

**Important Notice to our Blue Cross Blue Shield of Texas Patients!**

Dear Valued Patient,

**Effective September 18, 2008, we will no longer participate with BCBSTX, thereby ending our care with you.**

We have always been committed to putting patients first, and have not been willing to compromise the practice of medicine as this is not just another business – it is your trust in our caring for you and your family. For over 60 years, we have been proud to put all of our resources into serving the needs of our patients. Unfortunately, our efforts to negotiate a reasonable contract with BCBSTX that would allow us to continue our relationship with you have failed.

For the third year in a row, BCBS has significantly reduced payments to us for our services. Our routine business costs have been subject to the same increases you have experienced in your own home. While insurance carriers have been increasing your premium costs for health insurance each year, BCBS has been unwilling to recognize our increased costs for providing the very same services and has instead, consistently lowered payments to your providers of care. Unfortunately, after lengthy discussions, we have been unable to reach an agreement with BCBS that allows us to continue to provide our standard of care and remain economically viable. The attempt by BCBS to unilaterally have a “one size fits all” reimbursement schedule for physicians across Texas is a slap in the face of patients and physicians who strive to provide them the best care possible. We believe that this is unreasonable and to us, unacceptable.

The decision to terminate our contract with Blue Cross and Blue Shield of Texas is a very difficult one because we value our relationship with you, but it would appear to be our only option at this point. We cannot and will not allow insurance companies to force us to compromise our ability to maintain the highest level of medical care that is available at our facilities. Therefore, effective September 18, 2008, our contract with BCBS will terminate.

**What this means to you**

Since BCBS Provider Directories and website may not recognize our exclusion from their now very limited orthopaedic network of doctors for some time, it is important that this letter serve as communication to you of our out-of-network status. Additionally, we will not see any BCBSTX patients after this date even those with out-of-network benefits, as it is not our desire to pass along penalties assessed to you by BCBS for seeing us out of their network.

Here are some important points to guide you through this transition:

- If you have had surgery with us during the past 90 days, we will continue to care for you until you are able to be safely transitioned to a participating BCBS provider of your choice. We will discuss this transition at your next scheduled post-operative visit.
- If you are currently being treated conservatively and are considering surgical intervention, this notice will serve that your care will end with us on September 18, 2008. Because your condition requires medical attention, we recommend you place yourself under the care of another participating BCBS physician without delay. **We recommend that you contact BCBS member services at 1-800-521-2227 to locate an in-network participating Orthopaedic Surgeon.** With your approval, we will make available your case history and information regarding the diagnosis and treatment you have received from us to date.
- If you have a scheduled appointment with us after September 18, 2008, a representative from our office will contact you to discuss your transition plan from our office to a participating provider within a week of this notification.
- If you have a scheduled appointment before September 18, 2008, we will discuss your transition plan with you during your visit.

Please note that we participate with many other major health insurance carriers in San Antonio. As your employer plans for your next open enrollment period, feel free to contact your employer's Human Resources department to discuss how they can arrange for you to continue to have access to The San Antonio Orthopaedic Group. Ironically, we find ourselves in the same position in re-evaluating our options, as we currently contract with BCBS for providing health insurance to our employees and their families.

We apologize for the hardship and inconvenience this termination may cause you, and hope that we may be your orthopaedic provider of choice again in the future should either of our circumstances change.

Sincerely,

Your physicians and friends at  
The San Antonio Orthopaedic Group, LLP

Date Sent:  
August 15, 2008