

COMMONWEALTH OF MASSACHUSETTS
DIVISION OF INSURANCE

RECEIVED

JAN 17 2007

HEARINGS & APPEALS
MASS. DIVISION OF INSURANCE

In Re: Hearings on Filings of Blue Cross and Blue Shield of Massachusetts, Inc., of Proposed Rates and Policy Forms for Medex Products To Be Effective On and After March 15, 2007

Docket No. R2006-09

Stipulation

Without in any way admitting any substantive matter, the Parties in the above-referenced proceeding, Blue Cross and Blue Shield of Massachusetts, Inc. (Blue Cross and Blue Shield), the Attorney General, and the State Rating Bureau (collectively, the Parties), hereby stipulate as follows:

1. Blue Cross and Blue Shield agrees to amend its filings with the rates set forth in Attachment A annexed to this Stipulation.
2. The Parties agree not to object to, or appeal from, approval by the Commissioner of Insurance (the Commissioner) of rates and forms of Blue Cross and Blue Shield Medex Gold, Medex Bronze, Medex Core, Medex Core Plus rider, Medex Silver, Medex Standard, and Medex Basic, effective for coverage on and after March 15, 2007, as listed in Attachment A annexed to this Stipulation.
3. In the event that the Commissioner or her designee approves the rates set out in Attachment A annexed to this Stipulation, the Parties agree to waive their respective rights to review of that decision.
4. In light of a recent clarification by the Centers for Medicare and Medicaid Services, Blue Cross and Blue Shield will transfer to Medex Bronze all subscribers currently enrolled in Medex Gold without drugs, Medex Silver without drugs, or Medex Standard without drugs. The effective date of such transfers and of the adjustment of the subscribers' premiums to

the premium level applicable to Medex Bronze will be a date no earlier than thirty and no later than sixty days after the date of this Stipulation.

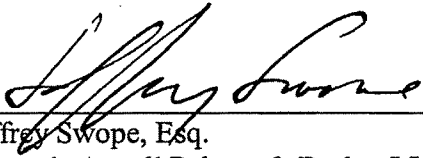
5. This Stipulation is for the purpose of this proceeding only. Each party specifically reserves the right to contest in future rate hearings, or any other proceedings not related to Docket No. R2006-09, all aspects of the subject matter of this Stipulation. The Parties agree that this Stipulation is not relevant to future rate hearings, or any other proceedings not related to Docket No. R2006-09, and represent that, at or in connection with such hearings or other proceedings, the Parties will not attempt to introduce it as evidence or rely on it for any purpose.

6. If this Stipulation is not approved by the Acting Commissioner or his designee on or before January 23, 2007, it is withdrawn and shall be of no force or effect and the Parties agree that they will not attempt to introduce it as evidence or rely on it for any purpose in this proceeding or any other proceedings.

7. This Stipulation may be signed in counterparts.

[Remainder of page intentionally left blank]

For Blue Cross and Blue Shield of Massachusetts, Inc.:

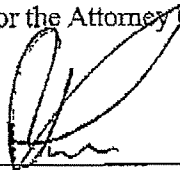
A handwritten signature in cursive script, appearing to read "Jeffrey Swope", is written over a horizontal line.

Jeffrey Swope, Esq.
Edwards Angell Palmer & Dodge LLP
111 Huntington Avenue
Boston, Massachusetts 02199
(617) 239-0100

Dated: January 16, 2007

Docket No. R2006-09

For the Attorney General:



Dated: January 16, 2007

Peter Leight, Assistant Attorney General
Office of the Attorney General
200 Portland Street, 4th floor
Boston, Massachusetts 02114
(617) 727-2200

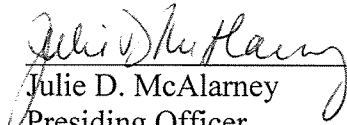
For the State Rating Bureau:



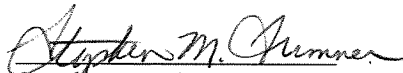
Thomas F. McCall, Jr., Esq.
State Rating Bureau
One South Station
Boston, Massachusetts 02110
(617) 521-7347

Dated: January 16, 2007

Approved:


Julie D. McAlarney
Presiding Officer

Dated: Jan. 17, 2007


Stephen M. Sumner
Presiding Officer

Dated: 1/17/07

Affirmed:


Joseph G. Murphy
Acting Commissioner of Insurance

Dated: 1/17/07

Attachment A

Direct Pay Medex Rates Effective March 15, 2007

Quarterly Rates

	2007	2006	Change
Gold	\$1,949.85	\$1,788.84	9.0%
Silver	\$1,474.89	\$1,398.27	5.5%
Standard	\$1,385.37	\$1,259.43	10.0%
Basic	\$1,016.91	\$929.31	9.4%
Bronze	\$471.84	\$445.56	5.9%
Core	\$266.43	\$242.43	9.9%
Core Plus	\$486.45	\$474.18	2.6%

Monthly Rates

	2007	2006	Change
Gold	\$655.17	\$601.07	9.0%
Silver	\$494.38	\$467.94	5.7%
Standard	\$463.62	\$421.47	10.0%
Basic	\$340.86	\$310.99	9.6%
Bronze	\$157.89	\$149.09	5.9%
Core	\$89.15	\$81.12	9.9%
Core Plus	\$163.05	\$158.69	2.7%