



Focus on: REFORM



Blues 2014 Reform Product Strategy



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Blues Individual Product Strategy Core Principles

- Provide Affordable Products
- No Difference On or Off Marketplace





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2014 Individual Market Product Portfolio

18 product choices -- 5 product lines

BCN				BCBSM
Partnered HMO*	Select HMO	Preferred HMO	PPO	PPO
Blue Cross® Partnered Gold 3 Counties	Blue Cross® Select Gold 19 Counties	Blue Cross® Preferred Gold 48 Counties	Blue Cross® Premier Gold Statewide	Blue Cross® Gold, a Multi-State Plan* Statewide
Blue Cross® Partnered Silver 3 Counties	Blue Cross® Select Silver 19 Counties	Blue Cross® Preferred Silver 70 Counties	Blue Cross® Premier Silver Statewide	Blue Cross® Silver, a Multi-State Plan* Statewide
Blue Cross® Partnered Bronze 3 Counties	Blue Cross® Select Bronze 19 Counties	Blue Cross® Preferred Bronze 70 Counties	Blue Cross® Premier Bronze Statewide	
Blue Cross® Partnered Value 3 Counties	Blue Cross® Select Value 19 Counties	Blue Cross® Preferred Value 48 Counties	Blue Cross® Premier Value Statewide	

*Affiliated with Mercy Health Systems



2014 MyBlue Individual Market Product Portfolio

Product offerings differ by geography

6 Products in 13 non-BCN Counties

- BCBSM Broad Network Premier PPO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCBSM Multi-State (Premier) PPO Plans (2) Gold, Silver

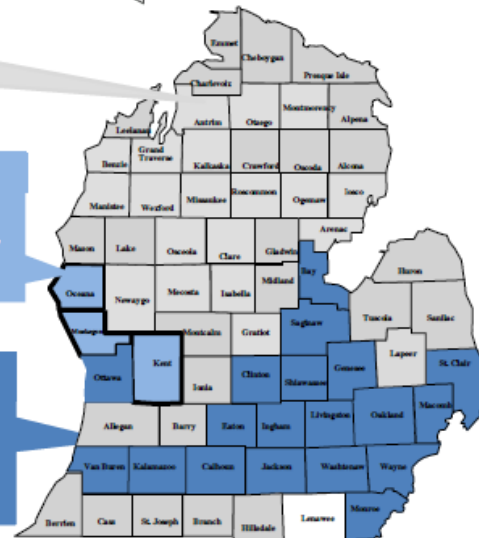


10 Products in 48 Rural Counties

- BCN Broad Network Preferred HMO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCBSM Broad Network Premier PPO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCBSM Multi-State (Premier) PPO Plans (2) Gold, Silver

12 Products in 3 West MI Counties (Kent, Muskegon & Oceana)

- BCN Broad Network Preferred HMO Plans (2) Bronze, Silver
- BCBSM Broad Network Premier PPO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCBSM Multi-State (Premier) PPO Plans (2) Gold, Silver
- BCN Partnered HMO Plans (4) Catastrophic, Bronze, Silver, Gold



12 Products in 19 Urban Counties

- PCP Focus Narrow Network Select HMO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCN Broad Network Preferred HMO Plans (2) Bronze, Silver
- BCBSM Broad Network Premier PPO Plans (4) Catastrophic, Bronze, Silver, Gold
- BCBSM Multi-State (Premier) PPO Plans (2) Gold, Silver

On the Marketplace, consumers will be able to view only the products offered in their specific zip code or county.

Products are geographically specific



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Blue Cross® Partnered (BCN)

- ☐ Members will receive care within the **Mercy Health** system of doctors and hospitals
- ☐ Located in Kent, Muskegon and Oceana counties (Western Michigan)
- ☐ Member's primary care doctor will coordinate their care
- ☐ Care within BCN's entire HMO network, but outside the Mercy Health system, will require primary care doctor and plan authorization
- ☐ Non-emergency care outside BCN's network is not covered

Partnered HMO





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Blue Cross® Select (BCN):

- ☐ Members can choose from a select network of quality primary care doctors with complete access to specialists and hospitals within BCN's entire HMO network
- ☐ Primary care doctor will coordinate care and refer patient to specialists when necessary
- ☐ Non-emergency care outside the network is not covered

Select HMO

**Blue Cross®
Select Gold**
19 Counties

**Blue Cross®
Select Silver**
19 Counties

**Blue Cross®
Select Bronze**
19 Counties

**Blue Cross®
Select Value**
19 Counties



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Blue Cross® Preferred (BCN):

- ☐ Broad choice of doctors and hospitals from BCN's entire HMO network
- ☐ Primary care doctor will coordinate member's care and make referrals to specialists when necessary
- ☐ Non-emergency care outside the network is not covered

Preferred HMO





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Blue Cross® Premier (BCBS):

- ☐ Broad choice of doctors and hospitals within BCBSM's unsurpassed statewide PPO network including nationwide coverage
- ☐ Members have Option to receive services from hospitals or doctors outside the network (but will pay less if they use providers within network)

PPO

**Blue Cross®
Premier Gold**
Statewide

**Blue Cross®
Premier Silver**
Statewide

**Blue Cross®
Premier Bronze**
Statewide

**Blue Cross®
Premier Value**
Statewide



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Blue Cross® Silver and Blue Cross® Gold Multi-State Plans:

