

**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 5.2.3 FROM THE
PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.2.3:

The Expert Opinion should describe whether the Transaction would have an anticompetitive effect under 40 P.S. § 991.1403(d) (2) (iv) or otherwise, discussing the following: (A) market shares; (B) volatility of ranking of market leaders; (C) number of competitors; (D) concentration; (E) trend of concentration in the industry; and (F) ease of entry and exit into the market; (G) any other material factors that relate to any anticompetitive effect.

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**