



September 2013

[FIRST NAME] [LAST NAME]
[ADDRESS1]
[ADDRESS2]
[CITY], [STATE] [ZIP5] [ZIP4]

Important Notice:
Your Health Plan Will
Be Ending
But We Can Still Have
You Covered in 2014

Subscriber ID: [SUBSCRIBER ID]

Dear [FIRST NAME] [LAST NAME],

We value your membership and strive to provide you with access to quality health coverage, services, and resources to meet your needs today and tomorrow.

Due to new requirements for health coverage under the Affordable Care Act (ACA), Blue Shield will be introducing new health plans beginning January 1, 2014. **We're writing to provide notice that your current individual and family plan will no longer be available to you after December 31, 2013.**

However, you can continue your coverage with one of the new quality health plans that Blue Shield will be offering, beginning January 1, 2014. All of our new plans will include expanded levels of coverage for "essential health benefits."

We can guide you through important coverage changes coming in 2014

[As discussed when Blue Shield contacted you in July,] Blue Shield can make this change easier for you by recommending one of the new plans that will be available and that we think is a good fit for you.

[Since your current medical package includes dental [and vision] coverage, we also recommend adding [NEW DENTAL PLAN NAME] [and [NEW VISION PLAN NAME].]

If you agree with our recommended new plan option, there's nothing more you have to do to continue your Blue Shield coverage in 2014. Just pay your bill as you normally would, and continue quality Blue Shield coverage in 2014.

**Your new Blue Shield plan
Effective January 1, 2014:**

- **Your new health plan will be [NEW MEDICAL PLAN NAME]**
- **Your new monthly rate will be \$[NEW PLAN RATE]**

This plan covers all the ACA-required essential health benefits, such as emergency services, hospitalization, prescription drugs, and preventive and wellness services, as well as pediatric dental and vision care services.

[Your dental coverage remains in effect for 2014. Additional information about your dental plan will be distributed next month.]

More details about your new Blue Shield plan

Keep reading for additional details about your new plan rate and benefit comparison between your current plan and new plan.

The enclosed brochure, *Understanding the Road Ahead*, provides an overview of 2014 health reform changes and of your new plan, including essential health benefit details. It also covers:

- Premium Assistance (in the form of tax credits)
- New doctor and hospital networks - *with details on differences between EPO and PPO coverage*
- Frequently asked questions

We'll mail your new member ID card in December, along with more details about your new plan, separately.

Other coverage options available

You are eligible for coverage under any of the Blue Shield individual and family plans offered in the market as of January 1, 2014. If you would like to consider another plan, please contact us at the number below.

Depending on your income, you might be eligible for premium assistance (in the form of a tax credit) through Covered California (the California Health Benefit Exchange) that could reduce your healthcare costs. Applications for coverage in 2014 are accepted during each year's open enrollment period – October 1, 2013 through March 31, 2014. Open enrollment for coverage in 2015 will take place from October 15, 2014 through December 7, 2014. Special enrollment periods are available for those who are eligible to purchase plans outside of open enrollment due to specific circumstances, such as the loss of a job, death of a spouse, or birth of a child. To see if you qualify for premium assistance, please contact us.

We're here to help

As a not-for-profit company, Blue Shield focuses on offering our members comprehensive coverage, a quality provider network, and helpful customer service. We're here to help you find a Blue Shield plan with the best value, the right coverage, and quality services to meet your needs and goals.

Call us at **(855) 225-1714**, or go to **blueshieldca.com**, if you have any questions about your benefits or would like guidance about different plan options. Our knowledgeable customer service representatives are available Monday through Thursday from 7:30 a.m. to 5:30 p.m., or Friday from 9 a.m. to 5 p.m. Or contact [BROKER NAME] at [BROKER PHONE NUMBER].

Thank you for your continued membership. We look forward to supporting your good health.

