Empire BlueCross BlueShield

October 27, 2011

IMPORTANT: Enclosed Rate Changes Filing Q2 2012

Important news about your Empire health plan

We want to update you on a change we're planning to make to your Empire health plan. We've submitted a rate-change request to the New York Department of Financial Services (NYDFS) to raise the premium on your plan.

If the request is approved, your rates would go up starting April 1, 2012. We're making this rate change to offset higher health care costs caused by increases both in medical costs and in the demand for medical care.

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

The NYDFS must approve rates for all small groups. So, we won't know how much the actual increase will be until it's approved. Your group's rate increase may be higher or lower than this general rate, depending on the details of your plan (and any riders).

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.

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). This second notice will have the approved rate changes.

You have 30 days from the date of this letter to contact Empire or the NYDFS to ask for more information about the rate-change filing, or to submit written comments to the NYDFS. You can contact us by sending an email to Empire at premiumratechange@empireblue.com. Or you can call the customer service number on the back of your member ID card. Send written comments to the NYDFS at:

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

You may also reach the NYDFS at premiumrateincreases@dfs.ny.gov or (800) 342-3736.

Sincerely,

Mark Wagar
President

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