



December 5, 2005

**Producer News**

**We're Keeping Rates Low So Your Sales Can Grow!  
Blue Cross and Blue Shield of Illinois Covers Medicare's  
Latest Cost Hikes with Minimal Premium Increases!**

Effective January 1, 2006, Medicare beneficiaries will be responsible for a greater percentage of cost-sharing for hospitalization, skilled nursing care, and medical expenses. These deductible and copayment increases occur annually. Here is a comparison of 2005 and 2006 Medicare costs:

<b>Medicare's Out-of-Pocket Costs</b>		
	<b>2005</b>	<b>2006</b>
Medicare Part A Hospital Deductible	\$912	\$952
Medicare Part B Deductible	\$110	\$124
Medicare Part B Premium	\$78.20	\$88.50
Hospital Days 61-90 Copayment	\$228	\$238
Hospital Days 91-150 Copayment	\$456	\$476
Skilled Nursing Facility Care Days 21-100 Copayment	\$114	\$119

Also in 2006, the deductible for Medicare Supplement High Deductible Plan F has increased to \$1790.

As usual, Blue Cross and Blue Shield of Illinois will cover the new Medicare increases dollar for dollar. Normally, we make every effort to notify you in advance about the mail date for our Official Notification mailing to Medicare Supplement members detailing plan changes for the new year. This year's mailing was sent to members on November 23, 2005. Please accept our apologies for the late notice.

**Here's Even More Good News**

Our 2006 rates have gone up an average of only 4.8% to keep pace with rising health care costs. Rates for Plan F, our most popular plan, have increased only 4.7% on average. That's one of the lowest increases in recent years — which will help make our Medicare Supplement plans quite competitive in the marketplace!

The rate card for 2006 is available now for download or ordering at [www.bcbsil.com/dmagents](http://www.bcbsil.com/dmagents). The balance of Medicare Supplement materials will be available in mid-December. You will be notified when they are available.

## 2006 Plan Updates

On November 11, 18 and 30, Under 65 Members were mailed information about women's health and cancer rights, PPO hospital list updates, and riders. Again, we normally make every effort to notify you of these mailings in advance — so our apologies for the late notice.

### **Our Under 65 Plans = Great Choices, Great Value!**

The end of the year is a great time to talk to your clients about our Individual and Family products — offering exceptional value for Illinois residents under age 65. Remind them that we offer a range of deductible and copayment options to fit every lifestyle and budget. What's more, this coverage is backed by the strength, stability and exceptional customer service of Blue Cross and Blue Shield of Illinois.

### **New Medicare Supplement Plans Give Prospects More Options!**

Blue Cross and Blue Shield of Illinois is continually looking for ways to help our prospects save money. We are pleased to announce that we will soon be offering two new Medicare Supplement plans — Plan K and Plan L — which offer consumers increased cost-sharing choices in return for lower plan premiums. Watch for more information in mid-December!

If you have any questions, please contact your Marketing Consultant or General Agent.