Overview

Anthem Blue Cross will not renew its Commercial Hospital Agreement with the following Prime Healthcare Services ("PHCS") hospitals. As a result, the hospitals listed below will no longer be part of the Anthem Blue Cross Provider Network beginning March 25, 2018. The hospitals are located in Los Angeles, Orange and San Diego counties.

- Centinela Hospital Medical Center (050739)
- Garden Grove Hospital & Medical Center (050230)
- Huntington Beach Hospital (050526)
- La Palma Intercommunity Hospital (050580)
- Paradise Valley Hospital (050024)
- Sherman Oaks Hospital (050755)
- West Anaheim Medical Center (050426)

How Members are Affected

1. What Anthem Blue Cross products will be affected by PHCS’ contract termination?

This hospital contract termination could affect the out-of-pocket obligations for most Anthem Blue Cross members who are enrolled in Commercial PPO, EPO, HMO, and POS benefit plans and receive care at PHCS. Members who have Medicare Part C are affected, however, those with a Medicare supplemental policy for Part A and Part B (Medigap), are not affected by this contract termination.

2. Will members be notified about the contract termination?

Within five days of the hospitals’ termination from the network, Anthem Blue Cross notifies subscribers that personally accessed or had a covered family member access a PHCS hospital within the last 12 months. In addition, members authorized or scheduled for a service or procedure at PHCS are notified. The letters will instruct members to call the Customer Service number on their ID card if they are in a current course of treatment at PHCS or have questions or concerns about the contract termination. The DMHC letters will state the following legally-required message regarding completion-of-covered-services/continuity-of-care:

If you have been receiving care from a health care provider, you may have a right to keep your provider for a designated time period. Please contact the Anthem Blue Cross customer service department, and if you have further questions, you are encouraged to contact the Department of Managed Health Care, which protects HMO/PPO consumers, by telephone at its toll-free number, 1-888-HMO-2219, or at a TDD number for the deaf or hard of hearing impaired at 1-877-688-9891, or online at www.hmohelp.ca.gov.

Note: Anthem Blue Cross does not mail notices to members enrolled in ASO, JAA, MCS, or other self-funded plans (however, this does not preclude member eligibility for continuation of covered services). A template notice is available that can be forwarded to clients for their use in notifying their associates about the contract termination.

3. How will Anthem Blue Cross HMO members be affected by this contract termination?

All non-emergency hospital services must be approved by the member’s participating medical group/IPA. If approved, Anthem Blue Cross will cover the claim at the member’s in-network benefit levels. If not approved by the member’s participating medical group/IPA, the claim will be denied, as stated in the members Evidence of Coverage (EOC).

4. How do members know if their doctor will be affected by this hospital termination?

Many doctors have admitting privileges at more than one hospital. Just because a member’s doctor may have admitting privileges at PHCS does not necessarily mean that a doctor cannot treat his or her patients at another participating hospital.
Physicians, Medical Groups, and Alternate Hospitals

5. What other participating Anthem Blue Cross network hospitals are available in the vicinity of the PHCS hospitals?

Anthem Blue Cross has a statewide hospital network of over 300 acute care facilities. The Find a Doctor function at www.anthem.com/ca can be used to locate a participating hospital in a specific area. The list of alternate participating general acute care hospitals within the vicinity of each terminating PHCS hospital is available below for your reference. For a list of contracting hospitals, as well as ambulatory surgical centers and other ancillary facilities located in a specific area, please see the Anthem Blue Cross website at www.anthem.com/ca. Customer Service representatives can check the provider database for a physician’s admitting privileges at another nearby in-network facility. Members should confirm the information they receive with their treating physician. Every effort will be made to assist members in determining their choices and understanding the potential financial consequences of seeking care with a provider that is not in Anthem Blue Cross’s provider network.

6. Will Anthem Blue Cross notify PPO physicians and admitting HMO medical groups about the contract termination?

On February 23rd, Anthem Blue Cross mailed letters to admitting HMO medical groups and PPO physicians who maintain privileges/affiliations at PHCS that explained the pending contract termination. These letters encouraged physicians to obtain alternate admitting privileges and/or arrange for the redirection of members to alternate participating hospitals. Additional letters to admitting HMO medical groups and PPO physicians will be mailed immediately following the hospitals’ termination to inform them that the contract did in fact terminate while again asking that they gain alternate admitting privileges if they have not already done so.

