

February XX, 2001

Dear Medica Member:

As we are all well aware, people are living longer, healthier lives. New technologies and treatments for illnesses and injuries are being offered all the time. Partially because of this good news, however, health care costs are skyrocketing. As a society, we **all** share in those costs.

At Medica, we want you to get the most you can out of your benefits. At the same time, we are faced with the challenge of making your health care affordable. That is quite a dilemma.

Keeping you informed is one proven strategy to save us all money in the long run. Reminding you to eat properly and exercise regularly, and encouraging you to get routine exams can help to improve our health and reduce our risk factors. Helping you decide when to go to your health care provider (and when "self care" at home is more appropriate) also helps to keep the costs we all share in check. (The toll-free number for professional medical advice at Medica's CallLink is 1-800-962-9497.)

That said, to help you make responsible decisions, while maximizing the value of your current health insurance, we have implemented a program to show you the costs associated with visits to your health care provider. Typically you will receive an "Explanation of Benefits" from us in the mail within a few weeks of a visit. (See the reverse side for a sample.) This explanation will outline the total charges for the services you or your dependents received and identify any co-payments or charges that are your responsibility to pay. Because of privacy laws governed by the Department of Health, explanations for you and your dependents will arrive at your home in separate envelopes.

In order, you will see:

- 1) the provider's name and type of service;
- 2) the date of service;
- 3) the billed charges;
- 4) the amount not covered and applicable reason code;
- 5) the deductible, if applicable, for services by a non-Medica provider;
- 6) the co-pay you are required to pay; and
- 7) the total patient cost or total amount that the patient is responsible to pay.

If at any time this information is unclear, please feel free to contact Medica's Customer Service department at either 952-945-8000 or 1-800-952-3455. Our hours are Monday through Thursday from 7:30 a.m. to 6:00 p.m., and Friday from 9 a.m. until 5 p.m. You can also learn more about how you can get the most out of your benefits (as well as find Medica provider locations, health improvement tips, pharmacy information, etc.) by visiting www.medica.com.

We look forward to serving you.

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