

October 27, 2016

<Service Contact>
<Group Name>
<Street Address Line 1>
<Street Address Line 2>
<Street Address Line 3>
<City, State, ZIP Code>

Notice of Proposed Premium Rate Change

Plan: <plan name>

Dear Group Benefits Administrator,

We have filed a request with the New York State Department of Financial Services (DFS) to approve a change to your group health insurance premium rates for <Group's Renewal Year>. New York Insurance Law requires that we provide a notice to you when we submit requests for premium rate changes to DFS.

DFS is required by law to review our requested rate change. DFS may approve, modify or disapprove the requested rate change.

Proposed Premium Rate Change*

- If approved, the percentage change to your **medical premium** will be as follows:

| Downstate 1 | Downstate 2 | Mid-Hudson | Capital | Upstate 1 | Upstate 2 |
|---------------|---------------|---------------|------------|-------------|-------------|
| <Downstate1%> | <Downstate2%> | <Mid-Hudson%> | <Capital%> | <Upstate1%> | <Upstate2%> |

- If approved, the percentage change to **pharmacy rider premiums** will be <Downstate1%>.
- This rate change will apply to your <Group's Renewal Date> renewal.
*Subject to DFS approval.

Please note that while we try to provide you with the most accurate information possible, the final rate may differ based on the benefit plan design and other features you select on renewal. Also, the final, approved rate may differ because DFS may modify the proposed rate.

Why We Are Requesting a Rate Change

Each year rising medical costs, and the growing use of medical goods and services combine to drive health care costs higher. To cover these increasing costs, we must modify premium rates. We must also comply with a New York State insurance law that requires health insurance carriers to get approval from the DFS before changing premium rates.

What You Need to Do

Please share the enclosed memo with your employees who are enrolled in the <plan name> health plan. We recommend that you provide any additional information with this notice, such as expected changes in employee contribution levels, that may help your employees better understand this notice.

30-day Comment Period

You can contact us or DFS to ask for more information or submit comments to DFS about the proposed rate changes. The comments must be made within 30 days from the date of this notice.

You may contact Empire for additional information at:

Email: premiumratechange@empireblue.com

Telephone: GBA Contact Center, 866-422-2583

Mail: Empire BlueCross BlueShield
GBA Broker Call Center (LG Prior Approval)
3 Huntington Quadrangle – 3rd Floor
Melville, NY 11747

Comments or requests for more information on the proposed rate change may be submitted to:

NYS Department of Financial Services
Health Bureau - Premium Rate Adjustments
One Commerce Plaza
Albany, NY 12257
Email: premiumrateincreases@dfs.ny.gov
DFS website: www.dfs.ny.gov/healthinsurancepremiums

If you choose to submit comments to DFS, please include the following:

1. The name of your insurer, which is Empire HealthChoice HMO, Inc.
2. The name of your Empire benefit plan as shown on your Empire ID card
3. Indicate you have large group coverage

Written comments submitted to the DFS will be posted on the DFS website with all your personal information removed.

Plain English Summary of Rate Change

Empire has prepared a plain English summary that provides a more detailed explanation of the reasons why a premium rate change has been requested. You can find this information at the following websites:

Empire website: empireblue.com/priorapproval

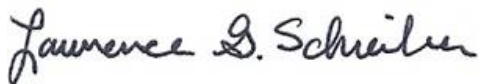
DFS website: www.dfs.ny.gov/healthinsurancepremiums

Notice of Approved Premium Rate

After DFS approves the final premium rate, you will receive final rate information at least 60 days before your renewal date.

Your business and your employees' health and wellbeing are important to us. Thank you for choosing Empire for your employee health benefits plan.

Sincerely,



Lawrence G. Schreiber
President, New York Commercial