HMO medical groups and PPO physicians have agreed in their contracts to admit members to Anthem Blue Cross participating hospitals to ensure that each member receives the maximum benefit level under his or her benefit agreement.

As the Prudent Buyer Participating Physician Agreement (the “Provider Agreement”) requires PPO physicians to maintain privileges at a participating hospital, physicians with exclusive admitting privileges to PHCS will need to obtain admitting privileges at an alternate participating hospital prior to March 25, 2017 in order to continue the Provider Agreement. This will ensure that any necessary transition is as smooth and seamless as possible for them, their patients (our members) and the alternate participating hospital, when our contract with PHCS terminate. If PPO physicians have questions or need additional information on how Anthem can help with this transition process, please contact the Anthem Blue Cross Network Relations Department at CAContractSupport@anthem.com.

Post-Termination Care – PHCS

7. What if a member is in-patient at PHCS on the day the contract terminates?

If a member is in-patient at 11:59 PM the day before the contract terminates, then the member will continue to receive uninterrupted care at PHCS until he or she is discharged. In addition, the member’s in-network benefit levels will apply for the entire in-patient stay.
8. What about members who need to complete a course of treatment (continuity of care) at PHCS after the contract termination date?

California law provides for completion of covered services/continuity of care for certain medical conditions following a provider’s termination if, among other things, the provider and the plan agree on a rate of payment. The current contract between Anthem Blue Cross and PHCS has provisions that cover members for continuity of care/completion of covered services after the contract terminates. If a member began a course of treatment at PHCS before the contract termination date for one of the following conditions, the member or his or her physician can request continuity of care by calling the Anthem Blue Cross Customer Service Department:

- Members in an active course of treatment for an acute medical or behavioral health condition
- Members in an active course of treatment for a serious chronic condition
- Members who are pregnant, regardless of trimester
- Members with a terminal illness
- Members who are newborn children between the ages of birth and 36 months
- Members with a surgery or other procedure that was authorized by Anthem Blue Cross or a delegated provider (HMO medical group) prior to the termination date and scheduled to occur within 180 days after the termination date.

Eligibility for continuity of care depends on factors outlined in the member’s EOC. Continuity of care/completion of covered-services will be considered by the Anthem Blue Cross Transition Assistance Department on a case by case basis. When a case is approved, the claim is processed at in-network benefit levels.

Please note: HMO members and physicians wishing to request continuity of care/completion of covered services would not contact Anthem Blue Cross because all medical management is delegated to the provider group. HMO members and physicians should contact their participating medical group.

9. What if the member does not qualify for completion of covered services / continuity of care? Can the member receive care from PHCS anyway?

**PPO and Traditional (Indemnity) Members:**
Members enrolled in a DMHC-regulated benefit plan who elect to receive care at a non-contracting facility may be responsible for higher out of pocket expenses depending on benefit plan design for non-authorized services as stated in the member’s EOC. Note: There may be different arrangements for CDI-regulated benefit plans, ASO groups, or other self-insured clients.

**EPO Members:**
Members enrolled in a DMHC-regulated benefit plan must stay within the EPO hospital network aside from true emergency situations.

**HMO Members:**
All services must be approved by the member’s participating medical group/IPA. If approved, the claim will be covered at the member’s in-network coverage schedule of benefits. If not approved by the member’s participating medical group/IPA, and services are received at PHCS, the claim may be denied as stated in the member’s EOC.

PPO physicians and HMO participating medical groups and IPAs that admit patients to PHCS will be informed about the contract termination so that Anthem Blue Cross members will be admitted to participating network facilities following the contract’s termination date.
10. If a member does not have access to an alternate participating provider or a particular service is not available elsewhere, can he or she receive that service from PHCS?

