



BLUE CROSS BLUE SHIELD CLASS ACTION LAWSUIT

SETTLEMENT INFORMATION

You and your employees may be receiving information on a class action lawsuit filed against the Blue Cross Blue Shield Association (BCBS) health plans. These communications will come from BCBS or a third-party law firm seeking to represent you or your employees. Below is information on the details of the settlement and who may be included from the official BCBS settlement website:

KEY INFORMATION

- **Settlement Website:** www.BCBSsettlement.com
- **Class period for fully-insured groups:** 2/7/2008 – 10/16/2020
- **Class period for self-funded groups:** 9/1/2015 – 10/16/2020
- **File a claim deadline:** 11/5/2021
- **Questions:** (888) 681-1142

WHAT IS THIS SETTLEMENT ABOUT?

This settlement, arising from a class action antitrust lawsuit called *In re: Blue Cross Blue Shield Antitrust Litigation MDL 2406*, N.D. Ala. Master File No. 2:13-cv-20000-RDP (the “Settlement”), was reached on behalf of individuals and companies that purchased or received health insurance provided or administered by a Blue Cross Blue Shield company. Class Representatives (“Plaintiffs”) reached a Settlement on October 16, 2020 with the Blue Cross Blue Shield Association (“BCBSA”) and Settling Individual Blue Plans. BCBSA and Settling Individual Blue Plans are called “Settling Defendants.” Plaintiffs allege that Settling Defendants violated antitrust laws by entering into an agreement not to compete with each other and to limit competition among themselves in selling health insurance and administrative services for health insurance. Settling Defendants deny all allegations of wrongdoing and assert that their conduct results in lower healthcare costs and greater access to care for their customers. The Court has not decided who is right or wrong. Instead, Plaintiffs and Settling Defendants have agreed to a Settlement to avoid the risk and cost of further litigation. If approved by the Court, the Settlement will establish a **\$2.67 billion Settlement Fund**. Settling Defendants will also agree to make changes in the way they do business that Plaintiffs believe will increase the opportunities for competition in the market for health insurance.

ADDITIONAL INFORMATION?

Attached is the notice with additional details on the Class Action Settlement for those that had a policy with Blue Cross or Blue Shield during the relevant timeframes.

The proposed settlement amount is \$2.678 billion, which has been broken down to be allocated to the below buckets:

- \$1.78B is allocated to the Fully Insured claimants
- \$120M is allocated to the Self-Funded claimants
- Remainder is for Attorney’s Fee and Expense Awards as well as Notice and Settlement Administration

Settlement payment amounts will depend on several factors including, among other things, the number of valid claims that are filed, the premiums you paid to one or more of the Settling Defendants during the class period, and whether your insurance was fully insured or self-funded.

We have summarized key points to note here:

- The fully insured plan settlement amount will be based on premiums paid
- Fund administrator is JND
- As a first step in the claims process, employers will be notified by JND that they are entitled to a settlement
- Employees that are current enrollees, as well as former enrollees, will also be notified by JND and will have the right to participate

- Claimants can choose between two options when filing a claim:
 - Default Option – This is a default formula to determine what percentage of the premium was paid by an employer.
 - Fully-Insured Plans: assumes employer contribution is 85% for individual coverage / 66% for family coverage
 - Self-Insured: 82% for individual coverage/ 75% for family coverage
 - Alternative Option – this option requires supporting data and evidence to be submitted; a consideration for employers who contribute more than the assumed percentages set out above.
 - There are several component parts to filing
 - Part A must be filled by employers
 - Parts B and C do not need to be filled out by employers as they are for individual filers
 - Part D must be filled out if you are using the Alternative Option
 - Employers can file online www.BCBSsettlement.com (or via the attached form)
 - Link to FAQs: <https://www.bcbssettlement.com/faq>
- In addition, the Notice from the court, detailing the process and much of the information above, in a Q/A format is at:
- <https://www.bcbssettlement.com/admin/services/connectedapps.cms.extensions/1.0.0.0/asset?id=bac08427-3ee3-4547-85c7-cd8fac480acd&languageId=1033&inline=true>
- In terms of legal representation, the Court has appointed (1) Michael Hausfeld of Hausfeld LLP and (2) David Boies of Boies Schiller Flexner LLP as Co-Lead Counsel on behalf of the Plaintiffs and Settlement Class Members. Their contact information is provided below.
 - The BCBS settlement website indicates that individuals do not need to hire outside attorneys because Co-Lead Counsel is working on their behalf.
 - If an individual wishes to pursue their own lawsuit separate from this one, or if an individual excludes themselves from the Settlement Classes, these lawyers will no longer represent them (and that individual will need to hire their own attorney).

Plaintiffs' Co-Lead Counsel

Blue Cross Blue Shield Settlement
c/o Michael D. Hausfeld
Hausfeld LLP
888 16th Street NW, Suite 300
Washington, DC 20006
(202) 849-4141
BCBSsettlement@hausfeld.com

Blue Cross Blue Shield Settlement
c/o David Boies
Boies Schiller Flexner LLP
333 Main Street
Armonk, NY 10504
(888) 698-8248
BCBS-Settlement@bsfllp.com

We encourage our clients' legal counsel to review this and assist with further questions regarding whether to file as well as with questions surrounding the filing.

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