

PRODUCER NEWS

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Producer News (07-08B)

July 30, 2008

Highmark Introduces ShortTermBlue

The Pennsylvania Insurance Department has approved ShortTermBlue, a product for those in need of temporary insurance coverage. The introduction of ShortTermBlue is an important addition to the Highmark portfolio of products, providing one more option for the uninsured in Central Pennsylvania and the Lehigh Valley.

ShortTermBlue will be available on July 31, 2008 for an August 1, 2008 effective date. Producers will have the ability to submit applications via the Highmark Producer Portal beginning on July 31, 2008.

ShortTermBlue is a quick, easy way to get important health benefits during a time of transition. It is ideal for recent graduates, the newly-employed (who are waiting for group benefits to begin), individuals who are between jobs or anyone who is temporarily in need of health insurance. ShortTermBlue will also fill the gap for individuals waiting to be approved for enrollment in a longer term medically underwritten plan.

ShortTermBlue is a commissionable product.

As with all other Highmark medically underwritten products, producers must submit customer applications via the Producer Portal. Coverage can begin as soon as the day after the application is submitted electronically, provided the customers meet the limited medical underwriting by answering "No" to all of the medical questions on the application.

Important Things to Know About ShortTermBlue

- Interested individuals can apply for an initial coverage period of as few as 31 days up to and including 180 days. Each individual applying must submit his or her own application. There is no family coverage under ShortTermBlue.
- ShortTermBlue rates are based on age, deductible level and the number of days of coverage selected.
- ShortTermBlue is not renewable. To obtain additional coverage after a Coverage Period ends, a new application must be submitted. Individuals may enroll for two consecutive Coverage Periods. Coverage Periods are considered consecutive only if there are 60 days or less between the end of one Coverage Period and the beginning

of the next Coverage Period. 90 days must elapse, after enrolling in consecutive Coverage Periods, before an individual can apply for a third Coverage Period.

- There can be no overlap of days between Coverage Periods. For example, if the last day of the first Coverage Period is the 15th of the month, the earliest the second Coverage Period can start is the 16th of the same month.
- A pre-existing condition clause applies for ShortTermBlue medical and prescription drug benefits. ShortTermBlue will **not** provide benefits for pregnancy at any time and for any condition for which medical advice, care, treatment or diagnosis has been recommended or received from a physician within a five-year period prior to the Effective Date of coverage.
- Members pay the full Highmark-negotiated discounted price at the pharmacy and then complete and submit a Prescription Drug Claim form for reimbursement. **If it is determined that the drug is related to a pre-existing condition, ShortTermBlue will not cover the cost of the drug.**
- Members will first receive an approval, or Confirmation of Enrollment, letter that includes the beginning and end dates of coverage for ShortTermBlue. Copies of that letter will also be sent to the writing producer and the Preferred Agency. The Welcome Kit with an ID card and tip sheet on how to use the new coverage will be sent in a separate mailing.
- A Replacement of Coverage form is not required with this program.

A ShortTermBlue product brochure includes benefit information, rates and an application that is to be used “For Information Collection Only.” All ShortTermBlue applications submitted by producers must be completed online. The “For Information Collection Only” application is a tool that allows you to record necessary information from customers and to keep their signed applications in your files. The online application for ShortTermBlue provides for Credit Card payment only. There is no Bill Me Later option with ShortTermBlue.

See the Producer Manual on the Highmark Website for additional information about ShortTermBlue.

ShortTermBlue Training Module Available

Beginning August 1, a ShortTermBlue training module will be available on the Producer Portal. To access the online training module, log onto the Producer Portal, go to the *Training* tab and click on the *ShortTermBlue* link.