



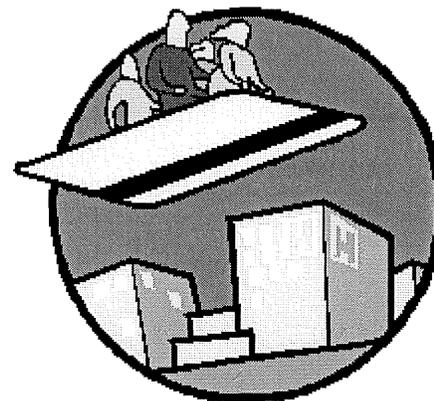
View this week's topics

October 04, 2002

BayCare Health System ends contract with BCBSF

BayCare Health System has informed BCBSF its hospitals in Hillsborough, Pasco and Pinellas counties (the Tampa Bay area) will no longer be participating providers in BCBSF's commercial PPO, HMO or PHS (Traditional) plans. The termination became effective Oct. 1, 2002. This termination does not affect the Advantage 65 or Medicare and More plans.

"We sincerely regret that BayCare has chosen to end its relationship with us," said **Barry Schwartz, M.D.**, vice president, Care and Network Management. "Health care costs are going up dramatically, and we strive to protect our members from the burden of these growing costs. As rates continue to rise, we realize more Floridians will go without health coverage. BayCare's insistence on a double-digit rate increase would very likely result in higher premium increases for employers and members in the Tampa Bay area. As premiums increase, so does the number of families that are forced to become uninsured."

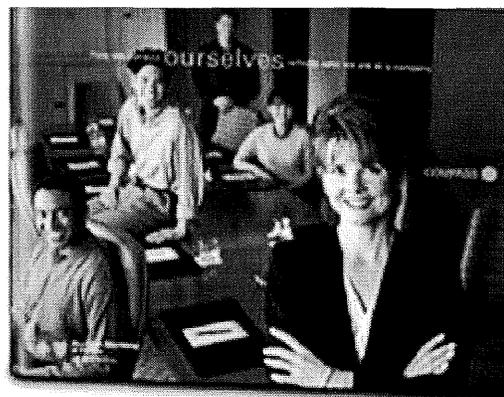


At BCBSF we are concerned about the impact of BayCare's actions on our members and have continuity of care and transition of care plans for members currently in treatment. We are asking members to contact their customer service representative for further assistance. As always, members should go to the nearest hospital for emergency services. Emergency services are always covered, regardless of the facility's participatory status.

"We are prepared to renew negotiations toward a mutually agreeable contract," said Schwartz. "We remain optimistic that an agreement can be reached if BayCare is willing to continue talks. It is important to note this facility termination does not affect the participating status of physicians who participate in our plans." In the meantime, BCBSF will assist members and their physicians to select other participating hospitals in their areas. Members should call the Customer Service number listed on their BCBSF identification cards for assistance.

Ethics and compliance - Part I

BCBSF's Compliance Officer **Mary Bridgman** recently spoke to enterprise leadership. Her remarks were an introduction to a two-hour discussion of business ethics by a nationally recognized expert. She began her presentation with, "Do you know where your Compass™ booklet is? Or, for you First Coast Service Options (FCSO) folks, do you know where your Navigator™ booklet is?" Bridgman's comments, although a play on late night news questions, are important. Bridgman always knows where her booklets are, she has to know to be able to answer questions posed to her by any one of 9,000 employees who have a burning ethics or compliance issue. According to Bridgman, "I had better have those answers!"



Bridgman's role as compliance officer is to oversee administration of the Compass™ Program and compliance with all applicable laws and company policies. It's a big job but it isn't just the role of Bridgman or

her department to manage the program - it's the role of each employee to be aware of compliance issues and to take the initiative to seek help or clarification to avoid unethical or illegal business conduct. Bridgman and staff field a wide variety of calls from concerned employees. Many calls have to do with offers of gifts or entertainment from suppliers. "By and large," says Bridgman, "callers generally have a specific situation in mind and want to validate that their understanding of the applicable policy is correct."

