

Blue Cross Blue Shield of Massachusetts Announces Third Quarter 2013 Financial Results Continued disciplined strategy results in modest .9% operating margin for third quarter

BOSTON — November 15, 2013 – [Blue Cross Blue Shield of Massachusetts](#) (BCBSMA), Inc. and Blue Cross Blue Shield of Massachusetts HMO Blue, Inc. today announced a combined after-tax net income of \$25.2 million for the period from July through September 2013. The results reflect an operating gain of \$13.6 million and investment income of \$18.2 million offset by \$6.8 million in federal income taxes. BCBSMA is the leading private health plan in Massachusetts with 2.8 million members.

"Our financial results reflect our deep commitment to delivering the lowest possible premium rates and the best value to businesses and families throughout the state," said Allen Maltz, Chief Financial Officer at BCBSMA. "We continue our determined efforts to make quality health care affordable by tightly managing medical and administrative expenses while implementing state and national health reform."

Maltz highlighted a number of BCBSMA initiatives which are bringing value to Blue Cross customers while helping to control health care costs and improve care.

- **Serving as a trusted advisor for businesses and families** by helping them understand and implement the Affordable Care Act. BCBSMA recently launched [Straight Answers](#), a new health care reform website designed to be a 'go to' resource. Blue Cross is proud to have played a key role in Massachusetts Health Care Reform and is building on that experience to implement the ACA – working continuously with state and federal leaders as additional sections of the law are rolled out.
- **Offering competitive premiums and flexible health plan designs.** BCBSMA offers a wide variety of coverage choices for everyone from individuals and small businesses to large corporations. The [Town of Saugus](#), the first community to join the Group Insurance Commission (GIC), recently announced that it's moving back to Blue Cross. The company continues to see great interest from cities and towns like Saugus, and others like Wachusett Regional School District, in switching to Blue Cross from the GIC because of the benefits and value Blue Cross provides.
- **Investing in the company to improve efficiencies and while creating innovative value-based products.** For example, BCBSMA is offering a robust suite of affordable options for Medicare beneficiaries during the 2014 open enrollment period. They include a [new zero premium Medicare Advantage PPO Blue SaverRx plan](#), and other Medicare Advantage plans up to 23% lower than 2013 rates. For small businesses seeking the benefits of wellness programming, BCBSMA's [Healthy Actions](#) provides premium discounts and wellness incentives. And, BCBSMA's consumer-directed health plans come with improved transparency and money-management tools.

BCBSMA is the #3 ranked private health plan in America¹; the top-ranked Medicare Advantage PPO health plan² and among the highest-rated PPO private health plans¹ and Medicare HMO² plans, according to the [NCQA's Health Insurance Plan Rankings 2013–2014](#). The 2013–14 NCQA Health Insurance Plan Rankings list measures the quality of care and member satisfaction among 557 of the nation's Medicare health insurance plans and 577 private plans.

About Blue Cross Blue Shield of Massachusetts—Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are the trusted health plan for more than 30,000 Massachusetts employers and are committed to working with others in a spirit of shared responsibility to make quality health care affordable.

1. NCQA's Health Insurance Plan Rankings 2013–2014 – Private

2. NCQA's Health Insurance Plan Rankings 2013–2014 – Medicare

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