BEFORE THE INSURANCE DEPARTMENT OF THE <u>COMMONWEALTH OF PENNSYLVANIA</u>

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 FROM THE <u>PENNSYLVANIA INSURANCE DEPARTMENT</u>

REQUEST 5.2:

Provide an Expert Opinion concerning whether the effect of the Transaction would, over the identified relevant time period, be to substantially lessen competition in insurance in the Commonwealth or tend to create a monopoly therein, including without limitation (i) the application of 40 P.S. § 991.1402(f)(1)(ii) that incorporates by reference provisions of 40 P.S. § 991.1403.

RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief that it interprets this request as being directed to Highmark and therefore BCNEPA will not be providing a substantive response.

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