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Nearly 9 in 10 Seniors Satisfied with Medigap

Washington, DC – Medigap policyholders are overwhelmingly satisfied with their coverage and say it provides good value for their money, according to a new survey released today by the Blue Cross Blue Shield Association (BCBSA) and America’s Health Insurance Plans (AHIP).

“Medigap policies provide important protections from Medicare’s high out-of-pocket costs,” said Scott P. Serota, BCBSA president and CEO. “Seniors are highly satisfied with these policies.”

The new survey, conducted by American Viewpoint, Inc. on behalf of BCBSA and AHIP, found that 88 percent of Medigap policyholders are satisfied with their coverage and 62 percent are very satisfied. In addition, more than three-fourths (77 percent) of policyholders surveyed say Medigap provides excellent or good value for their money and eighty-seven percent would recommend Medigap to a friend or relative.

“Nearly 10 million seniors across the country rely on Medigap for their health security,” said Karen Ignagni, President and CEO of AHIP. “Seniors like the predictability, financial security, and peace of mind these plans provide.”

According to the survey, the aspects policyholders like most about their Medigap coverage are that it allows them to see the doctor of their choice, it provides financial security and peace of mind, and it makes it easier to deal with medical bills and paperwork.

Other key findings include:

- Medigap policyholders are unwilling to pay higher deductibles or other out-of-pocket expenses in order to reduce their premiums (69 percent).
- A majority (68 percent) of policyholders would oppose Congressional action that would require policyholders to pay annual deductibles and other out-of-pocket expenses for services that are currently covered by their Medigap policies.
- If policyholders could no longer afford to purchase Medigap insurance, their main concerns would be dealing with medical bills/Medicare (22 percent); the possibility of high costs due to illness (18 percent); out-of-pocket costs for health care (17 percent); and loss of financial security and peace of mind (13 percent).

The national telephone survey was conducted by American Viewpoint, Inc. between March 16 and 22, 2009. In all, 500 telephone interviews with Medicare enrollees who have self-purchased

Medigap plans were conducted. The sample was drawn from a targeted Survey Sampling database of those ages 65 and older and respondents were randomly selected. All survey findings are estimates because they are based on a sample of persons rather than the entire population. The margin of error for N=500 is +4.5% at a 95% confidence level.

More information about the survey can be found at

<http://www.bcbs.com/issues/medicare/background/Medigap-Enrollees-Presentation-June-09.ppt>,
<http://www.bcbs.com/issues/medicare/background/new-survey-finds-high-level.html> and
<http://www.ahip.org/content/pressrelease.aspx?docid=27323>.

America's Health Insurance Plans (AHIP) is the national association representing nearly 1,300 member companies providing health insurance coverage to more than 200 million Americans. AHIP provides a unified voice for the community of health insurance plans. A major policy goal for our members is to expand access to high quality, affordable coverage to all Americans. We have developed innovative proposed solutions to promote universal coverage, raise the bar on quality, and make health care services more affordable. For more information, visit the Web site at www.ahip.org.

The Blue Cross and Blue Shield Association (BCBSA) is a national federation of 39 independent, community-based and locally operated Blue Cross and Blue Shield companies that collectively provide healthcare coverage to more than 100 million members – one-in-three Americans. For more information on the Blue Cross and Blue Shield Association and its member companies, please visit www.BCBS.com.

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