

**Blue Cross and Blue Shield of Florida Facts for Palm Beach Post  
July 15, 1996**

State of Florida Employee Contract

BCBSF did not receive the State of Florida employee health insurance contract for 1996. The contract was awarded to Unisys.

Under the current circumstances, it is inappropriate for BCBSF to comment on the state account.

HMO Networks

Health Options is continually growing in network size. There are currently 31 counties where networks are established. Recently two additional counties, Charlotte and Hendry, have been approved for expansion and networks will be operating soon. There are also five counties in the Northwest Region that have networks through Capital Health Plan of Tallahassee. Those counties are Gadsden, Leon, Wakulla, Jefferson and Taylor.

Medicare and More Networks

Medicare and More is growing and expanding its networks. The product currently has networks established in 11 counties, including Dade, Broward and Palm Beach in the Southern Region.

Customer Numbers by Product as of 3/31/96 (rounded up):

Capital Health Plan: 60,000  
Health Options: 532,000  
PPO: 885,000  
Traditional: 268,000  
Total: 1,745,000

Health Options Growth

The Florida Association of Health Maintenance Organizations reported that Health Options has outpaced the statewide HMO market for four consecutive years.

*Managed Healthcare* Magazine in December 1995 ranked Health Options as the sixth largest HMO in the country.

In *The 1996 Health Network & Alliance Sourcebook*, Faulkner & Gray ranked Health Options as the fastest growing HMO in the nation ranked by size of increase in pure (non-POS) enrollment.

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## *BCBSF/Palm Beach Post Facts Continued*

### Health Options Enrollee Growth

Health Options, BCBSF's HMO, continues to grow in enrollees. In 1993, 50 percent of new BCBSF customers enrolled in Health Options; in 1994, 78 percent were enrolled; and in 1995, 92 percent of our new customers enrolled in Health Options. These numbers do not include enrollees in Capital Health Plan in the Northwest Region.

### Medicare Intermediary

BCBSF continues to serve as the Medicare administrator for the state of Florida for Medicare Parts A and B.

There are no plans at this time to alter or sever that relationship.

Being Florida's Medicare contractor makes BCBSF a leader in health care matters with Florida's large senior population. It provides the organization with valuable insight into the government's ideas about health care financing and delivery.

### Medicare Claims

In 1995, BCBSF processed over 52 million claims totalling approximately \$8.1 billion for Medicare as the fiscal intermediary.

In fiscal year 1995, Medicare administrative expense was approximately \$90 million for both Parts A and B in Florida.

### Medigap Subscribers

BCBSF offers eight different types of Medigap plans. There are approximately 230,000 customers enrolled in these plans.

### BCBSF Employee Numbers

Companywide, we have 6,008 employees. We presently have approximately 350 open positions within the company that are not included in that number.

We have approximately 1,100 employees in our regional offices throughout the state. The South Florida region has the largest employee base outside of Jacksonville, with 515 employees.

### Mutual Status Definition

A mutual insurance company is one that does not have stockholders and is owned by its customers. BCBSF is a mutual insurance company, whose owners are its subscribers. In addition to being owned by its subscribers, BCBSF does not pay dividends to its owners.

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*BCBSF/Palm Beach Post Facts Continued*

Capital Health Plan

Capital Health Plan, based in Tallahassee, is an affiliate of BCBSF. It is an independent licensee of the Blue Cross and Blue Shield Association. BCBSF has a controlling membership of CHP's board of directors, and BCBSF provides administrative and legal advice to CHP staff. BCBSF does not own CHP.

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