

Date: July 30, 2009  
To: Agents and Brokers  
From: John Stellmon  
Subject: Executive Changes

I wanted to share some important – and exciting – news with you regarding some changes that are occurring at Regence.

Mark Ganz, President and CEO of Regence, has asked me to take on a regional role and oversee our Health Care Services division, which means that I will be responsible for executing the company's integrated health management programs across all of our markets. I will also oversee Pharmacy Services, Network Strategy and Performance and Health Care Services Planning and Performance Analytics. This division plays a vital role in leading and shaping the future of our four-state company, and I'm thrilled to accept this position, and the challenges and opportunities associated with this new role.

I also want to let you know how much I have appreciated the opportunity to work with all of you. Over the years, my experience in our industry has emphasized the importance of relationships, and as I transition to my new role, it is with the knowledge and confidence that Regence BlueShield of Idaho will be in good hands, thanks to the leadership of Scott Kreiling.

Scott currently serves as vice president of Sales for Regence BlueShield in Washington, and he has accepted the position of market president for Idaho, effective August 15.

Scott played an integral role in our Washington market to streamline and improve our Sales processes and procedures, expand our market share, strengthen our relationships with our agent and broker community, introduce new products and to enhance our outreach to the Latino community.

A health care industry veteran, Scott joined Regence BlueShield in November 2002 as the Director of Sales. Previously, he served as Director of Sales and Marketing with PacifiCare, overseeing group sales, broker relations and the rollout of a preferred provider organization (PPO) product. Scott also held two sales management roles with Aetna U.S. Healthcare, including sales and service responsibilities for Alaska and Washington.

I have had the pleasure of working with Scott for many years, and his tremendous, heartfelt commitment to serving the diverse needs of our members,

our employer groups and our communities is a hallmark of his leadership. He is the right person for the job. His move to Idaho is a tremendous win for our company and our state, and I could not be more pleased to welcome him and to provide my support.

While this represents a change for me, it is not a farewell; for now, my primary office will remain in Boise, and I will continue to be actively involved in the local community.

Scott will be joined in Idaho by his wife Cheryl and their children, Chae and Cole. Please join me in welcoming Scott and his family to our beautiful state.

Thank you.