

Blue Cross and Blue Shield of Illinois Health Plans Help Consumers Foresee and Manage Health Care Costs; Health Plans Designed to be Compatible with HSA's Provide Reliable Coverage and Reduce Out-of-Pocket Expenses

http://www.insurancenewsnet.com/article.asp?n=1&innID=20060911290.2_e57c0020a0bf1e7b

CHICAGO--(BUSINESS WIRE)--Sept. 11, 2006--Many consumers today shoulder a greater share of their health care costs than in the past. That's why the ability to predict and manage health care costs is so important. To that end, Blue Cross and Blue Shield of Illinois (BCBSIL) announced an enhancement to its BlueEdge Individual Health Savings Account (HSA)(1) products. BlueEdge HSA health plans will provide 100 percent coverage for covered services rendered by participating providers after policyholders meet their annual deductibles.

"Without coverage or with the wrong kind of coverage, catastrophic accidents or illnesses that require extensive medical services would be prohibitively expensive," said Peter Rodes, vice president, Consumer Markets, BCBSIL. "As the market leader, we responded to demand for these benefits with low premium plans that feature better cost predictability."

Benefits of a Health Savings Account(1):

-- Control - Individuals decide how to spend the money in their accounts based on their particular health care needs and budget.

-- Flexibility - Consumers can deposit (generally until age 65) or withdraw their money any time without a tax penalty as long as they use it for qualified medical expenses.

-- Portability - The HSA can be taken from one employer to another, and the owner can continue to make contributions and withdrawals.

-- Tax-Savings - An HSA provides three types of tax-savings opportunities: account contributions are tax-deductible (within limits), investments accumulate on a tax-free basis, and withdrawals for qualified medical expenses are tax-free.

BlueEdge HSA: An Extension of BCBSIL's Broad Portfolio of Health Plans

Health plans designed to be compatible with HSA's are the latest in a lineup of new, "consumer-driven" health insurance products that provide consumers with greater control and ownership of their health care dollars and decisions. These health plans allow individuals to combine health insurance coverage with the savings and tax advantages of HSA's. In addition to access to BCBSIL's broad PPO network of contracting providers, the newly revamped BlueEdge HSA plans provide the same range of benefits as other BCBSIL plans, including coverage for hospitalization, surgery, doctors' office visits, and emergency care.

Policyholders also have the additional option of 100 percent coverage of these benefits. Furthermore, the BlueEdge HSA plans offer optional maternity and prescription drug coverage, plus well-child care and adult wellness benefits, which some other health plans do not.

BlueEdge HSA Plans are Available with a Range of Deductible Levels

The BlueEdge plans are available with a range of deductibles, from \$1,050, \$1,750 and \$2,600 for individuals with the BlueEdge Individual HSA, to \$5,000 for the BlueEdge Individual HSA 5000. Family deductibles are twice those of individual levels. The BlueEdge Individual HSA now offers both 80 percent and 100 percent coverage options, and the BlueEdge Individual HSA 5000 offers 100 percent coverage for covered services once the annual deductible is met. This coverage applies to covered services rendered by participating providers.

"HSA-compatible plans are a cost-effective way for many people to manage their health costs and, at the same time, create savings that can apply to qualified medical expenses down the line when it's really needed," said Fred Karutz, corporate vice president, Consumer Markets, BCBSIL.

For 2006, consumers can make annual HSA contributions up to a maximum of \$5,450 for families and \$2,700 for individuals. For more information about BCBSIL's BlueEdge plans, visit www.bcbsil.com or call 800-654-7385.

About Blue Cross and Blue Shield of Illinois:

Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company (HCSC) is the oldest and largest health insurance company in the state. Currently, Blue Cross and Blue Shield of Illinois provides health insurance coverage for more than 6.9 million people. Blue Cross and Blue Shield of Illinois' Consumer Markets Division serves the individual market of Illinois. HCSC is an independent licensee of the Blue Cross and Blue Shield Association.

(1) Please be reminded that Health Savings Accounts (HSA's) have tax and legal ramifications. Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, does not provide legal or tax advice, and nothing herein should be construed as legal or tax advice. These materials, and any tax-related statements in them, are not intended or written to be used, and cannot be used or relied on, for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with the promotion or marketing of the transaction(s) or matter(s) addressed by these materials. You should seek advice based in your particular circumstances from an independent advisor regarding the tax consequences of specific health insurance plan or products.

CONTACT: Blue Cross and Blue Shield of Illinois Tony Rau, 312-653-6701 raut@bcbsil.com

KEYWORD: ILLINOIS

INDUSTRY KEYWORD: INSURANCE MEDICAL BANKING PRODUCT

SOURCE: Blue Cross and Blue Shield of Illinois

Copyright © 2006 Business Wire CHICAGO-- --Sept. 11, 2006--Many consumers today shoulder a greater share of their health care costs than in the past. That's why the ability to predict and manage health care costs is so important.

<http://www.lowcostinsur.com>