



August 27, 2008

[Redacted]

Re: **Select PPO Network Participation**
Select PPO Network Participating Tax ID Number: [Redacted]

[Redacted]

We are excited to announce the expansion of the Anthem Blue Cross Select PPO Network.

As a physician practice participating in the Select PPO Network, you will be provided with the same compensation you currently receive when you bill with the above-referenced Tax Identification Number. There will be no new or additional operational or procedural requirements.

Enclosed is a Select PPO Addendum to your Blue Cross of California dba Anthem Blue Cross Prudent Buyer Plan Participating Physician Agreement that sets forth the terms of your participation in the Select PPO Network. For more information please refer to the enclosed *Questions and Answers for Physicians*.

Should you choose not to participate in the Select PPO Network, please send your notification in writing, no later than December 1, 2008, to:

ANTHEM BLUE CROSS
Attn: Select PPO Contract Processing
2121 North California Blvd., 7th Floor
Walnut Creek, California 94596

If you have any questions regarding this information, please feel free to contact the Network Relations Department at (800) 933-6633.

Sincerely,

Daniel Snively
Regional Director, Provider Network Management

Enclosures

SELECT PPO ADDENDUM

**ANTHEM BLUE CROSS
PRUDENT BUYER PLAN
PARTICIPATING PHYSICIAN GROUP AGREEMENT**

This Addendum to the ANTHEM BLUE CROSS Prudent Buyer Plan Participating Physician Agreement between [BUSINESS NAME] ("PHYSICIAN GROUP") and BLUE CROSS OF CALIFORNIA dba ANTHEM BLUE CROSS and its Affiliates ("BLUE CROSS") is effective as of January 1, 2009.

RECITALS

- A. BLUE CROSS and PHYSICIAN GROUP have previously entered into an ANTHEM BLUE CROSS Prudent Buyer Plan Participating Physician Agreement, as may have been amended (the "Agreement") whereby PHYSICIAN GROUP is designated as a Participating Physician Group.
- B. The parties desire to amend the Agreement to provide for PHYSICIAN GROUP's designation as a Participating Physician Group in a network called the "Select PPO Network" ("Select PPO Participating Physician Group") at the tax identification number(s) designated by BLUE CROSS. The terms of this Addendum shall only apply to Members covered by a Select PPO Benefit Agreement ("Select PPO Members").

THEREFORE, the Agreement is amended to provide as follows:

- I. PHYSICIAN GROUP shall participate in the Select PPO Network as a Select PPO Participating Physician Group under the tax identification number(s) designated by BLUE CROSS. PHYSICIAN GROUP shall provide Medical Services to Select PPO Members in accordance with the provisions of the Agreement and this Addendum. PHYSICIAN GROUP shall be compensated for those services in accordance with the provisions set forth in the Agreement and this Addendum.
- II. PHYSICIAN GROUP agrees to refer BLUE CROSS Select PPO Members to other Participating Providers in the Select PPO Network ("Select PPO Participating Provider") in all circumstances except when authorization has been granted in advance by BLUE CROSS to refer to a non-Select PPO Participating Provider, or where necessary due to an Emergency. PHYSICIAN GROUP agrees that in all circumstances where a referral to a non-Select PPO Participating Provider is necessary, PHYSICIAN GROUP will contact BLUE CROSS by calling 1-800-274-7767 to request prior authorization.
- III. If PHYSICIAN GROUP, under any circumstance, admits or arranges for admission of a Select PPO Member to a non-Select PPO Participating Provider or otherwise refers a Select PPO Member to a non-Select PPO Participating Provider, PHYSICIAN GROUP shall document that PHYSICIAN GROUP has given such Member prior notice that:

- (1) the hospital or provider is a non-Select PPO Participating Provider; and
- (2) the Member's Benefit Agreement may, therefore, provide reduced benefits; and
- (3) the non-Select PPO Participating Provider will not be restricted to seeking payment only from BLUE CROSS; and
- (4) the non-Select PPO Participating Provider may bill the Member for amounts other than deductibles, copayments, and Medical Services not covered under the Member's Benefit Agreement.

IV. PHYSICIAN GROUP agrees:

- (1) to use best efforts to require any non- Select PPO Participating Provider to whom a Select PPO Member is referred to abide by the terms of the Agreement and this Addendum;
- (2) to provide for the availability of Emergency services twenty four (24) hours a day, seven days a week and to arrange for coverage, in the event of illness, vacation or other absence and, if such covering physician is not a Select PPO Participating Provider, to use best efforts to cause such covering physician to abide by the terms of the Agreement and this Addendum; and
- (3) that PHYSICIAN GROUP is a Select PPO Participating Provider at only those locations and tax I.D. numbers designated by BLUE CROSS.

