



Landmark Center
401 Park Drive
Boston, MA 02215-3326

May 19, 2009

Marcy Halloran
Borislow Insurance Agency
One Griffin Brook Drive
Methuen, MA 01844

Re: Encore Staffing

Dear Marcy:

I am writing to clarify the intent of our Premium Account Agreement and address the situation you raised regarding Encore Staffing's audit related to its Fair Share Contribution requirements under state law.

Our Agreement states that "in order to maintain health care coverage with Blue Cross and Blue Shield, an employee must meet the written eligibility requirements (such as length of service, active employment and number of hours worked) [the employer imposes] as long as they do not conflict with Blue Cross and Blue Shield's eligibility requirements." The Agreement then states that we define an eligible full-time employee as "a permanent full-time employee regularly working 30 hours or more each week at the employer's usual place(s) of business and who is paid a salary or wage in accordance with state and federal wage requirements" so that it is clear that a full-time employee working fewer than 30 hours each week cannot be covered under the Agreement.

The Agreement does not require that an employer must consider its employees who work 30 hours each week to be full-time employees. The intent is that 30 hours is the minimum threshold that we will consider for classification as a full-time employee. Employers are free to set their own eligibility at a higher hourly requirement. Thus Encore Staffing's definition of an eligible full-time employee as someone working 35 hours each week is acceptable to us because it does not conflict with the eligibility requirements as stated in the Agreement.

Should you have any questions or concerns, please do not hesitate to contact me at 617-246-8185.

Regards,

A handwritten signature in black ink, appearing to read "Charlene A. Jones".

Charlene A. Jones
Account Executive
Blue Cross Blue Shield of MA