Anthem Blue Cross assures its members that they will have timely access to care. If a service is not available at an alternate participating provider, PPO members may request an out-of-network referral by contacting Customer Service. Requests will be reviewed on a case by case basis pursuant to the Anthem Blue Cross out-of-network referral policy. When an out-of-network referral is approved by Anthem Blue Cross, the member’s in-network benefit levels will apply. However, because PHCS will no longer participate in the Anthem Blue Cross provider network, members may be responsible for higher out of pocket expenses, depending on their benefit plan. Every effort will be made to assist members in understanding the potential financial consequences of the decision to seek services from a non-participating provider.

11. What about members who need emergency medical care at PHCS following the termination date?

A hospital’s emergency medical services do not require pre-authorization, regardless of where they are delivered. PHCS must continue to provide services for members requiring emergency care. Coverage will be provided according to the member’s policy benefits.

Anthem Blue Cross encourages members to make informed decisions about when to use urgent care as opposed to emergency room care. Urgent care is appropriate when a member needs a physician’s attention for a condition that is non-life threatening. Any member needing urgent care, but whose physician or network provider is unavailable, should go to the nearest immediate or urgent care facility.

**Cost of Care in California** Our customers frequently tell us that they cannot support continued increases in their health benefit costs. It is important for everyone to understand why costs for health care are going up so steadily. You can learn about the causes behind rising costs and the work Anthem is doing to protect our members from even higher costs at www.anthem.com/ca/costofcare.
Dear Anthem Blue Cross Member:

This letter is to inform you that Centinela Hospital Medical Center is no longer a participating provider in the Anthem Blue Cross network, effective March 25th, 2018.

Anthem Blue Cross physicians who admit to Centinela Hospital Medical Center have been notified of this development and will arrange for admission of Anthem Blue Cross and Anthem Blue Cross Life and Health Insurance Company members to alternate facilities. To check the participating status of Anthem Blue Cross facilities, please consult the Anthem Blue Cross website at anthem.com/ca. A partial list of alternate, contracted facilities includes:

- CALIFORNIA HOSPITAL MEDICAL CENTER
- CHILDREN'S HOSPITAL LOS ANGELES
- EAST LOS ANGELES DOCTORS HOSPITAL
- HOLLYWOOD PRESBYTERIAN MEDICAL CENTER
- LAC HARBOR UCLA MED CTR
- MARINA DEL REY HOSPITAL
- MEMORIAL HOSPITAL OF GARDENA
- PROVIDENCE SAINT JOSEPH MEDICAL CENTER
- RONALD REAGAN UCLA MEDICAL CENTER
- CEDARS SINAI MEDICAL CENTER
- COMMUNITY HOSPITAL OF HUNTINGTON
- GOOD SAMARITAN HOSPITAL
- MIRACLE MILE MEDICAL CENTER
- OLYMPIA MEDICAL CENTER
- PIH HEALTH HOSPITAL DOWNEY
- PROMISE HOSPITAL OF EAST LOS ANGELES LP
- PROV LITTLE CO OF MARY MED CTR TORRANCE
- PROVIDENCE SAINT JOHNS HEALTH CENTER

If you are pregnant, currently undergoing a course of treatment, or if you have a current authorization for health care services, you may be eligible for transition assistance to ensure continuity of care. Please call our toll-free telephone number on your identification card. An Anthem Blue Cross Customer Service representative will be happy to assist you.

If you have been receiving care from a health care provider, you may have a right to keep your provider for a designated time period. Please contact the Anthem Blue Cross customer service department, and if you have further questions, you are encouraged to contact the Department of Managed Health Care, which protects HMO/PPO consumers, by telephone at its toll-free number, 1-888-HMO-2219, or at a TDD number for the deaf or hard of hearing at 1-877-688-9891, or online at www.hmohelp.ca.gov.

If you are enrolled in a point-of-service (POS) plan or preferred provider organization (PPO) and continue to access Community Hospital of Long Beach after the expiration date, you may have significantly higher out-of-pocket costs. Your Evidence of Coverage outlines your coverage for seeking care from a provider who is not part of our network. Also, Customer Service can provide this information.

Emergency medical services do not require pre-authorization regardless of where services are delivered. Members may go to any hospital for emergency services, including Community Hospital of Long Beach. This coverage will be provided according to your policy benefits.

