

November 2011

<Name>
<Address>
<State, ZIP>

Dear Valued Member:

We've been there for you through the years as your dependent has matured into a young adult. Now we want to let you know about the Blue Cross Blue Shield of Michigan coverage options available to young adults venturing out on their own.

Your dependent has reached an age where he or she will lose coverage unless you confirm that your dependent is still eligible to remain on your Blues plan. To keep your young adult covered after Dec. 31, 2011, please check with your employer to see if he or she is eligible to continue coverage through your group plan or through COBRA. For more information on eligibility, please see the back of this letter.

If your young adult is no longer eligible for group coverage, he or she should consider one of our MyBlueSM plans. MyBlue products offer innovative individual health insurance options designed to fit your needs. We also offer comprehensive dental plans from Blue Dental.

For information regarding MyBlue plans, visit bcbsm.com/myblue, call 1-877-4MY-BLUE (469-2583) or contact your local Blues-contracted agent.

Thank you for being a Blues member. We look forward to providing you and your young adult access to quality medical coverage for years to come.

Sincerely,



Ken Dallafior
Senior Vice President
Group Sales and Corporate Marketing

Eligibility for coverage

Please be advised of the following:

- The passage of the Patient Protection and Affordable Care Act requires medical plans offering dependent coverage to cover adult children up to age 26. The Blues have adjusted all benefit plans subject to PPACA to allow coverage of dependents through the end of the calendar year of their 26th birthday.

Federal legislation known as Michelle's Law requires the Blues to continue coverage for dependent students who are taking a leave of absence from school or change to part-time status due to illness or injury, as long as the dependent meets all other eligibility requirements for dependent continuation coverage. Coverage will last for up to one year after the first day of a medically necessary leave of absence (or change to part-time status), or the date on which coverage would otherwise terminate, whichever period is earlier. **Note: Michelle's Law only applies to groups that are PPACA-exempt o groups that cover dependents over the age of 26.**

To qualify for continued coverage, the dependent student's treating physician must certify in writing that the student's leave or change to part-time status is medically necessary and due to a serious illness or injury.

Individual coverage options

If your young adult lives outside of Michigan, he or she can contact the local Blue Cross Blue Shield plan to obtain information about individual coverage options. Please note that some Blue Cross plans require people with pre-existing medical conditions to exhaust their COBRA benefits before they become eligible for individual coverage.

He or she also has the option of selecting a Blue Cross Blue Shield of Michigan individual plan for up to three months and then transferring membership from that Michigan Blues individual plan to the local Blue Cross plan. Depending on the requirements of the Blue Cross plan where your young adult resides, this may help to lower the cost of coverage and waive rules that would exclude a person with a medical condition from getting coverage.

Potential ineligible dependent as of Jan. 1, 2012:

Group number/Section number

Contract number

Dependent

Birthdate