

2017 Marketplace Participation Q&A

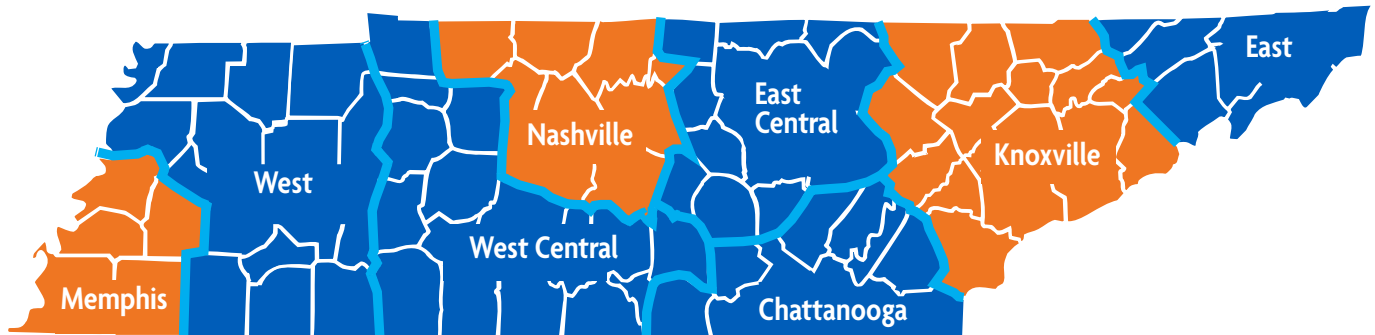
Q. Where is BlueCross selling 2017 Individual/Marketplace plans?

A. BlueCross **will offer** ACA plans in five regions of Tennessee (shaded in blue): West, West Central, East Central, Chattanooga and East, which include the following counties:

| West | West Central | East Central | Chattanooga | East |
|-----------|--------------|--------------|-------------|------------|
| Benton | Bedford | Cannon | Bledsoe | Carter |
| Carroll | Coffee | Clay | Bradley | Greene |
| Chester | Dickson | Cumberland | Franklin | Hancock |
| Crockett | Giles | DeKalb | Grundy | Hawkins |
| Decatur | Hickman | Fentress | Hamilton | Johnson |
| Dyer | Houston | Jackson | Marion | Sullivan |
| Gibson | Humphreys | Macon | McMinn | Unicoi |
| Hardeman | Lawrence | Overton | Meigs | Washington |
| Hardin | Lewis | Pickett | Polk | |
| Henderson | Lincoln | Putnam | Rhea | |
| Henry | Marshall | Smith | Sequatchie | |
| Lake | Maury | Van Buren | | |
| Madison | Moore | Warren | | |
| McNairy | Perry | White | | |
| Obion | Stewart | | | |
| Weakley | Wayne | | | |

A. BlueCross **will not offer** ACA plans in the Memphis, Nashville and Knoxville regions (shaded in orange), which include the following counties:

| Memphis Region | Nashville Region | Knoxville Region | |
|----------------|------------------|------------------|--------|
| Fayette | Cheatham | Anderson | Knox |
| Haywood | Davidson | Blount | Loudon |
| Lauderdale | Montgomery | Campbell | Monroe |
| Shelby | Robertson | Claiborne | Morgan |
| Tipton | Rutherford | Cocke | Roane |
| | Sumner | Grainger | Scott |
| | Trousdale | Hamblen | Sevier |
| | Williamson | Jefferson | Union |
| | Wilson | | |



These changes do not affect members who get coverage at work, or those who have Medicare or BlueCare plans.

Q. Who is impacted by these changes?

A. We estimate more than 100,000 members across Tennessee who purchase insurance on their own will need to shop for 2017 coverage with a different insurer.

While we are reducing our Individual/Marketplace participation, we still serve hundreds of thousands of members in the Memphis, Nashville and Knoxville regions who are enrolled in other BlueCross products. We're still strongly committed to each of those areas – offering plans in our other lines of business, employing hundreds of workers and supporting community outreach efforts.

A majority of our members statewide have employer-sponsored, Medicare or BlueCare coverage and are not affected by these changes.

Q&A for areas where BlueCross is not offering 2017 plans

Q. When does my coverage end?

A. Your current plan with BlueCross is effective through the end of the day on December 31, 2016, if your premiums are paid in full.

If you get medical care or have a prescription filled before that time, it will be covered according to the rules of your policy. Check your policy or give us a call if you have questions about your deductible, co-payment costs, etc.

You'll need to enroll in a new health plan for 2017, and you can start shopping November 1, 2016.

Q. What are my coverage options for 2017?

A. Even though BlueCross won't offer plans in your area, you may still have options for coverage next year (we expect there to be at least one insurer offering plans in each part of the state).

You can begin shopping for a new health plan starting November 1, 2016, when the Open Enrollment period begins. You must enroll by December 15, 2016, for coverage to begin on January 1, 2017. You can visit healthcare.gov, or contact your licensed insurance agent or broker, for help making the right choice for your needs.

Here's a step-by-step guide to getting new coverage:

- Start shopping for a new health plan on healthcare.gov, or through your licensed insurance agent or broker, starting November 1, 2016
- Check to see if your current doctors are in the network of any new health plan you are considering
- Enroll in your new health plan by December 15, 2016 so you'll have coverage that begins on January 1, 2017

Q. How can I get help shopping for a new health plan?

A. You can get help shopping for a new health plan by contacting your licensed insurance agent or broker, or by going to healthcare.gov.

