**Re: Sutter Health**

Dear [CLIENT]:

You are receiving this notice as your PPO network has been identified as the Aetna Signature Administrators (ASA) network. Changes have been made to the network in Northern California that could have an impact on your members that obtain services in this area.

During negotiations between Aetna and Sutter Health and its affiliates (Sutter), which compose about 35% of the Aetna Signature Administators® (ASA) network in Northern California, several new contract provisions were added that will require your compliance for continued access to discounts on services provided by these providers. The agreement requires that Sutter physicians, and not Aetna or any other entity, determine whether services for Sutter patients are considered medically necessary, or experimental/investigational. As a result, all in-network member claims that Sutter physicians determine are medically necessary or non-experimental must be covered by your Plan (excluding services that are expressly excluded from coverage, such as for cosmetic surgery).

Services rendered by Sutter and considered medically necessary by its physicians must be processed as covered services (with the exception of services expressly excluded from coverage). We have reviewed your Plan Document and have determined that your Plan language needs to be changed and have included an updated Plan Document.

In addition, Sutter Health system’s contract requires a single case payment for normal delivery costs associated with a baby born to an eligible subscriber or dependent under the mother’s insurance. This does not apply to claims for care rendered to an infant in the intensive care unit.

Sutter is now requiring all parties accessing the Aetna/Sutter agreement to agree to the terms of the agreement, including but not limited to the above provisions as well as the binding arbitration dispute resolution clause. To accommodate these requirements, ASA has amended their agreement with us and added language into their Managed Care Services Agreement which is executed directly between you (as the Plan Sponsor) and ASA. Should you wish to obtain a copy of the Sutter and Aetna agreement to review all the Sutter requirements, you will need to execute a non-disclosure/confidentiality agreement with Aetna. Your CoreSource Client Manager can be contacted to initiate this process.

OPTION: when Aetna provides Stop-loss coverage

You should also be aware the Aetna stop loss insurance policy issued in conjunction with the ASA program will treat covered services as medically necessary and not experimental and investigational in these specific Sutter situations.

OPTION: when non-Aetna entity provides Stop-loss coverage

If you have purchased your stop loss insurance policy from a carrier other than Aetna, we cannot guarantee that your stop loss carrier will honor medical necessity and experimental/investigational determinations made by the provider, if they conflict with the terms of the benefit plan and the applicable stop-loss insurance policy. Therefore, we recommend you reach out to your stop loss insurance carrier and secure their commitment to honor claims paid in accordance with the Sutter contract even if such claim payment conflicts with current plan definition(s).

Should you decide to exclude Sutter from the Aetna Signature Administrators Network, Sutter will be considered as a non-network provider (non-PPO). As Sutter is a network provider in the ASA network, Sutter and its Affiliates will still be identified in any directory or provider searches your Plan Participants may access. You will need to agree to communicate in writing such non-network status to all Plan Participants each calendar year.