



BlueCross BlueShield of Texas

Frequently Asked Questions

UniCare has made a decision to no longer participate in the commercial health insurance market in Texas. This decision means that in the near future UniCare will no longer provide your group benefits. UniCare is collaborating with Blue Cross and Blue Shield of Texas (BCBSTX) to transition UniCare's commercial group and individual policyholders to BCBSTX policies with **guaranteed replacement coverage and guaranteed acceptance.**

General Questions about the UniCare and BCBSTX Transition

Is BCBSTX acquiring UniCare?

No, BCBSTX is not acquiring UniCare. UniCare is simply endorsing BCBSTX as the insurer of choice for its members and employer groups as it exits the commercial health insurance market. BCBSTX and UniCare have entered into an agreement that ensures a seamless transition of benefits and coverage for current UniCare employer groups and individual policyholders who elect to purchase a BCBSTX policy.

Is UniCare exiting all health insurance markets in Texas?

No. UniCare will retain their Medicare, Medicaid, FEP, GIC, Student Health and MHealth plans, as well as stand alone specialty products such as dental, vision, life and disability (and other specified lines of business).

What is the time line for UniCare leaving the commercial health insurance business?

Oct. 29, 2009 will serve as the date-of-notice to all employer groups and individual policyholders that UniCare intends to discontinue offering individual and group coverage. If those policyholders accept the BCBSTX offer, UniCare coverage will terminate at the end of Dec. 31, 2009, and BCBSTX coverage will officially begin at 11:59 on Dec. 31, 2009.

If policyholders do not accept the BCBSTX offer, UniCare will continue to provide coverage to existing customers through the date determined by UniCare. Please contact UniCare to learn the termination date of your UniCare coverage.

Does UniCare's decision to exit commercial health insurance make the market less competitive and reduce consumer choice?

While UniCare's decision to no longer participate in the commercial market means that there will be one less health plan in Texas, there is still considerable competition in the state and you still have choices when it comes to choosing a health plan.

Why is UniCare working with BCBSTX to make this offer to their commercial policy holders?

By recommending that their accounts choose to transition their business to BCBSTX, UniCare is endorsing BCBSTX as the best commercial insurer to work with to bring this special offer to groups and individuals.

What is the advantage of the Blue Cross offer for groups in their contract renewal period?

In addition to the assurance we offer as the largest and oldest health benefits company in Texas, Blue Cross will honor the final quote offered by UniCare to a group, if that offer has been made during benefit renegotiation due to the group's contract renewal date. The group will not have to go through a new negotiation process with Blue Cross or another insurer in order to maintain coverage.

What are the terms of this offer?

The offer includes a guarantee of:

- Benefits that are similar to their current UniCare policy in most cases
- No requirement for evidence of insurability for the first year
- No lapse in coverage
- Guaranteed acceptance
- The terms of this special offer apply only if the group accepts the policy offered by Blue Cross.
- This special enrollment opportunity is not the same as a renewal or new enrollment period, where different benefits and rates can be negotiated.
- This offer is available only if accepted during the special enrollment period.
- This offer is inclusive of members (individual and group) on the policy as of Dec. 31, 2009.
- The offer of coverage includes all individual members and members of a group plan who are covered by an eligible policy as of Dec. 31, 2009, including those in COBRA or Texas continuation coverage, retirees, dependents or surviving spouses.

How will December to January transition of premium payments be handled?

BCBSTX will activate accounts only if the account is paid up to Dec. 31, 2009 with UniCare.

UniCare will continue to cover groups with a premium payment credit for coverage after Jan. 1, 2010, until the UniCare termination date (as determined by UniCare), if the BCBSTX offer is not accepted within the limited-time offer period (by Dec. 1, 2009).

Policyholders accepting the BCBSTX offer will not be required to include an initial premium payment with their offer acceptance form. They will be billed for the next premium payment due.

Will the premium payment grace period be extended in case there is confusion/mix ups about who, what and how to pay?

UniCare and BCBSTX are working together to ensure a seamless transition. If a group makes a monthly payment, either based on their existing bill from UniCare or the new payment to Blue Cross, their payment will be recorded and credited to their account. An extended grace period should not be needed.

How is BCBSTX ensuring comparable coverage plans?

Because of our extensive array of benefit plan structures, BCBSTX will not be developing new products. Instead, we will provide a product that in most cases is similar to the policyholder's existing benefits.

