

Retirement and Insurance Service Benefits Administration Letter

Number: 00-214

Date: July 31, 2000

Subject:Federal Employees Health Benefits (FEHB) Program: Opportunity for
Enrollees of Health Alliance Benefit Plan (Code FX) to Change Enrollment

This is to advise you that the Health Alliance Benefit Plan (Code FX) in the states of Illinois and Indiana, will lose all of its primary providers in the Peoria service area of central Illinois as of December 31, 2000. This service area will no longer be offered through Health Alliance under the FEHB Program. The counties affected in the Peoria service area are Fulton, Henry, Knox, Marshall, Peoria, Putnam, Stark, Tazewell, Warren, and Woodford.

We are therefore authorizing an opportunity for Health Alliance Benefit Plan enrollees in the affected counties to change their enrollment.

The opportunity to change enrollment will begin immediately and continue through the last day of the pay period which includes September 23, 2000. The effective date of all enrollment changes will be the pay period beginning on or after September 24, 2000. Enrollees who do not change plans, will be covered only for emergency services after December 31, 2000.

The Plan has sent notices to affected enrollees advising them of the provider network terminations. The letter to enrollees states that Peoria, Tazewell, and Woodford counties would remain in the Program, however, after the letter was sent out, the remaining providers in those counties made the decision to withdraw from the Peoria service area. We have attached a copy of that letter for your information.

Civil Service Retirement System Federal Employees Group Life Insurance Federal Employees Health Benefits Program Federal Employees Retirement System **Note:** If enrollees are uncertain whether or not they are affected, please have them contact Health Alliance at 1-800-851-3379.

Thank you for your cooperation in this matter.

Attachment

ally L. Black

Abby L. Block, Chief Insurance Policy And Information Division

April 27, 2000

Dear Health Alliance Subscriber:

For the last five years, Health Alliance Medical Plans and Methodist Medical Center have worked in partnership to bring managed care coverage plans to residents of nine counties in central Illinois. We recently received notification from Methodist Medical Center and their associated physicians that they wish to limit their participation in our provider network for fully insured plans to only Peoria, Tazewell and Woodford counties. Although we continue to enjoy a good working relationship, these providers have made what they believe to be a necessary decision based on their business strategy and the needs of their organizations.

The decision renders the Health Alliance provider network for most of members residing in Fulton, Henry, Knox, Marshall, Putnam and Stark counties inadequate to serve their needs. This letter serves as notification that only emergency benefits will be available after December 31, 2000 unless you select a Health Alliance primary care physician in Peoria, Tazewell or Woodford County. Enclosed are listings of primary care physicians that are available and primary care physicians that will be terminating on December 31.

Our Premier Choice plan is not affected by this network change.

We regret the inconvenience this change causes, but it's our goal to assist you in this transition in whatever way we can. We will be working very closely with your employer regarding the availability of other potential Health Alliance policies.

If you have questions or wish to discuss it further, please contact your benefits manager or employer. Or you can call our Customer Service Representatives at 1-800-851-3379, extension 8100. They will be happy to help in whatever way they can.

Sincerely,

Jeffrey C Ang

Jeffrey C. Ingrum Chief Executive Officer Enclosure