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March 11, 2011

VIA FEDERAL EXPRESS

The Honorable Karen Weldin Stewart
Commissioner of Insurance
Delaware Department of Insurance
Rodney Building
841 Silver Lake Boulevard
Dover, Delaware 19904

Attention: Mr. Gene T. Reed
Deputy Insurance Commissioner

Re: Docket No. 1509-10
Supplemental Filing No. 2 to Statement Regarding the Affiliation of BCBSD, Inc.
d/b/a Blue Cross and Blue Shield of Delaware ("BCBSD") with Highmark Inc.
("Highmark") ("Affiliation Statement")

Dear Commissioner Stewart:

By cover letter of January 14, 2011, we submitted to your Department, on behalf of Highmark, Supplemental Filing No.1 to the Affiliation Statement, which included as attachments thereto Exhibit 8 and Exhibit 9 to the Affiliation Statement. Exhibit 8 consists of the biographical affidavits of Highmark's directors and executive officers. Exhibit 9 consists of the BCBSD proforma balance sheets and income statements, together with an overview, risk-based capital estimates and assumptions for the years ended 2010 through 2015. Simultaneously on January 14, 2011, we filed with the Hearing Officer in this matter a motion requesting confidentiality of Exhibit 8 and Exhibit 9. After further discussion, an agreement was reached among the parties as to the confidentiality of these exhibits, which agreement is embodied in the Hearing Officer's Order dated February 23, 2011 ("Order"). Pursuant to the Order, redacted versions of Exhibit 8 and Exhibit 9 are to be considered a public documents and may be posted on the Department's website, while the unredacted versions shall be treated as a confidential document and not as a "public record" within the meaning of 29 Del. C. § 10002(g).

Accordingly, we are submitting via the attached compact disk (which also contains a copy of this letter):

1. Redacted biographical affidavits for Highmark's directors and executive officers and marked "**Exhibit 8 – Redacted.**" This is the version of Exhibit 8 to the Affiliation Statement that we understand will be considered a "public record" within the meaning of 29 Del. C. § 10002(g).

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2. Redacted BCBSD proforma balance sheets and income statements, together with an overview, risk based capital estimates and assumptions, for the years ended 2010 through 2015 and marked "**Exhibit 9 – Redacted.**" This is the version of Exhibit 9 to the Affiliation Statement that we understand will be considered a "public record" within the meaning of 29 Del. C. § 10002(g).

If you have any questions regarding this supplemental filing, please contact me.

Sincerely,

MITCHELL, WILLIAMS, SELIG,
GATES & WOODYARD, P.L.L.C.

By


Doak Foster

DF:dl

Enclosure

cc: See attached Service List (via Federal Express)

**DELAWARE DEPARTMENT OF INSURANCE
CERTIFICATE OF SERVICE LIST
DOCKET NO. 1509-10**

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**DELAWARE DEPARTMENT OF INSURANCE
CERTIFICATE OF SERVICE LIST
(CONTINUED)**

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