

<date>

<First Name> <Last Name>

<Address 1>

<Address 2>

<CITY>, <STATE> <ZIP>

Member ID #: <#>

**Subject: Important information about our contract negotiations with Providence Health**

Dear <First Name>,

Ensuring you have high-quality, affordable health care is a top priority for us. One way we do that is by coming to agreement with health systems on what we pay them for your health care. Unfortunately, the leaders of Providence Health notified us of their intent to leave our network on Jan. 15, 2024, unless we agree to their double-digit price increase.

These negotiations are not about Regence; they are about you, our customers. We serve as your advocate during these discussions. We have had a longstanding partnership with Providence in serving Oregonians, but we must take a stand at this time.

We want to ensure health care providers are fairly compensated and that you continue to have access to high-quality care at an affordable price. If we agreed to Providence's original demands, the total cost of care (the combined amount Regence and the member would pay for care) would have gone up significantly and resulted in increased premiums and out-of-pocket costs for members at a time of increasing inflation. For example:

- The total cost to have a baby by C-section in Portland would have increased by about \$5,500
- The total cost of an outpatient knee replacement would have increased more than \$9,000
- Large employers in the state could have seen an annual increase in health insurance costs of more than \$2 million
- Health care costs paid by Regence and its customers to Providence in Oregon would have increased more than \$144 million in just one year

**We are continuing our negotiations and hope we can come to an agreement with the leaders of Providence Health that is in the best interests of our members and our customers.**

**If Providence Health leaves our network on Jan. 15, 2024:**

- It's important to note that Providence Health is composed of two separate groups—Providence Health medical group and Providence Health Hospitals—and the impact of this potential termination on your care from each is slightly different.

**Medical Group Services – Your regular doctor, specialists and other care providers**

- You may receive care from Providence Health medical group at the in-network rate and benefit level through Jan. 14, 2025, because the medical group has agreed that its obligations to provide care to Regence members will continue for 12 months following a termination.

Regence member letter re: Contract negotiations with Providence Health, Nov. 29, 2023

- If you receive care from Providence Health medical group's professional providers after Jan. 14, 2025, we will pay for covered services at the out-of-network rate. This means if you continue to see Providence Health providers after Jan. 14, 2025, they could make you pay more.

### **Inpatient and Outpatient Hospital Services**

- You may receive care from Providence Health Hospitals at the in-network rate and benefit level through Jan. 14, 2024. If you receive care at Providence Health Hospitals on or after Jan 15, 2024, you may have access to in-network benefits. Please call Customer Service for more information.

### **Members without out-of-network benefits**

- For those members with no out-of-network benefits, please call Customer Service or search our provider directory for in-network providers at [regence.com](https://regence.com).

Our network includes many other providers that share our commitment to high-quality, cost-effective health care, including those listed on the last page of this letter. This is not a complete list. Our full provider directory is available at [regence.com](https://regence.com).

**If you currently receive care from Providence Health**, and it leaves our network, you may have the right to continue in-network treatment for a limited time after Providence leaves the network. Please call us to explore your options. Eligible conditions include but are not limited to:

- Seeing a provider for a serious or complex condition, including certain chronic conditions
- Undergoing a course of institutional or inpatient care from the provider
- Being scheduled for nonelective surgery from the provider
- Being pregnant and seeing the provider for pregnancy-related care
- Being determined to be terminally ill

In an emergency, you should always seek care at the closest hospital. Care for an emergency medical condition will be covered as in-network (even if you don't otherwise have out-of-network benefits), though your out-of-pocket costs will vary depending on your health plan benefits.

As businesses serving the local community, Regence and Providence Health are responsible for balancing provider reimbursement rates with the need to help control health care costs to ensure access to high-quality, affordable health care. We are actively working to reach an agreement with Providence Health's leadership that strikes that balance.

### **We're here to help you**

We will continue to provide you with exceptional customer service, care and support if Providence Health chooses to leave our network. If you want help finding an in-network provider or have questions, please call us at the number on the back of your member ID card. TTY users should call 711. Our hours are 5 a.m. to 8 p.m. PST Monday through Friday, and 8 a.m. to 4:30 p.m. PST on Saturday.

Sincerely,

Jacqueline Heaven-Ah Hi  
Vice President, Customer Service

**Providence facilities affected by this negotiation:**

- Providence St. Vincent Medical Center
- Providence Portland Medical Center
- Providence Willamette Falls Medical Center
- Providence Milwaukie Hospital
- Providence Hood River Memorial Hospital
- Providence Seaside Hospital
- Providence Newberg Medical Center
- Providence Medford Medical Center
- Providence Medical Group
- Providence Home Health
- Surgery Center at Tanasbourne
- Cornell SurgiCenter
- Oregon Outpatient Surgery Center
- Surgery Center at St. Vincent

**Alternative in-network providers**

County	Provider
Clatsop	<ul style="list-style-type: none"><li>• Columbia Memorial Hospital</li><li>• Pacific Family Medicine LLP</li><li>• Wimahl Family Clinic</li></ul>
Hood River	<ul style="list-style-type: none"><li>• Columbia Gorge Family Medicine</li><li>• Summit Family Medicine LLC</li></ul>
Jackson	<ul style="list-style-type: none"><li>• Asante Physician Partners</li><li>• Asante Rogue Regional Medical Center</li><li>• Rogue Valley Physicians</li></ul>
Multnomah	<ul style="list-style-type: none"><li>• Adventist Health Portland</li><li>• Legacy Emanuel Hospital &amp; Health Center</li><li>• Legacy Good Samaritan Hospital &amp; Medical Center</li><li>• Oregon Health &amp; Science University</li></ul>
Multnomah, Washington, Clackamas	<ul style="list-style-type: none"><li>• Legacy Clinics</li><li>• Oregon Health &amp; Science University</li><li>• Praxis Health PC</li><li>• The Portland Clinic</li></ul>
Wasco	<ul style="list-style-type: none"><li>• Mid-Columbia Medical Center</li></ul>
Yamhill	<ul style="list-style-type: none"><li>• Virginia Garcia Newberg Clinic</li><li>• West Hills Healthcare Clinic</li><li>• Willamette Valley Medical Center</li></ul>