Your enrollment in your Anthem Blue Cross or Anthem Blue Cross Life and Health Insurance Company plan remains the same and is not otherwise affected in any way. If you receive a bill from Community Hospital of Long Beach that exceeds the amount indicated as the member responsibility on the Explanation of Benefits you receive from Anthem Blue Cross/Anthem Blue Cross Life and Health Insurance Company for services rendered after August 14, 2017, please contact Anthem Blue Cross at the toll free number on your ID card, so that it may be handled appropriately.
Your health care needs are very important to us, and we are committed to providing you with exceptional service. Please be assured that your health care coverage will not be interrupted and that this hospital’s termination will not result in a change to your covered benefits.

Sincerely,

Anthem Blue Cross
Overview

Anthem Blue Cross and Universal Health Services ("UHS") have been engaged in negotiations for several months to reach reasonable reimbursement rates and make specific contractual changes that are beneficial to both organizations. Unfortunately, to date, Anthem Blue Cross and UHS have been unable to reach agreement and it appears that our commercial hospital contract with UHS may terminate effective 12:01 AM, March 30, 2018. Anthem Blue Cross continues to negotiate in good faith with UHS in an effort to reach an agreement before the termination date. UHS includes the following hospitals located in Riverside and Los Angeles Counties:

- Corona Regional Medical Center
- Palmdale Regional Medical Center
- Southwest Healthcare System - Murrieta (aka Rancho Springs Medical Center)
- Southwest Healthcare System - Wildomar (aka Inland Valley Medical Center)
- Temecula Valley Hospital

How Members are Affected

1. What Anthem Blue Cross products will be affected if UHS's contract terminates?

   These hospital contract terminations could affect the out-of-pocket obligations for most Anthem Blue Cross members who are enrolled in Commercial PPO, EPO, HMO, and POS benefit plans and receive care at an UHS facility. Members with a Medicare supplemental policy for Part A and Part B (Medigap), are not affected by this contract termination.

2. Will members be notified about the contract termination?

   Within five days of the hospitals' termination from the network, Anthem Blue Cross notifies subscribers that personally accessed or had a covered family member access a UHS hospital within the last 12 months. In addition, members authorized or scheduled for a service or procedure at UHS are notified. The letters will instruct members to call the Customer Service number on their ID card if they are in a current course of treatment at UHS or have questions or concerns about the contract termination. The DMHC letters will state the following legally-required message regarding completion-of-covered-services/continuity-of-care:

   If you have been receiving care from a health care provider, you may have a right to keep your provider for a designated time period. Please contact the Anthem Blue Cross customer service department, and if you have further questions, you are encouraged to contact the Department of Managed Health Care, which protects HMO/PPO consumers, by telephone at its toll-free number, 1-888-HMO-2219, or at a TDD number for the deaf or hard of hearing impaired at 1-877-688-9891, or online at www.hmohelp.ca.gov.

   Note: Anthem Blue Cross does not mail notices to members enrolled in ASO, JAA, MCS, or other self-funded plans (however, this does not preclude member eligibility for continuation of covered services). A template notice is available that can be forwarded to clients for their use in notifying their associates about the contract termination.

3. How will Anthem Blue Cross HMO members be affected by the UHS contract termination?

   All non-emergency hospital services must be approved by the member’s participating medical group/IPA. If approved, Anthem Blue Cross will cover the claim at the member’s in-network benefit levels. If not approved by the member’s participating medical group/IPA, the claim will be denied, as stated in the members Evidence of Coverage (EOC).
4. How do members know if their doctor will be affected by this hospital termination?

Many doctors have admitting privileges at more than one hospital. Just because a member’s doctor may have admitting privileges at UHS does not necessarily mean that a doctor cannot treat his or her patients at another participating hospital.