Q. How did BlueCross decide where to stop selling Individual/Marketplace plans?

A. BlueCross has been committed to making the ACA work for Tennesseans from the beginning. As we considered how to scale back our participation, we deliberately chose to stop selling plans only in regions where we anticipated consumers would have other options for coverage.

We hope the ACA Marketplace will stabilize and that we will be able to serve you again in the future.

Q. Why are you only offering plans in some parts of Tennessee?

A. Since the ACA passed in 2010, BlueCross has been working hard to make the law work for Tennesseans who need health coverage and care. Individual/Marketplace plans accounted for only seven percent of our total membership, but those policies generated big losses. By the end of 2016, we anticipate losses approaching \$500 million on ACA plans.

We are raising rates to address the gap between what we charge and what we pay for medical care, but those aren't the only factors we considered. Potential changes to the law and federal regulatory provisions also played a role in our decision.

We are taking this step to protect our financial stability on behalf of our more than 3 million members.

Q. Why is BlueCross leaving the Memphis, Nashville and Knoxville markets?

A majority of our members statewide have employer-sponsored, Medicare or Medicaid coverage and are not affected by these changes.

We are reducing our Individual/Marketplace participation, but we still serve hundreds of thousands of members in the Memphis, Nashville and Knoxville regions. We're still strongly committed to each of those areas – offering plans in our other lines of business, employing hundreds of workers and supporting community outreach efforts.

Q. Are you ending my coverage to earn higher profits?

A. No. BlueCross is a taxpaying not-for-profit company, and profit isn't our primary goal. But a small amount (usually around 2-3% per year) is necessary so we can protect the financial reserves that we are required to hold. Members count on us to be financially strong, too.

We typically make less net income than our for-profit competitors, and also less than companies in other sectors of the health care industry.

Q. Why are you not using your reserves to cover losses and continue offering coverage?

A. Our mission is providing peace of mind and access to quality health care for our members. To do that, we must remain financially strong. We can't risk our reserves dropping below the legally required minimum.

Our reserves have dropped significantly since we began serving the ACA Marketplace. We are taking this step now to protect our financial stability on behalf of our more than 3 million members.

If it's not just about costs, what other factors led to this decision?

A. Rates and medical costs aren't the only factors we considered in our decision. In fact, uncertainties surrounding the ACA at the federal level played a role as well.

Any of these possibilities could lead to continued financial losses and put our members at risk:

- Legal challenges which would eliminate cost-sharing subsidies for many consumers
- The end of certain risk-sharing programs for insurers
- Legislative action affecting the ACA

We are acting to protect our financial stability on behalf of more than 3 million members.

Q&A for areas where BlueCross is offering 2017 plans

Q. When does my 2016 coverage end?

A. Your current BlueCross plan will end on December 31, 2016. It's easy to continue with a new BlueCross plan – we'll send you details by November 1, 2016, and if you like your new plan you can just keep paying your premiums. If you want to choose a different plan, you have to do that during Open Enrollment starting November 1, 2016.

Add these dates to your calendar:

- November 1, 2016: Open Enrollment begins
- December 15, 2016: Deadline to make changes to your coverage effective January 1, 2017
- January 31, 2017: Open Enrollment ends for 2017

Q. When will I get information about renewing my plan?

A. Look for a renewal letter to arrive before November 1, 2016 with information on:

- Rates and coverage details for 2017 plans
- Changes to your 2017 plan
- How to re-enroll for 2017 coverage

Remember, you can't sign up for or make changes to your Individual/Marketplace coverage outside of Open Enrollment unless you have a special enrollment event like getting married, having a baby, moving outside the coverage area for your current plan or losing coverage from your job.

Q. How can I get help with my options for 2017?

A. You can get help re-enrolling in your health plan or shopping for a new plan using one of the options below:

- Reach out by phone to get in touch with one of our Insurance Advisors
- Contact your licensed insurance agent or broker for helping choosing a plan that meets your needs
- You can also get help by going to healthcare.gov

Q. What is changing about my 2017 plan?

A. Prior to November 1, 2016, when Open Enrollment begins, we will send you a letter that shows the benefits that your 2017 plan includes. We want you to understand how your 2017 plan may be different and be ready to make an informed decision about your coverage. So before you decide to keep your 2017 plan or choose a new one, please pay attention to these details:

- Annual deductible amount
- Annual out-of-pocket maximum amount
- Provider network

Learn more about:

- Changes to how you can pay your premium
- Changes to how claims will be handled if your premium payment is late

Q. Are my premiums going up for 2017?

A. It depends. You may qualify for financial assistance that helps lower the monthly cost of your health plan. If you do qualify for a tax credit, what you pay each month might not change by much.

Overall, the premium rates we charge for our Individual/Marketplace plans are going up significantly for 2017, due to higher than expected medical costs for these policies.

Learn more about why premiums for 2017 plans are rising at bcbst.com/2017rates.



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BlueCross BlueShield of Tennessee is a Qualified Health Plan issuer in the Health Insurance Marketplace.

For TDD/TTY help call 1-800-848-0299.

Spanish: Para obtener ayuda en español, llame al 1-800-565-9140

Tagalog: Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-565-9140

Chinese: 如果需要中文的帮助, 请拨打这个号码 1-800-565-9140

Navajo: Dinek'ehgo shika at'ohwol ninisingo, kwijijigo holne' 1-800-565-9140