

a healthier formula  
for savings



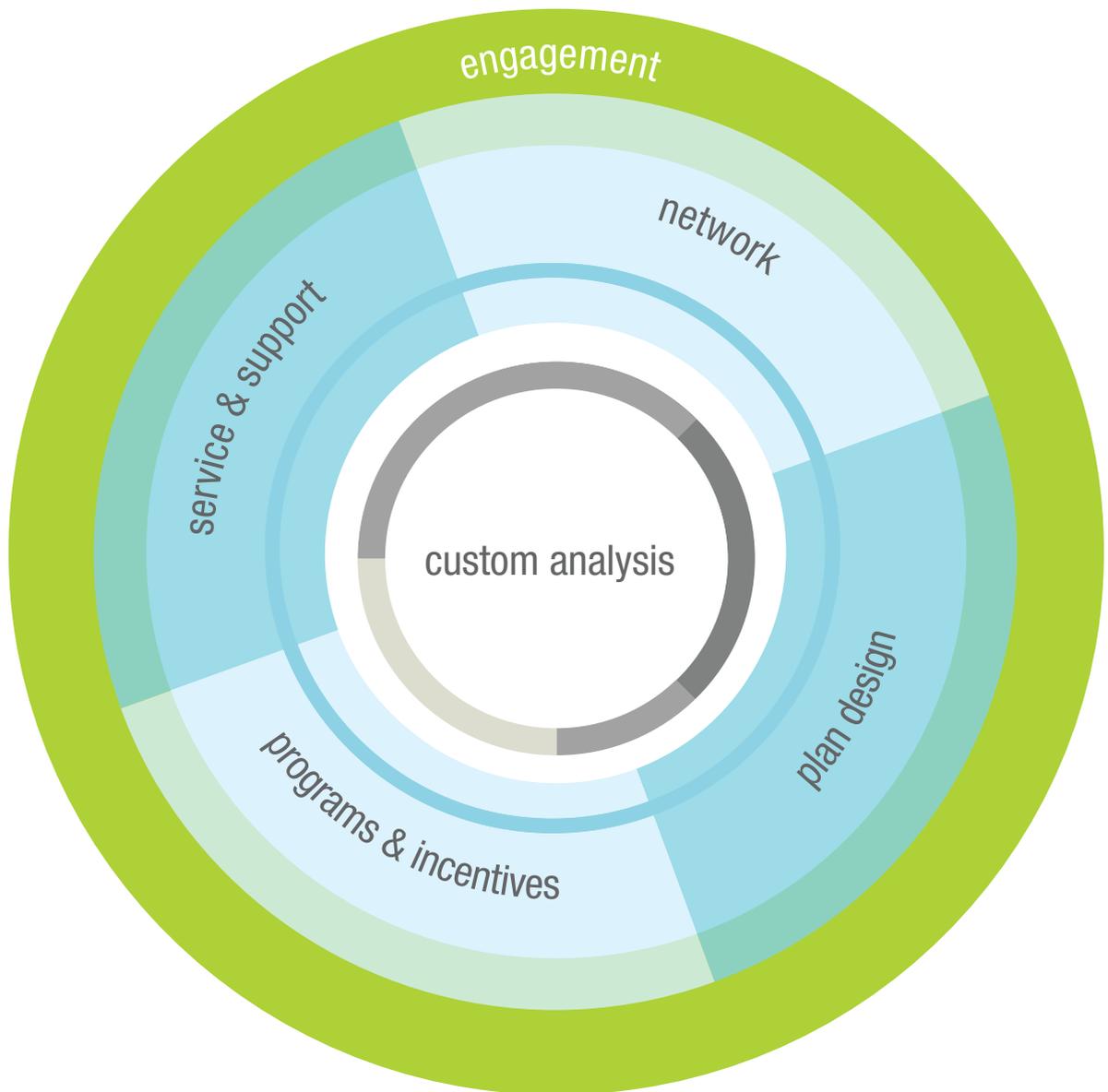
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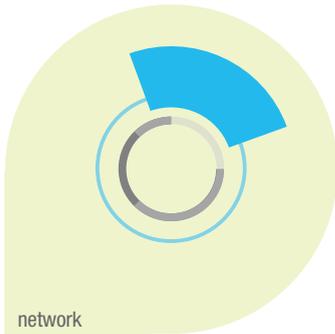
**We understand the challenges that rising health care costs present to colleges and universities, their employees, and employees' families.**

**That's why our approach is targeted to the needs of higher education and the specific needs of each institution or school. With our integrated products, wellness programs, and services, we can help you develop a healthier workforce and deliver sustainable savings.**

**We call it  
Higher Ed Blue.**

# The Elements of Higher Ed Blue





# Our networks—the best of both worlds.

## **Our Alternative Quality Contract—improving quality and reducing cost.**

Our Alternative Quality Contract represents a fundamental change in the way we work with doctors and hospitals and has been recognized nationwide. By establishing set payments and incentives for high-quality care, this approach not only helps moderate the medical-cost trend, but may improve quality as well.

