

**Community Hospital of Monterey Peninsula (CHOMP)
New contract effective January 1, 2011**

**OVERVIEW AND TALKING POINTS
For external distribution and use by Blue Shield Sales/brokers
February 1, 2011**

Situation Overview

We are pleased to announce that we have a new two-year agreement with Community Hospital of the Monterey Peninsula Community Hospital (or CHOMP), effective January 1, 2011, which makes access to quality care more affordable for members of both Blue Shield of California and Blue Shield of California Life & Health Insurance Company (Blue Shield Life) plans.

This agreement expands network coverage for members of all our PPO and high-deductible PPO plans including Blue Shield Life products like Active Choice. HMO, POS or Medicare products are not included except under certain circumstances.

What's new about the new Blue Shield-CHOMP agreement?

CHOMP returned to the negotiation table with Blue Shield to help support lower cost of health care in the Monterey region.

- 1) The following CHOMP affiliated specialists are now also part of Blue Shield's network: radiology, radiation oncology, pathology, psychiatry, and emergency medicine.
- 2) For the first time, the new agreement offers a discount on hospital services provided to Blue Shield members.
- 3) The agreement also sets the stage for CHOMP and Blue Shield to collaborate on long-term solutions to lower the local cost of health care in the Monterey region. CHOMP has stated its intention to exclusively work with Blue Shield to develop an Accountable Care Organization (ACO). An ACO is an integrated healthcare delivery model that aligns incentives among a related set of providers (at a minimum, primary care physicians, specialists, and hospitals) that can be held accountable for the cost and quality of care delivered to a defined population.

Which products does this apply to?

With the new contract, members can see PPO providers at network benefit levels for hospital services. This applies to all PPO and high-deductible PPO plans including Blue Shield Life products like Active Choice.

Monterey County is not in Blue Shield's service area for our HMO, POS or Medicare products. Should an HMO or POS member from another county be traveling in Monterey, emergent care would be covered. If the member wanted to access non-emergent care in Monterey, the care would need to be approved by their own PCP and medical group.

CHOMP and Services Covered under Blue Shield's Networks

CHOMP, founded in 1934 and located at 23625 Holman Highway in Monterey, is a nonprofit healthcare provider with 205 staffed acute-care hospital beds and 28 skilled-nursing beds. The facility delivers a continuum of care from birth to end of life, and every stage in between. All these services will be billed under the CHOMP Tax ID Number (TIN).

CHOMP serves the Monterey Peninsula and surrounding communities through locations including the main hospital, outpatient facilities, satellite laboratories, a mental health clinic, and business offices as well as the Hospice of the Central Coast short-term skilled nursing facility. For a complete listing of locations, see the end of this document.

CHOMP is affiliated with Peninsula Primary Care (PPC) which the hospital's foundation established to help address the severe shortage of primary care physicians on the peninsula. PPC currently has an office in the Crossroads Plaza in Carmel and it will have one in Marina later this year. PPC does its own billing under its own TIN so those services are not covered by the new CHOMP contract. PPC is contracted independently as part of Blue Shield's PPO network.

Note: the CHOMP Recovery Program is part of Blue Shield's mental health service administrator (MHSA) provider network. Through that agreement, the CHOMP Recovery Program is an approved program for substance abuse treatment available to members whose plans include these benefits.

Find more information about CHOMP at www.chomp.org.

Physician Counts

The new contract covers about **90 hospital-based physicians**. CHOMP's website lists higher numbers of affiliated physicians; many of these have privileges to practice medicine at the hospital but may not bill through the hospital's TIN. Please see the last page of this document for a listing of the Monterey region medical groups contracted in Blue Shield's PPO network.

CHOMP PATIENT SERVICE LOCATIONS

All locations are in Monterey, California unless otherwise noted.

SERVICE	LOCATION	PHONE
Community Hospital of the Monterey Peninsula	23625 Holman Highway Monterey, CA 93940-5902	(831) 624-5311
Community Hospital Comprehensive Cancer Center and Radiation Oncology	23625 Holman Highway	(831) 625-4753 (831) 625-4630
Community Hospital Tyler Heart Institute	23625 Holman Highway	(831) 625-4643
Community Hospital Behavioral Health Services and Recovery Center	576 Hartnell Street	(831) 625-4600 (831) 625-4525
Community Hospital Breast Care Center	1035 Cass Street	(831) 649-7233
Community Imaging Center	2 Upper Ragsdale, D100	(831) 649-7700
Community Hospital Satellite Laboratories	576 Hartnell Street 2 Upper Ragsdale, D120 1161 Fremont Boulevard, Seaside Crossroads, Ste 275B, Highway 1 at Rio Rd., Carmel	(831) 625-4811 (831) 626-3375
Hospice of the Central Coast	2 Upper Ragsdale, D210	(831) 649-7750 (800) 364-7001
Westland House (SNF)	100 Barnet Segal Lane	(831) 658-3737

Also: Radiation oncologists see patients at a clinic in Hollister, California:
930 Sunnyslope Road, Hollister, CA 95023-5616 / (831) 624-5311

Blue Shield PPO Provider Group Contracts in Monterey as of January 2011

The listing below includes many of the major PPO group contracts in the city of Monterey. Please visit the blueshieldca.com Find a Provider feature for the full provider directory, including information on individual physicians.

1. Cancer and Blood Institute of Monterey County
2. Cardiopulmonary Associates
3. Central California Neurology
4. Central Coast Allergy and Asthma
5. Central Coast Brain and Spine Associates
6. Central Coast Dermatology
7. Central Coast Head and Neck Surgeons
8. Cypress Coast Cardiac Surgeons
9. Doctors On Duty Medical Clinic
10. Eye MD on Cass
11. Eye Surgical and Medical Associates
12. Friedman Eye Center
13. Mid Carmel Valley Medical Clinic
14. Monterey Bay GI Consultants
15. Monterey Bay Oncology
16. Monterey County Infectious Diseases Consultants
17. Monterey Endocrine and Diabetes Institute
18. Monterey Hospitalist Medical Group
19. Monterey Integrated Sports and Pain Assoc
20. Monterey Peninsula Nephrology
21. Monterey Peninsula Ortho and Sports Medical Institute
22. Monterey Peninsula Pediatric Medical Group
23. Monterey Peninsula Urgent Care Medical Group
24. Monterey Physicians Medical Group
25. Monterey Spine and Joint Medical Group
26. Monterey Women's Health Medical Group
27. Northern California Retina Vitreous Associates
28. Pacific Coast Cardiac and Vascular Surgeons
29. Pacific Coast Orthopedics
30. Pacific Family Medical Group
31. Pajaro Valley Neurology Medical Associates
32. Pediatric Gastroenterology of Monterey
33. Pediatric Group of Monterey
34. Peninsula Primary Care
35. Prima Heart Medical Group
36. Salinas Valley Orthopedics and Sports Medicine
37. Salinas Valley Radiologists
38. Spectrum Dermatology Medical Associates
39. Vantage Eye Center
40. Waligora Medical Group