

PRESS RELEASE

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For Immediate Release

Bluegrass Family Health Brings New Health Insurance Option to Indiana

October 20, 2006 - Lexington – Employers in Indiana now have a new insurance company to choose from. *Bluegrass Family Health (BFH)*, a Kentucky-based, not-for-profit health insurance company, has completed Indiana’s state and legal requirements, and has received their Certificate of Authority to offer insurance products and services in Indiana. Bluegrass Family Health will market HMO and PPO plans to large and small employers, as well as high-deductible health plans compatible with HSA’s and HRA’s.

Our initial focus will be on those eight Indiana counties serviced by the local Better Business Bureau (Clark, Crawford, Floyd, Harrison, Jefferson, Orange, Scott and Washington). This will enable us to build upon the established relationship with the Better Business Bureau of Louisville, Southern Indiana and Western Kentucky as the provider of association health insurance available to BBB member companies with 2-50 employees.

Charlie Mattingly, President of the Better Business Bureau serving Louisville, Southern Indiana and Western Kentucky, said, “The Better Business Bureau has been delighted with the partnership forged with Bluegrass Family Health in Kentucky, and we are excited to extend this program to BBB members in Southern Indiana. Health insurance is a key benefit for employees, and employers need options when seeking affordable health insurance”.

Garry Ramsey, Chief Marketing Officer for BFH, said that small businesses in particular will be interested in the arrival of BFH: “Health insurance is the most important benefit a company offers to its employees. As choices among insurance companies diminished, many smaller businesses have had to curtail benefits. Our partnership with the Better Business Bureau allows us to offer a number of policies and plan options designed specifically for smaller businesses. We believe we are addressing a very specific need.”

BFH has also been chosen as a carrier for the Federal Employees Health Benefits Program effective January 1, 2007 offering an HSA compatible plan to the federal employees in all of Kentucky and the eight Southern Indiana counties.

Ramsey went on to say he sees the arrival of BFH in Indiana as especially positive: “The recent trend in health insurance has been toward fewer companies and a limited number of choices for consumers. We will bring a new sense of enthusiasm to the Indiana market. We expect to be well-received.”

About Bluegrass Family Health, Inc.

Bluegrass Family Health is a Kentucky-based group health plan serving over 300,000 members throughout Kentucky. With headquarters in Lexington and a Louisville sales office, BFH provides employer group insurance with a wide array of products to meet the needs of the marketplace. Bluegrass Family Health was created to provide access to exceptional medical care, affordable and flexible health plans, and personal service. The company supports a consumer directed approach to health care through their Bluegrass Consumer Choice product. For additional information on Bluegrass Family Health, visit www.BGFH.com.

Bluegrass Family Health is headquartered in Lexington at 651 Perimeter Drive, Suite 300, 40517. The phone number is 859-269-4475.

In Louisville, Bluegrass Family Health is located at 9750 Ormsby Station Road, Suite 110, 40223. The phone numbers are: 502-420-2359; 800-787-2680.

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