

## SECOND BLUE BID

FREQUENTLY ASKED QUESTIONS *(UPDATED SEPT. 2025)*



### What is second Blue bid?

Starting September 24, 2024, pursuant to a court-approved settlement, certain accounts that are headquartered in locations where only one Blue Plan is licensed to provide service will be eligible to request an additional Blue bid from a Blue Plan of the account's choosing.<sup>1</sup> This option to request proposals from both the Blue Plan where the account is headquartered (Local Plan) and a second Blue Plan is called a second Blue bid. After the qualifying account requests proposals from these two Blue Plans, the account has the right to select one of these bidding Plans to provide its self-funded health benefit contract.

Local Blue Plan(s) can be identified using <https://www.bcbs.com/explore-affordable-health-plans/employer-health-insurance>. Local Plan(s) can be searched using either the zip code or state of the headquarters for the account.

### Who can request a second Blue bid? *(updated Oct. 2024)*

The accounts eligible to request a second Blue bid are called Qualified National Accounts (QNAs). The current list of Qualified National Accounts is available at [www.BCBSSettlement.com](http://www.BCBSSettlement.com) and at [www.bcbs.com](http://www.bcbs.com).

Non-employer and governmental accounts are not eligible to request a second Blue bid. Non-employer accounts, include, but are not limited to, Taft-Hartley Trust Plan sponsors, multiple employer welfare arrangements, association health plans, and retiree groups.

### How do overlapping service areas impact second Blue bid?

Some of the accounts on the list are headquartered in locations where more than one Blue Plan is licensed to provide service and, thus, are able to serve the account's business today (e.g., California and parts of Pennsylvania). Since these accounts can already request more than one Blue bid, the second Blue bid option is already present (i.e., employers may seek bids from both Blue Plans in their local service area).

Please note that Blue Plans licensed to provide service in an overlapping service area may still accept a request to provide a second Blue bid from any QNA headquartered in a single-Plan service area.

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<sup>1</sup> Accounts headquartered in locations served by two Blue Plans already have the ability to request bids from two Blue Plans and do not get additional bids by the introduction of the second Blue bid process.

If a Qualified National Account (QNA) is headquartered where more than one Blue Plan is licensed to provide service, do bid requests need to be made in the Second Blue Bid Portal or do they initiate requests directly with the applicable Plans? *(added April 2025)*

If a QNA is headquartered in a location where multiple Settling Individual Blue Plans are licensed to provide service (e.g., California and parts of Pennsylvania), the consultant or QNA does not need to submit a second Blue bid request through the Portal. Instead, the consultant or QNA can follow its ordinary practice of directly engaging with Plans operating within the QNA's headquartered location. The QNA cannot request Blue bids from Blue Plans operating outside of the QNA's headquartered location.

### What is a Qualified National Account?

Qualified National Accounts are the specific employers, identified on the Qualified National Accounts List, that are eligible for a second Blue bid. The current Qualified National Accounts list was created in connection with a court-approved settlement that became effective on June 24, 2024. This list is available on [www.BCBSSettlement.com](http://www.BCBSSettlement.com), and it will be used to confirm an employer's eligibility for a second Blue bid.

The Qualified National Account list will be refreshed every two years (i.e., the list will be refreshed in June 2026, June 2028, and so on).

### How is the Qualified National Account list created? *(updated Dec. 2024)*

The Court approved the methodology for determining the QNA list as part of the settlement. The Qualified National Account List is created using the following methodology:

1. Using data from Dun & Bradstreet, employers with at least 5,000 total U.S. employees were identified.
2. Each employer's estimated Members were computed.
3. Each employer's employee dispersion percentage was determined.
4. Employers were ordered based on their dispersion percentage.
5. Eligible employers were added to the list until the estimated self-funded membership eligible for a second Blue bid totaled at least 33 million in the aggregate.

The list will be refreshed every two years, beginning in June 2026, using this same methodology and updated data, including the then-most current employer data from Dun & Bradstreet. The process for refreshing the QNA list will be the same as the original process used, with the exception that Accounts that opted out of the Settlement will not be eligible for inclusion in the list.

