



January 30, 2019

Addressee's Name
Addressee's Title
Business Name
Street Address
City, State Zip

Important information regarding Trinity Health's Mercy Health System, St. Mary Medical Center, and Saint Francis Healthcare

Dear Valued Customer:

At Independence Blue Cross (Independence), our mission is to enhance the health and well-being of the people and the communities we serve. That means that every day we face the important challenge of balancing our commitment to competitively compensate physicians and hospitals with our responsibility to keep health care affordable for our members.

For the past several months, we have been negotiating the terms of our agreements with Trinity Health (Trinity), which includes the following entities, as well as their professional providers, subsidiaries, affiliates, and divisions:

- Mercy Health System of Southeastern Pennsylvania, including Mercy Fitzgerald, Mercy Philadelphia, and Nazareth hospitals
- St. Mary Medical Center, including St. Mary Rehabilitation Hospital
- Saint Francis Healthcare, including Saint Francis Hospital, Wilmington, Delaware

Trinity is a well-respected health system in the region and we want to continue the long-standing relationship we have with them. However, we are operating in a market that faces higher than average health care costs, without demonstrating better outcomes, and therefore must reach an agreement that focuses on improving quality and lowering costs for our members.

We continue to engage in good-faith negotiations, but we want to explain how you and your members could be affected in the event that a new agreement is not reached. If we are unable to reach agreement, Trinity will no longer be a part of the Independence network as of April 1, 2019.

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How members would be affected by a network change

Our members' health is our top priority. If our agreement with Trinity ends and a transition of care does become necessary, we will help our members find alternative in-network care options. There will also be continuity of care options available for members, based on their benefits plan. This generally includes members who are in active treatment with an Trinity physician when the agreement ends. Members will receive information on how they can request continuity of care with their doctor.

Here's how members would be affected, according to the plan they have:

- PPO, POS, and DPOS members can continue to receive care at Trinity facilities and from Trinity physicians on or after April 1, 2019, using their out-of-network benefit. However, their out-of-pocket costs may be higher than their in-network benefits. These services will be subject to the applicable deductible, coinsurance, benefit limitations, and precertification requirements of the out-of-network portion of their plan, even if they scheduled the procedure before April 1, 2019. Out-of-network providers can also bill members for charges that are above the amounts paid by Independence. These costs are the member's responsibility and could be significant.
- HMO and EPO members will not be able to use their benefits at Trinity facilities or to see Trinity physicians on or after April 1, 2019, and will need to use health care providers in the Independence network.
- Outpatient and inpatient behavioral health services are not affected by the expiration of this agreement. These behavioral health services are arranged and provided by our subcontractor, Magellan Healthcare, Inc., an independent company that maintains its own agreements with behavioral health providers. As a result, if the agreement with Trinity ends, it would not impact coverage of outpatient or inpatient behavioral health services from a Trinity provider or facility, which remains contracted with Magellan.
- Emergency services are not affected. These services are covered at in-network cost-sharing amounts under all plans.

How we are notifying members about the potential network change

We will send a letter and FAQs to members who have received care from Trinity in the last 12 months or have received a prior authorization for elective surgery scheduled on or after April 1, 2019. You are receiving this letter because one or more of your employees will be notified.

For updates on the status of the Trinity agreement, including if we reach a new agreement, visit ibx.com/membersfirst.

Thank you as always for your valued business. If you have any questions, please contact your broker, consultant, or Independence account executive.

Sincerely,

Your Account Management Team