



19 North Main Street,
Wilkes-Barre, Pennsylvania 18711-0302
www.bcnepa.com

LEADING THE WAY

April 10, 2014

Mr. Stephen J. Johnson, CPA
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation
1345 Strawberry Square
Harrisburg, PA 17120

Dear Mr. Johnson:

Enclosed please find the Community Health Reinvestment Activities (CHRA) filing for the Hospital Service Association of Northeastern Pennsylvania (d/b/a Blue Cross of Northeastern Pennsylvania), per the requirements of Article XXV of The Insurance Company Law of 1921, as amended by section 9 of Act 62, 2008.

Past CHRA filings have included underwriting losses incurred on income based products that have been subsidized by BCNEPA, such as Special Care. However, for this filing, such subsidy is not included as the Special Care offering will be discontinued on June 30, 2014 and these policyholders will likely migrate to the Federally Facilitated Exchange ("FFM").

If the Insurance Department has any questions pertaining to the activities outlined in this filing or needs additional information, please contact me at 570-200-6360.

Sincerely,

William J. Farrell
Senior Vice President, CFO & Treasurer
Blue Cross of Northeastern Pennsylvania

Cc: John Fulginiti, Senior Director Actuarial Services
Suzanne Fletcher, Vice President, Finance & Administrative Services
Brian Rinker, Sr. Vice President, Chief Administrative Officer
Kim Kockler, Vice President Government Affairs
JoAnn Baldo, Director, Compliance and Audit Services
Cynthia Yevich, Senior Director, Corporate Affairs



**PLAN PROPOSAL FOR
COMMUNITY HEALTH REINVESTMENT ACTIVITIES**

Proposal for Fiscal Year July 1, 2014 to June 30, 2015

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I. HOSPITAL PLAN CORPORATION OR PROFESSIONAL HEALTH SERVICE PLAN CORPORATION NAME AND ADDRESS:

Hospital Service Association of Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern Pennsylvania
19 North Main Street
Wilkes-Barre, PA 18711

II. PLANNED EXPENDITURES:

	Projected Expenditures
1. 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):	
<p>a. The Blue Ribbon Foundation of Blue Cross of Northeastern Pennsylvania makes grants available to community nonprofits to support health and wellness education, prevention, and access to care programs.</p> <p>All Blue Ribbon Foundation grants are approved by The Foundation's Board of Directors. Funded projects must meet The Foundation's published eligibility criteria. All Board meetings are pending for the period covered by this report, so it is not possible to provide a detailed breakdown of grant expenditures. No grants will be approved that fall outside our published grant criteria.</p>	\$67,000
<p>b. Blue Cross of Northeastern Pennsylvania partners with Susquehanna Health in <i>The LifeCenter</i>, a retail health and wellness storefront dedicated to community health outreach, classes and seminars, and free or reduced-cost screenings.</p>	\$32,000
<p>c. BCNEPA supports the health and human services programs of United Way agencies throughout our 13 counties through annual corporate contributions to 14 community-based United Way campaigns. An estimated \$125,000 in United Way support is expected to be distributed in the third quarter of 2014.</p>	\$125,000
TOTALS	\$ 224,000

***NOTE: IF A PROPOSED ACTIVITY APPLIES TO MORE THAN ONE CATEGORY, IT MAY BE REPORTED IN EACH APPLICABLE CATEGORY; HOWEVER, THE PROJECTED EXPENDITURE MAY ONLY BE COUNTED ONCE**

Note from Blue Cross of Northeastern Pennsylvania:

This disclosure contains forward-looking statements that are based on Management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors. The company does not undertake any obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this report.