

December 23, 2010

Dear Plan Administrator,

We are pleased to announce that we are updating our plans for small businesses in response to the needs of companies like yours. The rising cost of healthcare, the economy, and healthcare reform have all contributed to changing market needs. To address the need for affordable options, we're introducing a new product portfolio that gives you a range of premiums, deductibles, and innovative benefit designs from which to choose.

With the new portfolio, we will be launching an all-new health plan called VantageBlue, which includes incentives and reduced copayments to encourage members to be proactive about their health.

Our new products will become available starting April 1, 2011. Beginning April 1, 2011, our current small business plans will be withdrawn from the market and will no longer be available for purchase. As a result, all groups will be moved to a new plan upon their renewal date.

To ensure a smooth transition for you and your employees, we are:

- Preselecting a new plan that is most comparable to your current plan.
- Sending you an advance notification with more information about the new plan portfolio and the transition process.
- Sending you detailed information in your renewal package, when you will have the opportunity to choose any of our new plans or keep the plan we have preselected for you.
- Assisting brokers in providing guidance to you throughout the process.
- Providing you with a letter (enclosed) for you to distribute to your employees notifying them that their health plan will be changing.

We encourage you to read through the information we will be sending you and make your decision as early as possible, as this will help to avoid disruption to your employees. In the meantime, if you have any questions, please contact your broker or Blue Cross & Blue Shield of Rhode Island account representative.

Sincerely,



Tom Cauthorn  
Vice President and Chief Sales Officer

Enclosure

December 28, 2010

Dear Member,

We are pleased to announce that we are updating our portfolio of health plans for small businesses in response to the changing needs of Rhode Island companies and their employees. As a result, your health plan will be changing in 2011. Please be assured that your coverage will not be interrupted due to this change.

Your employer has been notified of the change and will have an opportunity to select a new plan. If no new plan is selected, your coverage will be automatically transferred to another Blue Cross & Blue Shield of Rhode Island plan that has comparable benefits and costs to the plan your employer currently offers. The change will happen on your employer's account renewal date.

Your employer will be receiving more detailed information on your new health plan and can let you know when the transition to the new plan will take place.

We believe that our new suite of health plans will better serve Rhode Island's small businesses and their employees. We look forward to providing you with health benefits for many years to come.

Sincerely,



Anne Brunson  
Assistant Vice President, Customer and Provider Service