

***We're working to provide access to quality
care without excessive hospital costs***

[Subscriber Name]
[Subscriber Address]
[Subscriber Address]
[City, State Zip Code]

Regarding: University of Michigan's southeast Michigan facilities and physicians (Michigan Medicine)

March 4, 2026

Michigan Medicine is choosing to remove southeast Michigan facilities and physicians from the Blue Cross Blue Shield of Michigan and BCN networks on July 1, 2026.

Dear [Subscriber Name]:

We have very unfortunate news. Michigan Medicine, who you may know as the University of Michigan hospital system or health system, has notified us that their southeast Michigan facilities and physicians will no longer accept your Blue Cross Blue Shield of Michigan or Blue Care Network health insurance effective July 1, 2026. **Medicare Advantage members are not impacted.** We know this news may be very upsetting to Blue Cross members who have trusted and longstanding ties to Michigan Medicine, or who are receiving care within the health system. We want you to understand what is happening and assure you that we are ready to help you.

What's happening?

We have been negotiating new payment terms with Michigan Medicine for many months, which will dictate how much people and employers with Blue Cross insurance will pay for services there. After several rounds of negotiations, Michigan Medicine is demanding a **44 percent increase in payment** over the term of a new contract. We oppose this because of the destabilizing impact it will have on the affordability of health care and health insurance for families and employers.

We are committed to affordability

Blue Cross wants our members to have access to the excellent care that the talented doctors, nurses and staff of the Michigan Medicine system provide. Our latest proposal to Michigan Medicine pays more – not less – for services. Blue Cross continues to work diligently in our negotiations to maintain affordable health insurance for our members and access to care at your medical facilities and physicians of choice. Our payment proposals to Michigan Medicine are fair and reasonable, providing increases that account for the incremental costs every business is experiencing, while providing additional payments focused on quality outcomes for patients. We remain hopeful that we will successfully negotiate a new payment contract before July 1, 2026. In the meantime, we are ready to help you find alternative care providers and plan for your care. Please read the information below.

Michigan Medicine facilities that are affected

- Michigan Medicine University Hospital
- C.S. Mott Children's Hospital
- Frankel Cardiovascular Center
- W.K. Kellogg Eye Center
- Livonia Center for Specialty Center
- West Ann Arbor Health Center
- Ypsilanti Health Center
- Detroit Riverview Center
- Rogel Cancer Center
- U of M Transplant Center
- Von Voigtlander Women's Hospital
- Northville Health Center
- Livonia Health Center
- Canton Health Center
- Briarwood Medical Group
- Chelsea Health Center

If you receive care at any of the above facilities or from a Michigan Medicine physician after June 30, you may incur out-of-network charges. We recommend you seek care from an in-network provider. In-network providers can be found on our website, www.bcbsm.com.

What does it mean if Michigan Medicine southeast Michigan facilities and physicians will no longer accept your Blue Cross insurance?

In many of our health plans, Blue Cross will only pay its approved amount for certain services on or after July 1, 2026:

- Emergency services – When you receive emergency care at a hospital, you will be protected from surprise bills*, although specific cost coverage varies by plan. You should only use the emergency room for emergency care. Until a new contract is reached, we encourage you to seek other in-network hospitals for emergency room and non-emergency services.
- Continuity of Care – If a member qualifies as a “continuing care patient” under federal law, they may continue to receive treatment from Michigan Medicine for up to 90 days from the date of termination. To learn more, visit bcbsm.com/updates.
- Under the above scenarios, you are only responsible for your in-network, out-of-pocket costs. In all other situations, Michigan Medicine could bill you for out-of-network charges.

What Michigan Medicine services will not be covered?

We recommend you seek health care services elsewhere after June 30. If Michigan Medicine leaves Blue Cross' network, your costs for services performed at the facilities we've listed above or by a Michigan Medicine physician will increase. Many services will not be paid for by Blue Cross or will be paid at a lesser amount. Michigan Medicine could bill you the difference between what Blue Cross pays for the service and Michigan Medicine's billed charges.

Consider using other facilities and physicians

We recommend you seek care at in-network facilities or with in-network physicians beginning July 1, 2026, if possible. Most other Michigan hospitals and physicians are in the Blue Cross network. You may want to consider scheduling procedures at other in-network hospitals or with other physicians until we come to an agreement with Michigan Medicine. Of course, the final decision is yours. **A list of alternate in-network facilities is attached for your reference.** You can identify other in-network physicians at bcbsm.com/findcare.

While we continue to seek a resolution with Michigan Medicine, please call the number on the back of your Blue Cross Blue Shield of Michigan card if you have questions about costs under your coverage. For updated information about this situation, you can visit bcbsm.com/updates. For insight on how hospital prices and other factors affect your health insurance costs, please visit MIBlueDaily.com/Affordability.

**Under the No Surprises Act, the hospital cannot bill you for costs above the amount allowed by Blue Cross.*