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Blue Shield of California and Sutter Health Termination Fact Sheet

January 5, 2015

OVERVIEW

Blue Shield of California and Sutter Health have been engaged in discussions on rates and terms for new HMO/PPO agreements, and in some cases, Medicare agreements, for several months. Unfortunately, we were unable to reach an agreement on new contract terms before the end of the previous agreement. As of January 1, 2015, the network relationship between Blue Shield and Sutter Health has terminated. Blue Shield remains open to further discussions with Sutter in order to agree on terms for a new contract. In the meantime, Blue Shield will ensure that members have continued access to care in their area, including continuity of care for members who qualify to continue in their current course of treatment with a Sutter provider.

This termination affects all Independent Provider Associations, Medical Groups, Hospitals and Specialty Providers associated with Sutter Health.

SUTTER HEALTH LOCATIONS

Sutter Health providers are located in Northern and Central California (see listing of counties below).

Sutter Health Counties				
Alameda	Marin	San Joaquin	Santa Cruz	Sutter
Amador	Merced	San Luis Obispo	Shasta	Yolo
Contra Costa	Placer	San Mateo	Solano	
Del Norte	Sacramento	Santa Barbara	Sonoma	
Lake	San Francisco	Santa Clara	Stanislaus	

BLUE SHIELD PLANS IMPACTED

This termination applies to all Blue Shield plans offered by the University of California as well as their entire book of business.

BLUE SHIELD TRANSITION OVERVIEW

Health Savings Plan PPO Members

In order to ensure an orderly transition of care to participating providers, Blue Shield and Sutter Health have agreed to a six-month transition period beginning on January 1, 2015. During this transition period, Blue Shield will continue to offer in-network benefits to members who receive care from Sutter Health providers. However, even though the member's percentage cost-share will be honored at the in-network benefit level, Sutter's charges will be higher, and members should be aware that this will result in a higher out-of-pocket expense for services received from Sutter. The six-month transition period will end on June 30, 2015, at which time services received by Blue Shield members from a Sutter Health provider will be paid at the

out-of-network benefit level. Members are encouraged to transition their care to a Blue Shield Preferred Provider as soon as possible to ensure the continuation of in-network benefits after the transition period ends.

- Health Savings Plan members may obtain hospital services at other contracted Blue Shield medical facilities in their area. To locate a contracted Blue Shield provider, they should contact Shield Concierge at the telephone number on the back of their Blue Shield ID card or call **1-855- 201-8375**.
- Members who are currently receiving care from Sutter providers, or who have a procedure scheduled to be performed by Sutter within 180 days of **December 31**, **2014**, can request continuity of care for an ongoing course of treatment, and if eligible, receive the higher, preferred benefit level. These members can call Shield Concierge at the telephone number on the back of their Blue Shield ID card or call **1-855- 201-8375**. They may also access Blue Shield's Continuity of Care Policy at <u>www.blueshieldca.com</u> under Find a Provider option.

UC Care and Core PPO Plan Members

- In order to ensure an orderly transition of care to participating providers, Blue Shield and Sutter Health have agreed to a six-month transition period beginning on January 1, 2015. During this transition period, Blue Shield will continue to offer in-network benefits to both UC Care and Core members who receive care from Sutter Health providers (note: There were a small number of Sutter providers in 2014 considered out-of-network for the UC Care plan, and will remain out-of-network providers during this transition period.) However, Sutter's charges will be higher, and members should be aware that this will result in higher out-of-pocket expense for services received from Sutter.
- The six-month transition period will end on **June 30**, **2015**, at which time services received by UC Care and Core members from a Sutter Health provider will be paid at the out-of-network benefit level. Members are encouraged to transition their care to either a Blue Shield Preferred Provider as soon as possible to ensure the continuation of in-network benefits after the transition period ends.
- Members who are currently receiving care from Sutter providers, or who have a procedure scheduled to be performed by Sutter within 180 days of December 31, 2014, can request continuity of care for an ongoing course of treatment, and if eligible, receive the higher, preferred benefit level. To locate an alternative contracted Blue Shield provider or request continuity of care, Members should contact Shield Concierge at the telephone number on the back of their Blue Shield ID card or call **1-855-201-2087**.

Medicare PPO Members

• Certain Medicare members will be impacted by this termination. Medicare member notification will be distributed in January 2015. Terminating facilities are located in San Francisco including the four CPMC campuses. The alternates are UCSF Medical Center, UCSF Mt Zion, St Francis Medical Center, and Seton Medical Center.

CONTINUITY OF CARE

Blue Shield of California recognizes the importance of maintaining a strong doctor-patient relationship, especially for members with a serious medical condition. If a member or their covered dependents are currently receiving treatment for a qualifying medical condition, they may be eligible to complete treatment for their condition with their current provider. Members can call Shield Concierge at the telephone number on the back of their Blue Shield ID card to see if they qualify. UC Care members can, call toll-free at **1-855-201-2087**. Health Savings Plan, Core, and Medicare plans, can call toll free **1-855- 201-8375**. Members may also access Blue Shield's Continuity of Care Policy at blueshieldca.com under the Find a Provider option.

EMERGENCY SERVICES

Blue Shield of California members who need emergency services should call 911 or seek care at the nearest emergency room, including the Sutter facilities. Blue Shield will provide the full emergency care level of benefits for these services.