

MITCHELL | WILLIAMS

Doak Foster
Direct Dial: 501-688-8841
Fax: 501-918-7841
E-mail: dfoster@mwilliams.com

425 West Capitol Avenue, Suite 1800
Little Rock, Arkansas 72201-3525
Telephone: 501-688-8800
Fax: 501-688-8807

September 9, 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. 7 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:

On behalf of Highmark, we are herewith submitting Supplemental Filing No. 7 to the Affiliation Statement. The purpose of this filing is to update the Affiliation Statement ("Form A") filing as follows:

1. **Exhibit 9** – Pro-Forma Financial Statement, has been revised. In accordance with the Hearing Officer's Order of February 23, 2011 ("Order") we are enclosing:
 - A. A compact disk containing a document entitled **Exhibit 9 (Revised 8/31/11) – Confidential**, dated August 31, 2011. This document replaces the confidential version of Exhibit 9 (the August 3, 2011 version) which was submitted through Supplemental Filing No. 6 dated August 29, 2011. We have not attempted to highlight where the numbers have changed from those contained in the August 3, 2011 version because all but a handful of numbers have changed. It is our understanding that this document will continue to be afforded confidential status in accordance with the Order. Also included on this disk is a copy of this cover letter.
 - B. A separate compact disk containing a document entitled **Exhibit 9 (Revised 8/31/11) – Redacted**. This document, likewise dated August 31, 2011, replaces the August 3, 2011 redacted version of the pro formas as previously submitted to Department through Supplemental Filing No. 6

The Honorable Karen Weldon Stewart
September 9, 2011
Page 2

dated August 29, 2011. We have not attempted to highlight where the numbers have changed from those contained in the August 3, 2011 version because all but a handful of numbers have changed. We understand this document, along with this letter, a copy of which is also contained on this disk, are public documents and may be posted on the Department's website.

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

Sincerely,

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

By 
FER 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**

Ian R. McConnel, Esquire
Director of the Consumer Protection Unit
Fraud & Consumer Protection Division
Office of Delaware Attorney General
Carvel State Office Building, 5th Floor
820 N. French Street
Wilmington, DE 19801

Meredith Stewart Tweedie, Esquire
Deputy Attorney General
Delaware Department of Justice
Division of Securities
820 N. French Street
Wilmington, DE 19801

Cynthia R. Shoss, Esquire
Dewey & LeBoeuf
1301 Avenue of the Americas
New York, New York 10019-6092

William E. Kirk III, Esquire
Blue Cross Blue Shield of Delaware
One Brandywine Gateway
Wilmington, DE 19899

David S. Swayze, Esquire
Parkowski, Guerke & Swayze, P.A.
800 King Street, Suite 203
Wilmington, DE 19801

Michael W. Teichman, Esquire
Parkowski, Guerke & Swayze, P.A.
800 King Street, Suite 203
Wilmington, DE 19801

Hon. Battle R. Robinson
Hearing Officer
104 W. Market Street
Georgetown, DE 19947

GianClaudio ("J.C.") Finizio, Esq.
Bayard, P.A.
222 Delaware Ave., Suite 900
Wilmington, DE 19801

Gene T. Reed
Deputy Insurance Commissioner
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, DE 19904

John T. Tinsley III, CPA, AFE, CIE
Special Deputy – Examinations to Insurance
Exam, Rehabilitation & Guaranty
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, DE 19904

David Lonchar
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, DE 19904

Charles Santana
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, DE 19904

Linda Sizemore, Exams-Financial
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, DE 19904

Michael Houghton, Esquire
Morris Nichols, Arsht & Tunnell, LLP
1201 North Market Street, 18th Floor
P.O. Box 1347 (Zip 19899-1347)
Wilmington, DE 19801

Leslie Polizoti, Esquire
Morris Nichols, Arsht & Tunnell, LLP
1201 North Market Street, 18th Floor
P.O. Box 1347 (Zip 19899-1347)
Wilmington, DE 19801

Brenda Mayrack, Esquire
Morris Nichols, Arsht & Tunnell, LLP
1201 North Market Street, 18th Floor
P.O. Box 1347 (Zip 19899-1347)
Wilmington, DE 19801

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

Edward A. Bittner, Jr., Senior Counsel
Highmark Inc.
120 Fifth Avenue
Suite 2180
Pittsburgh, PA 15222

Frederick K. Campbell, Esquire
Mitchell, Williams, Selig,
Gates & Woodyard, PLLC
425 W. Capitol Avenue, Suite 1800
Little Rock, Arkansas 72201

S. Doak Foster, Esquire
Mitchell, Williams, Selig,
Gates & Woodyard, PLLC
425 W. Capitol Avenue, Suite 1800
Little Rock, Arkansas 72201

Mona A. Parikh, Esquire
Buchanan Ingersoll & Rooney PC
1105 North Market Street
Suite 1900
Wilmington, Delaware 19801-1228