BEFORE THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA

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

Hospital Service Association of Northeastern Pennsylvania d/b/a Blue Cross of Northeastern Pennsylvania; First Priority Life Insurance Company, Inc.; HMO of Northeastern Pennsylvania, Inc., d/b/a First Priority Health

By Highmark Inc.

BCNEPA RESPONSE TO INFORMATION REQUEST 5.2.11.10 FROM <u>THE PENNSYLVANIA INSURANCE DEPARTMENT</u>

REQUEST 5.2.11.10:

All Documents concerning plans or proposals referencing or in any way relating to BCNEPA engaging in "for profit" insurance business; the liquidation of BCNEPA; the sale of any of BCNEPA's assets; the consolidation or merger of BCNEPA; or other material changes in BCNEPA's business, corporate structure or management;

RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief that it is not aware of any plans or proposals relating to BCNEPA engaging in "for profit" insurance business; the liquidation of BCNEPA; the sale of any of BCNEPA's assets (other than in the ordinary course); the consolidation or merger of BCNEPA (other than the Merger); or other material changes in BCNEPA's business, corporate structure or management (except in connection with the Merger). Please refer to BCNEPA's confidential response to Request 2.1.11 concerning Proposed Prior BCNEPA Transactions.

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