

For Immediate Release
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**Blue Cross and Blue Shield of Florida Reports
Strong Growth in its HMO, Health Options, Inc.**

JACKSONVILLE -- Blue Cross and Blue Shield of Florida (BCBSF) today reported that it added 30,423 new members to its health maintenance organization, Health Options, Inc., during the first quarter of 1996. Over the past year, Health Options has seen a 28 percent growth rate for a total of 531,362 customers.

"Blue Cross and Blue Shield of Florida continues to grow because customers like the quality and value they receive from our health care programs," said Thomas E. Albright, senior vice president and chief marketing executive. "We place our emphasis on prevention, patient choice and forming partnerships between the patient, physician and our plans."

Health Options has been recognized over the past year as one of the fastest-growing HMOs in the country. *Managed Healthcare* magazine ranked Health Options as the sixth largest HMO in the United States in December 1995. According to the Florida Association of Health Maintenance Organizations, Health Options has outpaced the statewide HMO market for four consecutive years. "Customers are choosing Health Options because we offer a broad choice of physicians and hospitals from which they can choose," Albright said.

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For the first quarter of 1996, BCBSF reported a net income of \$22.3 million on total revenues of \$677.5 million. As a result, the company continued making contributions to policyholders' equity, which grew 13.6 percent from the first quarter of 1995, from \$615 million to \$698.8 million. Policyholders' equity is an important measure of the company's ability to meet its obligations during times of economic uncertainty or when claims expenses are higher than anticipated. It is also used to develop programs that continue to improve health care quality for customers while lowering overall costs.

BCBSF and Health Options, Inc. are independent licensees of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield companies nationwide. A financially strong, tax-paying mutual insurance company, BCBSF is subject to the same regulation by the Department of Insurance as other insurers operating in Florida.

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