Blue Cross Blue Shield of Massachusetts Introduces Higher Ed Blue

Helping Massachusetts colleges and universities achieve sustainable savings and a healthier workforce

BOSTON — June 17, 2013 —Blue Cross Blue Shield of Massachusetts (BCBSMA) today announced *Higher Ed Blue* — a new health plan offering for Massachusetts college and university employees and their families. Designed to meet the unique needs of higher education institutions, *Higher Ed Blue*, offers innovative health plans and tools for creating a long-term approach for managing costs and engaging employees in the health care decisions they make.

"Colleges and universities are continually seeking ways to provide access to high-quality health care while also effectively managing costs," said Larry Croes, Vice President of Commercial & Municipal Markets for BCBSMA. "Our expertise in networks, plan design, wellness programs and incentives, complemented by our award-winning service and support, delivers the right solution for schools throughout the Commonwealth. *Higher Ed Blue* not only helps deliver sustainable savings — it can lead to a healthier workforce. We currently have 16 colleges and universities participating in the program."

Higher Ed Blue = Affordability

- Schools benefit from reduced pricing without assuming self-insured risk.
- Lower medical trend on certain products, such as tiered network plans, can deliver up to two percent higher savings than other plans upon renewal.
- Wellness programs, specifically tailored to the individual school's employee population, to reduce health care costs and improve overall health. For every dollar spent on wellness programs, average employer medical costs fell $3.27.
- Surplus-sharing[1]. Enjoy additional savings in years where there's a surplus due to lower health care claims costs.

How it works:

Higher Ed Blue offers colleges and universities the flexibility to choose from a mix of cost effective health plan designs, wellness programs and incentives, and access to BCBSMA's extensive physician and hospital networks. This integrated formula of value, choice, and affordability is designed for schools to select the right combination of offerings to best meet the needs of their employees.

Access to Extensive Physicians and Hospitals

- Access to more than one million doctors and hospitals in Massachusetts and nationwide.
- Option to receive care from physicians and hospitals participating in our Massachusetts HMO-basedAlternative Quality Contract (AQC). The AQC is an innovative health care budget system that focuses on improving the quality and cost of care while improving patient health outcomes.

Innovative Health Plans Designed to Engage Employees

- Colleges and universities can choose from a variety of flexible health plan options designed to engage employees in the health care decisions they make, including innovative products like:
    - Hospital Choice Cost—Sharing (HCCS): The fastest growing product in BCBSMA history, HCCS tiers hospitals into one of two categories: high-value or high-cost. Employees benefit from lower out-of-pocket costs when they seek care from lower cost hospitals while employers benefit from lower premiums.
    - Blue Options: Another popular plan, Blue Options tiers hospitals and primary care providers into three benefit levels based on cost and nationally accepted standards for quality. It provides similar cost savings as HCCS based on where employees chose to receive care.
    - Consumer-directed Health Plans: These combine high-deductible medical insurance with a Health Reimbursement Arrangement (HRA), or a Health Savings Accounts (HSA), to encourage engaged employee health care purchasing.
    - BCBSMA also offers dental plans. For the full range of health and dental plan options visit BCBSMA's website.

Wellness Programs, Incentives and Analytics

- **Wellness**: Receive wellness credits to use on a wide range of preventative-health and wellness-promotion activities. Our designated wellness consultants develop and tailor the right wellness programs to help employees make healthy decisions and behavior changes that may contribute to lower health care cost trends.
- **Analytics**: Colleges and universities receive a comprehensive reporting package that highlights medical costs and plan usage, and provides benchmarking comparisons to other higher education institutions.

Higher Ed Blue is helping Babson College make employee health and wellness an integral part of the campus culture.View the video.

"The partnership between Babson and Blue Cross is a team effort," said Susan Glover, Benefits Manager, Babson College. "We are all in it for the same reason — to improve the health of our community. Blue Cross has really come through for us on the

employee health care education side and through the targeted wellness programs they helped us develop and implement. Our employees are engaged and are making positive changes to improve their health and wellness."

BCBSMA is also the leading health plan provider for student health plans in Massachusetts:
Student Blue currently provides health insurance coverage to nearly 60,000 students at more than 40 college campuses across Massachusetts. From BCBSMA's robust national PPO provider network, to member engagement tools — the Student Blue program delivers high value health care coverage to students wherever they may live or travel.

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We're committed to working with others in a spirit of shared responsibility to make quality health care affordable. Consistent with our corporate promise to always put our 2.8 million members first, we are rated among the nation's best health plans for member satisfaction and quality.

[1]Available for the second year of Higher Ed Blue contracts.

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Additional assets available online: Documents (1)