A compliance-based approach to ethics focuses primarily on preventing, detecting and punishing violations of the law or policy while a values-based approach aims to define organization values and encourage employee commitment to ethical aspirations. Clearly, gaining employee commitment is key to an effective ethics and compliance program. In fact, CEO Mike Cascone says in the first paragraph of the Compass™ booklet, "... BCBSF has had a long standing and deep commitment to conduct our business ethically and in compliance with the law. Our company is guided by strong values, one of which clearly states that all of our decisions will be based upon ethical standards of honesty, fairness and integrity."

Next week we'll look further into the differences between compliance-based and values-based compliance programs and which approach we have chosen at BCBSF and dive deeper into the ethics presentation from the Enterprise Leadership Meeting held last month.

Have you made your pledge to United Way?

As of Wednesday, Oct. 2, total pledges to this year's United Way campaign stood at \$860,468.12, or approximately 71 percent of our \$1.204 million goal. Darnell Smith, a campaign co-chair, says, "Only 3,378 employees have pledged to date, so there are over 5,000 more people who still have the opportunity to participate!" Smith also reminds us that one in three of us is touched by a United Way-funded agency.



Our campaign deadline has been extended to Oct. 11, so there's still plenty of time to make your pledge, whether it is through e-pledging or paper pledges. For instructions on how to pledge both ways, please click [here](#). Tables with paper pledges and other information regarding United Way have been set up in the cafeterias at ROC, DCC and FCC, and will remain through the end of the campaign. Please contact us if you have any questions about United Way. Thanks for turning on the power!

Mentoring Program begins Phase II

You've probably heard about BCBSF's Mentoring Program because it has created a good deal of excitement and enthusiasm across the enterprise! Now is your opportunity to participate in this career and personal development opportunity and increase your knowledge about the business of BCBSF. If you are an employee in ICBU (Core), Health Care Services, NGBU (Jax only), National Business Unit (non-PBO), Sales & Marketing, Finance, Human Services Group, IT, Legal and Public Affairs or Corporate Strategy, Phase II of the Mentoring Program is about to begin.



**BlueCross BlueShield
of Florida**

An Independent Licensee of the
Blue Cross and Blue Shield Association.

The Mentoring Program
Setting the Stage for Success

Current mentors and mentees in the Mentoring Program are available to answer any questions or concerns you may have about participation. Click [here](#) to view a list of all mentors and mentees and feel free to contact them!

Angela Pracher, Mentoring Team member, says "For employees in other areas of the company (including locations outside of Jacksonville) we will begin rolling out communications for Phase III in early 2003. If you are interested in being a mentee applications are due to the Mentoring Team at DCC1-4 by 5 p.m. on Monday,

Oct. 21." Click here for the forms you need if you wish to apply to the program. If you are interested in being a mentor for any phase, submit the Mentor Questionnaire (click here for the questionnaire) and the most recent copy of your resume to the Mentoring Team by Friday, Nov. 1.

Multifaceted advertising campaign begins

Beginning the week of Oct. 7, keep an eye out for a refreshing update to our original Brand television advertising spots. In an effort to make our advertising dollars go further and build on existing brand equity, extra scenes have been shot and new scripts have been prepared to use in creating three commercials from the current two.

One new TV spot, "Advantage for Seniors," promotes a selection of products designed for people 65 and older. In addition to primetime television, we'll be marketing to this audience through the use of newspaper inserts appearing in major daily newspapers throughout Florida during the month of October.

Two additional spots have been produced that focus on valuable customer programs and services. One spot, titled "Reasons to Smile," promotes the BlueComplements program through references to massage therapy, hearing care and Lasik surgery and is designed to appeal to all of our markets. In an effort to provide a vehicle for customers and non-customers, both the BlueComplements and the Over 65 commercial will utilize a toll-free phone number. The third spot is aimed at promoting **MyBlueService** to our customers. Titled "Discover," this spot represents our commitment to making customer self-service a reality through web-based tools. The **MyBlueService** website is featured as the primary information source.

