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October 24, 2011

VIA E-MAIL & FIRST-CLASS MAIL

The Honorable Battle R. Robinson
104 W. Market Street
Georgetown, DE 19947

Re: Proposed Affiliation of BCBSD, Inc. with Highmark Inc., Docket No. 1509-10

Dear Judge Robinson:

Enclosed please find a draft of the Proposed Findings, Recommendations, and Order (“Proposed Findings”) in the above-captioned matter, as agreed to by the Department of Insurance (“Department”), BCBSD, Inc., and Highmark Inc.

Please note that certain sections, as indicated in the enclosed Proposed Findings, relating to 1) a charitable contribution commitment by BCBSD, Inc. and 2) a condition concerning cost sharing in a disaffiliation context are not yet complete. The Proposed Findings will be supplemented as soon as possible after these sections have been finalized.

The Department understands that the Department of Justice intends to submit its proposed changes to the Proposed Findings to Your Honor separately, in “redline” format. The Department will not have had the opportunity to review the Department of Justice’s proposed changes to the Proposed Findings prior to this submission. As such, the Department respectfully requests the opportunity to respond to the Department of Justice’s proposed changes, if necessary, after the Department of Justice has made its submission.

The Department is available to discuss this or any other matter at Your Honor’s convenience.

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Respectfully,

/s/ Brenda R. Mayrack

Brenda R. Mayrack (No. 5253)

Enclosures

cc: See Attached Service List
GianClaudio Finizio, Esquire

SERVICE LIST

<p>The Honorable Battle R. Robinson 104 W. Market Street Georgetown, DE 19947 Phone: 302.856.2248 Email: robinsonr@ce.net <i>Hearing Officer</i></p> <p>and</p> <p>GianClaudio Finizio, Esquire Bayard, P.A. 222 Delaware Avenue, Suite 900 P.O. Box 25130 Wilmington, DE 19801 Phone: (302) 429-4240 Fax: (302) 658-6395 Email: gfinizio@bayardlaw.com <i>Counsel to Hearing Officer Robinson</i></p>	<p>Ian R. McConnell, Esquire Meredith Stewart Tweedie, Esquire Delaware Department of Justice Carvel State Office Bldg 820 N. French Street Wilmington, DE 19801 Phone: 302.577.8533 Fax: 302.577.6499 Email: ian.mcconnel@state.de.us Email: meredith.stewart@state.de.us</p> <p>and</p> <p>Cynthia R. Shoss, Esquire Dewey & LeBoeuf 1301 Avenue of the Americas New York, New York 10019-6092 Phone: (212) 259-8129 Email: cshoss@dl.com <i>Counsel to Delaware Department of Justice</i></p>
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