

For Distribution to Brokers/Wholesalers/Administrators/DBEs Only

March 14, 2008

Refunds Being Issued for CDH Deductible Overpayments

MARKET: CDH

This is to inform you that CareFirst BlueCross BlueShield (CareFirst) has identified approximately 2,500 Consumer Driven Health (CDH) subscribers who paid in excess of their deductible in 2007.

Beginning March 13, 2008, CareFirst will send refund checks to those members who accumulated excess deductibles. Attached for your reference is a sample member letter which will accompany the refund check. Each member will also receive a detailed report of the claims they overpaid. If a member has questions, he/she should contact the Member Services number on their ID card.

Should you receive any questions, please refer to the attached Frequently Asked Questions.

We thank you and our members for your patience as we diligently work towards correcting all CDH deductible issues.

If you have additional questions, please contact your Broker Sales Representative.



Shekar Subramaniam
Associate Vice President, Broker Sales

FAQs – Refunds for CDH Deductible Overpayments

1.) Why am I receiving this check?

CareFirst recently identified that too much money was applied to your combined medical and prescription drug deductible. The check you received from CareFirst is the amount charged in excess of your deductible.

2.) How did CareFirst calculate the amount of excess?

The second page of the letter you received lists the claims for which you were charged excess deductible. This information includes:

- Claim number,
- First date of service,
- Deductible amount (your annual deductible),
- Max deductible applied (the amount you have paid out-of-pocket), and
- Refund amount (your excess payment) - this is the difference between the max deductible applied and the deductible amount.

EXAMPLE:

SUB ID	CLAIM NUMBER	FIRST DATE OF SERVICE	DEDUCTIBLE AMOUNT	MAX DEDUCTIBLE APPLIED	REFUND AMOUNT
900016570	6103123342	20060407	\$2,500.00	\$4,920.00	\$2,420.00
900016570	6103D00015	20060412			
900016570	6106D00006	20060415			
900016570	6122D00027	20060501			

Please note that claim numbers with a 'D' in the fifth position indicate a prescription claim.

3.) Can I cash the check?

Yes. The refund check you received is payment for claims that CareFirst has previously processed. You can use this check towards medical or prescription drug bills you have or bills you already paid. If you wish to return your reimbursement funds to your Health Savings Account (HSA), please send a copy of the letter you received, along with the amount you wish to return to the bank in which your HSA is enrolled. This letter serves as documentation that excess deductible was taken in error and that the refund should be treated as a "roll-over."

3.) I disagree with the amount I received.

Please contact Members Services and they will send you a detailed coverage report for the benefit period in question. Please allow 7-10 days from the date of your call to receive the information.

4.) How will this refund affect my IRS status with my HSA?

Please check with your attorney or accountant on this matter. I can not provide any tax advice regarding IRS status related to this refund.

5.) How does this refund affect our participating providers?

The second page of the letter you received lists the claims for which you were charged excess deductible. If the list includes medical claims for which you paid excess deductible, you can use the refund check to pay for any outstanding services.

6.) How do I replace a lost or misplaced check?

Please call the Member Services number on your ID card for assistance.

March XX, 2008



Dear Member:

CareFirst BlueCross BlueShield (CareFirst) is committed to keeping you informed about your health care coverage. Please take a moment to review the important information below.

CareFirst recently identified that you overpaid on your combined medical and prescription drug deductible. As a result, enclosed is a reimbursement check for the amount of excess deductible you paid, including interest. Claims that contributed to the excess deductible are listed on the next page.

Please use the enclosed check towards any medical or prescription drug bills you have or bills you already paid.

If you wish to return your reimbursement funds to your health savings account (HSA), please send a copy of this letter along with the amount you wish to return to the bank in which your HSA is enrolled. This letter serves as documentation that excess deductible was taken in error and that the refund should be treated as a "roll-over."

We apologize for any confusion or inconvenience this may have caused you. Should you have additional questions, please call the Member Services telephone number listed on your member ID card. Our service hours are Monday – Friday from 7:00 am – 7:00 pm and Saturday from 8:00 am – 1:00 pm. **So that we may serve you as quickly as possible, please have your ID card available.**

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie Hafiz".

Stephanie Hafiz
Director, Member & Provider Services

MBR1060 (3/08)