

**For Immediate Release
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MEDICA®

**My Plan by Medica Helps Employers Better Control Healthcare Expenses and
Preserve Security for Employees**

First-to-market product provides range of choices to employees while retaining group benefits

MINNETONKA, Minn.—Medica today announced that it will offer an innovative new defined contribution health benefit offering that will help employers better control rising healthcare costs while providing more group health coverage choices for their employees. The offering – My Plan by MedicaSM – is the first of its kind in the Minnesota market and created through an exclusive partnership between Medica and Bloom Health, a leader in defined contribution health benefits.

My Plan by Medica features 20 group health benefit plans with a range of deductibles, coinsurance and benefits from which employees may choose.

My Plan by Medica provides employers with more predictable management of their health benefit costs, along with simplified plan administration. My Plan by Medica enables employers to determine how much they want to spend on employee health benefits and then allocate pre-tax dollars into a health account on behalf of each employee. The product also offers full administrative services so benefits administrators don't have to manage 20 different plan options.

Consumers, meanwhile, have greater control over their health plan choices. During the plan selection process, employees use a My Plan by Medica proprietary online selection tool. The tool asks each employee a series of questions about their financial situation, health status and risk tolerance and provides a custom list of three group plans that best match each individual's needs. A My Plan Advisor is available by phone at all steps of the selection process to help employees understand their options and make informed and personalized choices. The My Plan by Medica proprietary online tool is based on technology developed through Bloom Health.

“Our defined contribution model addresses both the needs of employers and consumers,” said Abir Sen, Bloom Health founder and CEO. “Our customers are finding that their employees are more satisfied with their benefits than with traditional plan offerings. And they are more likely to get preventive care than through traditional plan offerings, more likely to go to the doctor at appropriate times and more interested in the state of their own health.”

Embraced by brokers, employers and employees

“Employers often struggle with the cost of health benefits, with administrative complexity and employee dissatisfaction,” said John Naylor, Medica vice president and general manager of commercial sales, renewals and account services. “By leveraging leading-edge technology, My Plan by Medica allows employers to continue to provide group health benefits to their employees while also offering them the ability to make choices that are appropriate to their individual needs. We think this is a product whose time has come — initial demand from brokers who have been through the credentialing process is very strong.”

Said Pat Boughey, principal at Mercer Human Resource Consulting: “We are seeing lots of interest from our clients – of all sizes – in this unique defined contribution solution offered by Medica.”

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My Plan by Medica will be offered to employers only through brokers credentialed by Medica to sell the product. My Plan by Medica is available to fully insured employers beginning with an effective coverage date of July 1, 2011.

About Medica

Medica is a health services company headquartered in Minneapolis and active in the Upper Midwest. With approximately 1.66 million members, the non-profit company provides health care coverage in the employer, individual, Medicaid, Medicare and Medicare Part D markets in Minnesota and a growing number of counties in North Dakota, South Dakota and Wisconsin. Medica also offers national network coverage to employers who also have employees outside the Medica regional network.

Medica has the highest accreditation status, Excellent, from the National Committee for Quality Assurance (NCQA®) for its Minnesota Medicaid HMO plans and commercial health plans in Minnesota and North Dakota. Medica's vision is to become the community's health plan of choice, trusted for its integrity, respected for its service, and admired for its commitment to innovation and efficiency.

About Bloom

Based in Minneapolis, Bloom Health helps employers of all sizes and industries better define and control their health care spending. Bloom then guides employees through the complex world of health insurance, helping them find the right health plan for them and their families with its proprietary search and recommendations engine. Bloom Health was founded in 2009. Bloom Health is partially owned by the Blue Cross Blue Shield Venture Partners, LP, a corporate venture fund sponsored by Blue Cross Blue Shield Association. For more information, visit gobloomhealth.com.

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