



January 4, 2010

Valued Blue Cross patients:

We are writing to you not only as a Blue Cross provider but as an organization deeply concerned about the wellbeing of our patients. MORE Physical Therapy, Inc., has been a Blue Cross Preferred Provider for the past 20 years, and as such has provided quality treatment to thousands of Blue Cross members. Therefore, we were deeply concerned when Blue Cross notified us earlier this month that it is cancelling its long-standing contract with all Preferred physical therapy providers in California effective January 31, 2010. In place of the existing contract, Blue Cross is offering a new contractual arrangement that dramatically changes reimbursement methods and thus significantly impacts both providers and patients.


The new contract that Blue Cross is offering includes, among other things, a nearly 50% reduction in the allowable fee for each of the services we provide. We have always prided ourselves on being the best provider of manual physical therapy in the greater Bay Area. However, this proposed contract rate and its associated provisions, which limit our rights to timely reimbursement, accurate coding, and appeals, would make it impossible for us to continue to provide the level of service that you have come to expect. We are therefore faced with a nearly impossible decision: contract with Blue Cross and provide inadequate and less-effective treatment, or refuse to contract with Blue Cross and potentially have to pass on increased costs to our patients.

At this time, we have decided not to sign the contract. This means that we will become an out-of-network provider for all of our Blue Cross patients as of February 1, 2010. We are as unhappy about this turn of events as you are. After colleagues across the state petitioned Blue Cross to at least sit down in an attempt negotiate fairer reimbursement and were denied even that opportunity, we realized that we have no other choice if we are to continue to provide the kind of personal attention and manual therapy emphasis upon which we have built our reputation. In its letter regarding the proposed changes to our contract, Blue Cross stated that it hoped "these changes will be viewed by our therapy providers as exciting and positive." We hope you understand how offensive and ridiculous this sentiment is. In addition, the Blue Cross website states, "Our mission is to improve the health of the people we serve." We would argue that what they are attempting to do to physical therapy providers and patients across the state will, without a doubt, achieve the opposite effect.

We would be happy to discuss the impact that these changes may have on your out-of-pocket costs for your care here at MORE Physical Therapy, Inc. and we advise you to discuss with your physical therapist how this might change your treatment plan. In addition, we encourage you to express your concerns about Blue Cross's proposed changes and their impacts on your health and wellbeing by writing to or calling Blue

Cross representatives directly. Their contact information is listed below. We also encourage you to express your concerns to your human resources representative, state insurance officials (also listed below), and your legislators. Please visit our website at **www.morephysicaltherapy.com** for additional information, a sample letter you can download, and links for directly contacting members of Congress and the media.

Sincerely,



Ronald J. Kaminski, PT, ATC
President and Founder
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