

Southern California Lumber Industry Welfare Fund

Established Jointly by Employers and Local Unions

Telephone (562) 463-5080 ♦ (800) 824-4427 ♦ Facsimile (562) 463-5894

July 15, 2014

Re: IMPORTANT INFORMATION ABOUT PPO HOSPITAL NETWORK PROVIDER DIGNITY HEALTH HOSPITALS – EFFECTIVE JULY 16, 2014

Dear Eligible Participant/Beneficiary:

Anthem Blue Cross California negotiates Hospital contracts on behalf of the Southern California Lumber Industry Welfare Fund (“Fund”) and participants who are enrolled in the Indemnity Medical Plan for both the Managed Care and Select Choice Plans. Anthem Blue Cross and Dignity Health have been engaged in negotiations for several months to reach agreement on reasonable reimbursement rates and contractual terms that are beneficial to both organizations. Recently, we have been advised by Anthem Blue Cross that although negotiations are ongoing, there is a strong possibility that both parties will not reach an agreement before the termination date of July 16, 2014.

If an agreement is not reached, effective July 16, 2014, the following facilities located throughout California will no longer be in the Anthem Blue Cross Plan PPO network:

- Arroyo Grande Community Hospital
- Bakersfield Memorial Hospital
- California Hospital Medical Center
- Community Hospital of San Bernardino
- Dominican Santa Cruz Hospital
- French Hospital Medical Center
- Glendale Memorial Hospital & Health Center
- Marian Medical Center
- Mark Twain St Joseph’s Hospital
- Mercy General Hospital
- Mercy Healthcare Bakersfield
- Mercy Hospital of Folsom
- Mercy Medical Center - Mt Shasta
- Mercy Medical Center – Redding
- Mercy Medical Center Merced
- Mercy San Juan Hospital
- Mercy Hospital Southwest
- Methodist Hospital of Sacramento
- Northridge Hospital Medical Center
- Sequoia Health Services
- Sierra Nevada Memorial Miners Hospital
- St Bernardine Medical Center
- St Elizabeth Community Hospital
- St Francis Memorial Hospital
- St John’s Pleasant Valley Hospital
- St John’s Regional Medical Center
- St Joseph’s Medical Center of Stockton
- St Mary’s Medical Center Long Beach
- St Mary’s Medical Center
- Woodland Memorial Hospital

If you elect to have services rendered at one of the above facilities after July 15, 2014, you will incur much higher out-of-pocket costs, as these services will be considered at the Non-PPO level of benefits.

Anthem Blue Cross has a statewide hospital network of over 300 acute care facilities. For a list of alternate participating general acute care hospitals as well as ambulatory surgical centers and other ancillary facilities, the "Find a Doctor" feature is available at www.anthem.com/ca can be used to locate a participating hospital in a specific area.

ELECTIVE SERVICES/SURGERY – If you are currently receiving services at one of the Dignity Health facilities listed above or are planning to have services or surgery at one of the facilities listed above after July 15, 2014, please work with your physician to schedule your services/surgery at an Anthem Blue Cross contracted facility. Please do not wait until the last minute speak with your doctor.

OBSTETRICS – If you are scheduled for delivery of a newborn child after July 15, 2014 at one of the Dignity Health facilities listed above, please speak with your physician immediately about re-scheduling your delivery at an Anthem Blue Cross PPO network hospital.

EMERGENCY SERVICES – You should always go to the hospital emergency room that can provide the best possible care to you. However, if your emergency is not life-threatening and you can safely be transported to an Anthem Blue Cross PPO network hospital, you should do so. If you are admitted to a Dignity Health facility after July 15, 2014, we will work with your physician to transfer you to a PPO network hospital once you are in stable condition.

ADMITTED PRIOR TO July 15, 2014 – If you are admitted to one of the Dignity Health hospitals prior to midnight July 15, 2014 and remain there after July 16, 2014, your claim will be processed at the In-Network PPO level of benefits.

We regret any inconvenience this may cause you and your family. Please do not hesitate to contact the Administrative Office at 562-463-5080 or toll free at 800-824-4427, with any questions you may have with regard to the information discussed herein. Notification of this change has also been sent to the Anthem Blue Cross physician network.

Sincerely,

ADMINISTRATIVE OFFICE