



Press Release

J.D. Power and Associates Reports: Blue Cross and Blue Shield of Alabama Ranks Highest in Member Satisfaction among Health Plans In the East South Central Region For a Fifth Consecutive Year

WESTLAKE VILLAGE, Calif.: 13 March 2012 — Blue Cross and Blue Shield of Alabama ranks highest in member satisfaction with health plans in the East South Central region for a fifth consecutive year, according to the J.D. Power and Associates 2012 U.S. Member Health Plan StudySM released today.

Now in its sixth year, the study measures member satisfaction among 141 health plans in 17 regions throughout the U.S. by examining seven key factors: coverage and benefits; provider choice; information and communication; claims processing; statements; customer service; and approval processes.

Blue Cross and Blue Shield of Alabama achieves a score of 728 on a 1,000-point scale and performs particularly well in the East South Central Region (which includes Alabama, Kentucky, Louisiana, Mississippi and Tennessee) in three of the seven factors: coverage and benefits; provider choice; and customer service. Following Blue Cross and Blue Shield of Alabama in the regional rankings are Blue Cross and Blue Shield of Louisiana (723) and Humana (714). Blue Cross and Blue Shield of Louisiana performs particularly well in four of the seven factors: information and communication; approval processes; claims processing; and statements. Humana performs particularly well in coverage and benefits.

In 2012, overall member satisfaction averages 702, compared with 696 in 2011. There are notable gains in the information and communication, statements and claims processing factors.

The average satisfaction index score in the East South Central region is 706—four points higher than the 17-region average. Member satisfaction in the region has improved by 14 points in 2012, compared with 2011.

Health plans in the East South Central region and nationwide are preparing for changes as a result of the Affordable Care Act, such as the establishment of state health insurance exchanges. The study finds that a majority of health plan members who purchase insurance on their own indicate they would likely use one of the state health insurance exchanges (55%), which are conceived, in part, to address their needs. However, a sizable percentage of health plan members who are covered under an employer-sponsored program—39 percent—also indicate they would shop for insurance through an exchange if it were available.

In addition, the study finds increased levels of interest in state-sponsored health insurance exchanges, compared with the previous year. In 2012, only 37 percent of health plan members say they would not be likely to use an exchange, compared with 50 percent in 2011 who expected to continue obtaining coverage at work.

“Health insurance exchanges are meant to appeal to individuals who must buy coverage on their own, yet the level of interest among those who obtain health insurance at work could have important implications for the future of employer-sponsored coverage,” said Rick Millard, senior director of the healthcare practice at J.D. Power and Associates. “Satisfaction among some health plan members may be low enough that an alternative, direct retail model could become more attractive than traditional wholesale purchasing by employers.”

The study also finds substantial interest among health plan members in private health insurance exchanges, in which an employer might provide employees with vouchers for purchasing health insurance independently. Approximately 42 percent of employer-insured health plan members indicate they would use this approach if it were available.

“The private exchange model could further erode reliance on obtaining health insurance at work,” said Millard. “Creating new channels for purchasing insurance could trigger more changes. It could mean more attention will be paid to direct purchasers, and also make achieving high levels of satisfaction critically important for health plans that strive to acquire and retain members.”

J.D. Power offers the following tips to health plan members and consumers who are shopping for health insurance coverage:

- Understand your coverage. Health insurance plans are sometimes difficult to understand, with complex rules for deductibles, co-payments and other kinds of expenses. If you don't have a clear understanding of the coverage and you have a choice of plans, opt for the simpler approach. For example, you may be more satisfied with fewer options for doctors in order to have coverage with less complicated costs.
- Before enrolling in a health plan, familiarize yourself with online tools that may be offered by your insurance company. Some health plans are set up to offer online services to track your medical condition, receive prescriptions, make appointments, or even email your doctor.
- If you obtain health insurance coverage through your employer, be prepared for fewer choices. More than one-half of health plan members who receive health insurance at work are given only one option.
- If you purchase coverage on your own, understand how your state will offer a health insurance exchange (such as the Massachusetts Connector). This is a new feature based on the Affordable Care Act, which is intended to make it easier for individuals to find affordable coverage.

The 2012 U.S. Member Health Insurance Plan Study is based on responses from more than 32,000 members of commercial health plans. There were 2,235 members in the East South Central region. The study was fielded in November 2011 and January 2012. For more comprehensive health plan rankings for all 17 U.S. regions, please visit www.jdpower.com.