### How is the employee dispersion calculated? *(added Dec. 2024)*

The identification of Qualified National Accounts is based on a calculation that is defined in the Court-approved settlement agreement and relies on third-party data obtained from Dun & Bradstreet.

### When and how is the headquarters determined? *(added Oct. 2024)*

Consistent with existing Blue Cross Blue Shield Association (BCBSA) policies and procedures, the headquarters location of the Qualified National Account is determined at the time of the request for a second Blue bid using information obtained from the Qualified National Account, publicly available information and/or third-party resources.

### How are headquarters determined for Qualified National Accounts that are headquartered outside the United States? *(added Oct. 2024)*

For a Qualified National Account headquartered outside the U.S., the Account's U.S. headquarters is used to determine the Account's local Plan(s). Consistent with existing BCBSA policies and procedures, a U.S. headquarters location will be determined by using public and/or third-party resources including but not limited to trade publications, the account website, SEC filings, and IRS Forms 5500 or 990.

### Can the list of Qualified National Accounts be appealed?

Any disputes or issues related to the Qualified National Account list should be referred to the Monitoring Committee.

The Monitoring Committee will decide employers' appeals regarding the Qualified National Account list based solely on whether BCBSA accurately used the employer's data provided by Dun & Bradstreet at the time the list was created.

When a class member submits an appeal to the Monitoring Committee, a decision about whether the employer should be added to the Qualified National Account list will be made within 14 days of receipt of the appeal. The decision of a majority of the Monitoring Committee will be final and binding with respect to the employer.

The Monitoring Committee may be reached through the settlement website: [www.BCBSSettlement.com](http://www.BCBSSettlement.com).

### What is the Monitoring Committee?

As is common in settlements of this sort, a Monitoring Committee was created by the settlement agreement to oversee implementation of the settlement, including resolving disputes related to the implementation. The Monitoring Committee is made up of representatives from the BCBS System, Plaintiffs' attorneys and a Court-appointed neutral party.

If you are a class member and have questions about the Monitoring Committee, you should refer your questions to them via [www.BCBSSettlement.com](http://www.BCBSSettlement.com).

### Can a subsidiary or affiliate of a Qualified National Account request a second Blue Bid? *(updated Oct. 2024)*

Only a listed Qualified National Account can be eligible to request a second Blue bid. The listed Qualified National Account may decide to consolidate its healthcare purchasing and incorporate subsidiaries and/or affiliates into its request for a second Blue bid. Under that situation, the Qualified National Account, and not the subsidiary and/or affiliate, will control the healthcare purchasing process, including the selection of a second Blue bidding Plan and any subsequent contracting process.

### Can Private Healthcare Purchasing Exchanges be used for second Blue bid? *(added Oct. 2024)*

The exchange itself is not an “Employer” and, therefore, cannot be a Qualified National Account that may permissibly request a second Blue bid.

However, after the second Blue bid process completes, the Qualified National Account and its selected Blue Plan may decide to rely on an exchange for the benefits enrollment process.

### How does a merger, acquisition, or refresh affect a QNA's right to request a second Blue bid?

In the event of a merger or acquisition involving one or more Qualified National Accounts, the Blue Plan(s) currently providing coverage will continue to do so until the benefit contract(s) terminates or is opened by the account for re-bidding.

If a Qualified National Account not headquartered in an overlapping service area acquires another entity and puts the contract of the Qualified National Account (including the acquired entity) out for bid before the next Qualified National Account List is issued, the Qualified National Account may request: (a) a bid from its Local Plan; and (b) a second Blue bid from any other Blue Plan, regardless of whether that selected second Blue bidding Plan is the current Local Plan for any of the companies that consolidated.

As set forth above, the QNA list will be refreshed every two years. Upon the refresh, accounts on the list will remain, be added, or be removed based on the methodology described above using then-current data. If an account that is being served by a second Blue bidder is removed from the list during a refresh, its benefits contract with that Blue Plan will stay in place until the contract expires or the account issues a new bid.