Physicians, Medical Groups, and Alternate Hospitals

5. What other participating Anthem Blue Cross network hospitals are available in the UHS service area?

Anthem Blue Cross has a statewide hospital network of over 300 acute care facilities. The Find a Doctor function at www.anthem.com/ca can be used to locate a participating hospital in a specific area. The following is a partial list of alternate participating general acute care hospitals in the UHS service area: (Note, the alternate facilities may not be participating in all Anthem networks. Anthem members will be advised to verify with both their provider and the Anthem Blue Cross website at www.anthem.com/ca that the alternate facility is participating in their benefit plan’s network):

- Antelope Valley Hospital, 1600 W. Avenue J., Lancaster, CA 93534
- Chapman Global Medical Center, 2601 E. Chapman Ave., Orange, CA 92869
- Healthbridge Children’s Hospital Orange, 393 S. Tustin St., Orange, CA 92866
- Hemet Valley Medical Center, 1117 E. Devonshire Ave., Hemet, CA 92543
- Loma Linda University Medical Center-Murrieta, 28062 Baxter Road, Murrieta, CA 92563
- Menifee Valley Medical Center, 28400 McCall Blvd., Sun City, CA 92585
- Palomar Medical Center, 2185 Citracado Parkway, Escondido, CA 92029
- Palomar Health Downtown Campus, 555 E. Valley Parkway, Escondido, CA 92025
- Parkview Community Hospital Medical Center, 3865 Jackson St., Riverside, CA 92503
- Placentia Linda Hospital, 1301 N. Rose St., Placentia, CA 92870
- Riverside Community Hospital, 4445 Magnolia Avenue, Riverside, CA 92501
- San Antonio Regional Hospital, 999 San Bernardino Road, Upland, CA 91786

For a list of contracting hospitals, as well as ambulatory surgical centers and other ancillary facilities located in a specific area, please see the Anthem Blue Cross website at www.anthem.com/ca. Customer Service representatives can check the provider database for a physician’s admitting privileges at another nearby in-network facility. Members should confirm the information they receive with their treating physician. Every effort will be made to assist members in determining their choices and understanding the potential financial consequences of seeking care with a provider that is not in the Anthem Blue Cross provider network.

6. Will Anthem Blue Cross notify PPO physicians and admitting HMO medical groups about the contract termination?

On February 28th, Anthem Blue Cross mailed letters to admitting HMO medical groups and PPO physicians who maintain privileges/affiliations at UHS that explained the pending contract termination. These letters encouraged physicians to obtain alternate admitting privileges and/or arrange for the redirection of members to alternate participating hospitals. Additional letters to admitting HMO medical groups and PPO physicians will be mailed immediately following the hospitals’ termination to inform them that the contract did in fact terminate while again asking that they gain alternate admitting privileges if they have not already done so.

HMO medical groups and PPO physicians have agreed in their contracts to admit members to Anthem Blue Cross participating hospitals to ensure that each member receives the maximum benefit level under his or her benefit agreement.
As the Prudent Buyer Participating Physician Agreement (the “Provider Agreement”) requires PPO physicians to maintain privileges at a participating hospital, physicians with exclusive admitting privileges to PCHS will need to obtain admitting privileges at an alternate participating hospital prior to March 30, 2017 in order to continue the Provider Agreement. This will ensure that any necessary transition is as smooth and seamless as possible for them, their patients (our members) and the alternate participating hospital, when our contract with UHS terminates. If PPO physicians have questions or need additional information on how Anthem can help with this transition process, please contact the Anthem Blue Cross Network Relations Department at CAContractSupport@anthem.com.

Post-Termination Care – UHS

7. What if a member is in-patient at a UHS hospital on the day the contract terminated?

If a member is in-patient at 11:59 PM the day before the contract terminated, then the member will continue to receive uninterrupted care at the UHS facility until he or she is discharged. In addition, the member’s in-network benefit levels will apply for the entire in-patient stay.

8. What about members who need to complete a course of treatment (continuity of care) at an UHS hospital after the contract termination date?

