

WE ASKED. YOU RESPONDED.

Nearly 13,000 shared your thoughts and concerns.

We're listening...

Last fall, we began an ongoing conversation with North Dakotans.



It started with a survey sent to Blue Cross Blue Shield of North Dakota (BCBSND) members. Responses poured in by the thousands.

Responses are now streaming in from a second survey recently sent to areas we didn't reach last fall.



The discussion moved into neighborhoods through a statewide series of community forums. Look for additional locations this spring.



The conversation continues today, online. Join in at: BCBSND.com/BlueInsight

Taking action...

You want us to lead in finding solutions—and we are. BCBSND has been working internally and with others across the state on rising costs, accessibility, quality of care and many other issues brought up at the statewide forums.

And continuing the conversation.

This series from BCBSND answers the questions North Dakotans are asking and tells you what we're doing about them.

One thing you can do:

Take advantage of the preventive screenings offered in your plan

Prevention costs less than treatment, plus it's often more pleasant. Even more importantly, preventive health screenings may identify disease risks, find problems early or prevent major health consequences down the road. Check your plan to see what screenings are covered and then take advantage of them.

An example: Colonoscopy

As many as 60% of colorectal cancer deaths could be prevented if all Americans 50 years old and older received regular screenings.³

- BCBSND's allowance for a colonoscopy ranges from \$1,200 to \$1,500, while the costs of treating colorectal cancer can reach as high as \$650,000⁴
- Many BCBSND health plans with preventative benefits pay 100% of the cost of a colonoscopy

¹ 2010 BCBSND annual financial statement

² 2012 BCBSND claims data

³ Centers for Disease Control and Prevention

⁴ BCBSND institutional claims data

⁵ <http://www.nd.gov/ndins/consumer/medicare/premium-comparison>. Rates based on the most popular Plan F—for a new applicant, male, non-tobacco, age 65. The rate information was filed with the North Dakota Insurance Department, which does not endorse or recommend a particular company or plan. Factors such as age, gender, tobacco status and others may impact the actual premium amount. Premium rate as of 1-23-2012. Policy form number is 29313079. Original Medicare supplement plans A, C, L, N and high-deductible Plan F are also available. Call 800-280-2583 for more information.

You asked,

“Why can't we have more affordable insurance options?”

Our members are worried about the rising cost of health insurance and their ability to afford it. We are, too.

Health insurance premiums are increasing because the cost of health care is increasing. In recent years, it's been rising much faster than the rate of inflation—and that can't continue if we want to sustain health care in this country.

Health insurance costs have increased because health care costs have increased.⁴

Facts on health care

Average hospital stay:

2000: **\$5,989** or (\$1,516/day)
2005: **\$8,629** or (\$2,050/day)
2010: **\$11,463** or (\$3,065/day)

▲ 91%

So, let's begin there—with how the cost of health insurance is determined.

To determine premiums, each year, BCBSND estimates:

- The amount of health care members will use in the upcoming year
- The cost of that care
- The expenses for administering the health insurance

If you receive insurance through an employer, your rate is also based on your group data—average age, past claims history, etc. If you buy insurance on your own, your rate is based on statistical averages of your gender, age group and geographic location.

Here are where the increases come from:

- Each year, members use more health care services than the year before
- More and new technologies used by medical providers
- More sophisticated medicine translates into larger claims; in the last decade mega claims in North Dakota—those over \$250,000—have increased from 14 per year to 72 in 2010
- Provider reimbursements are increasing, and in 2010 totaled more than \$874 million paid to hospitals, physicians, pharmacies and other health care providers¹

In the first month and a half of 2012, BCBSND paid nearly \$115 million in claims.²

Weekly Claims

Week of Feb. 8-14, 2012
Weekly Member claims total: **\$15,064,713**

2012 Year to Date Claims,*
YTD total: **\$114,979,019**

*Claims data through February 14, 2012.

from www.BCBSND.com/bluefacts

That's a big bill. So even though BCBSND has kept premiums costs among the lowest in the nation, it's getting harder for people to afford insurance.

What is BCBSND doing to provide members with more affordable insurance options?

We've added new plan options to give both group and individual members more ways to save:

- We're providing more choices in co-insurance and deductible levels so members can customize their levels of coverage to fit their budgets
- BCBSND offerings now include more high deductible plans that can be coupled with health savings accounts
- We're continually looking for ways to improve the quoting process, especially online
- For seniors, BCBSND offers the popular original individual Medicare Supplement Plan F at the lowest price in the state⁵

An example: **AffordaBlue** is a very basic plan with a low monthly premium that's easy on the pocketbook. It's like liability insurance for your car—enough to cover the larger, more immediate problems and protect you against high bills associated with major health issues. This plan was developed with young, single adults in mind, but it's attracting people of all ages.

WE'RE STILL LISTENING

Visit the blog at BCBSND.com/BlueInsight



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BOLDER SHADE OF BLUE

Blue Cross Blue Shield of North Dakota is an independent licensee of the Blue Cross & Blue Shield Association

Noridian Mutual Insurance Company

Next up in our series:

Customer satisfaction, competition and health reform