
MEMBERSHIP NEWSLETTER
UPDATE

Issue # 2
December 1, 2003

For Physicians

Happy Holidays!!



Introduction

Dear Members,

We are excited to bring you the second issue of our Membership Newsletter. We received positive responses to the reactivation of the newsletter and as well as some excellent ideas for improvement. We are currently evaluating different formats for newsletter distribution, including a summary email format for faster review and more timely updates. For this process to be successful, we will need your most current email address information and therefore our PHO team will be following up with your practice over the upcoming weeks to confirm your information. Stay tuned and keep the feedback comments coming!

A reminder we have two separate newsletters one for the Practice Administrators/Managers and one for Physicians.

WNCHA Executive Director Update

As the year comes to an end we look forward to completion of our two primary PHO activities—the WellPath/Coventry/SouthCare contract and the new PHO contract Messenger Model process. We have also been extremely busy revamping our credentialing processes for improved turn-around times, actively marketing our services for new membership, and continued dedication to improvements in our membership communication. A year in review will be presented at the upcoming Practice Manager's meeting on December 5, 2003.

2004 promises to be an exciting and active year for our PHO with continued process improvements and contracting activities. We look forward to working with you and your teams as we continue to provide a quality, cost-effective and comprehensive provider network for our Catawba and Alexander County residents.

Messenger Model

Approximately **76%** of our membership returned the new Physician Participation Agreement for the automated Messenger Model process and we appreciate those members who have responded. For the remaining members who haven't responded, we would appreciate your immediate response and return of the new agreements so we may complete this project. Once we have a 100% of the new agreements returned we will complete the project implementation and prepare for 2004 PHO contracting and recontracting activities. We appreciate your expedient response!

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WNCHA Executive Director Update

As you will recall, the new automated messenger model process allows the PHO membership to determine participation through initial standardized terms, and if such terms are not met, the PHO messengers out the contract terms to the providers for review and determination of participation. The new process allows PHO members the ability to select participation by payor to meet their practice needs.

We developed a policy and procedure, compliant with State and Federal law, and would encourage you to review in detail. The information was distributed in the initial messenger model packet, or you may give us a call if you need additional copies.

WellPath/SouthCare Contract

We appreciate everyone's participation and patience during our first true messenger model contract with WellPath/SouthCare, wholly owned subsidiaries of Coventry, Inc. This agreement was messengered in a pure non-automated process that was somewhat cumbersome for us all. We learned a great deal through the process on how we can improve and have applied those lessons to our new automated procedures.

We had approximately 78% of our WNCHA membership elect participation in the WellPath/SouthCare contract and a final network directory will be posted on our website for reference. The WellPath IPA agreement was effective 9-1-03 and the SouthCare IPA agreement was effective 11-1-03. We know there was some marketplace confusion related to the contracts and effective dates and we do apologize; hopefully we were able to assist in answering and resolving the issues during the interim. We do look forward to the partnership with WellPath as they begin their joint marketing efforts with UniSource over the upcoming months.

Reminders!

Year-End Practice Managers' Meeting

Our year-end Practice Manager's appreciation luncheon meeting will be **Friday, December 5, 2003** at the **Catawba Country Club**. Lunch Begins at **11:30 am** and the meeting begins promptly at **noon**. We will present a year-end review as well as some highlights for 2004. Also plan on some food, fun and prizes! If you have not already, please contact our office to confirm your attendance. **Physicians are welcomed!**

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Employer Updates

With the continued contracting activities to remove Hospital exclusivity coupled with our continued active employer marketing, we are pleased to announce that **approximately 93%** of Catawba County Residents now have access to Catawba Valley Medical Center as a choice for hospital services—a **23% increase** over the last two years!

Aside from the choice offering to patients, hopefully this too will assist you and your Physicians in reductions of administrative hassle factors related to “in and out of network” issues.

Since the June Newsletter publication, the following seven (7) Employers have elected health plan coverage which includes Catawba Valley Medical Center and/or the WCHA in their networks. Please join us in welcoming these converted employers!

<u>Employer Name</u>	<u>Number of Employees</u>
Harvest State Foods from no plan to BCBS Blue Option	38
Burke Hosiery from WellPath HMO to MAMSI	90
Kerr's Hickory Ready Mix from BCBS POS to Blue Option	50
Catawba Sox from United HMO to MAMSI	160
Pembroke Chair from United HMO to BCBS Blue Options	250
TriPoint Global/Prodelin from FRMC direct/ACS to MAMSI	250
Regency House Fashions from BCBS HMO to MedCost	300
TOTAL:	1138

NOTE: Broyhill, as a function of the Furniture Brands International corporate health plans consolidation, will convert from United HMO to BCBS Blue Option 1/1/04 and will be listed as a conversion at that time.