In a limited number of cases the benefit mapping did not meet product packaging guidelines and so the group may have been moved into another plan. If this applies to your group, the account representative assigned to work with you will contact you regarding their offer.

How will a group's HSA be coordinated under BCBSTX?

For those UniCare groups who have an HSA with their UniCare policy, we will map those to a BCBSTX HSA plan, and the group can take advantage of our vendor options.

How will current UniCare claims in process be handled?

Claims incurred under a UniCare policy will be processed by UniCare. Claims incurred under the new BCBSTX policy will be processed by BCBSTX. UniCare and BCBSTX have put in place a monthly reconciliation process to ensure all claims are processed quickly and accurately with no duplication and the least amount of member inconvenience as possible.

How will benefit plan changes be handled?

Under the terms of this offer, a group cannot make benefit plan changes during the offer period. If a group wants to make changes to their plan benefits as part of transitioning to BCBSTX coverage, they will be processed as new BCBSTX business quotes, and normal underwriting and proof of insurability will be required.

After the new BCBSTX policy begins Jan. 1, 2010, off-cycle benefit changes can be reviewed for processing upon request.

Why should you consider BCBSTX?

BCBSTX offers a leading portfolio of products, extensive care and disease management initiatives, wellness programs and its 70-year track record of providing benefits in Texas.

In addition:

- In general, our same plan/same price offer is actually a better deal because our provider discounts are deeper, for lower overall claims costs.
- Guaranteed replacement coverage
- Guaranteed acceptance
- No waiting periods
- No underwriting
- No outpatient pre-certifications required by BCBSTX
- BCBSTX's statewide provider network includes thousands of physicians and specialists, so the majority of UniCare members who switch to BCBSTX should not have to change doctors.

What will happen when a member calls the UniCare member services line on Jan. 2, 2010?

UniCare and BCBSTX member services call centers are working together to answer member's questions and concerns without them having to make numerous calls. Once the issue is resolved, the UniCare member services representative will provide the member with the contact information of the BCBSTX Customer Service Center for any future questions.

How will this agreement affect current UniCare members' access to care?

BCBSTX's statewide network currently includes thousands of physicians and specialists and most major hospitals in the state. As a result, the majority of UniCare members who switch to BCBSTX should not have to change doctors in most cases. Members will have access to on-line provider information or they can contact the customer service number on the back of their benefit card for additional help with provider selection.

What if a member has upcoming surgery scheduled? Should they cancel it?

If a member has a surgery or another service scheduled while under UniCare coverage, this decision by UniCare does not change how those services are provided. Claims for covered services provided during this period will also be covered as indicated in the group's existing service agreement.

If a member transitions to a different health plan prior to the date of a scheduled surgery, the member and his physician will need to discuss any pre-certification review needed with the new health plan.

The member can also call the customer service number on the back of their benefits card to request additional information regarding any pre-certification issues.

What about transition of care issues?

BCBSTX will offer transitional services for treatments that have already been pre-authorized.

Any active course of treatment will be covered by the policy as of the start date of the treatment. So if the patient's course of treatment begins under their UniCare policy, UniCare will continue to process those claims incurred through the end of Dec. 31, 2009. Treatment beginning on Jan. 1, 2010 or later will be processed under their BCBSTX policy. BCBSTX will reconcile claims with UniCare, for minimal disruption to members and providers in authorizing care and processing claims.

What about members currently on COBRA or Texas continuation?

This announcement does not change a former employee's continuation coverage or the total amount of time a former employee is eligible for continuation coverage. Their coverage will continue along with all other members under the policy.

How will expenses that are the responsibility of the UniCare member be reconciled?

Deductible and out of pocket expenses incurred in 2009 will continue to be the member's responsibility. Claims incurred for dates of service Jan. 1, 2010 or after will be processed by BCBSTX and accumulate towards the new deductible and out of pocket amounts, which is also the member's responsibility. Note that lifetime maximums are being reset at \$0 upon transition to BCBSTX and dates of service Jan. 1, 2010 and beyond will load these new amounts.

How do groups accept this offer?

Groups can go online and accept this offer by logging into www.BCBSTX.com/gobluegroup. You will need to enter the unique case identification number provided at the top of the offer letter.

What do I have to do and by when?

This offer is for a limited time. UniCare policyholders will need to accept the offer made to them by Dec. 1, 2009 in order to have BCBSTX coverage with no lapse in coverage.