

MEHIP

Municipal Employees Health Insurance Program

Administered by Stirling Benefits, Inc. · 20 Armory Lane · Milford, CT 06460-3347 · 203.876.1660 · fax 203.647.0695 · www.ctmehip.com

MEHIP Portfolio Changes due to Health Net's Acquisition by United Healthcare

December 11, 2009

As a contracted insurer for the State of Connecticut employees, certain benefit plans from Health Net of the Northeast were available through MEHIP. With the recent approval of the acquisition of Health Net's Northeast licensed subsidiaries by United Healthcare (UHC), the MEHIP portfolio will change as UHC obtained rights to renew Health Net's membership in Connecticut, New York and New Jersey.

Current Health Net customers will be able to renew their MEHIP plan with Health Net during the first quarter (January/February/March) of 2010 and remain with Health Net for the 12-month policy period. It is unclear at this point whether the second quarter (April/May/June) 2010 business will have the option to renew with Health Net.

Under the agreement, United Healthcare has obtained the rights to acquire Health Net's Northeast licenses to renew Health Net's membership in Connecticut (MEHIP) through Oxford Health Plans (a UHC company). Comparable plans will be offered and underwritten by Oxford in advance of the premium renewal. Those customers who choose to move to Oxford Health Plans will remain with Oxford for the 12-month policy period under MEHIP.

Quote requests for new business through Health Net are not being accepted at this time. However, applications for new business where the quote was previously released with a 1Q 2010 effective date will be accepted subject to underwriting approval.

United Healthcare and Health Net are working together so that members, and health care professionals, have full continuity of their coverage or payments during the time that the Health Net benefit policies remain in force under existing Health Net contracts.

As the MEHIP administrator, Stirling Benefits will keep you posted on any important developments and will work closely with you to make this transition process a smooth one.