About J.D. Power and Associates

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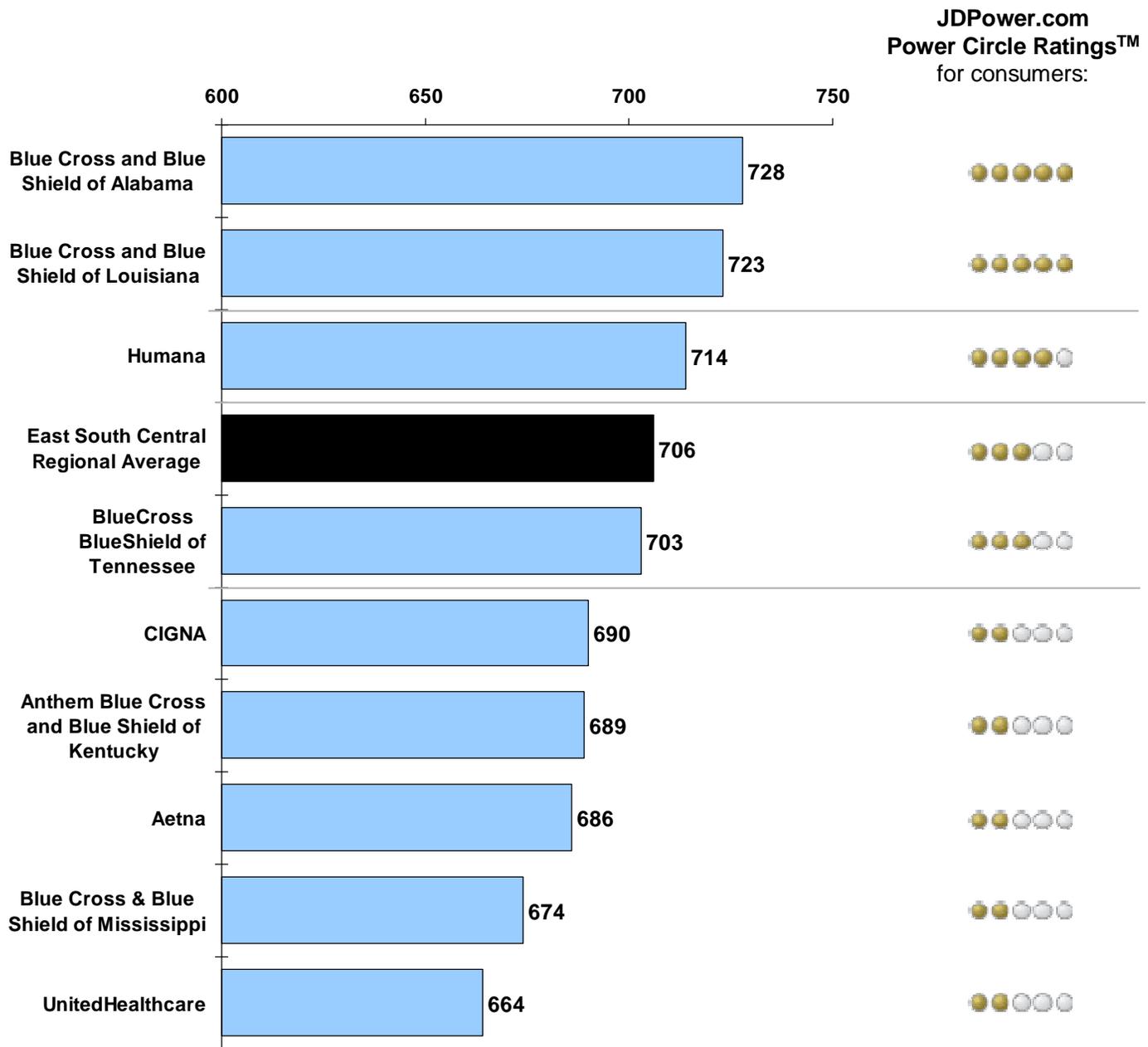
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NOTE: One chart follows.

J.D. Power and Associates 2012 U.S. Member Health Plan StudySM

Member Satisfaction Index Ranking East South Central Region (Based on a 1,000-point scale)



Included in the East South Central region are: Alabama, Kentucky, Louisiana, Mississippi and Tennessee.

Source: J.D. Power and Associates 2012 U.S. Member Health Plan StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2012 U.S. Member Health Plan StudySM as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. JDPower.com Power Circle RatingsTM are derived from consumer ratings in J.D. Power studies. For more information on Power Circle Ratings, visit jdpower.com/faqs. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates survey results without the express prior written consent of J.D. Power and Associates.