



Health Net®

Health Net of the Northeast, Inc.
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www.healthnet.com

June 27, 2008

Dear Health Plan Member:

Health Net is proud of the participating hospitals and physicians who have contracted with us to provide health care services for you and your family. Our goal is to provide our members with a wide choice of doctors and hospitals while balancing the increasing cost of care (and premiums) through the contracts that we negotiate.

We are writing to let you know that through Bayonne Hospital's bankruptcy proceedings, the participating provider agreement between Health Net of New Jersey, Inc. (Health Net) and Bayonne Hospital was terminated effective May 23, 2008. Therefore Bayonne Hospital is no longer a participating hospital within our Health Net network. Unfortunately, this was a circumstance beyond Health Net's control, including the termination date.

To ensure a smooth transition for impacted Health Net members, all claims at Bayonne Hospital will be processed as in-network for services through July 2, 2008. After July 2, 2008, all non-emergency services at Bayonne Hospital (unless previously prior authorized) will be considered out-of-network (however, emergency services continue to be available at any hospital.) If you are confined to Bayonne Hospital as an inpatient on or before July 2, 2008, the claims will be considered in-network until the appropriate discharge or medical transfer.

If you currently only see your physician at Bayonne Hospital rather than at his or her office, after July 2, 2008, you may continue to see this physician at the hospital as follows:

- For pregnancy, up to 6 weeks post delivery
- For follow-up care, up to 6 months after surgery
- For cancer, up to 1 year
- For psychiatric care, up to 1 year

For your convenience, the following is a list of hospitals in your service area that participate in Health Net's network. For a complete list of hospitals that participate with Health Net, please visit us at www.healthnet.com. We apologize if this change comes as an inconvenience to you or your family, but we are confident that one of our other area hospitals will meet your expectations for outstanding hospital care, should you need it.

HOSPITAL NAME	CITY	COUNTY
Englewood Hospital	Englewood	Bergen
Hackensack University Medical Center	Hackensack	Bergen
Holy Name Hospital	Teaneck	Bergen
Valley Hospital	Ridgewood	Bergen
Clara Maass Medical Center	Belleville	Essex
Columbus Hospital	Newark	Essex
East Orange General Hospital	East Orange	Essex
Mountainside Hospital	Montclair	Essex
Newark Beth Israel Medical Center	Newark	Essex
St. Barnabas Medical Center	Livingston	Essex
St. James Hospital	Newark	Essex
St. Michael's Medical Center	Newark	Essex
UMDNJ-University Hospital	Newark	Essex
Christ Hospital	Jersey City	Hudson

HOSPITAL NAME	CITY	COUNTY
Hoboken University Medical Center	Hoboken	Hudson
Palisades General Hospital	North Bergen	Hudson
Muhlenberg Regional Medical Center	Plainfield	Union
Overlook Hospital	Summit	Union
Robert Wood Johnson University Hospital-Rahway	Rahway	Union
Trinitas Hospital - Williamson St Campus	Elizabeth	Union

We are notifying all Health Net physicians who have admitting privileges at Bayonne Hospital about this change. Most, if not all, have admitting privileges at other area hospitals that participate with Health Net. Therefore, this should not require a change in physician for you. However, if either your primary care physician or a physician from whom you are currently receiving treatment does not have, or is not able to obtain, privileges at another area hospital that participates in Health Net's network, we will notify you with all the information necessary regarding continuing services with your current physician or choosing a new physician.

We value you as a member and want to make this as smooth a transition as possible for you. Therefore, if you have any questions concerning this network change, please call our Member Advocates at the Customer Contact number on the back of your Health Net ID card.

Sincerely,



Paul S Lambdin
 President, Health Net of the Northeast, Inc.