Our networks give you superior access in Massachusetts and nationwide, plus innovative cost-control measures.

This means your employees have access to more than one million doctors and hospitals nationwide.

And you benefit from our extensive experience in controlling costs through network-based benefit designs and contracting with health care providers.

In fact, our ability to carefully manage networks, costs, and member usage gives us significant savings, on average, over our national competitors on per-member monthly costs.

The benefits for you and your employees are clear:

- Member ID cards are recognized nationwide.
- Benefits are administered uniformly across the country.
- Local doctor and hospital discounts are passed on directly to you.
- Participating doctors and hospitals do not balance-bill members.
- Our seamless claims system allows us to easily support your employees and their families, no matter where they get care.

## National



and



are in our network.<sup>3,4</sup>

## Regional



and



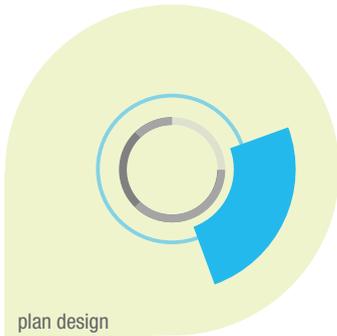
are in our network.

1. Acute-care, full-service hospitals in the HMO Blue New England<sup>SM</sup> network

2. PCPs and specialists in the HMO Blue New England network

3. "Network Compare Key Findings," Consortium Health Plans, [www.marketquest.com](http://www.marketquest.com)

4. Costs for certain health care providers may vary by plan design.



# Plans that work for your institution.

Whether it's capital improvements, faculty development, or health benefits, most colleges and universities need to plan long term. We work with you to develop a multi-year strategy that fits your employees and your institution.

And to do this, we offer you unparalleled choice and flexibility in plan designs, network designs, and benefit levels.

## **Tiered-Network Plans—Blue Options**

With Blue Options plans, Massachusetts primary care providers (PCPs) and acute-care hospitals are placed into one of three benefit tiers based on how they score on cost and nationally accepted quality benchmarks.

Members pay less when they get care from PCPs and hospitals with higher quality scores, lower costs, or both. This approach helps drive members toward more efficient doctors and hospitals every time they get care.

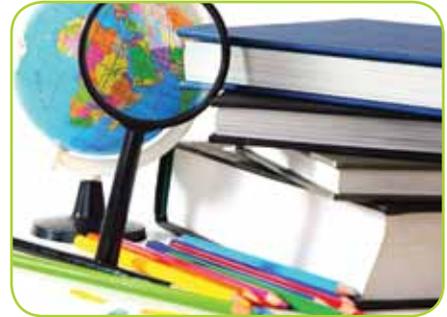
Blue Options plans are our most robust tiered-network plans, covering more than 100,000 members across the state.

Other benefits of Blue Options plans include:

- Lower premium costs than plans with comparable cost sharing
- Access to office visits, prescriptions, emergency room visits, and mental health care for a copayment that's similar to other HMO Blue® plans
- A choice of plan platforms and networks, including national and New England networks

## Hospital Choice Cost Sharing

The Hospital Choice Cost Sharing feature offers a more limited approach to tiering providers that can be a good way to introduce the concept at your school.



That's because with Hospital Choice Cost Sharing, there are only two tiers of hospitals. Members pay more out of pocket when they receive certain services at higher-cost hospitals and less at all other network hospitals. The tiering only applies to six categories of services delivered through hospitals. This approach gives your employees an easy-to-understand plan design that helps to change behavior.

Below are the categories of service with costs that vary by hospital tier:

Categories of Service	Examples
Outpatient diagnostic lab tests	Blood tests, strep tests
Outpatient diagnostic X-rays and other imaging tests	Ultrasounds, non-routine mammograms
Outpatient diagnostic high-tech radiology	CT scans, MRIs, PET scans, nuclear cardiac imaging
Inpatient care	Maternity care, joint replacement
Outpatient day surgery	Arthroscopic knee surgery, hernia repair
Outpatient physical, occupational, and speech therapy	N/A



## Consumer-Directed Health Plans

Consumer-directed health plans (CDH) combine high-deductible medical insurance with financial accounts designed to encourage responsible health care purchasing by your employees. Employees are responsible for an up-front deductible, after which the plan pays most of the cost of care. To help offset some of these up-front costs, you can fund a Health Reimbursement Arrangement (HRA) or a Health Savings Account, depending on the medical plan. Health Savings Accounts also help employees prepare for medical costs in the future.

