

To: University Employees Participating in the North Carolina State Health Plan

Subject: State Health Plan Clear Pricing

Date: August 14, 2019

Earlier this year, the North Carolina State Health Plan for Teachers and State Employees ("State Health Plan") announced that it was working to establish its own health care provider network along with a new approach to how providers, such as doctors and hospitals, are reimbursed for covered medical services. The State Health Plan called this new approach the "Clear Pricing Project." These changes were to be effective January 1, 2020.

On August 8, 2019, the State Health Plan provided an update concerning their "Clear Pricing Project." In 2020 the State Health Plan network will consist of both the Blue Cross Blue Shield Blue Options Network (the network currently used by the State Health Plan) along with the new North Carolina State Health Plan Network. The two combined networks will include more than 68,000 providers.

This means that you will continue to have access to the provider network you use today through the State Health Plan, along with some new providers that were not previously part of the Blue Options Network. This latest development appears to relieve concerns about losing in-network coverage for State employees in 2020.

The University has a significant interest in ensuring that all of our employees have access to quality and cost-effective health care and are able to choose from as many health care providers as possible in our local communities. We are glad that there is now some resolution to the provider network. In the coming weeks, we expect the State Health Plan to announce the dates for the open enrollment for the 2020 benefit year. We will continue to keep employees updated through your local Human Resources office about the enrollment period and any other benefit changes that may occur for the 2020 benefit year.

The State Health Plan has continued to provide updates on the Clear Pricing Project on their web site, which you can visit at https://www.shpnc.org/state-health-plan-clear-pricing-project. Please contact your local Human Resources office if you have any questions.

Sincerely,

Matthew S. Brody

Senior Vice President for Human Resources

University of North Carolina System