

**PROPOSED CHIP LANGUAGE FOR HEARING OFFICER’S PROPOSED ORDER
AND RECOMMENDATION**

Under 18 *Del. C.* § 6310, the Commissioner’s approval of the proposed affiliation between BCBSD, Inc. (“BCBSD”) and Highmark, Inc. (“Highmark”) is also contingent upon:

- (1) the Applicants showing, and the Commissioner being satisfied, that the affiliation will result in BCBSD offering an insurance plan with the same benefits and eligibility criteria as the Delaware program created under 16 *Del. C.* § 9909(j) (the “CHIP Plan”). *See* 18 *Del. C.* § 6310(a)(1);

- (2) the Commissioner having approved the specific premiums to be initially charged under the CHIP Plan, using the analysis required by Chapter 25 of Title 18 of the Delaware Code and also taking into account the premiums charged by Highmark in its pre-existing CHIP buy-in program. *See* 18 *Del. C.* § 6310(a)(2);

PROPOSED CONDITION

BCBSD shall, as part of the approval of the proposed affiliation, obtain Commissioner approval of the premiums to be initially charged under 18 *Del. C.* § 6310(a)(2) for the CHIP Plan addressed by § 6310. That premium approval process must provide for public input and comment. In addition, BCBSD shall have the referenced CHIP Plan in place and effective within 180 days after consummation of the affiliation and the CHIP Plan shall meet all applicable statutory criteria, including, without limitation, those of 18 *Del. C.* § 6310(a)(1), (a)(2) and (a)(3), which section requires that the CHIP Plan will offer the same network of

providers to its subscribers that is offered to subscribers of BCBSD's standard health insurance plan.