We will work with you and your broker to understand your goals and then tailor your medical plan and CDH offering. We work with several different administrators for your spending accounts and give you the tools you need to effectively launch this solution at your school. This flexibility has made us a leader in consumer-directed health plans since we began offering these plans more than seven years ago.

The most significant benefit of this approach is that you will have more engaged employees who are more likely to participate in wellness programs and to research health information, which can mean a healthier, more stable workforce for your school.

## Beyond Medical—Dental and Ancillary Products

According to a recent U.S. surgeon general's report, unchecked dental disease can contribute to diabetes and stroke.<sup>5</sup> By better managing the oral health behaviors of members with diabetes and coronary artery disease, as well as members who are pregnant, you not only improve your employees' short-term and long-term health, but you also contribute to decreased overall medical costs.

In addition to medical and dental coverage, part of our total health solution also includes our clients' financial health. Blue Cross ensures that we are offering products that fit the needs of our clients. Through our subsidiary, Indigo™ Insurance Services, we can offer products that help improve our members' financial health as well. Whether it is life insurance, disability insurance, or critical illness insurance, we have a suite of products that meet the financial needs of your employees.

5. Oral Health in America: A Report of the Surgeon General, <http://www.nidcr.nih.gov/datastatistics/surgeongeneral/report/executivesummary.htm>

## Cost Control

Not only can you save right away by switching to one of our engagement products, but Higher Ed Blue also delivers:

- **Minimal risk.** Reduced pricing without assuming self-insured risk.
- **Lower medical trend.** Tiered-network products typically deliver 1.5 to 2 percent off the medical pricing trend at renewal.
- **Surplus-sharing.** Enjoy additional savings in years where there's a surplus due to lower claims costs, resulting in excess gains. (Available in second year of Higher Ed Blue contract.)



# Programs and incentives— savings and rewards that change behavior.

Higher Ed Blue schools enjoy a wellness credit along with a consultation with one of our wellness consultants to help you select programs targeted to the health needs of your population. Your dedicated wellness consultant is available to support you, lending his or her expertise in the areas of population analysis, program design, incentive strategies, effective messaging, and evaluation to help you develop a plan that is tailored to the specific needs of your college or institution.

Using a consultative approach, we work with you to educate your employees about the connection between lifestyle habits and long-term health. With a targeted incentive strategy, we inspire members across the health continuum to participate in high-value wellness activities that help build a healthy culture for your organization.

## Incentives

- Focused on high-value health and wellness activities

## Full Spectrum of Program Options

- Health assessment
- Onsite biometric screenings
- Tobacco cessation support
- Verifiable physical fitness
- Fitness challenges
- Lifestyle coaching

## Workplace Culture Campaign

- Interest survey
- Wellness culture assessment
- Leadership support
- Communication campaign
- Celebrating individual stories
- Value-add benefits/discounts

## Care Concierge Service Support



# **Wellness programs can help reduce health care costs.**

**For every dollar spent on wellness programs,  
average employer medical costs fell \$3.27.<sup>6</sup>**

6. Health Affairs Policy Brief, May 2012. [http://www.healthaffairs.org/healthpolicybriefs/brief.php?brief\\_id=69](http://www.healthaffairs.org/healthpolicybriefs/brief.php?brief_id=69)



# Award-winning, next-generation service and support.

## **Analytics**

With Higher Ed Blue, you get a comprehensive reporting package that highlights your medical costs, plan usage, and pharmacy reports. You also get benchmarking of your plans utilization against aggregate scores of other colleges and universities.

Our ReportBlue<sup>SM</sup> tool gives you analytics information and details online, 24/7.

We deliver award-winning, next-generation service to you and your employees.

We simplify your account support by giving you one point of contact for questions and issues. Your contact is empowered to monitor all aspects of your plan, from enrollment and claims to account and member service.

Employees can call one number to answer questions about their benefits or to access Care Concierge nurses who can answer health questions.

It's part of our promise to always put our members first.

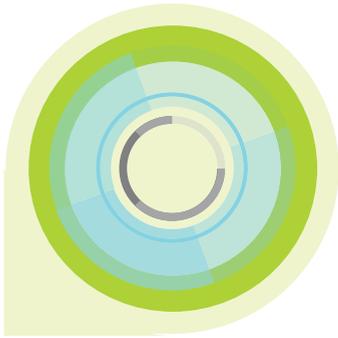
To further enhance the customized level of support you receive, we can build a customized online website for your employees. This tailored website will help ensure clear communication of plan information, member tools, and wellness initiatives for your employees.

