.

Please submit a revised filing that removes the entries listed above. The Department would like to thank BCNEPA for its continuing support of the communities it serves.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen J. Johnson", is written over a white background.

Stephen J. Johnson, CPA
Deputy Insurance Commissioner