

Broker News

DECEMBER 2024

Sutter Health Update on Payer Contracting in Northern California

An Update on Anthem Blue Cross

As we shared previously, Sutter Health's systemwide agreement with Anthem Blue Cross (Anthem) expires on Dec. 31, 2024. For the past several months, we have actively engaged in good faith negotiations to renew this agreement under fair and reasonable terms, but we have not yet been able to reach agreement because we cannot accept the terms they have offered – including inadequate increases that do not support the inflationary trends in wages and supplies, and unreasonable contract terms that would only lead to more claims denials for our patients.

Unfortunately, Anthem sent their **HMO members letters informing them that they will be reassigned to non-Sutter doctors effective Jan. 1, 2025**. This action is concerning, as the agreement with Anthem includes a transition period that would allow HMO, EPO and PPO patients to continue seeing their Sutter doctors after the expiration date for up to six months (June 30, 2025). This transition period is designed to avoid disruption in care while the parties continue to negotiate mutually acceptable rates and terms, and it's unfortunate that Anthem opted not to use this provision. Because of this decision, if an agreement is not met by December 31, 2024 Anthem HMO members will not be able to access their Sutter physician network.

Note: Anthem EPO and PPO members may continue accessing their Sutter providers for up to six months (through June 30, 2025) as part of their in-network benefits, if the Sutter provider was a participating provider of the member's plan on Dec. 31, 2024.

We sincerely hope that Anthem will engage in good faith negotiations and present Sutter with a fair and reasonable offer for a contract renewal by the end of the year to avoid any further member or patient disruption in care.

Payer Agreements Renewed in 2025

Please note, the following Northern California payer agreements are renewed for 2025:

1. Aetna – through June 30, 2025
2. Alignment Health Plan, including Sutter Advantage HMO (Medicare Advantage)
3. Blue Shield of California (Commercial and Medicare Advantage)
4. Cigna Healthcare
5. Health Net/Wellcare (Commercial and Medicare Advantage)
6. Humana (Medicare Advantage)
7. UnitedHealthcare (Commercial and Medicare Advantage)

If you'd like more information about any of the content in this update or have questions about Sutter Health, email us at brokers@sutterhealth.org.

For a complete list of the specific products that include Sutter Health's doctors, hospitals and other healthcare services, please check with the health plan directly or visit sutterhealth.org/health-plan.

Please note: This notice is not applicable to Sansum Clinic serving the Greater Central Coast community.

About Sutter Health

Sutter Health's integrated, not-for-profit system of aligned doctors and clinicians, employees and volunteers support approximately 3.5 million patients in communities across 22 counties. Headquartered in Northern California, Sutter Health provides access to high-quality, affordable care through its network of hospitals, medical foundations, ambulatory surgery centers, urgent and walk-in care centers, telehealth, home health and hospice services. You can learn more by [visiting us online](#).