

Brief Notes

News for
Brokers and Consultants

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Applies to: All Markets

Children's Hospital of Philadelphia and the University of Pennsylvania Health System no longer part of Horizon Hospital Network

Horizon Blue Cross Blue Shield of New Jersey has issued notices of termination of its contracts with the Children's Hospital of Philadelphia (CHOP) and the University of Pennsylvania Health System (UPHS), which includes Pennsylvania Hospital, Penn Presbyterian Medical Center and the Hospital of the University of Pennsylvania.

Under the terms of Horizon BCBSNJ's hospital contract, Horizon BCBSNJ members may continue to use CHOP as a participating hospital through March 10, 2009 (prior authorization must be obtained when required). Beginning March 11, 2009, CHOP will no longer be a Horizon BCBSNJ network hospital.

Horizon BCBSNJ members may continue to use UPHS facilities as participating hospitals through April 10, 2009 (prior authorization must be obtained when required). Beginning April 11, 2009, UPHS facilities will no longer be Horizon BCBSNJ network hospitals.

As always, we are focused on ensuring that our members have access to needed care. We are working with our large network of hospitals and physicians to minimize the disruption caused by this termination. We are also in the process of sending letters to affected subscribers, physicians and groups explaining the ramifications of this termination.

Please refer to the questions and answers below about this change to our network.

- Q. How does this change affect members' benefits?**
A. Members have the same basic health plan benefits. Horizon BCBSNJ members generally incur lower out-of-pocket costs and realize maximum coverage benefits by using our Horizon Hospital Network.
- Q. Will the termination apply to CHOP's specialty care facilities in New Jersey?**
A. Yes. CHOP's specialty care facilities in New Jersey will be included in this termination. They will be out of network on March 11, 2009.
- Q. What do members do if they are currently receiving treatment at CHOP or a UPHS facility?**
A. If members are currently receiving treatment at CHOP or a UPHS facility for a condition requiring continuous treatment or for pregnancy, which they believe will extend beyond the hospital's four-month contract extension period, they can continue treatment as long as they contact Horizon BCBSNJ Member Services at the telephone number listed on their ID cards, and we agree to authorize the ongoing care at this hospital.

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Horizon Blue Cross Blue Shield of New Jersey

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Q. What should members do in a medical emergency?

A. In case of a medical emergency, members should go to the nearest emergency facility, without worrying about network affiliations.

Q. When do these changes take effect?

A. Horizon BCBSNJ is terminating its contract with CHOP effective 12:01 a.m. Eastern Time (ET), November 11, 2008. Under the terms of Horizon BCBSNJ's contract with CHOP, the contract is extended for four months for Horizon BCBSNJ members from November 11, 2008 through March 10, 2009.

Therefore, members can receive treatment at CHOP at an in-network level of benefits through March 10, 2009, as long as they obtain prior authorization when required.

Horizon BCBSNJ is terminating its contract with the UPHS effective 12:01 a.m. ET, December 11, 2008. Under the terms of Horizon BCBSNJ's contract with the UPHS, the contract is extended for four months for Horizon BCBSNJ members from December 11, 2008 through April 10, 2009.

Therefore, members can receive treatment at UPHS facilities at an in-network level of benefits through April 10, 2009, as long as they obtain prior authorization when required.

We encourage all members to use network hospitals to maximize their benefits and minimize their out-of-pocket costs.

Q. How can members find out about other hospitals in the network?

A. Members have a choice of network hospitals throughout New Jersey. They can search for hospitals participating in the Horizon Hospital Network by visiting our Web site, www.HorizonBlue.com, and using the *Provider Directory* search tool. They may also refer to the attached list of hospitals in the Horizon Hospital Network.

We apologize for any inconvenience this may cause. Please contact your Horizon BCBSNJ Account Manager or Sales Representative if you have questions.