The new commercials will be airing during peak television watching times such as early morning news programs (e.g., Today, Good Morning America), primetime (primetime typically begins at 8 p.m. and concludes at 11 p.m.) and late local news broadcasts beginning the week of Oct. 7 and continuing through the week of Nov. 18. For additional media information and a snapshot of our new commercials, visit the Advertising & Market Communications website and click on the TV icon.

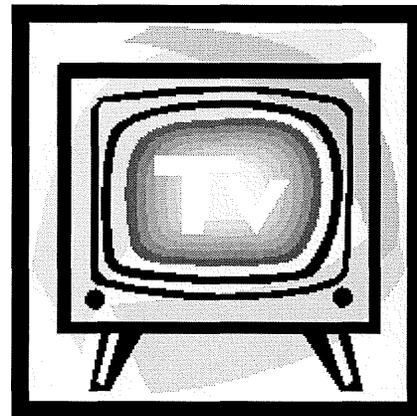
If you would like to check out a copy of the commercials to share with your employees in TWCs, please contact **Janet Holloway** at x53228.

MyBlueService has a new look

MyBlueService is part of a customer self-service initiative that offers greater access and choices for BCBSF subscribers who choose this exciting online capability. New website features will be added now and through the winter of 2002. And, even more enhancements are scheduled for release in 2003.

MyBlueService is a website for BCBSF members. It's a customer self-service feature that enables our members online access to claims information, benefit booklets, etc. **MyBlueService** is an important capability in BCBSF's ongoing customer-centric focus. **MyBlueService** enables our busy customers convenient, anytime access to important information. **MyBlueService** features include:

- Claim Status
- Dependent Eligibility Verification
- Request Replacement ID Card



- Request Benefit Booklet
- General Inquiries
- Forms Center
- Provider Directory
- Discount Programs
- BCBSF Member Newsletter
- Health and Wellness
- And much more!

Frequently Asked Questions (FAQs) and training on **MyBlueService** is available by visiting the Operations website. A tour of **MyBlueService** is available by clicking here and then clicking the button that says "Take a Tour of **MyBlueService**." And, if you have questions, you can email **MyBlueService**.

Over 50? Catch up on your 401(k) savings plan!

As we announced earlier this year, new tax laws now allow for employees who are 50 or older to defer more pre-tax dollars to their 401(k) savings plans through the "Over 50 Catch-up" provision. If you're already contributing at the maximum amount to the plan (up to \$11,000 in 2002*), the Economic Growth & Tax Reconciliation Act (EGTRRA) allows employees who are 50 or turning 50 this year to contribute another \$1,000 in 2002. And here's the good news - the Over 50 Catch-up continues to offer opportunities in the years ahead for those 50 or older or who are turning 50 in the year specified in the linked chart.

Benefits You
Your Plans. Your Choice.

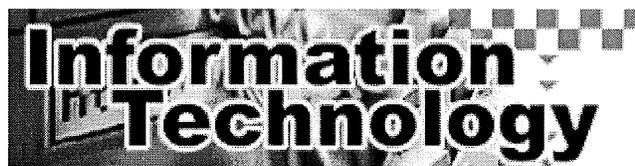
For more information or to enroll in the Over 50 Catch-up call Fidelity at 1-877-980-BLUE (2583) or log onto its website at <http://www.fidelity.com/atwork>. You'll need your social security number and your Fidelity PIN number to make this election.

Take advantage of this extra benefit to help you save more toward your retirement. To contact your Employee Benefits Team, call Cynthia Rogers x50137 or Shirley Troutman x56408.

