



Norton Health System – Contract Termination Frequently Asked Questions

Although Anthem has a contract with Norton Health System that runs through September 30, 2010, Norton has notified Anthem of their intention to terminate the contract early, effective July 1, 2009.

Norton's contract provides for a fair rate of reimbursement for the medical services they provide to Anthem customers. However, Norton has elected to terminate that contract early, demanding unreasonable, double-digit rate increases. We are very serious about our members' access to high quality doctors and hospitals, but we also have an obligation to hold the line on the increasing cost of health care. Unfortunately, Norton is requesting an increase of as high as 27 percent at one of their facilities. Their increased reimbursement would be directly reflected in member premiums, medical expenses and patient cost share amounts. This is many times the rate of inflation, and we believe is more than businesses and consumers can afford during this period of economic instability.

Why is this happening?

Norton has notified us of their intention to terminate their contract with Anthem 15 months before it is set to expire. In addition, Norton is demanding an increase of more than 20 percent for services they perform on Anthem cardholders. We cannot accept this proposal because it would push health care costs to a level that is unacceptably high given the current economic challenges facing so many people in our community.

What hospitals are affected by this?

Norton Audubon Hospital
Norton Hospital
Norton Suburban Hospital
Kosair Children's Hospital

What Anthem health plans would be affected?

Blue Access/Access, Blue Preferred/Preferred, Blue Traditional/Traditional, Medicare Advantage HMO/PPO

Does this termination affect Norton-employed physicians?

Yes. More than 400 physicians employed by Norton Health System will also be considered out of network after July 1, 2009. After July 1, 2009, Anthem members will face higher out of pocket costs when receiving services from a Norton-employed physician. A list of physicians and Norton outpatient diagnostic centers is attached. To check the network status of a physician, members should contact the customer service number on the back of their Anthem ID card, or click on "Find a Doctor" at www.anthem.com.

If Norton facilities were to go out of Anthem's network, are there other in-network facilities in the area?

Yes. Most services available at a Norton Hospital are available elsewhere in Louisville at in-network hospitals such as Jewish Hospital, Baptist Hospital East or Sts. Mary and Elizabeth Hospital. However pediatric hospital services are not available elsewhere, so Anthem will pay in-network benefit level after July 1 for services at Kosair Children's Hospital. Since the hospital is not participating in the Anthem networks, members may be billed the balance between the Anthem allowance and Kosair Children's Hospital's charge.

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What happens if a member goes to a Norton-affiliated hospital after July 1, 2009?

It is recommended that Anthem members begin to consider the other in-network options in the area for health care needs. Please note that through June 30, 2009, Norton-affiliated hospitals and Norton-employed physicians will continue caring for our members as if the hospitals and physicians were still in our network – accepting our negotiated rates as payment in full.

What about emergency care?

Barring a new contract, after July 1, 2009, if an Anthem member chooses one of these hospitals for emergency care and the hospital charges more than Anthem's benefits allow, the member may have to pay the difference.

What happens if a member is an inpatient at one of the above facilities at the time of the termination?

If a member is an inpatient on the date of the termination, the above hospitals must continue to honor our in-network reimbursement rate and provide care for 60 days or until they are discharged from the hospital.

Members want to avoid out of network charges. But what if their doctor typically admits his/her patients to a Norton-affiliated hospital and doesn't have admitting privileges to alternate Anthem-network hospitals?

Members should talk to their doctor about other options. Many doctors have admitting privileges at more than one Louisville hospital.