Blue Cross Blue Shield of Massachusetts Introduces Benefit Plans for Cities and Towns Adopting New Municipal Health Law

Plans feature significant cost savings while helping cities and towns retain local control

BOSTON — September 8, 2011 — Blue Cross Blue Shield of Massachusetts (BCBSMA) today announced a suite of new benefit plans that help Massachusetts cities and towns achieve significant savings on health care costs. The plans meet or exceed the cost savings benchmarked in the new municipal health care law, An Act Relative To Municipal Health Insurance. With our new **Network Blue New England Deductible** cities and towns can save an average of **12%** off current health care costs, **16%** on average with **Hospital Choice Cost-Share** (HCCS), and an average of **18%** with **Blue Options**.

"BCBSMA has been the trusted health plan of cities and towns for more than 70 years," said John Coughlin, BCBSMA's Vice President of Government and Labor. "In response to the new law, we are offering benefit plans that allow cities and towns to achieve the same or better cost savings as the state program while retaining local control over one of their largest budget items. Importantly, these benefit plans also offer municipal employees the continued peace of mind and security of having Blue Cross Blue Shield of Massachusetts as their health plan."

BCBSMA's Suite of Municipal Health Care Options includes:

- **New Network Blue New England ($250/individual; $750/family deductible)**: this HMO deductible plan offers affordable deductibles and modest co-pays ($20 PCP visit) with the security of out-of-pocket maximum protection. This newly developed product directly meets the benefits and cost savings benchmark for cities and towns noted in the new health care law.

- **Hospital Choice Cost-Share**: an even more affordable option for cities and towns is the Hospital Choice Cost Share option. The fastest growing new product in BCBSMA history, HCCS tiers hospitals into one of two categories: high-value or high-cost. Members benefit from lower out-of-pocket costs when they seek care from lower cost hospitals while cities and towns benefit from lower premiums.

- **Blue Options**: the plan that can provide the greatest cost-savings for cities and towns, Blue Options, tiers hospitals and primary care providers into three benefit levels based on cost and nationally accepted standards for quality. Out-of-pocket costs are lower when members seek care from low cost, high quality doctors/hospitals and cities and towns benefit from lower premiums.

Co-payments for Plans Listed Above

(City/town management interested in learning more can call:**617-246-7500**)

Benefit	Network Blue New England	With Hospital Choice Cost-Sharing feature	With Blue Options feature [Enhanced / Standard / Basic tiers]
Deductible	$250 [individual] $750 [family]	$250 [individual] $750 [family]	$0 [Enhanced] $250 [ind.] [Standard & Basic] $750 [family] [Standard & Basic]
Primary Care Physician Visit	$20	$20	$15 / ($20) / ($35)
Specialist Care Visit	$35	$35	$35 / $35 / $35
Inpatient Hospital	$300* ($700)* †	$300* ($1,300)* †	$300 / $300* / ($700)* †
Outpatient Hospital / Day Surgery	$150*	$150* ($1,150)*	Surgical Day Care Unit: $300 / $300* / ($700)* Ambulatory surgical facility: $150
High Tech Radiology	$100*	$100* ($550)*	$50 / $50* / ($450)*
Laboratory	$0*	$0* ($35)*	$0 / $0* / $0*
X-Rays / Other Imaging	$0*	$0* ($100)*	$0 / $0* / $0*
Physical (PT), Occupational (OT) & Speech Therapy	$20	$20* ($55)*	$25 PT and OT / $15 Speech

( ) = co-payment for hospitals that are higher-cost
* = after deductible
† = lower co-payment applies if emergency admission

View a video overview of BCBSMA's plans and wellness offerings.

Additional BCBSMA benefits include:

- **Flexibility**

    - **Plan/benefit modifications**: With BCBSMA, cities and towns enjoy greater flexibility to address financial challenges through contribution level and/or plan design changes.

    - **No lock-in**: By joining the GIC, municipalities and unions must agree to a minimum three-year lock-in which would prohibit them from taking advantage of new cost savings products. With BCBSMA, municipalities can cancel or change coverage with 30-days notice.

- **Annual guarantee of rates**: In the GIC, a municipality and union's premium costs are not guaranteed for a full 12 months as with BCBSMA.

- **No added administrative costs from BCBSMA**: The GIC's additional administrative fee increases with health care inflation, making it difficult to effectively budget.

- **Health and Wellness programs**: With BCBSMA, municipalities and unions enjoy targeted, wellness and care management programs tailored to a city/towns individual needs. For example, if there's a high diabetic population, a program can be designed to specifically improve the health of this population.

- **Dedicated account executives and service teams**: With BCBSMA, municipalities and unions enjoy unparalleled service. Account executive and service teams are available to each municipality whenever, wherever they're needed. Health fairs and enrollment activities also take place frequently at the convenience of the city and town, which can be valuable tools for educating employees about their health plan.

BCBSMA is proud to provide health coverage to nearly 300,000 municipal employees and their families. To learn more about BCBSMA's Municipal Blue health plans and wellness options contact your account representative or call: **617-246-7500**.

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) was founded 74 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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