### If the size of the Qualified National Account decreases after it is added to the list, can it still request a second Blue bid? *(added Oct. 2024)*

The Qualified National Account list will be refreshed every two years, with the first refresh occurring on June 24, 2026. Once an account is included on the Qualified National Account list, it will be eligible for a second Blue bid until the next list refresh, regardless of fluctuations in its employee population.

### If the Account does not remain on the Qualified National Account list after the list is refreshed, can the Account continue receiving benefits from the second Blue Plan it selected while it was eligible to request second Blue bids? *(added Oct. 2024)*

If an account that is being served by a second Blue bidding Plan is removed from the Qualified National Account list when a list refresh occurs, its current benefits contract will stay in place for the duration of the agreed upon term or until the Qualified National Account issues a new Request for Proposal (RFP). Once the contract period ends, or the account issues a new RFP, it is no longer a Qualified National Account and cannot request a second Blue bid for the period that it is no longer a Qualified National Account.

### Can a Qualified National Account renew a second Blue bidder's contract without initiating a new request for second Blue bid? *(added Oct. 2024)*

If the terms of the original contract allow for renewals without reinitiating an RFP or request for information (RFI) to any carrier, the Qualified National Account can proceed to renew the contract without restarting the second Blue bid process. If the contract does not include a renewal clause, and the Qualified National Account initiates an RFP or RFI to any carrier, the benefits selection process restarts, including the second Blue bid process.

### Can an account award its business based on geographic areas? *(added Oct. 2024)*

In order to request a second Blue bid, the Qualified National Account must request a bid from its local Blue Plan and identify the second Blue bidder it has chosen in connection with the bid. The RFP issued to the second Blue bidding Plan must be identical in all material respects to the RFP issued to the local Blue Plan.

If the account selects a Blue-branded self-funded health benefit plan through the second Blue bid process, it must award its contract to only one of the two Blue Plan bidders.

### Can insured products be included in the second Blue bid request? *(added Oct. 2024)*

No. Second Blue Bid is available to Qualified National Accounts contracting for Blue branded self-funded health benefits, including medical, dental, vision benefits, and healthcare financing vehicles such as stop loss insurance and reinsurance. Fully insured products are not self-funded health benefits and not within the second Blue bid process.

### How does a QNA, or a consultant on its behalf, request a second Blue bid? *(updated Sept. 2025)*

Starting September 24, 2024, accounts on the Qualified National Account list that are headquartered in locations where only one Blue Plan is licensed to provide service may request an additional Blue bid from a Blue Plan of the account's choosing.

The following information is required in order to submit a request for a second Blue bid:

- Account's headquarters address
- The Qualified National Account's current local BCBS Plan, which can be found by visiting <https://www.bcbs.com/explore-affordable-health-plans/employer-health-insurance>.
- Your name, phone, email and relationship to the account.
- Estimated number of lives and contract period.
- Brokers or consultants also need a copy of the account letter or email confirming that you are working on the account's behalf.

There are optional fields to indicate interest in a TPA solution or provide any other additional information.

The account must take the following steps to request a second Blue bid:

1. The account must request a bid from its local Blue Plan.
2. The account's request for a second Blue bidder can happen by the account asking its local Blue Plan to contact the second Blue bidder, or the account can complete a web-based application at <https://www.bcbs.com/explore-affordable-health-plans/qualified-national-accounts>. The application requests confirmation that the account is a QNA; confirmation of the QNA's headquarters address; confirmation that the account has sought a bid from the local Blue Plan; the account's contact information; and the account's selection of the second Blue bidder.

Consultants and brokers working on behalf of the account can also use the application to request the second Blue bidder by uploading proof of their representation, such as

Broker of Record forms or an email from the Qualified National Account. In that case, related notifications will be sent to the contact provided in the application.

If the account, broker, or consultant requests a bid directly from a Blue Plan other than their local Blue Plan, that Blue Plan will immediately notify BCBSA. That Blue Plan cannot move forward with any communications specific to the account until BCBSA has validated the request by confirming that the account is eligible and that the local Blue Plan has received a request for a bid as well.

