

Introduction

Blue Cross and Blue Shield of Florida Works For You

For nearly half a century, Blue Cross and Blue Shield of Florida has been a leader in the health care benefits industry, committed to the effective financing, delivery and administration of health care. We bring group name the benefits of nearly 50 years of health care experience, combined with the strength of the state's largest health insurer. We provide health care coverage for over two million residents around the state.

In 1984, the first generation of Blue Cross and Blue Shield of Florida's Managed Care programs began successfully reducing prices as well as use of hospital inpatient and physician services. We are continuing to develop more effective Managed Care programs, targeting areas such as home health care, prenatal care and preauthorization of surgical procedures. Our network arrangements with hospitals make use of DRG payments.

In 1988, Blue Cross and Blue Shield of Florida formed Florida Combined Life Insurance Company in order to provide our customers with a broader array of products, including life, health, accidental death and dismemberment, disability, and a variety of pre-tax programs. Florida Combined Life was an outgrowth of the Florida Combined Insurance Agency, a wholly-owned Blue Cross and Blue Shield of Florida subsidiary for nearly a quarter of a century.

Over the years, we have established a reputation for solid financial stability. Like all commercial carriers, Blue Cross and Blue Shield of Florida is regulated by the Florida Department of Insurance. We maintain a reserve level well within established standards. Our earnings, enrollments and policyholders' equity show a pattern of steady growth.

This strong financial performance has resulted in an "A+" rating from Standard and Poors, the highly respected insurance rating service, in its most recent Rating Report. They noted our local expertise, our strong capital position, and distinct potential for growth.

Why should all of that matter to you? Because the stronger we are as a company, the better we can serve you and the more time we can spend developing new and better ways to deliver health care benefits.

Our stability has allowed us to invest in Managed Care programs that help to control health care costs. That's just part of what you get as a Blue Cross and Blue Shield of Florida member. Here is a list of what Blue Cross and Blue Shield of Florida can mean to you.

- Blue Cross and Blue Shield Recognition
The Blue Cross and Blue Shield identification card is recognized and accepted as a symbol of quality health care benefits around the world.



- **A Managed Care Company**
All of our products and services are designed to provide cost effective health care coverage that meets the needs of employers and employees.
- **Local Presence**
Through regional offices located across the state, Blue Cross and Blue Shield of Florida offers a personalized touch to customer service and Managed Care programs.
- **Medical Management Teams**
Each of Florida's five major metropolitan regions regularly reviews and monitors physician and hospital services to ensure appropriate cost effective quality health care.
- **Customer Service Units**
We offer walk-in service and track all customer inquiries so that you receive prompt, efficient resolution of any questions and problems.
- **Teleorientation**
When you enroll, we personally follow up with each of your employees to make sure they understand their benefits.
- **Personal Service**
Get the personal kind of service you might have thought you could only get from a smaller company.
- **Employee Benefit Programs**
We offer a full range of integrated life, disability, dental, and flexible benefit programs.
- **Combined Billing**
Coverages included in the benefit program can be conveniently and efficiently administered through combined billing arrangements.

Local And National Support

The Blue Cross and Blue Shield of Florida corporate headquarters is located in Jacksonville, Florida with the following regional offices statewide:

<u>Region</u>	<u>Headquarters</u>	<u>Additional Offices</u>
Northeast	Jacksonville	Gainesville
Northwest	Pensacola	Tallahassee, Panama City
Central	Orlando	Lakeland
West Coast	Tampa	Sarasota, Ft. Myers
Southern	Ft. Lauderdale	Miami, West Palm Beach

Blue Cross and Blue Shield of Florida is able to operate effectively on the national, state and local level. Each local Blue Cross and Blue Shield plan participates in the national Blue Cross and Blue Shield Association, which is empowered to develop and enforce national standards, business policies, customer service arrangements and benefits administration. Each local plan has access to the resources and experience of the national organization.

