This month, Trustmark celebrates its ninetieth anniversary. That’s 90 years of service, 90 years of financial strength and reliability. But in many ways, Trustmark has come full circle. We’ve gone from specializing in health and disability benefits for railway workers to insuring groups of all sizes in all industries. Now, in some ways, we’ve returned to our roots. We’re specializing again, marketing our strength as the industry expert at serving multi-market groups of 51 to 500 covered lives.

Guided by an Ideal
In 1913, four enterprising railway workers decided that “passing the hat” no longer adequately provided for an injured or disabled co-worker. They formed a small fraternal organization, offering insurance benefits and asserting that more than 90 percent of claims were paid the same day they reached the office. Since that pioneering, one-desk beginning, Trustmark has been a company uniquely linked with the people it serves.

Some Trustmark Milestones
• Ten years after starting with 500 members in the Midwest, the fraternal organization had grown to some 80,000 members on 110 railroads in 35 states. That year, the company purchased its own home office building on Montrose Avenue in Chicago.
• In 1929, Trustmark introduced group health insurance to employees outside the railroad industry. The first group insurance contract holder was the Mac Sim Bar Paper Company.
• In 1931, the nation was in the grip of the Depression. CEO Robert Leitz asked each employee to contribute one dollar per month for a period of three months. In those days, one dollar bought a dozen eggs, a half-gallon of milk and five pounds of flour.
• Trustmark entered the computer age in 1969 with the purchase of a Control Data Corporation 3300 computer.
• In 1978, Trustmark paid its billionth dollar in benefits to Charles E. Risner, a Conrail employee and member of the Brotherhood of Maintenance Way.
• Trustmark expanded its managed care network capabilities by joining a national PPO network, Private Healthcare Systems, Inc. (PHCS).
• In 2002, Trustmark celebrated a golden anniversary with one of its largest customers. For 50 years, Trustmark has provided benefits for the Tool & Manufacturing Association. Such a long-term relationship is almost unheard of in the industry, but it demonstrates the value and respect Trustmark accords the people it serves.

90 Years and Growing
Look for the ninetieth anniversary logo on Trustmark materials this year. We are proud of our long tradition of providing affordable benefits to the workers of America. And we know you want to be proud of the carriers you represent to your clients.

So, just as when the company began, Trustmark continues to anticipate and respond to customer expectations – one group at a time.

Trustmark on Track for Best Year Ever
Through the first three quarters of 2002, Trustmark remains on pace to approach the ambitious earnings goals set last year, despite the slumping economy and rising healthcare costs. “If we close out the year strong, it could be the best in Trustmark’s history,” said CEO Grover Thomas.

Trustmark realized a $28.8 million gain from operations through September 30, 2002, a 47 percent increase over the nine-month period last year.

Expense reduction, according to Trustmark CFO Brinke Marcuccilli, helped the company generate its best earnings since prior to 1997, every quarter thus far this year. One example is claim administration costs, which were 14 percent lower than last year.

The expense reduction and new focus on strategic, more profitable markets led Trustmark to project earnings of $32.0 million for the full year. Results for 2002 will be announced in the first quarter.
The Year in Review:

A 40-person accounting firm. A 4,000-employee tire manufacturer. Before 2002, these companies would have been targets for Trustmark Group Sales. Not anymore. The year marked the culmination of months of market research and internal assessment.

The result was the big story of 2002: a new strategic direction for Trustmark. One that envisions a more aggressive company focused on specific segments within four key employer-based businesses. For Group, that has meant marketing its proven expertise in the 51- to 500-life, multi-site market.

Enhanced benefits and services, such as LabOne, LTD coverage, IVR upgrades and new sales tools, also debuted in 2002. It’s all designed to make it even easier for you to sell Trustmark and for employers and insureds to get the most value for their benefit dollars.

New Ad Campaign Aims to Capture Group Business

January 2002

New ads, under the headline “Touching lives. One group at a time,” emphasize Trustmark’s excellent service, cost control features and multi-market expertise. As the new campaign goes into full gear, ads aimed at attracting new producers will run in trade publications such as Health Insurance Underwriter, The Forum and Broker World. If you would like to use one of the ads as part of your presentation, please contact Bob White at rwhite@trustmarkins.com.

Trustmark Announces New Strategy Targeting Specific Markets

Sights set on lower expenses, carefully planned growth

March 2002

Trustmark executives have outlined a new strategic direction focused on four key employer-based businesses: Group Division groups of 51 to 500 lives, Starmark groups of 2 to 50 lives, CoreSource clients of 300 to 3,000 lives and Voluntary Products for groups of 200 or more lives.

“The plan,” said CEO Grover Thomas, “has a three-year horizon. By the end of 2004, Trustmark will have lowered its risk profile, increased the amount of its contributions to the community through the Trustmark Foundation, have substantial excess surplus and be more closely aligned with the criteria used by the rating agencies. We’ll have a larger market share in a smaller number of market segments.”

The ideal target for Group is a multi-market company looking for more flexibility than an HMO can offer. “We can create seamless managed care networks to serve all their employees,” said Thomas.

