

An Anthem Company

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IMPORTANT HOSPITAL TERMINATION NOTICE

April 15, 2016

Dear Empire Plan Member:

Empire BlueCross BlueShield is committed to providing Empire Plan members with quality service at affordable rates. One way we do this is by negotiating competitive reimbursement rates with participating hospitals.

Health Alliance of the Hudson Valley ("Health Alliance") may no longer participate in our network.

To date, negotiations with Health Alliance have been unsuccessful. However, based on the application of New York law and an agreement reached between the parties, we want you to know that the terms of the contract continue until May 31, 2016. This means that Health Alliance will be considered out-of-network for dates of service on or after June 1, 2016. We are hopeful we will reach an agreement shortly. If not, effective May 31, 2016 Health Alliance will no longer be a participating provider with Empire BlueCross BlueShield.

How does this affect you?

After May 31, 2016, only the following services provided by Health Alliance will be covered on an in-network basis:

- Cases of emergency
- If no in-network hospital exists that can provide the services required
- If a network hospital is not available within a 30 mile radius from the member's home
- For continuation of care for pregnancy or health risk
- For any services that were previously preauthorized

That means if you choose to use Health Alliance, except for the special circumstances listed above, all other services will be covered on an out-of-network basis. You will be responsible for paying ten percent (10%) of the billed charges for covered services, up to the annual coinsurance maximum amount, which you can find in your Empire Plan At A Glance for 2016. Some of these charges may be covered under other parts of your Empire Plan coverage.

Additionally, Health Alliance will no longer be paid directly by Empire BlueCross BlueShield. As a result of the termination, the following may also occur:

- Patients may be refused treatment for non-emergency services or elective treatment at Health Alliance.
- Although a hospital cannot refuse emergency treatment to a patient, once the patient is stabilized the hospital might choose to transfer the patient to another hospital.
- Patients may be required to make payment up front, before services are rendered by Health Alliance.
- Patients may be required to sign a guarantee of payment before receiving services which may include an outline of a payment schedule as well as interest that can be charged on any outstanding balance.
- Health Alliance will no longer be required to bill Empire BlueCross BlueShield directly, so enrollees may be responsible for filing claims with Empire BlueCross BlueShield to obtain reimbursement.

Therefore, it would be in the best interest for Empire Plan enrollees to seek health care at hospitals that participate with Empire BlueCross BlueShield. By using one of the participating hospitals listed below, not only will you avoid potential difficulties, you will avoid unnecessary medical expenses. Your cooperation in using Empire BlueCross BlueShield contracted facilities helps control the cost of your health care.

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Facility Name	City
Albany Medical Center	Albany, NY
Columbia Memorial Hospital	Hudson, NY
Northern Dutchess Hospital	Rhinebeck, NY
O'Connor Hospital	Delhi, NY
Vassar Brothers Medical Center	Poughkeepsie, NY

How will claims for services received at Health Alliance be paid if they are no longer participating? Empire BlueCross BlueShield will issue payment for covered services **directly to the enrollee** within 45 days of receipt of all information necessary to process a claim, in accordance with New York State Prompt Payment Legislation. The enrollee will be responsible for paying the hospital. If the hospital will no longer file claims to Empire BlueCross BlueShield directly, the enrollee must submit the claim and a copy of the bill to Empire BlueCross BlueShield, New York State Service Center, P.O. Box 1407, Church Street Station, New York, New York, 10008-1407.

What should you do?

If you are currently receiving services from Health Alliance or are scheduled for treatment at Health Alliance, please call Empire BlueCross BlueShield toll-free at (800) 495-9323, Monday through Friday, between the hours of 7:00 a.m. and 8:00 p.m. The customer service representatives will be happy to answer any questions you may have as well as assist you in selecting an alternative hospital that is participating.

These changes have no impact on the medical portion of the Empire Plan administered by United HealthCare. Remember that paid-in-full services for anesthesia, radiology or pathology are only available at a network hospital. Enrollees may continue to use the same Empire Plan participating physicians or seek the services of nonparticipating providers using Basic Medical benefits. If you are seeing a provider that has admitting privileges at one of Empire BlueCross BlueShield's participating hospitals and you need hospitalization, ask your provider to admit you into a participating hospital instead of using Health Alliance.

We appreciate your understanding during this transition.

Sincerely,

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Dominic DePiano Vice President, Provider Engagement & Contracting - NY