

## **HIP Health Plan of New York Lowers Medicare Benefit Costs**

New York, N.Y. Feb 4 - HIP Health Plan of New York today announced that as a result of the recent Medicare reform legislation, HIP will maintain the benefits offered at significantly reduced member costs in Nassau and Suffolk Counties and in the five boroughs of New York City.

In Nassau County, HIP will offer a plan option with a \$0 premium. Formerly, Nassau beneficiaries paid a premium of \$119 monthly. The new plan provides Nassau beneficiaries with a wide range of benefits, including unlimited generic prescription drug coverage, no-cost eyeglasses and preventive care coverage, all with access to thousands of doctors. In Suffolk County, the premium for the HIP VIP Medicare Plan will go from \$139 to \$69.

In the five boroughs of New York City, the copay for visiting a PCP is reduced from \$10 to \$0; specialist copay goes from \$20 to \$10; generic prescription copay goes from \$10 to \$5; copay for brand prescription is reduced from \$20 to 10; and, inpatient hospital copay is reduced to \$0.

“We remained in Nassau and Suffolk as a Medicare provider when government reimbursement was inadequate,” said Anthony L. Watson, Chairman & CEO. “Now that the reimbursement rates have been improved we are in the advantageous position of passing the savings along to our Medicare members. HIP Health Plan is doing what it has done all through its history and with a constant eye on improvement; providing access to quality, affordable health care.”

The 2004 HIP VIP Medicare Plan will be available on March 1.

## HIP Profile

The history of HIP Health Plan of New York reflects more than fifty years of acclaimed innovation, steady growth and committed access to quality health care at affordable prices. That history is an essential part of the chronicle of structured health care in the New York metropolitan area.

In 1947, HIP was created as a prepaid group practice health insurer for a handful of employees of the City of New York. Now, more than half a century later, with more than one million members, HIP is a financially secure company with a diversified membership comprising Fortune 500 companies; small businesses; organized labor; city, state and federal membership; and government-sponsored health care programs. In fact, HIP is the largest provider of Medicare and Medicaid in New York State.

HIP's strategic plan to grow its membership, services and area of operation is reflected in a number of tactical developments: the acquisition of Vytra Health Plans, a 200,000-member plan that currently operates on Long Island; the introduction of advanced technology in all its operations; a broadening of its physician base of close to 20,000 in 31,000 locations; an expansion of sought-after flexible benefit plans; and continuously widening access to health care options that include physicians in independent practice as well as physicians practicing in health care centers.

The well-established centers are advantageously located in the five boroughs of New York and in the counties of Nassau and Suffolk and Westchester. In association with HIP, they are operated by physician groups linked with leading hospitals, such as Beth Israel Medical Center and St. Luke's-Roosevelt Hospital Center (Continuum Health); Lenox Hill Hospital; St. Barnabas Hospital; and Montefiore Medical Center, as well as outstanding medical groups of multispecialty physicians.

Currently ranked No. 1 among all insurance companies in the United States and previously ranked No. 1 among all companies surveyed by *InformationWeek* for use of innovative technology, HIP has also gained recognition from NCQA (National Committee for Quality Assurance) for two successive, three-year Commendable Accreditations.

*Business Week* has named HIP to its corporate "Web Smart 50" for online streamlining that links doctors, patients and health administrators. And HIP's Web site, [hipusa.com](http://hipusa.com), is understood to be the only health care Web site in the United States available in English, Spanish, Chinese and Korean.

HIP's reputation for innovation is further reflected in its financial support of a wide range of social programs in the communities it serves, and for establishing the first program in the nation, in 1994, to provide nondenominational visitation to hospitalized HIP members, as a means of nurturing the spirit and speeding recovery.