

February 16, 2007



Dear WakeMed Physician Partner:

We know you are very concerned about UnitedHealthcare's (UHC) potential termination with WakeMed Health & Hospitals, and we certainly share that concern. We want to express our sincere appreciation to those of you who have written or called UnitedHealthcare to voice your concerns and to all of you for your continued patience throughout this difficult process.

Over the past several weeks, WakeMed has worked to resolve the UHC contract negotiations, however at this time, we do not anticipate coming to a resolution and believe the contract will terminate on March 1, 2007. We know this already has and will continue to have implications for your practice and your UHC member patients who would typically seek care at a WakeMed facility.

To prepare for the potential contract termination, WakeMed has taken a proactive step in helping you and your practice retain as many UnitedHealthcare patients as possible. We have put into place several initiatives intended to assist your staff and your patients work through this difficult transition. We anticipate that these services will be available until July 1, 2007. At that point, we will re-evaluate the need for these services and we'll let you know what adjustments need to be made.

- **WakeMed Managed Care CareLine – 350-CARE (2273)** WakeMed staff will help your office seek pre-authorization for any of your UHC patients who would like to use WakeMed services. It will be staffed 8 am to 8 pm, Monday through Saturday. After hours and on Sundays, the calls will go to our Patient Access department, which is available 24/7 to assist you.

Our goal is to assist you in gaining the necessary authorizations from UHC so that your patients can use WakeMed as an in-network benefit. Unfortunately, if we are unable to gain pre-authorization, and your patient has no out-of-network coverage (i.e. HMO participant, including Choice, Select and Secure Horizons HMO), there is little that we will be able to do.

- **Help for Patients with Out-of-Network Costs –** For those patients with out-of-network benefits (PPO and POS plan customers – including, but not limited to Choice Plus, Select Plus, Options PPO and some Definity Health plans) and for whom authorization is denied, WakeMed is prepared to work with each patient on a case-by-case basis to keep co-pays and deductibles at in-network levels whenever possible. We have designated a team of individuals who will be working on the UHC claims to ensure your patients receive the benefits that will allow them to continue using WakeMed's services at a reasonable out-of-pocket cost.
- **Assistance with Patient Communications –** We recognize that this situation is also of concern to your patients. If you desire, WakeMed will draft communications materials to help your practice personally reach out to your UnitedHealthcare patients to ease the transition. If you have the ability to pull a

patient mailing list by payor type, we will assist you with the logistics of getting the letter written, produced and in the mail. For assistance in this area, please contact Public Relations at 350-8120.

In addition, we want to make you aware of the contract terminations with several of the **Medicare Advantage/Private-fee-for-Service** plans, which include products such as Humana Gold Choice, Humana Choice PPO, Partners and Unicare. WakeMed's participation with these plans terminated on February 15, 2007. While the plans were notified of the fact that WakeMed would not be participating back in October, they did not make their enrollees aware of the fact that WakeMed was not going to be in their network in the coming year. As a result, many patients have been caught off guard with this fact. To ensure that they can continue to use WakeMed until they have the opportunity to switch back to traditional Medicare, WakeMed will accept Medicare Advantage products (with the exception of true HMO products) for these patients through December 31, 2007.

We recognize that these solutions may not address all of your concerns. These are difficult and complicated situations and unfortunately, there likely will be instances where we are not able to help. However, we are committed to doing our very best to work through this transition with you and your patients, and we will honor any financial commitments we make to these patients.

To help you and your staff better understand how we are prepared to assist you, you will receive more information on these services for your staff, as well as your patients, either by a visit from a WakeMed staff member or by mail beginning Friday and into next week. In the meantime, if you have specific questions and would like to speak with someone immediately, please contact Sue Hane or Molly Casey in our Physician Relations department at 350-7893.

Our ultimate goal is to serve all patients who seek the services offered at WakeMed, and to minimize the financial consequences of this potential contract termination whenever possible. While we are disappointed by this situation, we hope the efforts outlined above will enable you and your patients to continue utilizing our services.

We want to make this transition as easy as possible and to assist you in continuing to meet the needs of your patients.

Respectfully,



William K. Atkinson, PhD
President & CEO
WakeMed Health & Hospitals