

**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.

**HIGHMARK INC. (“Highmark”) RESPONSE TO INFORMATION
REQUEST 5.6.16 FROM
THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.6.16:

Describe any other potential or proposed consolidation, merger, or acquisition of control involving or any investment in or to any health system, hospital, physician practice or other health care provider or supplier that were or are being contemplated, investigated or negotiated by any Highmark Entity or BCNEPA Entity either prior to or after the execution of the Merger Agreement.

RESPONSE:

Highmark certifies that to the best of its knowledge, information and belief as follows:

As the Department is aware, in 2013, Highmark concluded affiliation transactions with West Penn Allegheny Health System, Inc., Jefferson Regional Medical Center and Saint Vincent Health System and Saint Vincent Health Center and various of their respective subsidiaries and affiliates. Prior to the closing of these transactions, Highmark and/or various other Highmark Entities had consummated a number of other transactions involving physician practices and other health care providers and/or suppliers. In conjunction with the closing of the West Penn Allegheny Health System affiliation, ownership or control of the applicable provider entities was transferred to Highmark’s parent company Highmark Health, which thereupon transferred such ownership or control to its affiliate Allegheny Health Network. Since the closing of the West Penn Allegheny Health System affiliation, various Highmark Entities have contemplated, investigated or negotiated other potential acquisition of control transactions involving, or investments in or to, other health systems, hospitals, physician practices or other health care providers or suppliers, and they continue, and will continue, to do so. The Highmark Entities’ entry into any such transactions is subject to the provisions of the 2013 Highmark Order.

No potential or proposed consolidation, merger, or acquisition of control involving or any investment in or to any health system, hospital, physician practice or other health care provider or supplier located in the BCNEPA service area was or is being contemplated, investigated or negotiated by any Highmark Entity either prior to or after the execution of the Merger Agreement.

Highmark will supplement this response when, as or if necessary.

**Highmark Inc.
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