

NEWS RELEASE**BCBSNC Online Newsroom:** <http://mediacenter.bcbsnc.com>**For Immediate Release: Sep. 25, 2020****Blue Cross NC to Issue \$200 Million in Health and Wellness Retail Cards to Members in October and November***Health and wellness retail cards will be mailed to more than 600,000 eligible subscribers*

DURHAM, N.C. – Blue Cross and Blue Shield of North Carolina (Blue Cross NC) announced it will issue \$200 million in health and wellness retail cards to more than 600,000 eligible subscribers, or households, across the state. The cards will be pre-loaded with funds that will help many North Carolinians pay for health, wellness, and household expenses, including food, during the ongoing COVID-19 pandemic.

Eligible subscribers are those enrolled in individual under 65 and fully insured employer plans, including vision and dental plans. These customers can expect to receive their cards in the mail between Oct. 19 and Nov. 7.

“We recognize the unexpected hardship and uncertainty many of our members face because of COVID-19,” said Tunde Sotunde, MD, Blue Cross NC President and CEO. “At Blue Cross NC, we are committed to the well-being of our members and we want to help them prioritize and pay for their health and wellness during this time.”

Eligible subscribers will receive a health and wellness retail card with a balance between \$100 and \$500, depending on the products they’re enrolled in.

Eligible customers include those with fully insured medical, vision and dental plans from Blue Cross NC. The health and wellness retail cards aren’t applicable to the following plan types: Medicare, Federal Employee Program (medical, vision or dental products), Student BlueSM, State Health Plan and self-insured group medical plans.

The health and wellness retail cards can be used for health-related expenses such as over-the-counter medications, food, first aid supplies, baby care items, exercise equipment, vitamins and more at a variety of retailers including Walmart, Walgreens, CVS, Rite Aid, Dollar General and Family Dollar. The cards cannot be used to pay for insurance premiums, prescription drugs, tobacco, alcohol or firearms.

Risk Corridor Program Funds

Blue Cross NC is able to fund these health and wellness retail cards for the direct benefit of its members from the monies received from the federal government following litigation related to the Affordable Care Act (ACA) temporary risk corridor program.

In April 2020, the United States Supreme Court ruled that the federal government is required to follow-through on the promise of the ACA risk corridor program that covered years 2014 through 2016. While not intended to protect insurers from all losses in the ACA marketplace, the risk corridor program provided an appropriate and necessary backstop on losses for insurers that were willing to serve people in the new marketplace.

In addition to the health and wellness retail cards, Blue Cross NC applied the remaining risk corridor funds to help keep 2021 rates for many of its customers lower. The company has been working hard to contain rates for several years and has achieved results. For example, for 2021, ACA plans offered to individuals will be reduced by an average of one percent on a statewide basis, the third straight year that Blue Cross NC has lowered ACA rates and a three-year cumulative reduction since 2018 of nearly \$1 billion.

About Blue Cross and Blue Shield of North Carolina:

Blue Cross and Blue Shield of North Carolina (Blue Cross NC) is committed to making health care better, simpler and more affordable. We have been driving better health in North Carolina for generations, working to tackle our communities' greatest health challenges. We serve our customers and communities of more than 3.8 million members, including approximately 1.1 million served on behalf of other Blue Plans. Blue Cross NC is an independent licensee of the Blue Cross and Blue Shield Association. Visit Blue Cross NC online at www.bluecrossnc.com. All other marks are the property of their respective owners.

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