

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF DELAWARE**

IN RE: THE PROPOSED AFFILIATION OF)
BCBSD, INC., DOING BUSINESS AS) **Docket No. 1509-10**
BLUE CROSS BLUE SHIELD OF DELAWARE,)
WITH HIGHMARK INC.)

PUBLIC NOTICE OF PUBLIC HEARING

Highmark Inc. (“Highmark”), a Pennsylvania nonprofit corporation, has filed with Insurance Commissioner Karen Weldin Stewart, pursuant to the Commissioner’s general regulatory authority under 18 *Del. C.* § 301 *et seq.*, a proposed plan to affiliate with BCBSD, Inc. (“BCBSD”), a Delaware nonprofit health service corporation. The Hearing Officer, appointed by the Commissioner’s Order, dated November 4, 2010, will hold a public hearing to consider the merits of the affiliation proposal as follows:

Wednesday, October 5, 2011, 9:00 a.m.
Thursday, October 6, 2011, 9:00 a.m.
Friday, October 7, 2011, 9:00 a.m.

Delaware Department of Insurance
Hearing Room
841 Silver Lake Boulevard
Dover, DE 19904

The purpose of the public hearing is to determine whether the Commissioner should approve the affiliation of BCBSD with Highmark. Any testimony or documentary evidence which the Hearing Officer determines does not address a matter within the scope of the hearing is subject to exclusion by the Hearing Officer.

Any person, whether or not a party to the proceeding, may appear at the hearing and present testimony in aid of the inquiry; provided, however, that the Hearing Officer shall have the right to limit any testimony which the Hearing Officer determines is unduly repetitive, plainly irrelevant, immaterial, or privileged. The Hearing Officer has designated the final day of the public hearing, Friday, October 7, 2011, for members of the public to have the opportunity to comment orally on the proposed affiliation. Anyone wishing to comment on the proposed affiliation transaction during the final day of the public hearing, Friday, October 7, 2011, is encouraged to preregister by 4:00p.m. on October 4, 2011. To preregister, please submit the following information, by October 4, 2011, 4:00pm, to Linda Sizemore, Director of Company Regulation, via mail, hand, or parcel delivery (Delaware Department of Insurance, 841 Silver Lake Boulevard, Dover, DE 19904-2465), via fax (302-739-2709), or via electronic mail (Linda.Sizemore@state.de.us): name; address; other contact information, such as telephone or email address; and organization or entity represented, if any. Anyone who has not preregistered by this date but who wishes to comment at the hearing may appear on Friday, October 7, 2011, at 9:00am, at Delaware Department of Insurance, Hearing Room, 841 Silver Lake Boulevard,

Dover, DE 19904. Upon arrival at 9:00am on October 7, all persons wishing to comment must sign in.

Any person may make written submissions to be considered by the Hearing Officer up to and including Friday, October 14, 2011, 4:00p.m., when the record will close. Written submissions must be furnished to the Hearing Officer, via the Delaware Department of Insurance, and to counsel for all parties.

Written submissions or comments for the Hearing Officer should be delivered by Friday, October 14, 2011, 4:00p.m., to Linda Sizemore, Director of Company Regulation, at the Delaware Department of Insurance, 841 Silver Lake Boulevard, Dover, DE 19904-2465, by mail, hand, parcel service, fax delivery (302-739-2709), or electronic mail (Linda.Sizemore@state.de.us). If delivered by fax or electronic mail to the Delaware Department of Insurance, the original signed document must be received by the Delaware Insurance Department within two (2) days of the transmission. A duplicate submission shall be simultaneously served on counsel for each of the parties to the proceeding by any one of the following methods: mail, hand, parcel service, fax delivery, or electronic mail, as follows: David S. Swayze, Esquire, attorney for BCBSD, Inc., at Parkowski, Guerke & Swayze, P.A., 800 King Street, Suite 203, Wilmington, DE 19801 (fax: 302-654-3033; email: dswayze@pgslegal.com); Michael Houghton, Esquire, attorney for the Delaware Department of Insurance at Morris, Nichols, Arsht & Tunnell, LLP, 1201 North Market Street, P.O. Box 1347, Wilmington, DE 19899 (fax: 302-658-3989; email: mhoughton@mnat.com); Frederick K. Campbell, Esquire, attorney for Highmark Inc., at Mitchell & Williams, 425 West Capitol Avenue, Suite 1800, Little Rock, AR 72201-3525 (fax: 501-688-8807; email: RCampbell@mwlaw.com); and Ian McConnel, Esquire, attorney for the Delaware Department of Justice, at P.O. Box 1227, Dover, DE 19901 (fax: 302-577-6499; email: Ian.McConnel@state.de.us).

Be advised that all comments received in advance of, during, or following the hearing will be transcribed if delivered orally and will become part of the public record regarding this filing.

Individuals who require the assistance of auxiliary aids or services to participate in attend the public hearing can contact Linda Sizemore, using the contact information above.

Additional information about this matter is available at the following website:
<http://www.delawareinsurance.gov/departments/bcbs/bcbs.shtml>.