A Second Blue Bid Request must be identical in all material respects to the bid issued by the Qualified National Account to the Local Plan. A Second Blue Bid Request will not be rejected due to its failure to be identical without notification to the Qualified National Account and a chance to cure. However, the Qualified National Account shall ensure coordination between its brokers or consultants (if any) to confirm that the Second Bid Request and bid issued to the Local Plan are identical in material respects.

### [What information should be included on the Broker/Consultant attestation form that is uploaded as part of the Second Blue Bid Request? \*\(added April 2025\)\*](#)

The attestation form is used to validate that the Broker or Consultant submitting the Second Blue Bid Request has permission to represent the QNA. This written documentation from the QNA must include the QNA name, broker or consultant organization name and a time period for which the authorization is in force.

If the attestation does not include this information, BCBSA may reach out to the requestor to obtain an updated attestation form. If the updated attestation form is not received within the period allowed for BCBSA to validate the second Blue bid request, the request may be rejected and resubmitted once the updated attestation form is available.

### [Can a QNA request a Third Party Administrator \(TPA\) through the Second Blue Bid portal? \*\(updated Sept. 2025\)\*](#)

The Second Blue Bid portal allows a QNA to select one Blue Cross Blue Shield Licensee as a Second Bidder. Following the identification of a second Blue bidder, the selected Blue Cross Blue Shield licensee can respond to the QNA's RFP by relying on its Blue branded products and services, including partnering with a Blue licensed TPA or other third-party administrators. QNAs or their consultant/broker may indicate that they are interested in a TPA solution as part of the second Blue bid request.

### [Does a proposal from a Blue branded TPA to a QNA count as Second Blue Bid? \*\(added Dec. 2024\)\*](#)

Yes.

### What happens once a second Blue bid is requested?

Once the Qualified National Account requests the second bid, BCBSA will validate the request and inform the local Blue Plan and the selected second Blue bidder of the request within one business day.

- BCBSA validation includes verification that
  - the account is on the Qualified National Account list,
  - the local Blue Plan identified by the account matches the service area of the headquarters (using existing BCBS policies and procedures),
  - and the account’s headquarters is not in an overlapping service area.

The Blue Plan selected for second Blue bid will decide, within three business days of being notified of the request by BCBSA, whether it agrees to submit a bid.

If the selected second Blue bidder agrees to submit a bid, the account (or its designated contact) will be notified, and typical communication and bidding activities will begin.

### What if the selected second Blue bidding Plan, or the local Blue Plan, declines to bid?

If the selected second Blue bidding Plan declines to submit a bid, BCBSA will inform the account and the account can decide whether it wants to select a different Blue Plan as the second Blue bidder.

The local Blue Plan can also decide whether to submit a bid. If the local Blue Plan decides not to submit a bid, the account can continue the bidding process with the second Blue bidder, but it cannot replace the local Blue Plan with another Blue Plan.

### What happens if a Second Blue Bid Request is submitted, but the account later decides not to go forward with the bidding process? *(added April 2025)*

If a QNA initiates a valid second Blue bid, then decides it will not complete the RFP, the QNA is expected to withdraw its second Blue bid request. The QNA can do this by emailing [QualifiedNationalAccounts@bcbsa.com](mailto:QualifiedNationalAccounts@bcbsa.com) or the Local Plan with their intent to withdraw the request.

The QNA can submit a new Second Blue Bid Request at later date, so long as it is still on the list of Qualified National Accounts.

### If chosen, how long can the second Blue Plan service the account?

If an account has submitted a request for a Second Blue Bid while on the Qualified National Account list and the Qualified National Account list is refreshed before the account selects its chosen Blue Plan, the account shall be permitted to complete the

Second Blue Bid process and choose coverage from either its Local Plan or the second Blue bidding Plan.

Once the bidding process is complete, whichever Blue Plan is chosen by the account will stay in place until the contract expires or the account issues a new request for proposal.

