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Bybee, Cressinda

From: Chronister, Ronald <ronald.chronister@bipc.com>
Sent: Monday, February 02, 2015 12:24 PM
To: Bybee, Cressinda
Cc: Zant1946@aol.com
Subject: Response to Public Comment from Santo Cerminaro
Attachments: HBG1_GENERAL-1914902-v2-Response to Public Comment from S. Cerminaro.DOC

Ms. Bybee,

Attached please find Highmark Inc.'s response to the public comment received by the Pennsylvania Insurance Department from Santo Cerminaro. I am providing Mr. Cerminaro with a copy of the response with this email.

Ron Chronister

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**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., a Pennsylvania nonprofit corporation

**Response of Highmark Inc. to
Comments of Santo J. Cerminaro Dated January 14, 2015**

Highmark Inc. (“Highmark”) is responding to the comment from Santo J. Cerminaro received by the Pennsylvania Insurance Department on January 14, 2015. The comment is numbered as Document 0847 on the Highmark/BCNEPA Cumulative Log page of the Pennsylvania Insurance Department website.

Mr. Cerminaro has expressed concerns regarding the proposed merger of Highmark and Blue Cross of Northeastern Pennsylvania (“BCNEPA”) based on his positive experience as a BCNEPA Medicare supplement consumer and his desire to ensure that his coverages will remain the same and his premiums will remain affordable after the proposed merger of BCNEPA with Highmark.

Highmark recognizes that Medicare consumers have different needs and budgets, and, therefore, it offers a broad portfolio of Medicare products to meet the needs of its customers. While, like BCNEPA today, Highmark must retain flexibility to respond to future market conditions, it has no present plans to significantly alter the portfolio of Medicare supplement options currently being offered in the BCNEPA market. Similarly, while it can offer no specific assurances as to future premium levels as such levels are largely driven by factors beyond its control, Highmark notes that its customers who have purchased Medicare supplement coverage in recent years have realized stable rates. If medical trends continue as they have recently, customers enrolled in a Highmark Medicare supplement product should continue to experience the same kind of stability. Moreover, Highmark believes that the efficiencies of the merger will allow it to mitigate future negative cost trends.

Highmark would like to thank Mr. Cerminaro for his comments.

Highmark Inc.
120 Fifth Avenue
Pittsburgh, PA 15222

DATE: February 2, 2015

cc: Santo J. Cerminaro