California law provides for completion of covered services/continuity of care for certain medical conditions following a provider’s termination if, among other things, the provider and the Plan agree on a rate of payment. The current contract between Anthem Blue Cross and UHS has provisions that cover members for continuity of care/completion of covered services after the contract terminates. If a member began a course of treatment at UHS before the contract termination date for one of the following conditions, the member or his or her physician can request continuity of care by calling the Anthem Blue Cross Customer Service Department:

- Members in an active course of treatment for an acute medical or behavioral health condition
- Members in an active course of treatment for a serious chronic condition
- Members who are pregnant, regardless of trimester
- Members with a terminal illness
- Members who are newborn children between the ages of birth and 36 months
- Members with a surgery or other procedure that was authorized by Anthem Blue Cross or a delegated provider (HMO medical group) prior to the termination date and scheduled to occur within 180 days after the termination date.

Eligibility for continuity of care depends on factors outlined in the member’s Evidence of Coverage. Continuity of care/completion of covered services will be considered by the Anthem Blue Cross Transition Assistance Department on a case by case basis. When a case is approved, the claim is processed at in-network benefit levels.

Please note: HMO members and physicians wishing to request continuity of care/completion of covered services would not contact Anthem Blue Cross because all medical management is delegated to the provider group. HMO members and physicians should contact their participating medical group.

9. What if the member does not qualify for completion of covered services / continuity of care? Can the member receive care from UHS anyway?

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Members enrolled in a DMHC-regulated benefit plan who elect to receive care at a non-contracting facility may be responsible for higher out of pocket expenses depending on benefit plan design for non-authorized services as stated
in the member’s EOC. Note: There may be different arrangements for CDI-regulated benefit plans, ASO groups, or other self-insured clients.

**EPO Members:**
Members enrolled in a DMHC-regulated benefit plan must stay within the EPO hospital network aside from true emergency situations.

**HMO Members:**
All services must be approved by the member’s participating medical group/IPA. If approved, the claim will be covered at the member’s in-network coverage schedule of benefits. If not approved by the member’s participating medical group/IPA, and services are received at UHS, the claim may be denied as stated in the member’s EOC.

PPO physicians and HMO participating medical groups and IPAs that admit patients to UHS will be informed about the contract termination so that Anthem Blue Cross members will be admitted to participating network facilities following the contract’s termination date.

10. **If a member does not have access to an alternate participating provider or a particular service is not available elsewhere, can he or she receive that service from UHS?**

    Anthem Blue Cross assures its members that they will have timely access to care. If a service is not available at an alternate participating provider, PPO members may request an out-of-network referral by contacting Customer Service. Requests will be reviewed on a case by case basis pursuant to the Anthem Blue Cross out-of-network referral policy. When an out-of-network referral is approved by Anthem Blue Cross, the member’s in-network benefit levels will apply. However, because UHS will no longer be in the Anthem Blue Cross provider network, members may be responsible for higher out of pocket expenses, depending on their benefit plan. Every effort will be made to assist members in understanding the potential financial consequences of the decision to seek services from a non-participating provider.

11. **What about members who need emergency medical care at UHS following the contract termination date?**

    A hospital’s emergency medical services do not require pre-authorization, regardless of where they are delivered. UHS must continue to provide services for members requiring emergency care. Coverage will be provided according to the member’s policy benefits.

    Anthem Blue Cross encourages members to make informed decisions about when to use urgent care as opposed to emergency room care. Urgent care is appropriate when a member needs a physician’s attention for a condition that is non-life threatening. Any member needing urgent care, but whose physician or network provider is unavailable, should go to the nearest immediate or urgent care facility.

**Contract Negotiations**

12. **What is the status of the negotiations between Anthem Blue Cross and UHS?**

    Good faith negotiations with UHS continue. Anthem Blue Cross does not share details of its confidential contract negotiations with the public. Our primary goal during contract negotiations is to ensure we are fairly compensating providers, while assuring the best access to health care at an affordable price for our members. We take protecting our members from exceedingly high medical costs very seriously and cannot agree to a contract that puts further pressure on the rising cost of health care paid by our customers.
13. Don’t hospital negotiations usually work themselves out as a contract termination date draws closer?

Negotiations often do work themselves out as the contact termination date gets closer, but that is not always the case. Anthem Blue Cross is doing everything it can to work collaboratively with UHS, as well as the PPO physicians and medical groups that maintain admitting privileges at the UHS hospitals, which ensures a smooth transition for our members if an Agreement cannot be reached.