When the Qualified National Account's contract expires, becomes open for renewal, or is otherwise reopened for bidding, the Qualified National Account can request a bid from the local Blue Plan. If, at that time, the account is still a Qualified National account, it can also request a second Blue bid from any other Blue Plan regardless of whether that Blue Plan is the account's current Blue Plan. If, at that time, the account is no longer on the Qualified National Account list, the account is no longer eligible to request a second Blue bid, but can continue to request a bid from its local Blue Plan.

### How will accounts learn about the offerings and capabilities of Blue Plans outside their service areas?

Consultants and brokers can engage with any Blue Plan regarding that Plan's general capabilities. Many consultants and brokers issue requests for information to Plans to gather relevant information. Some firms request capabilities presentations. All Blue Plans may respond to those generalized information and presentation requests in the ordinary course of business as long as the presentations are not account-specific.

In the rare case where the account prefers to not work with consultants or brokers, it can request generalized Capabilities Introductions directly from the account's local Blue Plan and/or from BCBSA. Regardless of source, the request for such an introduction will be facilitated by BCBSA and the ultimate presentation will be intended to mirror the presentations given in response to general capabilities requests that brokers and consultants make today. The Capabilities Introductions are not a substitute for a client-specific request for proposal, which occurs after the account or broker identify the second Blue bidding Plan and such request has been validated and accepted.

### Does the settlement provide for any fees associated with second Blue bid? *(updated Sept. 2025)*

The Court has approved a per contract per month Local Service and Support Fee (LSSF) paid by a successful second Blue bidder to the local Blue Plan for each employee covered by the second Blue bidder that resides in the local Blue Plan's service area that overlaps with the Qualified National Account's headquarters' state. The LSSF will be reviewed annually and is a complete replacement for any other inter-Plan fees charged by the local Plan to the successful second Blue bidding Plan for the covered members residing in the local Plan's Service Area that overlaps with the Qualified National Account's headquarters' state.

The purpose of the Local Service and Support Fee is to facilitate the pro-competitive measures that provide meaningful choice to Qualified National Accounts, to provide appropriate compensation to local Plans for the investments and costs incurred in their Service Area that will be relied upon by the successful second Blue bidding Plan, and to provide an objective, verifiable basis for determining the amount of such compensation.

If awarded the account, the second Blue bidding Plan is not required to incorporate the Local Service and Support Fee into the Plan's response to an RFP and/or pass the fee on to the Qualified National Account.

### What is included in the Local Service and Support Fee? *(Added Dec. 2024)*

The Settlement notes that the Local Service and Support Fee "shall approximate but not exceed the national average Standard or default inter-Plan fee for accounts with at least 5,000 Members." The "Standard or default inter-Plan fee" includes the Access Fee and Administrative Expense Allowance. The "Standard or default inter-Plan Fee" does not incorporate fees paid by Blue Plans to BCBSA for the processing of claims through the inter-Plan claims processing system.

### What is the amount of the Local Service and Support Fee and when does the amount become effective? *(added Sept. 2025)*

In September 2024, the Court approved a Local Service and Support Fee for the September 24, 2024 – December 31, 2025 period in the amount of \$22.70 per covered employee per month. In September 2025, the Court approved a Local Service and Support Fee for the January 1, 2026 – December 31, 2026 period in the amount of \$23.12 per covered employee per month.

The Local Service and Support Fee amount is set annually according to the formula set forth in the Settlement Agreement based on data from the prior year. It is submitted to the Court for approval in Q3 of each year and, if approved, is effective for the next calendar year. For example, the Local Service and Support Fee listed above is effective for contracts entered from January 1, 2026, to Dec. 31, 2026. The LSSF for calendar year 2027 will be submitted for approval in 2026 and published once it is approved.

### Are inter-Plan fees charged when a Blue TPA is utilized? *(added Dec. 2024)*

TPAs do not impact the application of inter-Plan fees charged between Blue Plans for hosting out of area members.

### How are uniquely negotiated inter-Plan fees tracked for accuracy? *(added Dec. 2024)*

Plans are responsible for tracking the application of inter-Plan fees that they charge for hosting out of area members.

