



BlueCross BlueShield of Texas

P.O. Box 660819  
Dallas, TX 75266-0819

[FirstName] [LastName]  
[Address Line 1]  
[Address Line 2]  
[City], [State] [Zip]

<Letter Date (Month 00, 0000)>

Policy # [000000000000]

To contact us: 855-354-1864

Your **BCBSTX** Medical Loss Ratio (MLR) Rebate of <\$XXX.XX>

Dear <First Name Last Name>

Thank you for your membership with Blue Cross and Blue Shield of Texas (BCBSTX). We are writing to let you know about your MLR rebate.

**Why you are getting this MLR rebate:**

- The Affordable Care Act set MLR standards for health insurers.
- In general, MLR is the percentage of premium dollars spent on health care services and expenses reported as activities to improve health care quality.
- You are receiving an MLR rebate because BCBSTX did not meet or exceed the MLR standard for the Texas individual market in 2019.

**What to expect:**

- Your MLR rebate is <\$XXX.XX.>
- Your MLR rebate will be applied as a credit to the balance that is due on your next bill. If your credit is larger than the amount due on your next bill, the remaining MLR rebate balance will be applied to subsequent monthly bill(s).
- If your coverage has recently ended, you may receive a check instead of having a credit applied to your next bill.

To learn more about MLR, see the enclosed Notice. You can also visit [bcbstx.com/mlr](http://bcbstx.com/mlr).

If you have questions, please call us at 855-354-1864 from 7 a.m. to 7 p.m. CT Monday through Friday or from 8 a.m. to 5 p.m. CT Saturday.

Enclosures

**bcbstx.com**

Blue Cross and Blue Shield of Texas, a Division of Health Care Service Corporation,  
a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association



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## Notice of Health Insurance Premium Rebate

Re: Health Insurance Premium Rebate for Year 2019; Policy #[Policy Number]

Dear [First Name] [Last Name]

This letter is to inform you that you will receive a rebate of a portion of your health insurance premiums. This rebate is required by the Affordable Care Act – the health reform law.

The Affordable Care Act requires Blue Cross and Blue Shield of Texas (BCBSTX) to issue a rebate to you if BCBSTX does not spend at least 80 percent of the premiums it receives on health care services, such as doctors and hospital bills, and activities to improve health care quality, such as efforts to improve patient safety. No more than 20 percent of premiums may be spent on administrative costs such as salaries, sales, and advertising. This requirement is referred to as the “Medical Loss Ratio” standard or the “80/20 rule”. The 80/20 rule in the Affordable Care Act is intended to ensure that consumers get value for their health care dollars. You can learn more about the 80/20 rule and other provisions of the health reform law at: <https://www.healthcare.gov/health-care-law-protections/rate-review/>.

### What the Medical Loss Ratio Rule Means to You

The Medical Loss Ratio rule is calculated on a State-by-State basis. In Texas, BCBSTX did not meet the Medical Loss Ratio standard. In 2019, BCBSTX spent only [XX.X%] of a total of [\$YYY,YYY,YYY] in premium dollars on health care and activities to improve health care quality. Since it missed the 80 percent target in your State by [XX.X%] of premiums it received, BCBSTX must rebate [X.X%] of your health insurance premiums. We are required to provide this rebate to you by September 30, 2020, or apply this rebate to your premium that is due on or after September 30, 2020.

We are giving you this rebate by reducing your next premium payment. Your credit is [\$YYY.YY].

### Need more information?

If you have any questions about the Medical Loss Ratio and your health insurance coverage, please contact BCBSTX toll-free at 1-855-354-1864 or [www.bcbstx.com/mlr](http://www.bcbstx.com/mlr).

Sincerely,

Jeffrey R. Tikkanen  
Blue Cross and Blue Shield of Texas

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a Mutual Legal Reserve Company, an Independent Licensee of the Blue Cross and Blue Shield Association