City of Haverhill to Save \$2.9 Million Annually in Health Care Costs with Blue Cross Blue Shield of Massachusetts and the Massachusetts Interlocal Insurance Association Nearly 3,000 city/school workers, retirees and elected officials to share in approximately \$1 million in savings

BOSTON — **December 19, 2013** — The City of Haverhill, recently announced that it will save approximately \$2.9 million in health care costs by choosing <u>Blue Cross Blue Shield of Massachusetts</u> (BCBSMA) and the Massachusetts Interlocal Insurance Association (MIIA). MIIA, the nonprofit insurance arm of the Massachusetts Municipal Association (MMA), maintains one of the nation's largest health trusts and provides BCBSMA health plans to 120 cities and towns and other municipal entities.

Haverhill chose MIIA and Blue Cross for its health plan effective July 1, 2014 after recognizing that sizable savings could be achieved. City employees will also share in 25 percent of the savings — nearly \$1 million dollars — as specified by municipal health care reform law.

"We worked hard to achieve maximum savings for the City, while providing a quality plan for our workers and retirees," said Haverhill Mayor James J. Fiorentini. "Blue Cross Blue Shield of Massachusetts provided us with the most flexibility and high-quality affordable health care options. Our health care costs will go down 11 percent — something we could not have achieved through another vendor at this time."

"Haverhill's decision to stay with Blue Cross and MIIA was unanimous," said Haverhill's insurance consultant, Patrick J. Haraden, of Longfellow Benefits. "City workers, the unions and retiree representatives all worked collaboratively to select a high-value health plan that benefits everyone."

Health Plan Savings

"For more than 20 years, MIIA has been partnering with Blue Cross, helping municipalities throughout the state obtain high-quality health care coverage and develop innovative wellness solutions to help keep health care costs down," said Joe Callahan, Marketing Manager for MIIA. "Unlike the Group Insurance Commission (GIC), MIIA sets individual community rates based on their claim levels. This provides a tremendous opportunity for communities — like Haverhill — that want Blue Cross products and rates that reflect their own unique experience."

"We are honored to have been the city of Haverhill's health insurance for several decades and are thrilled they are staying Blue," said Mark Meunier, Director of Government Programs at Blue Cross Blue Shield of Massachusetts. "We know how important it is for municipalities to have the flexibility to shop around to find the best health care benefits for them and their employees and are pleased that Haverhill will experience premium reductions by staying with Blue Cross and MIIA. As the trusted health insurer for more than 75% of the state's cities and towns — we provide municipalities with a holistic and customized approach for controlling their health care costs."

Blue Cross has been successful at keeping rates as low as possible due to its aggressive administrative and medical management. The company also continues to see great interest from cities and towns like <u>Saugus</u>, and others like Wachusett Regional School District, in switching to Blue Cross from the GIC because of the benefits and value Blue Cross provides.

Blue Cross and MIIA recognize that every community has unique health and wellness needs, which is why they work directly with each city, town, school district and Joint Purchasing Arrangement (JPA) to help them develop targeted health plan designs and wellness programs that will work best, while also providing robust account and member education.

To learn more about how Blue Cross provides cities and towns throughout the state with flexible and affordable health care options <u>click here</u> or visit the <u>Municipal Options</u> website. To learn more about MIIA visit: <u>www.eMIIA.org</u>.

About Haverhill, Massachusetts

The City of Haverhill, located in northeastern Massachusetts on the Merrimack River, is one of the oldest historic communities in the state. It is situated in northern Essex County, is bordered by the towns of Methuen on the west, Groveland and Boxford on the south, West Newbury on the east, and the state of New Hampshire on the north. Haverhill contains almost 36 square miles of area and a wide variety of land uses, ranging from rural agricultural areas to urban areas such as the city's historical industrial center.

About the Massachusetts Interlocal Insurance Association

MIIA was incorporated by the Massachusetts Municipal Association (MMA) in 1982 as a nonprofit organization to

provide insurance services to the cities, towns and other governmental entities in Massachusetts that are members of the MMA. MIIA functions as the administrator for the MIIA Property and Casualty Group Inc. and the MIIA Health Benefits Trust. The MIIA Health Benefits Trust, formed in 1992, provides health coverage for the employees and retirees of cities, towns and other governmental entities in Massachusetts that are members of the MMA. For more information, call MIIA at (800) 374-4405, or visit their Web site — eMIIA.org.

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 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. BCBSMA is proud to provide health coverage to more than 250,000 municipal employees, their families and to 120,000 federal employees. To learn more visit the Municipal Options website.

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