



Railroad Accounts
P.O. Box 150453
Hartford CT 06115-0453

February 20, 2009

Dear Valued Railroad Member:

You may have received a letter from us in September 2008 in which we indicated that we would notify you if the termination of St. Luke’s Health System from **UnitedHealthcare’s** network became eminent. Unfortunately, St. Luke’s Health System will terminate from our network effective March 1, 2009. For those members who did not receive that letter, we would like to take this opportunity to briefly describe the events that led to this situation.

First and foremost, **UnitedHealthcare** does not negotiate provider contracts in the public arena out of respect for our network business partners and our valued Railroad members. However, due to the public nature that existed with this particular provider, it is important to **UnitedHealthcare** that you understand our philosophy and business practices relevant to our goal of providing you with affordable access to a comprehensive and stable network of quality health care providers.

- We were engaged with St. Luke’s Health System for more than a year to renew their contract, and made several in-depth contract rate proposals for a new agreement.
- In July 2008, St. Luke’s issued a “non-negotiable best and final” offer of reimbursement rates that we deemed excessive.
- **UnitedHealthcare** believed it was not in the best interest of our members nor our customers to accept their offer.
- While **UnitedHealthcare** continued to offer to meet with St. Luke’s executive management to resolve this matter responsibly and equitably on behalf of our valued customers, they chose to disengage themselves from discussing any mutually acceptable agreement with us several months ago.

We want to assure you that other hospitals already in **UnitedHealthcare’s** extensive network in the Kansas City area are able to provide high quality, affordable care based on reasonable reimbursement rates. These same hospitals strive to improve quality and efficiency by participating in programs designed to do just that, such as the UnitedHealthcare Premium® Designation Program in which St. Luke’s was never willing to participate.

The hospitals associated with St. Luke’s Health System which will terminate effective March 1, 2009 are as follows:

Wright Memorial Hospital	Cushing Memorial Hospital	St. Luke’s South Hospital
Anderson County Hospital	St. Luke’s Hosp. of Kansas City	Cancer Institute
Hedrick Medical Center	St. Luke’s Northland Hospital	St. Luke’s Hosp.-East Campus

Additionally, there are only 131 physicians, or less than 2.6% of the total **UnitedHealthcare** network in the Kansas City area who have sole admitting privileges to St. Luke’s facilities. We expect that some of these physicians may seek to gain alternative privileges to other **UnitedHealthcare** in-network facilities, while others will terminate.

More importantly, we want to take this opportunity to assure you that you and your family will continue to have access to **UnitedHealthcare's** broad provider network because:

- **UnitedHealthcare** Railroad members will continue to have access to 41 other hospitals and 39 additional surgery centers in the Kansas City area alone that provide quality, efficient care.
- Further, statewide and in western Missouri, there are currently 141 hospitals in **UnitedHealthcare's** network.
- For the last several months, **UnitedHealthcare** has worked diligently to preserve all existing physician relationships in our network in the Kansas City area.
- **UnitedHealthcare** retained all of the independently contracted physicians in the Kansas City area, and Railroad members will have access to almost 4,800 in-network providers in the Kansas City and surrounding area.
- Nearly 98% of the physicians in our Kansas City based network are already working with other **UnitedHealthcare** in-network facilities, and we are continually working to add more.
- **UnitedHealthcare's** in-network medical providers offer coverage of all services and specialties within the Kansas City metropolitan area.

Further, physicians who participate in **UnitedHealthcare's** network already understand that as an in-network provider:

- They must use alternate admitting privileges to other **UnitedHealthcare** in-network facilities when there is a termination.
- They need to apply for alternative admitting privileges to other **UnitedHealthcare** in-network facilities in the event of a termination.
- If they do not gain admitting privileges to other **UnitedHealthcare** in-network facilities, they may refer their patient to another **UnitedHealthcare** in-network physician who does have admitting privileges to other **UnitedHealthcare** in-network facilities.

This means that the vast majority of Railroad members can continue to see their current physicians and those physicians can continue to choose high quality hospitals when the termination of St. Luke's occurs.

Continuity of Care Benefits

If you or a family member is undergoing treatment for an acute condition or is pregnant and currently under care with a provider who will become out-of-network as a result of this termination, you may be able to continue your current course of care with **Continuity of Care** benefits.

- This program allows you to continue your current treatment at in-network benefit levels.
- In-network benefits are limited to a specific time period and subject to the physician's contract.

Contact Customer Care at the number on the back of your ID card to see if your situation is eligible for this benefit.

Impact on Benefits Beginning March 1, 2009

If your physician becomes an out-of-network provider beginning March 1, 2009, utilizing this provider may result in higher costs for you.

- In order to continue receiving the highest level of benefits, you may choose another physician in **UnitedHealthcare's** network for any care that you will receive beginning March 1, 2009.
- Should you need a current directory or assistance in locating a hospital or physician, please call Customer Care and they will be happy to help you.
- If your current physician recommends another physician to you, please call Customer Care to confirm that they are a provider who participates in our network.

You may also choose to locate a **UnitedHealthcare** in-network physician using our on-line Provider Directory on **myuhc.com** following the instructions below:

1. Log on to **www.myuhc.com** with your username and password.
2. Click on **Find a Physician**.
3. Follow the directions to search various criteria.

In addition, we are providing you with a partial listing of other **UnitedHealthcare** in-network facilities in the Kansas City area, as well as a partial listing of facilities who participate in **UnitedHealthcare's** Premium Designation Program.

Partial listing of UnitedHealthcare in-network facilities located within 10 miles of Kansas City:

- Truman Lakewood
- Truman Medical Center Hospital Hill
- North Kansas City Hospital
- Centerpoint Medical Center
- University of Kansas City Medical Center
- Research Medical Center LLC
- Select Specialty Hospital
- Research Medical Ctr-Brookside Campus
- Mid America Rehabilitation Hospital
- Northland Long Term Acute Care Hospital
- Kindred Hospital Kansas City
- Shawnee Mission Medical Center

Partial listing of facilities who participate in UnitedHealthcare's Premium Designation Program located within 10 miles of Kansas City:

Cardiac Premium Designation:

Kansas University Hospital
Shawnee Mission Medical Center
St. Joseph Medical Center
Olathe Medical Center
Providence Medical Center

Orthopedic Premium Designation:

Providence Medical Center
Shawnee Mission Medical Center
Kansas University Hospital
Heartland Spine and Specialty Hospital

Neonatal Premium Designation:

Children's Mercy Hospital
Children's Mercy Hospital South

UnitedHealthcare apologizes for any inconvenience this matter may cause for you and your family. We value our relationship with you and your physician, and we appreciate your understanding and patience as we continue our efforts to provide you with access to the high quality, affordable health care that you deserve.

Please feel free to contact **UnitedHealthcare's** Customer Care at the number on the back of your ID card if there is any further assistance we can provide at this time.