- ☐ All-in-one plan (medical, dental, and vision coverage) for all members
- ☐ Broad choice of doctors and hospitals within BCBSM's unsurpassed statewide PPO network including nationwide coverage
- ☐ Option to receive services from hospitals or doctors outside the network (pay less if using providers within the network)
- ☐ Only available On Marketplace

PPO

**Blue Cross® Gold,
a Multi-State Plan***

Statewide

**Blue Cross® Silver,
a Multi-State Plan***

Statewide



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Keep Fit Plans Through 2014

- ❑ **Policy year** change approved by Department of Insurance and Financial Services (DIFS)
- ❑ It is **NOT** a qualified health plan (QHP)
- ❑ Members enrolled by Dec 1, 2013, may remain in the plan until Dec. 31, 2014
- ❑ It will be **discontinued** to all on Dec. 31, 2014

PPO

Keep FitSM
Statewide



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Value (Catastrophic) Plans

- ☐ Available to individuals and families:
 - ☐ Under 30 years of age. Must not have attained the age of 30 prior to the first day of the plan or policy year.
 - ☐ Anyone of any age who has received a certification of exemption from the individual mandate due to affordability or hardship

Blue Cross® Partnered Value <i>3 Counties</i>	Blue Cross® Select Value <i>19 Counties</i>	Blue Cross® Preferred Value <i>48 Counties</i>	Blue Cross® Premier Value <i>Statewide</i>
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2014 Benefit Snapshot

	Value	Bronze	Silver	Gold
OOP Max ¹	\$6,350 PPO & HMO	\$6,350 PPO & HMO	\$6,000 PPO \$6,350 HMO	\$5,100 PPO & HMO
Integrated Deductible ¹	\$6,350 PPO & HMO	\$4,400 IP PPO \$6,350 OP PPO \$5,950 HMO	\$1,400 PPO \$1,650 HMO	\$150 PPO \$250 HMO
Coinsurance (in/out)	0%/0% PPO 0% HMO	40%/60% IP PPO 40% HMO	20% / 40% (PPO) 30% (HMO)	20% / 40% (PPO) 20% (HMO)

Bronze (BCBSM and BCN); Silver 70 (BCBSM); and MSP Silver 70 (BCBSM) will be HSA-compliant.

Out Of Pocket Maximum (OOPM) = All medical & Rx
Integrated Deductible = All plans cover only essential health benefits deductible, coinsurance and copay

BCN plans (except Bronze) pay unlimited office visits @ \$30 copay and all lab @ 100% before deductible

(1) Family = 2 x Single



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Rx Inclusion

If Rx = EHB, then

Rx applies to the AV calculation

Rx must be included in all Individual

Rx cost share must accumulate to the single OOP Max



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Tiered Copays

Lowest Cost

Office Visit \$30

Specialist \$50

Urgent Care \$75 PPO \$40 HMO

High Tech Outpatient Radiology \$200

Emergency Room \$250

Inpatient Facilities \$500

Highest Cost

* Copays are different for Value Plans



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Custom Select Drug List

Now
Excluded =

- Brand-name drugs with a generic equivalent available
- Compounded hormones
- Lifestyle drugs
- Compounded drugs that contain any ingredients that are not approved by BCBSM
- State controlled drugs.
- Over-the-counter (OTC) drugs unless deemed as an Essential Health Benefit
- Prescription drugs with comparable products available over-the-counter, including, but not limited to, cough/cold products
- Drugs newly approved by the FDA until review and coverage determination by BCBSM Pharmacy and Therapeutics (P & T) Committee
- Select high abuse drugs
- Dietary supplements
- Certain drugs may not be covered based on recommendations from the P & T Committee



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2014 IBU Dental Strategy

☐ **On Marketplace:**

- ☐ Consumers are **not required** to purchase a pediatric dental EHB plan, not even for children.

☐ **Off Marketplace:**

- ☐ Consumers must certify they have purchased pediatric dental EHBs, either from BCBSM or a competitor
- ☐ Adults without children can meet the **Off Marketplace** requirement by selecting the Blue Dental PPO Personal Pediatric plan
- ☐ Adults will not be charged the pediatric dental premium and their ID card will not reflect dental coverage



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2014 Individual Market Blue DentalSM Coverage

- ☐ Pediatric dental EHBs are not embedded in any medical plan
- ☐ PPO Personal (mid-option) is packaged with the Multi State Plans
- ☐ Standalone plans are available:
 - ☐ The “all ages” plans include pediatric dental EHBs

All Ages	Pediatric Only (< 19)
PPO Plus Personal <i>High Option</i>	PPO Personal Pediatric
PPO Personal <i>Mid Option</i>	
EPO Personal <i>Low Option</i>	



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2014 Individual Market Blue VisionSM Coverage – Pediatric Coverage

- ☐ Pediatric vision EHBs are packaged with all BCBSM and BCN individual market plans

- ☐ Benefits are as follows:
 - ☐ One annual vision exam covered @ 100%
 - ☐ Standard lenses and frames or contact lenses covered @ 100%
 - ☐ Frequency limits apply



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2014 Individual Market Blue VisionSM Coverage – Adult Coverage

- ☐ Adult vision benefits are not available as a standalone plan, **On or Off** the Marketplace
- ☐ Adult vision benefits are packaged only with the MSPs
- ☐ Benefits are as follows:
 - ☐ One annual vision exam: \$10 copay
 - ☐ Standard lenses and frames or contact lenses: \$25 copay with a \$130 annual benefit maximum
 - ☐ Frequency limits apply