



Anthem Blue Cross of California agrees to request from California Department of Insurance for additional time to re-review rate increase

Statement by Brian A. Sassi, President and Chief Executive Officer Consumer Business Unit, on Rate Adjustments in California

FOR IMMEDIATE RELEASE – February 13, 2010 - Thousand Oaks, CA – “Earlier today, Anthem Blue Cross agreed to a request by the California Department of Insurance to postpone a rate adjustment for individual members in California by two months to allow the Department additional time for review. To avoid confusion for our members, this delay will impact all Anthem individual members regulated at either the state Department of Insurance or the Department of Managed Health Care. We welcome the regulatory review and are confident that our rates reflect anticipated medical costs.

“Anthem filed these rates with the appropriate regulators in November of 2009. They are actuarially sound and in full compliance with all requirements in the law. The rate adjustments have been reviewed by an independent expert.

“Our decision to agree to postpone the rate adjustment does not change the underlying issue. All health plans are in the same situation in trying to deal with the steadily increasing medical costs in the delivery system, which are not sustainable. We are also experiencing a higher proportion of healthy individuals choosing not to enroll, leaving an insured pool that utilizes significantly more services. We need to refocus the health care reform debate toward steps that will improve quality and control the underlying medical costs, which is driving the high cost of coverage.

“We understand the impact any rate adjustment has on our members and their ability to continue to carry health insurance. And we are committed to driving quality and reducing costs in the health care system and improving the lives of the Californians we serve and the health of communities all across the state. Members will be receiving a letter shortly that describes these changes in detail and whom to contact for additional information.”

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