



NEWS

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FOR IMMEDIATE RELEASE

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Saint Luke's Health System gives notice to terminate United Healthcare contract effective Feb. 28, 2009

Intent announced in January concludes with termination notice issued today

KANSAS CITY, Mo. – Saint Luke's Health System is moving forward with plans to terminate its provider network contract with United Healthcare (UHC) effective Feb. 28, 2009. The health system issued its official notice of termination to UHC on July 25 and to its patients and the business community today.

The health system notified UHC and the business community of its intentions in January 2008. The one-year notice was provided in order to help brokers, benefits consultants, and affected employers best serve their clients and employees.

“Though we have made every attempt to maintain network continuity for our patients and providers, we were unable to reach an equitable contract agreement with UHC,” said G. Richard Hastings, president and CEO of Saint Luke's Health System. “By working with the business community far in advance, we're hoping to give employers time to make alternative arrangements for a health plan that includes Saint Luke's and not be caught mid-cycle without the established doctors and hospitals they want in their network.”

The termination would include UHC's commercial HMO, Point of Service, and PPO networks. The termination does not impact Saint Luke's inclusion in UHC's Medicare supplement plans.

Hastings also cited a desire to maintain quality of care as a reason for the action. “The reimbursement rates Saint Luke's Health System entities receive from UHC are not consistent with other payers according to network, product make up and volume to our health system,” he said. “Saint Luke's could not afford to remain with UHC at these rates. As a national quality health care leader, Saint Luke's isn't interested in reducing its level of patient service in order to maintain an insurance contract that doesn't cover the cost of providing full-service, high quality care - the only kind we strive to provide” he continued.

Patients covered by UHC represent 5.9 percent of Saint Luke's Health System's total reimbursement from all patients, and 12.9 percent of its reimbursement from managed care payers.

Saint Luke's maintains contracts with most other major health plans in the area.

Beginning March 1, 2009 Saint Luke's Health System hospitals will continue to provide the same high quality care to UHC patients who seek needed trauma or emergency services but out-of-network rates will apply. Additionally, Saint Luke's will no longer be allowed to provide a discount to UHC PPO patients who choose to remain with their Saint Luke's-employed doctor. Patients who are unclear about actions to take to assure the continuity of their care after March 1, 2009 should call their doctor's office.

Saint Luke's service to the community began 126 years ago with the founding of its flagship facility in Kansas City, Mo. With a commitment to meet the needs of the growing community, Saint Luke's embarked on a strategic expansion plan and now serves patients in multiple locations.

The Saint Luke's Health System entities impacted include: Saint Luke's Hospital of Kansas City (Missouri), Saint Luke's Northland Hospital, Barry Road and Smithville campuses (Kansas City, Missouri), Saint Luke's South (Overland Park, Kansas), Saint Luke's East – Lee's Summit, Saint Luke's Cancer Institute, Saint Luke's Home Care & Hospice, Anderson County Hospital (Garnett, Kansas), Cushing Memorial Hospital (Leavenworth, Kansas), Hedrick Medical Center (Chillicothe, Missouri), Wright Memorial Hospital (Trenton, Missouri), Saint Luke's Medical Group, and all physicians employed by Saint Luke's Health System.

As a not-for-profit organization, resources are invested in patient care, services, technology, world-class research, and education. Because Saint Luke's Health System provides care regardless of a patient's ability to pay, it absorbs a high amount of costs for charity care provided.

Saint Luke's Health System is well known for its quality performance and leadership. Saint Luke's Hospital, the health system's flagship facility, was among the first hospitals in the country to receive the Malcolm Baldrige National Quality Award, the nation's highest honor for quality performance. In 2008 the health system's cardiology and gynecology programs were included in *U.S. News & World Report's* top hospital listings. Saint Luke's Hospital is a three-time winner of the Missouri Quality Award, and the health system received the award in 2007. For more information visit saintlukeshealthsystem.org.

Saint Luke's Health System consists of 11 area hospitals and many primary care practices, and provides a range of inpatient, outpatient, and home care services. Founded as a faith-based, not-for-profit organization, our mission includes a commitment to the highest levels of excellence in health care and the advancement of medical research and education. The health system is an aligned organization in which the physicians and hospitals assume responsibility for enhancing the physical, mental, and spiritual health of people in the metropolitan Kansas City area and the surrounding region.

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