## Consumer Notice
## The Impact of Federal Health Care Reform on Health Plan Costs*

Federal health care reform may change health plan benefits and costs. **After January 1, 2014**, health insurers and HMOs:

- Must offer new benefits.
- Must cover everyone even if they have preexisting medical conditions.
- Must pay new taxes and fees which add to health plan costs.
- Must charge same health plan costs to men and women.
- Must limit how much your age can affect health plan costs.

Below is an **example** using one of our company's most popular plans and the cost of a new plan showing the impact of federal health care reform. This is an example only and it does not show differences in co-payments and deductibles. Your health plan costs may not change in the same way. Your health plan costs may be reduced if you qualify for federal tax credits or subsidies.

**This example compares the health plan monthly cost for TRADPPO 2500/5000 SM + SM RX 15/45/85/20% before federal health care reform to the health plan monthly cost for the new PPO BRONZE1 3500/5000 SM health plan offered after health care reform.**

| | Ages 21-29 | | Ages 30-54 | | Ages 55-64 | |
|---|---|---|---|---|---|---|
| | Males | Females | Males | Females | Males | Females |
| **TRADPPO 2500/5000 SM + SM RX 15/45/85/20%** Monthly Health Plan Cost ***before*** Federal Health Care Reform | **$ 145** | **$ 307** | **$ 320** | **$ 452** | **$ 746** | **$ 728** |
| **PPO BRONZE1 3500/5000 SM** Monthly Health Plan Cost ***after*** Federal Health Care Reform | **$ 237** | **$ 237** | **$ 450** | **$ 450** | **$ 610** | **$ 610** |
| ***Portion of Monthly Health Plan Cost due to federal health care reform:*** | | | | | | |
| Cost of **new benefits** we must offer | $ 6 | $ 6 | $ 9 | $ 9 | $ 17 | $ 17 |
| Cost to **cover everyone**, *even those with preexisting medical conditions* | $ 15 | $ 31 | $ 32 | $ 45 | $ 75 | $ 73 |
| **New taxes and fees** we must pay | $ 3 | $ 3 | $ 4 | $ 4 | $ 8 | $ 8 |
| Cost to charge the same for **men and women** and to limit how **age** can affect plan costs | $ 67 | $ (110) | $ 85 | $ (60) | $ (234) | $ (215) |
| **Dollar Difference in Health Plan Costs** | **$ 91** | **$ (70)** | **$ 130** | **$ (2)** | **$ (135)** | **$ (118)** |
| **Percentage Difference in Health Plan Costs** | **62.8%** | **-22.8%** | **40.8%** | **-0.4%** | **-18.2%** | **-16.2%** |

**The Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, and regulations adopted pursuant to these acts.*