



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 Health 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 Health provider.

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

Members are affected in different ways depending on their plan type. Please see details below.

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 PLAN TYPES IMPACTED BY LINE OF BUSINESS

This termination applies to all Blue Shield plan types including: HMO, PPO, EPO, POS-HMO Tier, POS-PPO Tier, and Medicare.

- **Individual and Family Plans:** Grandfathered and Non-Grandfathered PPO and EPO Plans (on and off Exchange)
- **Medicare:** Group Medicare Advantage Prescription Drug (GMAPD) Plans
- **Small Business (1-50 employees):** PPO and HMO
- **Fully Funded Large Employers (51+ employees):** PPO, HMO, POS-HMO Tier, POS-PPO Tier
- **Self-Funded/ASO Large Employers (51+ employees):** PPO and EPO
- **CalPERS:** HMO and EPO

BLUE SHIELD TRANSITION OVERVIEW BY PLAN TYPE

HMO Members

- Members enrolled in our HMO plan who have a Sutter PCP will receive the standard 60-day notification of a change in their network. They will be reassigned to a new provider group effective April 1, 2015. From January 1, 2015 through March 31, 2015, HMO enrollees can continue accessing health care services with primary care and specialty physicians affiliated with the terminating Sutter provider groups at in-network benefit levels. Members can change their IPA or PCP selection by contacting Member Services. If a contract is reached after a member is moved to a new PCP, they need to call Member Services to request to be moved back to their Sutter PCP.
- **Below please find a table showing where terminating IPA/Medical Groups for HMO Members are being transitioned:**

Sutter Medical Group Being Terminated	Medical Groups Receiving Transitioned HMO Members	Alternate Hospitals Associated with Receiving Medical Groups
- Palo Alto Medical Foundation (IPA0096DZ)	Affinity Medical Group (IPA0363UL)	Alameda Hospital, San Ramon Regional Medical Center
- Palo Alto Medical Foundation Camino (IPA0110EJ)	Brown & Toland Medical Group (IPA095DY)	Seton Medical Center, St Francis Memorial Hospital, & St Mary Medical Center
- Palo Alto Medical Foundation Santa Cruz (IPA0438AT)	DCHS Medical Foundation (IPA0323HJ)	O'Connor Hospital, Seton Medical Center, & Saint Louise Regional Hospital
- PAMF Mills Peninsula Division Mills Peninsula Medical Group (IPA0735DZ)	Physicians Medical Group of San Jose (IPA008D5)	O'Connor Hospital, Regional Medical Center San Jose, & Good Samaritan Hospital

Sutter Medical Group Being Terminated	Medical Groups Receiving Transitioned HMO Members	Alternate Hospitals Associated with Receiving Medical Groups
<ul style="list-style-type: none"> - Sutter East Bay Medical Foundation (IPA0690SU) - Sutter East Bay Medical Foundation Diablo Division Net Value (IPA0478C3) - Sutter East Bay Medical Foundation Net Value (IPA0691SU) - Sutter East Bay Medical Foundation Diablo Division (IPA0477C3) 	Physicians Medical Group of Santa Cruz (IPA0048DG)	Dominican Santa Cruz Hospital and Watsonville Community Hospital
	Hill Physicians Medical Group (IPA004D6, IPA006D6)	John Muir Medical Center – Walnut Creek & Concord campuses, Seton Medical Center, St Francis Memorial Hospital, St Mary Medical Center, San Ramon Regional Medical Center, UCSF Medical Center, UCSF Mt Zion, Valleycare Medical Center, & Washington Hospital
	John Muir Medical Network (IPA0025DC)	John Muir Medical Centers (Concord & Walnut Creek campuses)
	Sequoia Physicians Network (IPA0722DB)	Sequoia Hospital
<ul style="list-style-type: none"> - Sutter Independent Physicians (IPA0002D1) - Sutter Medical Group Sacramento Placer Division (IPA0001D2) - Sutter Medical Group Solano Division (IPA0463C3) - Sutter Medical Group Yolo Division (IPA0111EK) 	Hill Physicians Medical Group (IPA005D6, IPA004D6)	John Muir Medical Center Walnut Creek, Medical Center at UCSF, Mercy Hospital of Folsom, Mercy San Juan Hospital, Northbay Medical Center, San Ramon Medical Center, & Washington Hospital
	UC Davis Health System	UC Davis Medical Center
	Woodland Clinic (IPA0017DA)	Woodland Memorial Hospital
	Northbay Healthcare Group	Northbay Medical Center
	Mercy Medical Group (IPA0077DR)	Mercy San Juan Hospital, Mercy General hospital
	Sierra Nevada Medical Association (IPA0095E3)	Sierra Nevada Memorial Hospital
	Sutter Medical Group of the Redwoods (IPA0365UN)	Meritage Health Network (IPA0244ST)
Sonoma County BSC Administered (IPA0DC005)		Santa Rosa Memorial Hospital
Sutter Gould Medical Foundation (IPA0102EA)	Allcare IPA (IPA0459AC, IPA0460AP)	Doctors Hospital of Manteca, Doctors Medical Center - Modesto campus, Emanuel Medical Center, Mercy Medical Center - Mercy Dominican campus, Oak Valley Hospital District
	Hill Physicians San Joaquin (IPA0509D6)	Doctors Hospital of Manteca, Lodi Memorial Hospital, St. Josephs Medical Center of Stockton

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 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.
- PPO 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 Blue Shield Member Services at the telephone number on the back of their Blue Shield ID card or call our customer service center at (800) 200-3242.
- PPO 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 Member Services at the telephone number on the back of their Blue Shield ID card or call (800) 200-3242. They may also access Blue Shield's Continuity of Care Policy at www.blueshieldca.com under the Find a Provider option.

Self-Funded/Administrative Services Only (ASO) Plans

- 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, 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 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.

EPO Members

- EPO members **may** be able to receive care at a Sutter facility. Find contracted Blue Shield providers by contacting the Blue Shield Customer service telephone number on their Blue Shield ID card or call (800) 200-3242.

Point of Service (POS) HMO AND PPO Members Hospitals and Medical Groups

- Blue Shield's Point of Service (POS) Plans combine both HMO and PPO service delivery features. A POS member's eligibility for care at Sutter would be governed according to either the HMO or PPO definitions above and below, depending on which network they are accessing.

Medicare (GMAPD) Members

- Certain GMAPD members will be impacted by this termination. GMAPD member notification will be distributed in January 2015. Terminating facilities located in San Francisco are California Pacific Medical Center (California Campus), California Pacific Medical Center (Pacific Campus), California Pacific Medical Center (Davies Campus), and St. Luke's Hospital. The alternate facilities are UCSF Medical Center, UCSF Medical Center at Mt Zion, St. Francis Memorial Hospital, 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 Member Services at the telephone number on the back of their Blue Shield ID card to see if they qualify. They 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.

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