## BEFORE THE INSURANCE DEPARTMENT OF THE COMMONWEALTH OF PENNSYLVANIA

Statement Regarding the Acquisition of Control of or Merger with Domestic Insurers:

Highmark Inc.; First Priority Life Insurance Company, Inc.;
Gateway Health Plan, Inc.; Highmark Casualty Insurance Company;
Highmark Senior Resources Inc.; HM Casualty Insurance Company;
HM Health Insurance Company, d/b/a Highmark Health Insurance Company;
HM Life Insurance Company; HMO of Northeastern Pennsylvania, Inc.,
d/b/a First Priority Health; Inter-County Health Plan, Inc.;
Inter-County Hospitalization Plan, Inc.; Keystone Health Plan West, Inc.;
United Concordia Companies, Inc.; United Concordia Dental Plans of Pennsylvania, Inc.;
United Concordia Life and Health Insurance Company

By UPE, a Pennsylvania nonprofit corporation

## RESPONSE TO SUPPLEMENTAL REQUEST 4.6.13.1 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT

SUPPLEMENTAL REQUEST 4.6.13.1 (via letter from the PID dated September 26, 2012):

Discuss the manner in which the Supplemented Transaction meets Highmark's overall strategic objectives. This Supplemental Filing Request is not intended to require additional disclosure of materials previously filed with the Department; however it is intended to elicit discussion of the affiliation with JRMC and implementation of the IDN.

## **RESPONSE:**

The proposed affiliation between Highmark and JRMC is another important step in Highmark's strategy to create a new integrated health care delivery and financing system in Western Pennsylvania that will ensure access to high-quality, more affordable care and create a more satisfying patient experience. The proposed affiliation with JRMC preserves provider choice for Highmark policyholders and subsidiaries, especially those living in the southern region of the Greater Pittsburgh area, and ensures that they will continue to have access to high-quality services at one of the Pittsburgh region's leading community hospitals.

The proposed affiliation with Saint Vincent Health System ("SVHS") is another important step in Highmark's IDN strategy. The proposed affiliation with SVHS ensures that Highmark policyholders and subsidiaries living in the Erie area will continue to have access to high-quality services at one of Erie's leading tertiary hospitals.

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