



**IMPORTANT NOTICE REGARDING NEW POLICIES
AND NEW PREMIUM RATES FOR INDIVIDUAL/DIRECT PAY**

<<MAILINGID>>
<<FIRSTNAME>> <<LASTNAME>>
<<ADDRESS1>>
<<ADDRESS2>>
<<CITY>>, <<STATE>> <<ZIPCODE>>

Dear <FIRSTNAME> <LASTNAME>:

We are writing to let you know about important changes to your health insurance that will take effect on **January 1, 2014**. These changes are required by federal health care reform, called the Affordable Care Act (the “ACA”). As outlined below, the changes will include a core set of comprehensive benefits, more cost sharing choices and new premiums.

To make sure your policy includes these new requirements, your existing policy will end effective December 31, 2013. We will roll out a new product portfolio beginning on January 1, 2014 that meets the ACA requirements, which you can learn more about by accessing our web site at **www.emblemhealth.com**. New York is also establishing the Health Benefit Exchange where you can shop for insurance.

What do I need to do?

NO ACTION IS REQUIRED AT THIS TIME. Since your existing <<Health Insurance Plan of Greater New York (“HIP”) and/or HIP Insurance Company of New York (“HIPIC”) or Group Health Incorporated (“GHI”)>> policy is ending effective December 31, 2013, you have the option to purchase an ACA compliant policy that we offer to individuals. To learn more about EmblemHealth’s products, please visit our web site at **www.emblemhealth.com** or visit the New York Health Benefit Exchange. It is important for you to select a new plan if you wish to have coverage effective January 1, 2014.

(NOTE: This section is relevant only to HIP/HIPIC policies.) As of January 1, 2014, members that want to continue to have out-of-network benefits may elect coverage with our new platinum level individual policy together with an out-of-network rider.

New Options for Coverage in 2014

New York Health Benefit Exchange. New York’s new Health Benefit Exchange (**www.HealthBenefitExchange.ny.gov**) will help you shop for and enroll in health insurance. You will be able to use the Exchange to compare insurance options and prices offered through the Exchange. You will also be able to calculate costs and enroll in coverage online, in person, over the phone or by mail. You may also qualify to receive federal tax credits to help pay for insurance offered through the Exchange. You can purchase insurance through the Health Benefit Exchange beginning in October 2013 for coverage starting January 1, 2014. You can also buy coverage directly from an insurance company, but tax credits will not be available.

Benefits. All health insurance policies will include a core set of benefits, called the “Essential Health Benefits.” In addition, some policies may include out-of-network coverage. Your current policy may already include some or all of the Essential Health Benefits. For more information on the Essential Health Benefits, you can visit the New York Benefit Exchange website at <http://healthbenefitexchange.ny.gov/resource/what-are-essential-health-benefits>.

Cost Sharing Choices. All policies will include the Essential Health Benefits, but the amount you pay out-of-pocket will be different depending on the cost sharing options that you choose. The ACA creates four uniform categories of cost sharing, called “metal” levels, that will make it easier for you to compare different health insurance policies.

These metal levels are based on the average percentage of medical costs the health insurance company is expected to pay, compared to the average percentage you will pay. All policies will fit into one of four metal levels:

- Platinum (highest level with an average of 90% of the medical costs paid by the insurance company and an average of 10% paid by the member)
- Gold (80/20%)
- Silver (70/30%)
- Bronze (60/40%)

(Please note: this does not mean that your insurance company will pay that specific percentage of every bill. It simply means that the insurance company will pay that average percentage for all policyholders over the course of the year.) Also, your premium will be higher or lower depending on the metal level you choose. For instance, a Silver plan will have lower premiums than a Platinum plan because you would be paying more out of pocket.

New Premium Rates. We have filed our new policies and premium rates with the New York Department of Financial Services. Information about our premium rates can be found on the Department of Financial Services web site at <https://myportal.dfs.ny.gov/web/prior-approval/welcome>.

If you have any specific comments or questions regarding your product, please call our Customer Service phone number at **HIP and HIPIC: 1-800-447-8255, GHI: 1-877-842-3625**, TDD 711.



David Morin
Vice President, Customer Service