



Questions and Answers About the Preferred Care Alliance with CIGNA HealthCare

March 2007

1. Why did Preferred Care enter into an alliance with CIGNA HealthCare?

Larger employers are bypassing strong regional plans and are going with “single-replacement,” national plans.

Through the alliance, we will be able to compete more effectively with the big national plans by preserving regional health plan choice.

With CIGNA HealthCare, we can give employers the high quality and personal attention of a regional plan combined with CIGNA’s nationwide provider network.

Preferred Care will remain independent. This is not a merger with, or takeover by CIGNA HealthCare.

2. What is the initial (first-member) effective date for the alliance offerings plans?

The initial (first-member) effective date is intended to be July 1, 2007, subject to regulatory approval.

3. Why CIGNA HealthCare as an alliance partner?

Experience - CIGNA HealthCare has pioneered this type of partnership with three other not-for-profit regional plans similar to ours: Massachusetts-based Tufts Health Plan, Michigan-based Health Alliance Plan (HAP), and with Minnesota-based HealthPartners.

Resources - CIGNA HealthCare has dedicated resources to support alliance business.

Size of Network – CIGNA Health Care has a comprehensive national network comprised of more than 4,000 facilities and 500,000 providers.

Stability - CIGNA HealthCare is a strong, stable partner with nearly nine million members.

4. Are CIGNA HealthCare and Preferred Care merging?

No. CIGNA HealthCare and Preferred Care are not merging; they will remain separate companies. Other than to jointly market plans and share provider networks, we will continue to compete.

5. Will CIGNA HealthCare and Preferred Care share provider contracts between their organizations?

No. Specific provider contracts are confidential.

6. What counties are part of the alliance?

Practices in the following upstate counties: Albany, Broome, Cayuga, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming and Yates.

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7. If I agree to the terms of the attached Amendment, can I see CIGNA members?

Yes. You will see CIGNA PPO and EPO members for all services and CIGNA HMO members for pre-authorized out of network care and emergency care.

8. What products will be offered through this alliance?

MVP Health Care, Preferred Care and CIGNA HealthCare will offer both fully insured and self-funded commercial PPO and EPO products. Medicare, Medicaid, Child Health Plus and Family Health Plus products are not being offered under this alliance.

9. Which employer groups are Preferred Care and CIGNA HealthCare targeting for affiliation plans?

CIGNA HealthCare and Preferred Care will offer affiliation plans to fully insured employers of 51 or more employees and self-funded employers of 200 or more employees provided that those employers have at least one site in upstate New York and sites in other states.

For example: ABC Company is based in Syracuse, New York, and they have Preferred Care as their health plan. ABC has a factory in Dallas, Texas with 217 employees. Through this alliance, Preferred Care would be able to offer one product for both locations. Employees in both locations will be Preferred Care members. Members in upstate New York will access the Preferred Care provider network. Members in Texas will access CIGNA HealthCare's network of providers there.

10. How will the alliance impact provider reimbursement rates and discounts?

Effective July 1, 2007, Preferred Care reimbursement rates will apply to any CIGNA HealthCare member you see.

11. How will providers verify member eligibility?

You should use the same eligibility verification processes you use with Preferred Care members now, whether it be checking eligibility online, or by calling Member Services. Prior to July 1, 2007, you will be provided with information on how to verify CIGNA member eligibility.

12. What types of online support will CIGNA offer?

You may visit CIGNA HealthCare's secure provider website at www.cignaforhcp.com to view available services.

13. Who do I call for status on a claim?

If you see a CIGNA HealthCare member, you will call CIGNA at 1.800.88CIGNA (882.4462) If you are seeing a Preferred Care member, you will contact Preferred Care at 1-800-999-3920.

14. How will medical management (such as pre-authorizations and concurrent reviews) work?

For Preferred Care members residing in upstate New York, Preferred Care will handle medical management. CIGNA HealthCare members will have CIGNA medical management.



15. Will there be any changes in the referral process or in utilization management?

The plans that will be offered under the alliance (EPO and PPO) do not require referrals. For Preferred Care members in upstate New York, Preferred Care will handle medical management reviews, and CIGNA HealthCare medical management will apply to CIGNA members. Prior to July 1, 2007, you will receive more information on CIGNA HealthCare's medical management policies or contact our customer service department at 1.800.88CIGNA (882.4462).

16. Will my office procedures regarding quality management and performance measurement change?

No. Preferred Care and CIGNA HealthCare will each continue collaborating with their respective contracted providers to improve quality through quality management programs and HEDIS™ measurement and reporting activities.

17. Will CIGNA HealthCare credential Preferred Care's providers, and vice-versa?

No. Credentialing is not affected by this agreement.