



BUTTE SCHOOLS SELF-FUNDED PROGRAMS

500 Cohasset Road, Suite 24 | Chico, California 95926
Telephone 530-879-7438 | Fax 530-879-7595 | www.bsspjpa.org
Christy R. Patterson, Executive Director | cpatters@bsspjpa.org

October 15, 2018

Mike Wiltermood, President and COE
Board of Trustees
Enloe Medical Center

via email to mike.wiltermood@enloe.org
BoardOfTrustees@enloe.org

Dear Mr. Wiltermood and Trustees,

Thank you for talking with me today, Mr. Wiltermood. The Butte Schools Self-Funded Programs (BSSP) provides health insurance to over 8700 Butte County residents covered under a self-insured Anthem Blue Cross ASO contract. It is my understanding that along with Enloe Medical Center's November 1 termination of the Anthem contract, Enloe proposed a new contract containing rate increases of more than 40% on some charges over the proposed 3-year term. On behalf of BSSP's members, I urge you to resolve the contract with Anthem prior to the November 1 termination date at fair and reasonable rate increases well below the proposed 40%. If negotiations are not resolved prior to November 1, please do what other health systems have done with contract renewals to relieve anxiety, confusion and disruption to your patients / our members ... extend the current contract and delay termination while negotiations with Anthem continue.

The cost of healthcare is already unaffordable. Enloe's requested increases are not sustainable. A substantial portion of your patients are likely covered under self-insured Anthem ASO plans through BSSP (K-12 schools, Butte County Office of Education and Butte-Glenn Community College District), California's Valued Trust (some employees of Paradise Unified School District and Oroville Union High School District as well as employees of Thermalito Union Elementary School District) and CalPERS (state and special district employees and those of the County of Butte, California State University, Chico and other municipalities within Butte and neighboring counties). Your proposed rate increases will significantly impact the premiums of everyone covered under these regionally-rated self-insured plans in order to fund the increased claim costs under the new contract. Additionally, your patients / our members will pay 100% of the rate increases on claims applying to their deductibles.

Many of our members have previously received high quality care at Enloe and would like to continue as Enloe patients. We also appreciate Enloe's outreach efforts on behalf of our membership and the community at large. However, if an agreement with Anthem is not reached prior to the November 1 termination date imposed by Enloe, our members will be forced to seek care from other Anthem network facilities and practices within Chico and neighboring communities; they simply cannot afford to seek care from non-network providers.

HEALTHY EMPLOYEES SUPPORTED BY QUALITY, WELL-MANAGED PROGRAMS

Butte COE
Butte-Glenn CCD
Bangor UESD
Biggs USD

Chico USD
Durham USD
Feather Falls UESD
Golden Feather UESD



Gridley USD
Manzanita ESD
Oroville City ESD
Oroville UHSD

Palermo UESD
Paradise USD
Pioneer UESD
Thermalito UESD

Mike Wiltermood, President and CEO
Board of Trustees
October 15, 2018
Page Two

On behalf of all patients and community members covered under Anthem's commercial contracts, including the over 8700 Butte County residents covered within BSSP, I urge you to resolve contract negotiations with a reasonable and sustainable rate immediately or extend the current contract until a reasonable settlement is reached.

Sincerely,

A handwritten signature in cursive script that reads "Christy R. Patterson". The signature is written in black ink and is positioned above the printed name and title.

Christy R. Patterson
Executive Director