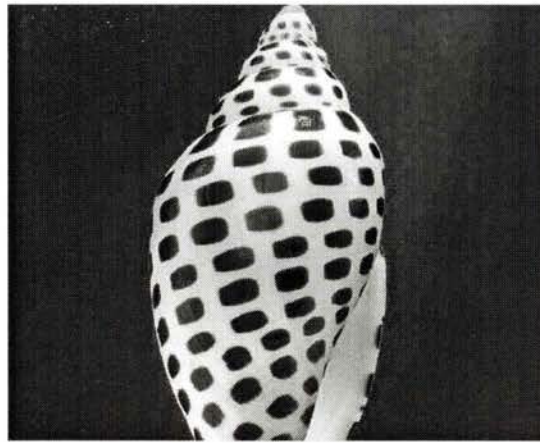


Empower Web Capabilities Overview



July 5, 2002

Background

Empower is the business transformation initiative for delivering new products, services, and capabilities that enable BCBSF to meet consumer needs and deliver products to market quickly and efficiently.

The Empower platform will establish the framework for employers to:

- determine which benefit plans and products to offer their employees
- fix their contribution level/method and broadly define benefit programs

The Empower platform will establish the “Employee Choice” model for employees to select benefits that best suit their needs from a menu of:

- BlueOptions health plans with various cost-sharing options and benefit limitations (deductible, coinsurance, copays, out of pocket maximums)
- pharmacy plans including 3-tier copays and new deductible/coinsurance
- other ancillary products/services, such as dental, life, disability, AD&D, Flexible Spending Accounts (FSAs), etc. based on individual needs

Release 1 Web Capabilities - Members

Release 1 web capabilities will be made available to approximately 2,500 members in 2002 which include:

- An online enrollment tool with employee demographic information pre-populated from employer records
- Menus for available health, dental, life, and FSA plans with benefit options, descriptions, and employee costs clearly displayed
- A Health Plan Evaluation Tool to assist employees with the selection of their health plan based on responses to a series of preference questions
- A “shopping cart” which displays employee costs as benefit selections are made
- Bilingual (English, Spanish) enrollment support via e-mail, chat, or telephone provided by a stand-alone service organization

Release 1 Web Capabilities – Benefit Administrators

Release 1 web capabilities will allow Benefit Administrators to:

- Submit employee demographic information in a defined format to BCBSF using a secure transmission tool
- Verify employee data and available benefit plans are correctly loaded prior to the open enrollment period
- Review employee enrollment applications and either edit, return to the employee for correction, or reject applications
- Enroll employees who are unable to use the web enrollment tool
- View group statistics to ensure enrollment targets are met and conduct employee searches to determine the status of individual applications
- Approve employee applications and submit the group to BCBSF for processing

Sequence of Enrollment Activities

1. Group Administrator submits employee demographic information to BCBSF.
2. BCBSF loads group data to web enrollment tool and generates employee enrollment materials and PIN numbers.
3. Group Administrator verifies employee data and available benefit plans and approves the group for open enrollment.
4. Employees enroll using the web enrollment tool.
5. Group Administrators review and approve enrollment applications and submits group to BCBSF.
6. Enrollment data is loaded to Empower application data store and systematically transferred to the HRCG (FSA) and CIMR (dental) systems. For Release 1, applications will be printed and manually entered into the RBMS (enrollment) system.
7. BCBSF generates ID cards to employees.

Projected Release 2 Enhancements (January 2003)

- Automation of enrollment data transfers to RBMS system
- Presentation of print-friendly enrollment confirmation statements for printing by the member
- Addition of new BlueOptions health and dental products
- Addition of new FCL life plan variables (flat rates, salary maximums, times salary plans)
- Enhancements to allow for various types of employer contributions to employee FSAs
- Addition of a post-enrollment tool for submission of employee demographic updates (changes in name, address, beneficiaries, dependents, etc.) and changes in coverage based on qualifying life events (marriage, birth, etc.) by employees and Benefits Administrators
- Presentation of print-friendly maintenance confirmation statements for printing by the member
- Updates to online Help materials (Glossary, FAQs) to support Release 2 capabilities

Projected Release 3 Enhancements (July 2003)

- Implementation of fixes/enhancements/usability improvements to the enrollment application based on input from Release 1 users
- Addition of capability to support online member enrollment in Personal Health Accounts (PHAs) through linkage with MyHealthBank
- Addition of capability to support online member purchases of worksite marketing products (non-BCBSF products such as long term care coverage, prepaid legal services, etc.) through linkage to third party vendors
- Development of a strategy for handling renewals of Empower groups
- Allow for members to self-refer to Care programs via the enrollment application
- Establishment of an organization to manage and support ongoing maintenance of the enrollment and maintenance applications
- Implementation of a content management strategy to support ongoing maintenance of the content within the enrollment and maintenance applications