(Network graphics)



In Florida alone Blue Cross and Blue Shield of Florida has approximately 1,000,000 members enrolled in PPOs and over 300,000 in HMOs. Nationally, we project that over 50 percent of our business will be in Managed Care programs (HMOs, PPOs and other selectively contracted provider networks) by 1995, and over 75 percent by the end of the decade.

Compatibility With Current & Future Systems

Blue Cross and Blue Shield of Florida is continually improving operations to meet customer needs and expectations. Our present operational capacity allows us to provide you with:

- The ability to accommodate the tape enrollment of covered PPO members
- The administration of both in- and out-of-network claims
- Our commitment to accommodating future needs
- Combined billing for health and life products.

Blue Cross and Blue Shield of Florida's systems capture detailed claims and benefit information, providing a major base of data used to analyze claims and medical costs. This includes provider profiling of in-network and out-of-network data. This data base satisfies the management information needs of larger accounts such as Florida Power Corporation, American Express, Duval County School Board, Federal Employees, General Electric, K-Mart, Publix, Scotty's, State of Florida Employees and Westinghouse.

Flexibility In Plan, Benefit And Funding Design

Blue Cross and Blue Shield of Florida provides customized plan, benefit and funding designs that adhere to sound practices of underwriting and risk management.

- Our Traditional plans provide high quality medical care through a wide variety of providers, while still offering the benefits of Managed Care whenever possible.
- Our HMO provides a high level of benefits, includes preventive health care, and care is managed by a Primary Care Physician
- We offer a Point-of-Service PPO for those employees who want more freedom of choice; this product also includes pre-negotiated allowances for out-of-network care received through our traditional networks
- Specific benefit levels are designed to meet the requested offerings
- We have innovative Managed Care products for retirees

Group, Member And Provider Satisfaction

Blue Cross and Blue Shield of Florida provides high levels of quality service to the employer, the employee members and the medical providers.

- Regionalized customer service and member services departments are located throughout the state.
- Regionalized medical management and provider relations departments are staffed by MDs, RNs, LPNs.
- "Transparent" claims processing bills Blue Cross and Blue Shield of Florida

directly. Members need not deal with claim forms or bills beyond co-payments and deductibles.

Blue Cross and Blue Shield of Florida is committed to continuing its excellent reputation for outstanding customer service and in sharing customer satisfaction results with our customers on a regular basis.

The Importance Of Managed Care

Managed care has become the core of Blue Cross and Blue Shield of Florida's business. During the last ten years we have introduced a full range of Managed Care products and services. We are converting most of our enrollment into these Managed Care arrangements.

Blue Cross and Blue Shield of Florida will work with you to provide Managed Care solutions ensuring that your health care coverage maintains:

- Broad accessibility to a geographically diverse employee population
- Operational compatibility with current and future systems
- Flexibility in plan, benefit and funding design
- Highly rated satisfaction by members and providers

To assist you in managing your group's health care and operational costs, we have developed an integrated product, network and financial strategy focused on a local market approach. This allows us to develop specialized expertise to respond to your needs.

Other Employee Benefit Programs

Although we are most known for providing state-of-the-art health care benefits, Blue Cross and Blue Shield of Florida also dedicated to providing other employee or welfare benefits. We employ professional staff and maintain affiliate relationships which enable us to provide you with the latest, first-rate cost-sharing and employee-choice benefit programs.

Blue Cross and Blue Shield of Florida offers a variety of ancillary group insurance benefits and Section 125 pre-tax programs through its Florida Combined Life subsidiary. Some of those benefits are listed below.

Life and AD&D Products/Benefits

- Group Term Life
- Group Universal Life
- Supplemental Life
- Dependent Life
- Accidental Death, Dismemberment, and Loss of Sight

Disability Products/Benefits

- Short Term Disability
- Long Term Disability



Pre-Tax Programs/Benefits

- Premium Conversion Plans
- Flexible Spending Accounts
- Higher Forms of Flexible Benefits
- 401(k) Salary Deferral Programs
- Tax Sheltered-Annuities

