

**NEWS RELEASE****BCBSNC Contact:** Ellen Chu, [ellen.chu@bcbsnc.com](mailto:ellen.chu@bcbsnc.com)**BCBSNC Media Line:** 919-765-3005**BCBSNC Online Newsroom:** <http://mediacenter.bcbsnc.com>**New BCBSNC Products Offer Cost Savings for  
Individuals and Employers in the Triangle***Built on BCBSNC's High-Quality Network of Physicians and Hospitals*

**CHAPEL HILL, N.C.** – Blue Cross and Blue Shield of North Carolina (BCBSNC) is introducing two new products to better meet the needs of cost-conscious health care consumers in the Triangle. The newly unveiled Blue Value<sup>SM</sup> and Blue Select<sup>SM</sup> plans offer lower-cost options for health insurance, built on BCBSNC's network of hospitals and doctors that provide access to high-quality health care professionals. BCBSNC is also launching an integrated health reimbursement account (HRA) to better meet the needs of employers.

“We’ve created two new products that offer more affordable premiums without sacrificing quality coverage,” said Brad Wilson, BCBSNC president and CEO. “Through market research, we’ve learned that a segment of consumers value price over a more traditional broad network of providers. These products appeal to these consumers.”

**Blue Value for Employers and Individuals**

Blue Value is a new lower-cost benefit plan for employers and individuals that relies on a smaller, more streamlined network of doctors and hospitals. Blue Value is designed to appeal to cost-conscious individuals and small businesses that live and work in the Triangle.

**BCBSNC was able to lower costs for the Blue Value plan by collaborating with UNC Health Care, REX Healthcare, WakeMed Health and Hospitals and Key Physicians, a medical home network of independent primary care practices, to reduce the price of coverage by as much as 15 percent\*. This smaller, more streamlined network of providers helps consumers control their costs without sacrificing benefits.** Initially, Blue Value will be sold across the state, except in the Charlotte region.

For individuals, the Blue Value benefit plans are based on BCBSNC's popular Blue Advantage<sup>®</sup> and Blue Advantage Saver<sup>SM</sup> benefit plans. The group benefit plans are based on the popular Blue Options<sup>SM</sup> and Blue Options 1-2-3<sup>SM</sup> benefit plans. Using these plans as a foundation, BCBSNC created a smaller, more streamlined network of providers and a cost-saving plan for prescription drugs to reduce premiums, which includes a closed formulary and a smaller, more streamlined pharmacy network.

Blue Value offers individual plans that include the following benefits for in-network services:

Blue Value Individual In-Network Benefit Options	
Primary Care Visit Copayments	\$15; \$25
Specialist Visit Copayments	\$30; \$50
Deductibles	\$1,000; \$2,500; \$3,500; \$5,000
Coinsurance	20%; 30%

Blue Value offers group plans that include the following benefit ranges for in-network services:

Blue Value Group In-Network Benefit Options	
Primary Care Visit Copayments	\$10-\$40
Specialist Visit Copayments	\$20-\$80
Individual Deductibles	\$0-\$1,000
Family Deductibles	\$3,000-\$30,000
Coinsurance	0%-40%

### **Blue Select for Employers**

Blue Select is a new “tiered benefit” health plan that can save employers as much as 10 percent\* compared to traditional PPO plans. BCBSNC used its provider relationships, claims data and expertise to organize in-network hospitals and selected specialists (general surgery, OB/GYN, cardiology, orthopedics and gastroenterology) into two tiers based on quality, cost efficiency and accessibility. This PPO-based product includes the following benefit levels:

- Tier 1 represents the hospitals and selected specialists that receive BCBSNC’s top rating for clinical quality outcomes, cost efficiency or accessibility. Consumers pay less out-of-pocket costs when visiting a tier 1 provider compared to a tier 2 provider.
- Tier 2 represents the remaining network hospitals and specialists that reach BCBSNC’s high standards for clinical quality outcomes and/or cost efficiency. Customers pay more to visit these providers.

Within the tiered system, BCBSNC provides consumers with the information and tools they need to help them find a doctor within BCBSNC’s network that best meets their needs. By using the tiered benefit plan model, BCBSNC was able to reduce premiums over traditional BCBSNC PPO plans. Additional premium savings were found through a cost-saving plan for prescription drugs, which includes a closed formulary and a smaller, more streamlined pharmacy network.

Blue Select is designed to appeal to employers who want to control costs without compromising quality of care or access to an extensive network. Group plans include the following benefit ranges for in-network tier 1 and tier 2 services:

Blue Select In-Network Benefit Options		
	Tier 1	Tier 2
Primary Care Visit Copayments	\$10-\$40	
Specialist Visit Copayments	\$20-\$70	\$40-\$120
Individual Deductibles	\$0-\$10,000	
Family Deductibles	\$3,000-\$30,000	
Coinsurance	0%-40%	20%-60%

### **Pharmacy Benefits for Blue Select and Blue Value**

BCBSNC applied the same lower-cost concept for the pharmacy benefits associated with Blue Select and Blue Value by creating a closed formulary (list of covered drugs) where only the drugs listed on the formulary are covered. The closed formulary will be available online for searching, and members who have their pharmacy benefits with BCBSNC will have the option of filling prescriptions through PrimeMail or locally through most pharmacies.

### **Improved Health Reimbursement Account (HRA)**

BCBSNC is also introducing a new integrated health reimbursement account (HRA) that gives groups more customization and funding options than ever before – with options to pair an HRA fund to most available medical plans, including Blue Select and Blue Value. A great option for cost-conscious employers, an HRA can help employers balance their need to manage health care costs with their goal of providing valuable benefits for employees.

Employers can get quotes now for both Blue Select and Blue Value, while individuals can begin receiving quotes for Blue Value in December. Coverage for both products starts on Jan. 1, 2013. For more information about BCBSNC’s new products, talk with your local BCBSNC agent.

### **About BCBSNC:**

Blue Cross and Blue Shield of North Carolina is a leader in delivering innovative health care products, services and information to more than 3.6 million members, including approximately 900,000 served on behalf of other Blue Plans. For 78 years, the company has served its customers by offering health insurance at a competitive price and has served the people of North Carolina through support of community organizations, programs and events that promote good health. Blue Cross and Blue Shield of North Carolina was named one of the World’s Most Ethical Companies by Ethisphere Institute in 2012. Blue Cross and Blue Shield of North Carolina is an independent licensee of the Blue Cross and Blue Shield Association. Visit BCBSNC online at [bcbsnc.com](http://bcbsnc.com). ® Marks of the Blue Cross and Blue Shield Association. All other marks are the property of their respective owners.

\*Actual cost savings will depend on geography and plan design(s) selected by group or individual.