

<<INSERT MONTH, DATE, YEAR>>

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

Dear Group Benefits Administrator,

We're submitting a request to the New York Department of Financial Services (NYDFS) that affects the PPO product you offer your employees. We're asking the NYDFS to approve our request to change PPO premium rates in response to rising medical costs.

What you need to know

New York State law requires that health insurance carriers provide an initial notice to you when we submit requests for premium rate changes to the NYDFS. This initial notice is required to be provided to you as part of the "prior approval" process used by the NYDFS to review premium adjustments requested by health insurers.

The law also requires that we explain any proposed rate change. So please know that a narrative, which explains this proposed rate change request, is available on empireblue.com/priorapproval. In addition, the enclosed grid shows the requested rate change range for the PPO product that you offer your employees. This rate modification, which is pending NYDFS approval, is effective upon renewal on or after April 1, 2012.

The NYDFS must approve rates for all small groups (between 2 and 50 members), so the actual rate change won't be available until we receive approval. At that time, we'll send you another notice with the approved rate changes. We'll send the second notice to you, with final rates, at least 60 days before the effective date of the rate change.

What you need to do

Please share the enclosed memo and rate change grid with your employees who are enrolled in a PPO health plan. We recommend that you provide any additional information with this notice, such as expected changes in employee contribution levels, that may help your employees better understand this rate change filing notice.

Questions

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

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

You may also contact Empire via e-mail at premiumratechange@empireblue.com, or by calling our GBA Contact Center at (866) 422-2583.

Your business and your employees' health and well-being are important to us. Thank you for choosing Empire for your employee health benefits plan.

Sincerely,



Mark Wagar
President