



6450 US Highway 1
Rockledge, Florida 32955
myHFHP.org

Health Plans & Insurance

July 23, 2015

Mr. Gerard Visco
Director of Human Resources
Brevard County Board of County Commissioners
2725 Judge Fran Jamieson Way
Bldg B
Viera, FL 32940

Dear Mr. Visco,

As we discussed earlier today, the following letter is submitted on behalf of Health First in response to Mr. Mikitarian's July 17, 2015 letter sent to the Board of County Commissioners.

As Brevard County finalizes its decision regarding 2016 health insurance coverage for its employees, it has come to my attention that George Mikitarian, Parrish Medical Center's President/Chief Executive Officer, submitted a letter to the members of the County Commission critical of Health First and Health First Health Plans. His action is unfortunate, as this letter is nothing more than a distraction for you and the County Commissioners. Mr. Mikitarian's letter also forces Health First to deviate its focus from improving the health and well-being of our members to address the misrepresented information and partial facts presented in his correspondence.

Before we address the misrepresented information in Mr. Mikitarian's July 17th letter, we would like to thank you for allowing us the opportunity to participate in the Request for Proposal process. Our hope and desire is to provide affordable, high-quality health insurance coverage to meet your employees' needs. As part of Brevard's only not-for-profit integrated delivery network when you insure with Health First Health Plans, your premiums remain in our community to support our local economy and are not paid out to shareholders outside of Brevard County. Health First is a community asset that is uniquely qualified to provide the right care, at the right place, and at the right time.

Health First has the upmost respect and admiration for the providers and employees who have worked hard to create Parrish Medical Center's excellent healing environment. However, over the past year Mr. Mikitarian has authored or authorized multiple communications to the public that provide partial facts and misrepresent information regarding Health First. These communications use highly selective data that we believe are meant to disparage our organization. Health First has routinely and repeatedly chosen not to respond to the material generated by Mr. Mikitarian. However, because Mr. Mikitarian has publically submitted a letter to the County Commissioners, we must formally respond.

In the section of Mr. Mikitarian's letter entitled, "*Concerns for Patient Considerations Overlooked in the RFP Process*," he first identifies Patient Dissatisfaction and Increased Patient Costs. In this section Mr. Mikitarian quoted NCQA Health Insurance Plan Rankings 2014-2015; however, he

Health Plans & Insurance

chose to only reference 2 of the 59 metrics used to calculate these rankings. Additionally, Mr. Mikitarian failed to state that in this same survey, Health First Health Plans was ranked 2nd for Medicare and 3rd for commercial health insurance of all plans in the state of Florida. By providing only 2 of the 59 metrics, he misrepresented Health First Health Plans' excellent standing with the NCQA and within our State. Please visit <http://healthplanrankings.ncqa.org> to review all of the information in the NCQA publicly reported forum.

In the section of Mr. Mikitarian's letter entitled Patient Access and Higher Costs, he provides a recommendation to the Commissioners regarding the option of providing your employees with a Dual Option approach. Mr. Mikitarian is correct in that Health First Health Plans is not currently contracted with Parrish Medical Center. However, Health First believes it should be the employee's choice on which health insurance plan will meet their personal and family's needs. In fact, Health First Health Plans openly discloses our non-contracted hospital status to all county employees during open enrollment and by allowing for this option, it will create a competitive market that will control costs, resulting in lower premiums.

Conversely, by adopting Mr. Mikitarian's recommendation that the County select a single provider option that contracts with all local providers, would actually create the potential to give Parrish Medical Center unusual power over that health plan; "If you don't contract with us, you can't contract with the County". This possibility is significant because, as we outline in the following paragraph, Parrish Medical Center is the only local hospital to have gone to full termination and out-of-network with a health plan in the recent past; Blue Cross in 2007 and Health First Health Plans in 2014. Mr. Mikitarian's recommendation will unwilling provide Parrish Medical Center greater leverage in contract negotiations with payers.

In the section of Mr. Mikitarian's letter entitled Status of Legal and Regulatory Considerations by the Health Care District, he again states that Parrish Medical Center is not currently contracted with Health First Health Plans. However, the facts of this situation are misrepresented because he does not disclose that the decision to prematurely and unilaterally terminate its contract with Health First Health Plans was made solely by Parrish Medical Center executives more than 15 months before the contract was due to expire. The demands made of Health First Health Plans were not within industry norms and would have increased the costs to our members. In addition, prior to the premature termination of the contract, on average, Health First Health Plans was paying Parrish Medical Center higher rates than paid to other in-network providers, including Health First's own hospitals.

Florida Today posted a story regarding Parrish Medical Center's decision to end our agreement on September 11, 2014. Additionally, on January 3, 2007, *Florida Today* reported Parrish Medical Center's negotiations with Blue Cross Blue Shield. This article demonstrates a pattern by Parrish Medical Center's executive leadership regarding decisions about reimbursement, wherein Blue Cross's representative characterized the hospital's demands as "off the wall" and "10 times the normal costs for hospitals." We have included both of these articles for your review.

In this same section and with corresponding exhibit, Mr. Mikitarian cited two pending lawsuits filed against Health First and submitted partial and misrepresented information. The referenced antitrust

Health Plans & Insurance

lawsuit had been dismissed twice by the same judge, and the Plaintiffs were finally able to meet the “bare minimum” pleading threshold on their third attempt. The second case cited is a pending “qui tam” action; a case initiated by the lead plaintiff in the antitrust case. As with any lawsuit, all “issues” cited by Mr. Mikitarian are bare allegations; none of which have been proven or substantiated in court. Health First asserts that the actual evidence will show the Plaintiffs’ allegations are without merit and that Health First’s activities are critical to improving the health of the community that we serve and that our actions comport with all applicable law. In fact, over the years multiple regulatory agencies, including Florida Attorney General’s Office, the Federal Trade Commission and the Department of Justice, have reviewed our organization and activities and have never challenged our efforts.

Furthermore, Parrish Medical Center has presented Health First with legal correspondence demanding that we limit our interactions with elected officials. Health First remains committed to work with Parrish and other providers to improve the health and well-being of our community, even as Mr. Mikitarian has routinely rebutted our attempts to resolve his concerns.

As you continue your fiduciary responsibility to provide your employees with high-quality health insurance at a reasonable price, it is unfortunate that Mr. Mikitarian has decided to publically submit misrepresented information concerning our Health Plans and overall organization. Our goal is to improve the health and well-being of Brevard, and these attacks distract us from what matters most.

Our hope and desire is that all those we serve have access to the care they need, when they need it. That is why we are pleased that Health First’s hospitals were recently ranked by the Centers for Medicare and Medicaid (CMS) as Brevard’s only 5 & 4 Star Hospitals.

- Viera Hospital – 5 Stars
- Cape Canaveral Hospital – 4 Stars
- Palm Bay Hospital – 4 Stars
- Holmes Regional Medical Center – 3 Stars

These CMS rankings, and 4 Star ranking of Health First Health Plans, are clear confirmation of the quality of our organization, the dedication of our associates and the support of our community.

Please extend our appreciation to the County Commissioners for their diligence in this process, and we thank you for your continued consideration.

Respectfully,



Ed Griese
President/Chief Executive Officer
Health First Health Plans