

<<INSERT MONTH, DATE, YEAR>>

IMPORTANT: Notice of Rate Changes Filed for April 1, 2012

Dear Empire Member,

We'd like to tell you about a change we plan to make to your Empire health plan. We submitted a request to the New York Department of Financial Services (NYDFS) to change the premium on your PPO plan.

If this request is approved, your rates may go up on your plan's annual renewal date, starting on or after April 1, 2012. We're asking for this rate change in response to rising medical costs.

Background

New York State law requires us to tell you when we ask the NYDFS for a premium rate change. The law also requires us to explain the proposed rate change to you. You can read a more detailed explanation of this proposed rate change on empireblue.com/priorapproval. We've also enclosed a grid showing the requested rate change range for the PPO plan offered by your employer. Again, this rate change request (if approved by the NYDFS) takes place on your annual renewal date, which is on or after April 1, 2012.

The NYDFS must approve rates for all small groups (between 2 and 50 members). So we won't know the amount of the actual change until it's approved. Please keep in mind that the details of your plan's cost-sharing are between you and your employer. So the percentage change in your employee contribution may differ from the percentage listed on the enclosed grid. Your employer health plan group's rate change may be higher or lower than this general rate, depending on the details of your plan (and any riders).

We'll send you a second notice about this rate change at least 60 days prior to its start date (which is on or after April 1, 2012). The second notice will include the approved rate changes.

Questions

You have 30 days from the date of this letter to contact the NYDFS to ask for more information about the rate-change filing, or to submit written comments to the NYDFS. You may also reach the NYDFS at premiumrateincreases@dfs.ny.gov or by calling (800) 342-3736. Or submit written comments by writing to the NYDFS at:

Premium Rate Increases
Health Bureau
New York Department of Financial Services
25 Beaver Street
New York, NY 10004

You can also contact Empire by sending an email to us at premiumratechange@empireblue.com. Or you can call the customer service number on the back of your member ID card.

Sincerely,



Mark Wagar
President