

LAURA A. GILLEN
SUPERVISOR



OFFICE OF THE SUPERVISOR

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June 20, 2018

Ms. Elizabeth E. Tallet
Chair of the Board
Anthem, Inc.
120 Monument Circle
Indianapolis, IN 46204

Dear Ms. Tallet:

Empire Blue Cross Blue Shield recently sent a letter to my constituents stating that South Nassau's contract with Empire was terminated effective May 1, 2018 and that there would be a two-month "cooling off" period lasting through June 30, 2018.

I support South Nassau in their fight for a fair reimbursement rate. This impacts more than 900,000 residents of the south shore of Nassau County. South Nassau operates the only trauma center and life-saving cardiac interventional program on the southern tier of Nassau County. They also operate the only free-standing emergency department in Long Beach. Many of my constituents rely on South Nassau for emergency and non-emergency care, cardiac services, cancer care, maternity services, pediatric care, internal medicine and more.

I was informed that last year that Anthem, Inc., which owns Empire Blue Cross/Blue Shield, reported \$3.4 billion in profit. Additionally, last year under the new tax plan, Anthem/Blue Cross received a \$1 billion credit in corporate tax relief, reducing the tax they paid to \$121 million at a corporate tax rate of 3.1 percent – far below the tax rate imposed on most Long Island households.

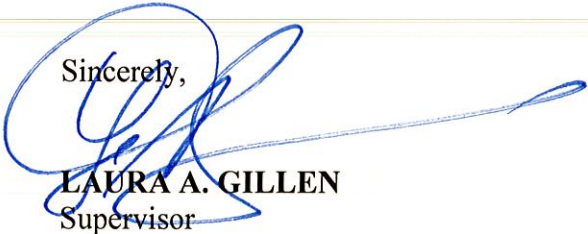
I urge you to stop putting profits before patients. You have proposed reimbursement rates that are significantly below the rates you provide to other similarly-sized hospitals on Long Island. South Nassau is only seeking parity with the amount of reimbursement Blue Cross currently provides to other hospitals in our area.

South Nassau is a non-profit hospital whose costs to provide quality care continue to escalate. A fair reimbursement rate will allow South Nassau to recruit and pay their nurses, doctors and support staff the competitive wages they deserve.

South Nassau is an extremely valuable asset in our community. In the interest of my constituents and all of the residents of the south shore of Long Island who rely on this hospital, I

urge you to swiftly reach an acceptable contract agreement, one that will provide fair reimbursement and allow South Nassau to continue to provide high-level care.

Sincerely,



LAURA A. GILLEN
Supervisor

LAG/cr

cc: Andrew M. Cuomo, Governor of the State of New York
Paul Francis, Deputy Secretary for Health and Human Services, State of New York
Sean Doolan, Hinman Straub
Maria Vullo, Superintendent of Financial Services, New York State Department of
Financial Services
Troy Oechsner, Deputy Superintendent for Health, New York State Department of
Financial Services
Lawrence Schrieber, President, Empire Blue Cross Blue Shield
Dominic DePiano, Vice President, Provider Engagement & Contracting, Empire Blue
Cross Blue Shield