**Employees who are highly compensated (\$85,000 or more in 2001) are restricted to a maximum of 7 percent of their earnings not to exceed the \$11,000 limit.*

Help Desk options

Have you phoned the Corporate Help Desk lately? If so, you may have noticed that phone options have changed. Below are a few tips to help you choose the correct option. Please remember, these options are the only way to reach the Help Desk and your call will be delayed if you choose the incorrect option. The options will be repeated:



Choose Option 4, then option 2 if:

- Your PC is not functioning properly
- You need software installed on your PC
- You're having problems with your desktop applications

Choose Option 4, then option 5 if:

- You have how-to questions regarding Word, Excel, PowerPoint or other standard software applications

Choose Option 4, then option 6 if:

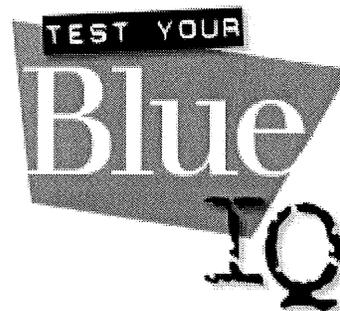
- You have a question, issue, or request relating to data or reporting from within the Enterprise Information Architecture of Information Management

Choose Option 5 if:

- You have a password problem
- You have mainframe issues
- You need printer toner
- You have voice services issues

Another chance to "Test Your Blue IQ"

We're halfway through the "Test Your Blue IQ" contest - five questions down and five questions to go. It's a contest where everyone wins something! First time participants receive a promotional item and all correct answers are entered into a weekly drawing. Weekly winners then have a chance to win an all expense paid trip to Walt Disney World® Resort.



Last fall, the Brand Management Team introduced the BCBSF Identity Guidelines to the organization. Our Corporate Identity System, which includes both visual and verbal guidelines, was developed to bring our Brand Strategy to life. By creating one voice, one personality for the company, we help to develop a consistent relationship with our members.

Test Your Blue IQ - Question #5 - The Identity System of Blue Cross and Blue Shield of Florida has five basic visual elements. What are these five elements? This week's answer can be found on the Brand Intranet site by clicking here. Once you have located the answer, please complete the entry form in its entirety. Incomplete entry forms are not accepted.

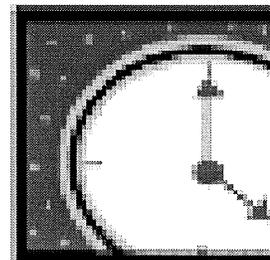
Next Friday, we will announce the weekly winner and provide you with the answer to the question. Keep testing your Blue IQ!

BCBSF applies for an extension on HIPAA-AS requirements

BCBSF filed a compliance plan with the Department of Health and Human Services (DHHS), on Sept. 30, 2002, giving us a one-year extension on the HIPAA-AS Transactions and Code Sets requirements.

The Administrative Simplification Compliance Act (ASCA) allows "Covered Entities" (e.g., health plans, payers and providers) to request an additional year to implement the new standards. BCBSF is applying for the extension for several reasons:

- It allows sufficient time for implementing and testing the new standards with our affected business and trading partners using the Availity connection.



- Proposed modifications to the ANSI 4010 X12 standards have been issued. It is anticipated that the addenda will be finalized and implemented by the extended date of Oct. 16, 2003.
- Our providers and group health plans are just beginning to understand the impact that HIPAA-AS has on electronic data and business practices.

We are suggesting that all covered entities also file, whether they are health plans, providers or clearinghouses, as the consequences of not being fully compliant are severe, and the industry is generally not ready to support the new standards effective Oct. 16, 2002.

We are also directly encouraging our large group employers to file for the extension. The self-funded health plans and fully insured health plans administered by BCBSF are covered entities under the HIPAA-AS regulations. If they are not considered a "small health plan" (receipts of less than \$5 million) they should apply for the extension. We have recently sent a letter to all of our larger groups advising them of this potential requirement. If you have questions on HIPAA-AS, please [click here](#) to visit its website.

Quote of the week

"Be bold in what you stand for and careful what you fall for."

— Ruth Boorstin

Click here for past issues of **QuickConnections**