Claim Look-Up Get Dedicated E-mail Response Team

May 2002

Claim Look-Up, trustmark’s personalized online claim status service for insureds, now includes a dedicated e-mail response team. To ask a question, an insured simply clicks on the link at the bottom of the Claim Look-Up page. Trustmark’s E-team responds to questions daily, assisting with claims, registration or password inquiries. Insureds can now also click on a processed claim number to call up a page resembling an Explanation of Benefits (EOB). That page can then be printed for personal records or for submission to a secondary insurance carrier.

LabOne Lab Card Benefit Now in Effect

July 2002

Lab card benefits, offering free laboratory testing for Trustmark insureds, apply to all new or renewed groups with an in-network deductible of $1,000 or less. Using the card is voluntary, but you can help your clients’ employees save money by letting them know the advantages of this new Trustmark partnership.

By using the lab card, your clients’ employees realize significant savings on out-of-pocket medical expenses. LabOne prices are so much lower than typical lab charges that Trustmark covers the entire cost. For insureds that means:

- No deductibles
- No copayments
- No coinsurance

LabOne is easy to use. The insured simply locates an approved LabOne collection site or asks the physician to send tests to LabOne for processing. LabOne performs the tests and sends the results to the doctor, usually the next day. For specimens sent to a laboratory other than LabOne, regular benefits apply.
Strategic Focus, Service and Product Enhancements Highlight 2002

Market Differentiators: Trustmark Offers Minimum Premium to Midsize Groups

July 2002
Most Trustmark competitors don’t offer minimum premium funding options to groups of fewer than 100 employees. But with Trustmark, you can provide the benefits of minimum premium funding to clients with just 51 or more covered lives.

With healthcare costs rising at double-digit rates, employers are looking at every option to keep quality benefits affordable. Trustmark is the smart choice for midsize employers looking for the right combination of security and savings. Trustmark-designed minimum premium funding offers:

• Improved cash flow
• Savings
• Loss protection
• Lower premium taxes
• More accurate reporting

Contact your local Trustmark Sales Representative today for copies of the new Minimum Premium Plan brochure or to schedule a presentation.

Why Choose Trustmark?
For some clients, first question is: Who is Trustmark?

July 2002
It’s one of the toughest challenges in sales – proving to clients the advantages of a company they know little about when there are other, more familiar names out there.

That’s why Trustmark’s Group Division has produced two new sophisticated sales tools to help you introduce and sell Trustmark to your clients: the Group Capabilities Brochure and the Multi-Market Specialist Flyer.

The Group Capabilities Brochure tells the compelling Trustmark story in detail. It is designed as a presentation piece, carefully organized to help you touch on topics important to your client.

The Multi-Market Specialist Flyer uses numbers gathered from Trustmark’s actual book of business to provide proof of the company’s real advantage in the multi-site market.

More Personalized Information Now Available

September 2002
Anticipating market demand for convenient and secure access to personalized information, Trustmark has enhanced the Boardman, Ohio, Interactive Voice Response (IVR) system and made more information available to insureds via the Web.

“Claim status has been available for some time through IVR and Claim Look-Up,” said Denise Chap, Senior Manager, Benefits Technical Support. “Now group insureds who call the Boardman automated system can get eligibility and detailed benefit information, including encounter fees, coinsurance and deductible amounts satisfied year-to-date.”

In addition to the expanded IVR services, more information is now available online at www.trustmarkinsurance.com/group.

Best Benefits,® Another Great Reason to Sell Trustmark

November 2002
Trustmark has teamed with Best Benefits, the nation’s largest provider of non-insured, reduced-fee healthcare benefit programs, to help your clients’ employees save time and money.

For a minimal additional fee, the Best Benefits program provides discounts through a nationwide network of thousands of providers. Best Benefits services and discounts include:

• 24-hour nurse helpline
• Coast-to-coast vision care
• Audiometry and hearing care
• Emergency travel assistance
• Vitamins and nutritional supplements

Talk to your clients about the valuable healthcare savings they can offer their employees through Best Benefits.

Claritin No Longer Covered

Claritin is now available without a prescription. Because Trustmark’s prescription benefits do not cover over-the-counter medications, Claritin will no longer be covered as of January 1, 2003.

Trustmark will mail notification letters to all insured groups and to insureds who have filled prescriptions for Claritin within the past year.
New Department of Labor Regulations Take Effect

The Department of Labor has enacted Regulation 29 CFR 2560.503-1 governing claim and appeal procedures for employer-sponsored employee benefit plans. These regulations apply only to groups governed by ERISA.

As of January 1, 2003, Trustmark will be in compliance with the new regulation. A description of procedures followed by Trustmark when processing claims and appeals will be sent to fully insured and self-insured groups no later than January 15, 2003. An attached cover letter will instruct groups to provide copies of this information to all covered employees.

Once each State Department of Insurance has approved the procedures, they will be included in the Certificate of Coverage issued to Plan participants. If you have any questions relating to the procedures or notification letters, please contact your Sales Representative.