Blue Cross Blue Shield of Massachusetts Issues Statement Regarding Potential Merger of Harvard Pilgrim HealthCare and Tufts Health Plan

BOSTON — January 25, 2011 —Massachusetts is fortunate to be home to a number of locally-based, community-minded, not-for-profit health plans that are consistently rated among the best in the nation. Harvard Pilgrim HealthCare and Tufts Health Plan have always been strong competitors, and we expect that to continue if this potential merger moves forward. We believe robust competition is in the best interests of the individuals, families and employers who purchase health insurance in Massachusetts. It is a positive development for Massachusetts when the local, not-for profit health plans are successful and thriving.

At a time when hospitals and physicians are consolidating, it's not surprising that some health plans would consider consolidation to try to achieve parity with provider groups. Obviously the test of this potential merger or any other is whether it will improve the affordability of health care for our community. As a business, we remain focused on being the health plan of choice in our market by delivering the greatest value to our customers and by making quality health care affordable in our community.

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) was founded 73 years ago and is now the largest private health plan in the state, providing coverage to nearly 3 million members. BCBSMA believes in working with physicians, hospitals, employers and the broader community to provide quality, affordable health care in Massachusetts. Blue Cross Blue Shield of Massachusetts is an independent licensee of the Blue Cross Blue Shield Association.

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