New Contract Agreement Reached between Blue Cross Blue Shield of Massachusetts, Tufts Medical Center and New England Quality Care Alliance

BCBSMA Members Can Continue to Seek Care at Tufts Medical Center and from its Community Physician Network

BOSTON — December 7, 2011 — Blue Cross Blue Shield of Massachusetts (BCBSMA), Tufts Medical Center and New England Quality Care Alliance (NEQCA) announced today that they have agreed to a new three-year contract. The agreement ensures that BCBSMA members who receive care at Tufts Medical Center, Floating Hospital for Children or from a NEQCA community physician can continue to do so without any interruption. BCBSMA members who would like to be new patients of NEQCA, Tufts Medical Center and Floating can receive care as well.

Under the agreement, the Tufts Medical Center and NEQCA network will receive an annual network-wide average increase of 3 percent. In addition, Tufts Medical Center and NEQCA, who were early participants in BCBSMA's *Alternative Quality Contract* (*AQC*), have agreed to join the newest version of the contract known as*AQC 2.0*. The main feature of the new model is that participating organizations are required to outperform the rest of BCBSMA's provider network in managing the growth in health care spending.

Both organizations acknowledged the uncertainty the negotiations caused for members and patients and thanked them for their understanding and patience.

Andrew Dreyfus, BCBSMA's President and Chief Executive Officer, said, "We want to thank our members for their patience as we worked to achieve a new contract. We are pleased that Tufts Medical Center and NEQCA will continue their participation in the *AQC* — a model which has been shown to reduce health care spending while improving the quality of patient care. This agreement demonstrates that when we come together in a spirit of shared responsibility, we can ensure that caregivers have the resources they need to care for patients while at the same time being responsive to the appropriate impatience in the community regarding the cost of health care."

Eric Beyer, President and Chief Executive Officer of Tufts Medical Center, said, "The relationship between physicians and patients is extremely important and we are pleased that an agreement has been reached with BCBSMA that supports our patients and their members. Caring for our patients is our first priority and this contract will allow us to continue to deliver the exceptional care our patients appreciate and deserve. We realize the public nature of these negotiations caused anxiety for BCBSMA members and our patients, and we thank them for their understanding and patience as we worked to reach an agreement that supports their health care needs."

President, CEO and Chief Medical Officer of NEQCA Jeff Lasker, MD, added, "Our 1,500 physicians are critical resources for communities from Lowell to Winchester, Framingham to the Cape, New Bedford and Fall River. We are pleased that all BCBSMA members in these communities will continue to have complete access to these excellent doctors. Our physicians have also been leaders in delivering the highest quality of care in a very efficient manner. We look forward to continuing this leadership role in Massachusetts health care."

The organizations have agreed to not publicly discuss other details of the contract terms.

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) was founded 74 years ago and is now the largest private health plan in the state, providing coverage to nearly 3 million members. BCBSMA believes in working with physicians, hospitals, employers and the broader community to provide quality, affordable health care in Massachusetts. Blue Cross Blue Shield of Massachusetts is an independent licensee of the Blue Cross Blue Shield Association.

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