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Corporate & Financial Regulation

JAN 16 2015

Pennsylvania
Insurance Department

January 16, 2015

VIA HAND DELIVERY

Stephen J. Johnson
Deputy Insurance Commissioner
Pennsylvania Insurance Department
1345 Strawberry Square
Harrisburg, PA 17120

**RE: Highmark Inc. Form A Regarding the Acquisition
of Control of and Merger with BCNEPA
Highmark's Confidential Responses to Information Requests**

Dear Mr. Johnson:

Attached please find the Confidential Responses of Highmark to Request Numbers 2.1.2 (Supplemental), 5.3.15 (Second Supplemental) and 5.4.3.4 (Supplemental), filed today by Highmark Inc. in connection with the Pennsylvania Insurance Department's letter dated April 10, 2014 requesting additional information, and to Supplemental Request Number I.A.(2) (Supplemental) in connection with the Pennsylvania Insurance Department's letter dated August 27, 2014 requesting additional information.

The documents/information submitted as confidential documents/information are confidential and protected materials and/or excepted from public disclosure pursuant, *inter alia*, to the provisions of the Insurance Holding Companies Act, 40 P.S. §§ 991.1401 *et seq.*, the regulations under 31 Pa. Code Chapter 25, and/or the provisions of the Right to Know Law, 65 P.S. §67.101 *et seq.*, including but not limited to §§67.102 and 67.708(b)(6)(i), (b)(10)(i), (b)(11), and (b)(17). The documents/information referenced as confidential, confidential proprietary and/or trade secret information should be maintained as confidential and should not be made available for public inspection or copying because: (i) the documents/information are privileged and/or confidential; and/or (ii) the documents/information contain commercial or financial information maintained as confidential or privileged which consists of the types of information being of a sensitive, confidential, confidential proprietary and/or trade secret nature, the disclosure of which would cause substantial material harm to the competitive position of Highmark, BCNEPA and/or one or more of their affiliates, including material losses to one or more of such affiliates and/or because the documents/information falls within the definition of "trade secret," including information in the form of one or more compilations, techniques or processes that derive independent economic value from not being generally known and not being

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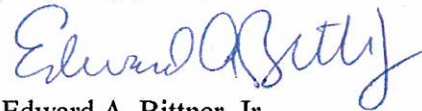
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readily ascertainable by proper means by other persons who can obtain economic value from disclosure or use and which is the subject of reasonable efforts to maintain secrecy/confidentiality, and/or the documents/information contain personal identification information, reflect pre-decisional agency deliberations or are part of an agency's investigative record. Treatment of these documents/information as confidential is consistent with the Department's recognition that public disclosure of the sensitive information contained in the documents would be detrimental to the insurance companies or other entities or individuals to which the documents/information pertain(s).

Please refer to the Confidentiality Notice(s) and Confidential Response(s) for additional information relating to Highmark's assertion of confidentiality regarding certain Responses. If you need additional information, please advise us accordingly.

Very truly yours,

A handwritten signature in blue ink that reads "Edward A. Bittner, Jr." The signature is written in a cursive style with a large, stylized initial "E".

Edward A. Bittner, Jr.