### If the Second Blue Bidding Plan has access to more favorable inter-Plan fees in a given situation than the Initial Control Licensee, which fee is charged by the Host Plan when there is a Second Blue Bid? *(added Dec. 2024)*

For inter-Plan fees charged by non-bidding Host Plans to the bidding Plans, the inter-Plan fees cannot exceed the account's historical inter-Plan fee. If the account is not an incumbent, then the inter-Plan fees cannot exceed the Host Plan's average historical inter-Plan fee. All Plans make independent business decisions how they incorporate inter-Plan fees to their respective bids.

### How is the Local Service and Support Fee calculated? *(added Dec. 2024)*

The Settlement notes that the Local Service and Support Fee "shall approximate but not exceed the national average Standard or default inter-Plan fee for accounts with at least 5,000 Members." The "Standard or default inter-Plan fee" includes the Access Fee and Administrative Expense Allowance. The "Standard or default inter-Plan Fee" does not incorporate fees paid by Blue Plans to BCBSA for the processing of claims through the inter-Plan claims processing system.

### What fees will be charged by the Second Blue Bid Initial Control Plan if the Second Blue Bidder wins the business? *(Added Dec. 2024)*

Plans make independent decisions about whether and how to incorporate inter-Plan fees into their account arrangements, including LSSF. However, in the event a second Blue bidding Plan is awarded a QNA's business, the LSSF is a complete replacement for any other inter-Plan fees (including the Access Fee and Administrative Expense Allowance) charged by a Second Blue Bid Initial Control Licensee to a Second Bidding Licensee for the covered members residing in the Initial Control Plan's Service Area that overlaps with the Qualified National Account's headquarters state.

### How does second Blue bid impact the cede process?

If a Local Plan cedes (or continues a cede) a Qualified National Account, the ceded Plan stands in the shoes of the Local Plan. Whether or not there is a cede, the Qualified National Account gets to decide which Blue Plan to request for a second Blue bid.

### If a cede is in place, can the QNA still request a second Blue bid from a Blue Plan other than the Initial Control Plan and the Alternate Control Plan to which the cede was granted? *(Added Dec. 2024)*

If a cede has been issued by the Initial Control Licensee and the term of the cede has not expired when a QNA begins an RFP process, the QNA may request a second Blue bid from another BCBS Plan.

### What is the process for continuing a cede while requesting a second Blue bid? *(Added Dec. 2024)*

- Account decides to go out to bid for ASO coverage
- Account reaches out to Initial Control Plan to request a bid
- Account submits a request for a second Blue bid, indicating the Initial Control Plan (or Alternate Control Plan, if current account relationship is through an active cede) and the second bidding Plan
- Initial Control Plan will determine whether it can and/or will continue the cede with the ACL based on the existing cede relationship between the Initial Control plan, the Alternative Control Plan and the Account.

### Which Plan receives the Local Service and Support fee (LSSF) if the second Blue bidder wins the business rather than an Alternative Control Plan to which the account was ceded? *(added Dec. 2024)*

The initial control Plan receives the LSSF in this scenario.

### Who decides whether to issue, continue or terminate cedes when a QNA requests a Second Blue bid? *(added Dec. 2024)*

The Initial Control Licensee decides whether and to whom it cedes business. The agreements between Initial Control Licensees and Alternative Control Licensees govern specific cedes, including the terms and length of the cede.

### Does the Settlement require cedes? *(added Oct. 2024)*

If a Local Blue Plan chooses to bid a national account – e.g. an account with members in multiple service areas — with more than 250 total members solely under a non-Blue brand, the Local Blue Plan must cede the right to submit a Blue-branded bid to another Blue Plan using criteria that relies on where the account’s members are located. This is not a second Blue bid.

### Where can I get more information?

Please refer to [www.BCBSSettlement.com](http://www.BCBSSettlement.com) for information about the Settlement.

Information about how to request second Blue bid is available on

<https://www.bcbs.com/explore-affordable-health-plans/qualified-national-accounts>.