

Broker News

NOVEMBER 2024

Sutter Health Update on Payer Contracting in Northern California

An Update on Anthem Blue Cross

Sutter Health's systemwide agreement with Anthem Blue Cross (Anthem) expires on Dec. 31, 2024. For several months, we have actively engaged in good faith negotiations to renew this agreement under fair and reasonable terms. Negotiations continue and are progressing, 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.

Unfortunately, Anthem recently 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 the HMO 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.

Note: The transition agreement between Sutter and Anthem **provides for Anthem EPO and PPO members to continue accessing their Sutter providers for up to six months (through June 30, 2025) as part of their innetwork benefits**, if the Sutter provider was a participating provider of the member's plan on Dec. 31, 2024.

We remain hopeful that we can reach an agreement with Anthem by the end of the year and 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 <u>brokers@sutterhealth.org</u>.

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 <u>sutterhealth.org/health-plan</u>.

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.

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