Sincerely,



Jeff Smith, Vice President and General Manager
Individual and Family Plans
Blue Shield of California

**Think you may qualify for
premium assistance?**

**Call us so we can help you select
and enroll in an eligible plan.**

your new plan rate information

New Blue Shield medical plan: [NEW MEDICAL PLAN NAME]

New monthly medical rate: \$[NEW PLAN RATE]

This is a change of: \$[AMOUNT OF DOLLAR RATE OF CHANGE]

[Your total rate below includes the rate for your dental and vision plan.]

[Your total rate below includes the rate for your dental plan.]

[Your total rate below includes the rate for your vision plan.]

[* Includes rate for pediatric dental coverage, which is a mandated essential health benefit.]

Your new rate includes:

Member	Age	Medical Rate	Pediatric Dental Rate	Total Rate
[Member One]	[49]	[\$00.00]	[n/a]	[\$00.00]
[Member Two]	[47]	[\$00.00]	[n/a]	[\$00.00]
[Member Three]	[26]	[\$00.00]	[n/a]	[\$00.00]
[Member Four]	[22]	[\$00.00]	[n/a]	[\$00.00]
[Member Five]	[14]	[\$00.00]	[\$0.00]	[\$00.00]
[Member Six]	[11]	[\$00.00]	[\$0.00]	[\$00.00]
[Member Seven]	[8]	[\$00.00]	[\$0.00]	[\$00.00]
[Member Eight]	[5]	[\$00.00]	[\$0.00]	[\$00.00]
Rate Totals		[\$0,000.00]	[\$00.00]	[\$0,000.00]

How rates are calculated

Factors used to determine rates are geography, age, and family size. They are not based on health status, medical conditions, genetic information, or evidence of insurability. Rates also include taxes that the ACA requires be included in order to fund certain provisions of health reform. Please see the enclosed brochure, *Understanding the Road Ahead*, for more details.

your new plan benefits

The chart below compares some of your current and new plan benefits.

To continue Blue Shield coverage, just pay your bill as you normally would and you're all set.

Benefit category name	Current plan			New plan
	Shield Secure Plus			
	2000	4000	6000	Ultimate PPO or Ultimate EPO*
Deductible or out-of-pocket maximum				
Calendar year medical deductible	\$2,000 per individual \$4,000 per family	\$4,000 per individual \$8,000 per family	\$6,000 per individual \$12,000 per family	\$0
Calendar year out-of-pocket maximum	\$5,000 per individual \$10,000 per family	\$7,000 per individual \$14,000 per family	\$9,000 per individual \$18,000 per family	\$4,000 per individual \$8,000 per family
Professional services				
Office visit - primary care doctor		\$30		\$20
Office visit - specialist doctor		\$30		\$40
Urgent care visit		\$30		\$40
Preventive health services		\$0		\$0
Lab		30%		\$20
X-ray		30%		\$40
Outpatient services				
Outpatient surgery		30%		10%
Hospitalization services				
Inpatient hospitalization		30%		10%
Emergency health coverage				
Emergency room services not resulting in admission		\$100 per visit + 30%		\$150
Prescription drug coverage				
Calendar-year brand drug deductible		\$500 per individual		\$0
Generic drugs		\$10 per prescription		\$5
Preferred brand drugs		\$35 per prescription		\$15
Non-preferred brand drugs		\$60 or 50% (whichever is greater) per prescription (\$150 maximum per prescription)		\$25
Pregnancy and Maternity Care				
Maternity		30%		10%
Other				
Chiropractic		50% (Blue Shield's payment is limited to \$25 per visit)		Not covered
Acupuncture		50% (Blue Shield's payment is limited to \$25 per visit)		\$20

Important: This chart is intended to be used to help you compare benefits and is a summary only. Benefits in this table may only be partially described and does not include complete disclosures, limitations, and exclusions. Amounts shown represent the member's financial responsibility when using Blue Shield network providers.

Please review the Summary of Benefits in your policy/EOC for benefit details of your current plan. Go to blueshieldca.com for important benefit details on your new plan.

* Pending regulatory approval