

Overview

El Camino Hospital, with hospital campuses in Mountain View and Los Gatos, issued a notice to terminate its Contracting Hospital Agreement with Anthem Blue Cross. It is Anthem Blue Cross's intent to reach reasonable contractual language and reimbursement rates that are beneficial to both organizations. Unfortunately, to date, Anthem Blue Cross and El Camino Hospital have been unable to reach agreement and it appears that our hospital contract with El Camino Hospital **may terminate effective July 31, 2019**. El Camino Hospital provides services to members in the South San Francisco Bay area.

How Members are Affected

1. What Anthem Blue Cross products will be affected by El Camino Hospital's 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 El Camino Hospital. 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 after the hospital's termination from the network, Anthem Blue Cross will notify subscribers that personally accessed or had a covered family member access El Camino Hospital within the last 12 months. In addition, members authorized or scheduled for a service or procedure at El Camino Hospital will be 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 El Camino Hospital 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 at 1-877-688-9891, or online at www.hmohelp.ca.gov.

Note: Anthem Blue Cross does not mail notices to members enrolled 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 El Camino Hospital's 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 El Camino Hospital 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 hospitals are located near El Camino Hospital?

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 El Camino Hospital service area:

- Dominican Santa Cruz Hospital, 1555 Soquel Drive, Santa Cruz, CA 95065
- Good Samaritan Hospital, 2425 Samaritan Drive, San Jose, CA 95124
- Lucile Salter Packard Children's Hospital, 725 Welch Road, Palo Alto, CA 94304
- Menlo Park Surgical Hospital, 570 Willow Road, Menlo Park, CA 94025
- O'Connor Hospital, 2105 Forest Avenue, San Jose, CA 95128
- Regional Medical Center of San Jose, 225 N. Jackson Avenue, San Jose, CA 95116
- Santa Clara Valley Medical Center, 751 S. Bascom Avenue, San Jose, CA 95128
- Sequoia Hospital, 170 Alameda De Las Pulgas, Redwood City, CA 94062
- St. Rose Hospital, 27200 Calaroga Avenue, Hayward, CA 94545
- Stanford Health Care, 300 Pasteur Drive, Palo Alto, CA 94305
- Sutter Maternity and Surgery Center-Santa Cruz, 2900 Chanticleer Avenue, Santa Cruz, CA 95065
- Washington Hospital Fremont, 2000 Mowry Avenue, Fremont, CA 94538

Note, the alternate hospitals 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. For a complete list of contracted hospitals, as well as ambulatory surgical centers and other ancillary facilities, 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 July 1, 2019, Anthem Blue Cross mailed letters to admitting HMO medical groups and physicians who maintain privileges/affiliations at El Camino Hospital explaining the pending contract termination. These letters encourage physicians to obtain alternate admitting privileges and/or arrange for the redirection of members to alternate participating hospitals. If applicable, *additional letters to admitting HMO medical groups and PPO physicians will be mailed immediately following the hospital's 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 El Camino Hospital will need to obtain admitting privileges at an alternate participating hospital prior to July 31, 2019 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, should our contract with El Camino Hospital 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 – El Camino Hospital

7. What if a member is in-patient at El Camino Hospital 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 El Camino Hospital 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 El Camino 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 El Camino Hospital 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 El Camino Hospital 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 El Camino Hospital 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 El Camino Hospital, 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 El Camino Hospital 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 El Camino Hospital?

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 El Camino Hospital 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 El Camino Hospital following the contract's termination date?

A hospital's emergency medical services do not require pre-authorization, regardless of where they are delivered. El Camino Hospital 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 El Camino Hospital?

Good faith negotiations with El Camino Hospital 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 contract termination date gets closer, but that is not always the case. Anthem Blue Cross is doing everything it can to work collaboratively with El Camino Hospital, as well as the PPO physicians and medical groups that maintain admitting privileges at El Camino Hospital, to ensure a smooth transition for our members if an Agreement cannot be reached.