



CareFirst Sales Flash

*For Distribution to Brokers/General Producers/Full-Service Producers Only
(Not intended for distribution to Groups and Members)*

Date: August 28, 2017

Market: All groups

Employees with HSAs to Receive Email Communications from BenefitWallet®

CareFirst BlueCross BlueShield and CareFirst BlueChoice (CareFirst) utilizes BenefitWallet as a preferred vendor for the administration of health spending accounts. BenefitWallet is launching a new mutual fund lineup and revamping its investment portal in October 2017.

On August 28, employers will receive an email from BenefitWallet alerting them of these changes, and on September 1, their employees who have Health Saving Accounts (HSA) will begin receiving email notifications. Then in October, after the upgrades are complete, members will receive another email about the advantages of an HSA investment account and features of the new portal and funds.

Investment FAQs

What is changing with BenefitWallet's investment program?

Effective October 3, 2017

- All funds in the BenefitWallet HSA investment portfolio will move from Class A to Institutional Class shares.
- A newly designed investment site launches.

What should we know about the new investment options?

(See attached listing of new investment options—click "New Mutual Fund Lineup")

- Mutual Fund expense ratios are being reduced by an average of 42% across the HSA investment portfolio.
- There are still no loads or transaction fees on any HSA mutual funds.
- The advantage of Institutional Class shares is that they have lower fees yet the makeup of the fund holdings is identical to the Class A shares.
- The underlying funds themselves will not change, nor will the fund names. Institutional shares have lower fees and different ticker symbols, but the makeup of the fund holdings is identical.

What do current investors need to know?

Account holders with investment holdings will have their positions automatically mapped to the new lower fee shares on October 2.

During this upgrade HSA investment accounts will experience a blackout period as follows:

- **September 25 (at 2 p.m. Eastern Time):** a short investing blackout begins to allow all pending trades to settle before the automatic mapping begins.
- **October 2:** all holdings will transition from Class A to Institutional Class shares.
- **October 3:** the blackout ends and the new funds will be available for HSA investing and transactions.



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What is happening with the Dreyfus Funds?

- Dreyfus Funds No Longer Available for New Investments.
- Investors can leave any existing positions in these funds or move them at any time.

Will automated investments be affected in any way?

- For those with automated investing, BenefitWallet will automatically map those instructions to the new Institutional Class shares of the same fund.
- If the date of your automatic funding schedule falls within the investing blackout, that trade will be executed on your behalf on October 3.

What else do we need to know?

- The Gabelli Asset Fund has a short-term trading fee.
- To help you avoid being subject to this fee, BenefitWallet is temporarily blocking new investments in Class A shares of this fund on September 22.
- Once the Institutional shares are available on October 3, the fund will re-open for new investments.
- Any automated investing scheduled during the blackout will be executed on October 3 – the day normal trading resumes within your HSA.

Should you have any questions, please contact your broker sales representative.



C. Shekar Subramaniam
Vice President, Sales Small Medium SBU



Strategic Update: August 2017

New Fund Lineup and Investment Platform Launch October 3

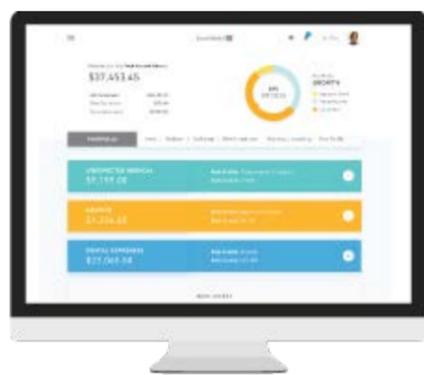
Great news! Based on feedback from clients like you and your employees, BenefitWallet® is launching a new mutual fund lineup and revamping its investment portal on October 3, 2017. With lower expenses on all funds, the elimination of 12b-1 fees, and three new passive mutual funds, these changes represent our ongoing commitment to continuous product improvement¹.

[New Mutual Fund Lineup](#)

Communications Begin September 1

Beginning September 1, we will share information about these changes directly with your employees who have HSA investment holdings. After the investment upgrade is complete, all BenefitWallet members will be sent a communication in October, promoting the advantages of an HSA investment account and features of the new portal and funds.

Effective October 3, all funds in the BenefitWallet HSA investing portfolio will move from Class A to Institutional Class shares. The advantage of Institutional Class shares is that they have lower fees, yet the makeup of the fund holdings is identical to the Class A shares. Your employees with investment holdings will have their positions automatically mapped to the new lower fee shares on October 2.



HSA Investing Unavailable September 25 – October 3

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- **October 3:** the blackout ends and the new funds will be available for HSA investing and transactions.

See a sample of the September 1 email communication we will send to your employees with investment holdings.

[View September 1 Email](#)

As part of building a better BenefitWallet, we are pleased to announce we're refreshing our brand. The most noticeable change is to our color palette, which will align with our corporate parent, Conduent. You and your employees will experience our updated brand this fall, including this series about our new and improved HSA investment offering.

Thank you for your partnership as we build a better BenefitWallet together. We truly appreciate your business!

1. BenefitWallet is not recommending any investment, nor can it assure you of a profit or protect you against any loss on any investment made under the BenefitWallet investment platform.



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