V. Either party may terminate this Addendum (i.e., PHYSICIAN GROUP's participation in the Select PPO Network) by giving at least ninety (90) days prior written notice to the other.

VI. Any notice required to be given pursuant to the terms and provisions of this Addendum shall be in writing, postage prepaid, and shall be sent by certified mail, return receipt requested, to BLUE CROSS at the address below.

ANTHEM BLUE CROSS
Attn: Select PPO Contract Processing
2121 North California Blvd., 7th Floor
Walnut Creek, California 94596

VII. All provisions of the Agreement not inconsistent with this Addendum remain in full force and effect. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

VIII. This Addendum shall be deemed effective January 1, 2009, unless, prior to such date, PHYSICIAN GROUP has provided written notice to BLUE CROSS sent by certified mail, return receipt requested to the address listed above in Section VI. that PHYSICIAN GROUP chooses not to participate in the Select PPO Network under the provisions of this Addendum and does not want to be bound by its provisions.

**ANTHEM SELECT PPO NETWORK
QUESTIONS AND ANSWERS FOR PHYSICIANS**

Question	Answer
1. What is the Select PPO Network?	The Select PPO Network is a network designed to support products targeted to a segment of the population that is looking for a lower cost PPO alternative. The Select PPO Network concept is designed to support a series of cost-effective products utilizing the Select PPO Network physicians to make health care coverage more affordable for Californians.
2. What benefits are there for a physician to participate in the Select PPO Network?	The Select PPO Network offers providers the following benefits: <ul style="list-style-type: none"> • Providers may increase their patient base by reaching new members • Provides a lower-cost alternative to retain PPO members who may be considering leaving the PPO market.
3. When will members be enrolled in the Select PPO plans?	Member enrollment began in 2005.
4. What is the service area for the Select PPO Network?	The Select PPO products are offered on a statewide basis except for the following counties: Alameda, Marin, Placer, and Solano.
5. How does the Select PPO physician network differ from Anthem's Prudent Buyer Network?	The Select PPO Network is distinct from Anthem's Prudent Buyer (PPO) Network. While many physicians participate in both networks, the Select PPO Network is a smaller network than Blue Cross Prudent Buyer.
6. What population is being targeted?	Employer groups of all sizes that are looking for a more affordable PPO alternative.
7. To what hospitals can I refer Select PPO members?	Physicians must refer Select PPO members to participating hospitals in the Select PPO Network in order for members to receive the highest level of Select PPO benefit coverage.
8. What physicians and other health care professionals can I refer Select PPO Network members?	Physicians must refer Select PPO members to participating providers in the Select PPO Network in order for members to receive the highest level of Select PPO benefit coverage.
9. How can I find what providers are participating in the Select PPO Network?	Participating Select PPO Network providers can be found on Provider Finder (www.anthem.com/ca).
10. How can members find a participating Select PPO Network provider?	Participating Select PPO Network providers can be found on Provider Finder (www.anthem.com/ca). Members will be instructed to call Anthem Customer Service to confirm that a referred provider is in the Select PPO Network.
11. What are the medical benefits?	The Select PPO Network supports plans offering health care benefit coverage. Specific member benefit information can be obtained by contacting the customer service at the phone number printed on the member's ID card.
12. Who is eligible?	Employer groups of all sizes are eligible to apply for plans featuring the Select PPO Network. There will be no special eligibility requirements at this time.

Question	Answer
13. How can a physician verify Select PPO member eligibility?	Just as they do today, physicians can verify Select PPO eligibility via ProviderAccess (www.anthem.com/ca), by calling Anthem Customer Service, and through our interactive voice response/Faxback function.
14. Will the Select PPO plans have pre-authorization requirements?	Yes. The Select PPO plans will have the same pre-authorization requirements as the Prudent Buyer Network. Please refer to your <i>Prudent Buyer PPO and Select PPO Operations Manual</i> for pre-authorization requirements.
15. How will member identification cards differ from those cards for existing Blue Cross programs?	You will see "Power Select PPO" and "A Select Network Product" on the upper right-hand corner of the front of the Select PPO Network ID card. See page 3 for an example of the Select PPO Network ID card. ID cards for National business are still in development.
16. Will Blue Cross move members from existing plans to Select PPO?	No, the intent is to open up new markets for both Blue Cross and its Select PPO physician groups.
17. If I see patients under multiple Tax ID Numbers (TINs), how do I know which one is participating with the Select PPO Network?	Please refer to the participating TIN(s) referenced in the enclosed welcome letter.
18. Who do I contact if I have questions?	Please call the member's Customer Service number located on his or her ID card, or the Network Relations Department at (800) 933-6633.
19. Where can I find information about how to purchase the Power Select PPO product for my staff?	You can find information about how to purchase the Power Select PPO product for your staff by logging on to www.anthem.com/ca and clicking the "Employer" tab.