# Care Concierge— Many Questions. One Number.

Our market-leading Care Concierge program helps reduce costs and improve health outcomes by proactively managing your employees' care. By matching members to the right care management, disease prevention, and wellness programs, Care Concierge nurses help employees get and stay healthy. Benefits include:

- **A high-touch, highly integrated care center for easy access to service and health support**
- **Direct access to a nurse health advocate by simply calling the Member Service number on the front of their ID cards**
- **Easy inbound access to health guidance and clinical decision support**
- **Additional early interventions around key cost and health risks**
- **Customized support for value-based plans, steerage, and healthy behavior incentive strategies**
- **Increased enrollment in wellness and care management initiatives, resulting in higher returns from these programs—and healthier employees**
- **Enhanced member experience and greater satisfaction**





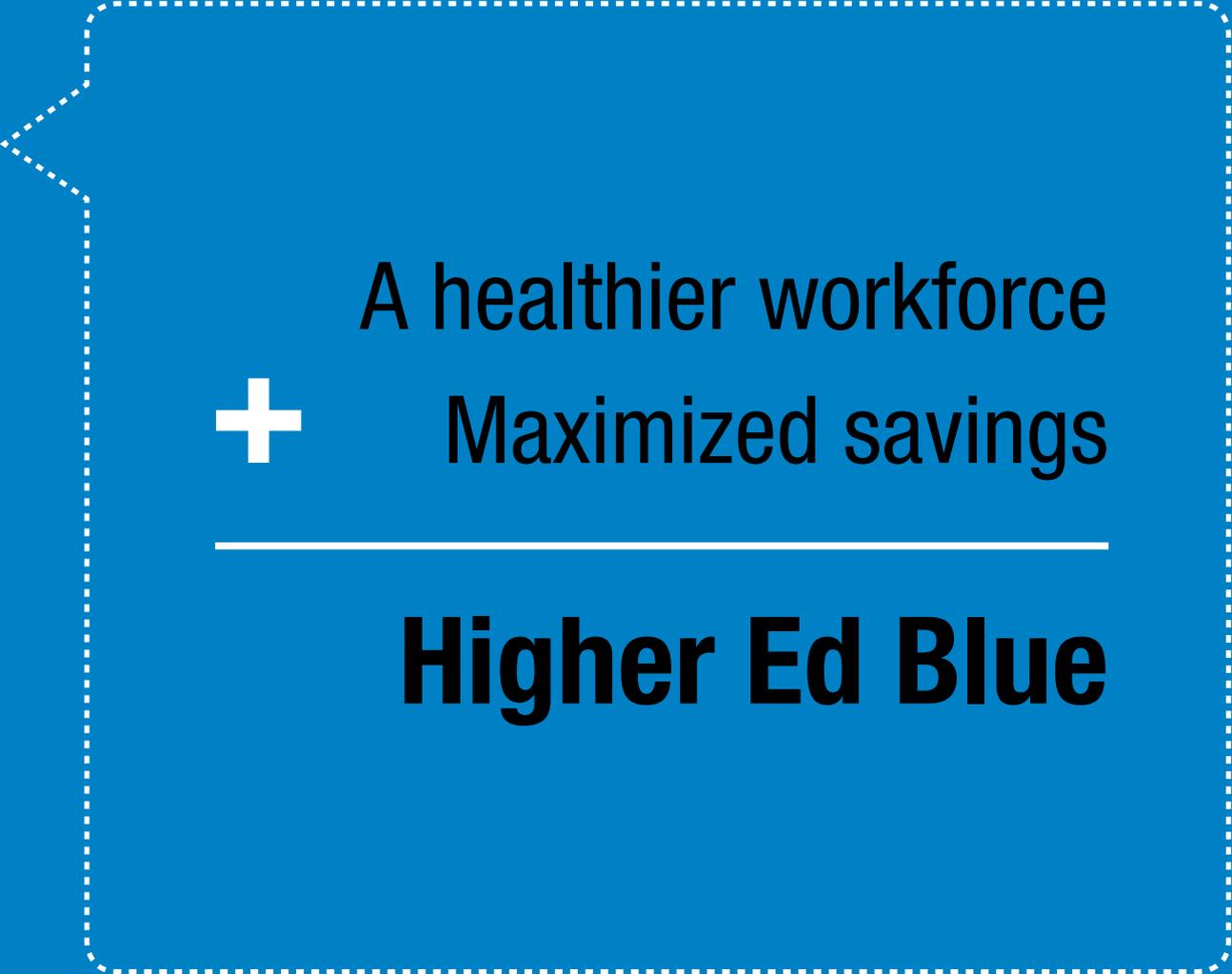
# Let Higher Ed Blue work for you.

Higher Ed Blue can lead to a healthier workforce and maximized savings for your school. Our expertise in networks, plan design, and programs and incentives, complemented by our award-winning service and support, delivers the right solution for you and your employees. And our leadership in cost and quality control mean a better bottom line for your organization.

We make choosing the right solution for your institution as simple as ABC.

Contact us or your broker today to see how we can put a winning partnership to work for you, your employees, and your institution.





A healthier workforce  
+ Maximized savings

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**Higher Ed Blue**



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