

## Re: Non-Renewal of Envision Healthcare in our UnitedHealthcare Networks, Effective Jan. 1, 2019

We understand you us e Envision Healthcare to manage some of your hospital-based physician services, such as emergency medicine, radiology, hospitalist or a nesthesia. You know better than most how Envision's rates are driving up the cost of health care for the people we all serve.

A year into our negotiations with Envision on a new contract, we have not reached an agreement to extend their physicians' participation in our networks beyond December 31, 2018.

A study published by the National Bureau of Economic Research shows ER physicians are paid on average 297% of what Medicare allows<sup>1</sup>. In comparison, Envision demands to be paid nearly 600% of Medicare, two times this amount for ER physician services. We have offered Envision competitive rates for <u>all</u> of their hospital-based services, similar to what other ER and hospital-based physicians are paid in each market, and given them the opportunity to earn additional reimbursement based on the value they bring to our customers.

We sincerely believe we have made a fair and reasonable offer with the goal of continuing Envision's participation in our networks for the benefit of the patients at your hospital and the customers we serve.

## How Envision's Non-Participation Status Would Impact You

If an agreement is not reached, we will update our provider directories to reflect those hospitals that use nonparticipating hospital-based physicians. This will ensure our members understand that they may incur increased out-of-pocket costs at those facilities beginning January 1, 2019. In the event patients receive services from an Envision provider, you may experience a decrease in patient satisfaction driven from higher out of pocket costs and patient confusion.

## What We're Doing for Your UnitedHealthcare Patients

To ensure patients are protected from balance billing, we will activate a dedicated hotline for members to call if they receive such a "surprise" bill from Envision, and we will advocate on their behalf to have the bill waived or significantly reduced.

We appreciate the commitment you share to affordable health care for your patients and welcome a conversation with you about how to address the unnecessarily high costs charged by Envision. You can also learn more about this trend at uhc.com/ERfacts.

Sincerely,

Dan Rosenthal President, United Healthcare Networks

1 National Bureau of Economic Research, July 2017 (http://www.nber.org/papers/w23623)