New Contracts

We look forward to more PHO contracts in 2004 once the messenger model process is in place. In the interim we are pleased to announce the following **seven (7)** contracts since the June Newsletter publication—most significantly the addition of the entire BCBS product line to Catawba Valley Medical Center's (CVMC) contract, now allowing all BCBS members to access CVMC.

Payor	Products	Contract Entity	Effective Date
WellPath	ALL PRODUCTS	Hospital	8-1-03
WellPath	ALL PRODUCTS	IPA, Hospital Owned Practices	9-1-03

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New Contracts

Payor	Products	Contract Entity	Effective Date
BCBS	ALL PRODUCTS	Hospital	10-1-03
CorVel	PPO, Workers Comp.	Hospital	9-1-03
Cigna	PPO	Hospital Owned Practices	9-1-03
SouthCare	ALL PRODUCTS	IPA, Hospital Owned Practices	11-1-03
Cigna Behavioral Health	BH	Hospital and Psych MDs	12-1-03

Contract Terminations

Reminder the Hospital (CVMC) terminated their agreement with **PHCS effective 9-30-03**. Members may contact the hospital **CVMC Business Services Department at (828) 326-3477** for information regarding the "honoring the benefit" program.

Operations Update

New WNCHA Website Introduced!

We are pleased to announce that we have our WNCHA information on the CVMC website. You may find updated directories, payor listings, meeting schedules, payor contacts etc. by visiting www.catawbavalleymc.org/wncha. Fee schedule links coming soon to the website!! We hope you and your team will find this site a valuable tool!

OnLine Fee Schedule Reminder

A reminder that all WNCHA IPA/PHO fee schedules are available online through our secure **WebDocs** website. If you do not have access to the system, please contact **Yangmi Xiong at (828) 326-3057** for additional information. This is an excellent tool, which allows you and your team to access the electronic versions of our most updated reimbursement schedules. Call today for more information!

New WNCHA Members

The following **twenty-one (21)** physicians have joined the WNCHA network since our last publication. Please join us in welcoming them to the network!

Craig, Trevor J.	Inman, Amy C.	Richardson, Paul E.	Weaver, Seth A.
Darab, David J.	Inman, Joel R.	Tomlinson, Shannon K.	Whitton, Allison C.
Donepudi, Venkatarama S.	Lopina, Bartholomew J.	Tu, Li-Kun O.	Hunt, Dori L.
Faulkenberry, Russell W.	Miller, John J.	Vierling, Brian S.	
Griesen, Dawn E.	Payne, Jr., Dayton D.	Villacorte, Lizette S.	
Harraghy, Claire H.	Prasher, Sanjay	Waechter, Deborah H.	

Physician Focused Update

United Buys MAMSI

The world of payors continues to shrink as United HealthCare announced October 26th that it planned to purchase Mid Atlantic Medical Services, Inc. (MAMSI).

United HealthCare has agreed to a cash and stock acquisition of almost 3 billion, with the acquisition expected to close early 2004. The acquisition is expected to boost United's projected 2004 forecast by over 3 billion boosting recent stock prices for both organizations. United services over 50 million Americans and MAMSI insures almost 2 million making this organization **the** largest nation-wide health plan—at least for now.

In North Carolina, United was the third largest managed care Health Insurer, with over 400,000 covered lives. The addition of the MAMSI PPO/HMO business will move them closer to second place with a combined marketshare of over half a million members. Cigna HealthCare's last reported combined product membership was 600,000.

For our local Unifour market, the merger will only strengthen United's position, with approximately 20,000 covered lives, closing the second place gap with Cigna. BCBSNC is the largest payer in our local market with 50,000 plus covered lives.

At this time, WNCHA does have a contract with United HealthCare for their PPO/POS products and a contract with MAMSI for both their fully insured (MAMSI) and self-insured (ALLIANCE) PPO/POS products. At this time WNCHA does not have a contract for the United HMO product and MAMSI is not licensed to market HMO products in our market, so we would not anticipate any initial changes with the HMO.

We have been in close contact with both organizations since the announcement and until the merger is finalized, we won't have any definitive information about the local market impact. We will keep you apprised of any contractual developments related to the merger. Stay tuned.

Sources: Baltimore Business Journal
Washington Post
North Carolina Managed Care Market Guide, 2002

*The WNCHA Staff wishes you and your family a wonderful
and joyous holiday season!*
Next Newsletter Scheduled 3-04