



## **BUTTE SCHOOLS**

### **SELF-FUNDED PROGRAMS**

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#### **Enloe has agreed to extend its contract with Anthem through 1/15/2019**

We have just received notification that Enloe has extended its contract with Anthem through January 15, 2019. We will continue to provide updates via these emails as additional information is received. We are hopeful this short-term extension indicates the parties are nearing a renewal of a multi-year contract but remain concerned about the level of rate increases which may be included in any multi-year agreement.

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#### **We do not have an update on the status of the Sutter Health contract which expires on January 1, 2019.**

Sutter and Anthem have an arrangement in which Anthem members may continue accessing services with Sutter providers as in-network for a period of six months following a contract termination. If the contract terminates on January 1, 2019, this six month period will allow Anthem members to continue care without disruption as Anthem and Sutter continue negotiations. The arrangement includes all covered services. It is not limited to only the services we typically see in most continuity of care scenarios. Anthem and Sutter continue to negotiate in an effort to reach an agreement that includes reasonable contractual language and reimbursement rates.

When additional information is received, it will be shared via this email distribution list.

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#### **Things to Remember**

- **We are not alone:** Provider contracts apply to ALL Anthem members and are not exclusive to BSSP / SISC. Most community members covered under a governmental employer within Northern California are covered through Anthem and equally impacted by these potential terminations (including CVT, CalPERS, Tri County Schools Insurance Group, etc.).
- **Notices of termination are now common as a negotiation tactic:** Multi-year provider contracts expire periodically and large hospital-based providers often give notice of termination as the contract nears its end. Negotiations typically continue and contracts are often renewed without any break or retroactively to the termination date within a few days of the date of termination.
- **BSSP is exploring other carrier options:** We are working with our consultants to explore alternatives to Anthem. A change in carriers may also result in the loss of providers as certain providers may not be on contracted for another carrier.

Additionally, other carriers may also receive notices of termination from network providers as does Anthem. A change in carriers will not insulate members from a potential loss of providers.

- **Contracts are often renewed after a Notice of Termination and prior to the termination date:** There are timelines by which a notice of termination must be submitted. Fortunately, contracts are often renewed within days (before or after) the termination date.
- **Continuity of care will soften a transition:** If a network provider is terminated, the provider may honor continuity of care provisions of the prior contract for up to 180 days. Continuity of care typically provides coverage for those mid-treatment or inpatient on the day of termination. Continuity of care also typically covers surgeries already approved and scheduled as well as maternity care.
- **Negotiations are difficult because increases in provider contract rates will directly increase member's out of pocket costs and premiums:** As a self-funded plan, Anthem's only profit is within its administration fee (approximately \$40 per employee per month). All increases in provider rates are passed directly on to your coverage in as premiums or members' deductibles and coinsurance responsibility. And, BSSP/SISC premiums increase only because the underlying cost of claims increase. Anthem does not set premium rates for your coverage through BSSP.

We understand how difficult this news is to navigate and continue to advocate for contract increases that do not exceed a reasonable range.

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## Continuity of Care: Enloe

For more detailed information regarding continuity of care, [click here](#).

If the contract between Anthem and Enloe does terminate on January 15th, you may be eligible for Continuity of Care.

If you began a course of treatment at an Enloe Medical Center before the contract termination date for one of the following conditions, you can request continuity of care by calling Customer Service/Coastal at 800-564-7475. Continuity of care applies to:

- 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 prior to the termination date and scheduled to occur within 180 days after the termination date.

Eligibility for continuity of care depends on many factors and 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.