

A Message from Our President

Dear First Choice Health Provider:

I would like to introduce myself, as the new CEO of First Choice Health Network, Inc. I have been with First Choice Health since 2000, serving first as the Chief Financial Officer and more recently, as the Chief Operating Officer. I am very fortunate to be taking the reigns from Gary Gannaway who left the Company in great shape with a strong and experienced management team.

I would like to thank you for your participation in the First Choice PPO Network. Your participation is what makes us the strong competitive network that we are today.

We recognize that there is administrative complexity in working with First Choice payors. Our goal is to reduce this complexity by using technology as a means to provide better service. To date we have been focused on successfully building web based tools; electronic claims interchange with you and our payors; and claims scanning technology. Our current initiatives will expand on broadening these tools. Our goal is to provide value to you.

Thank you again for your participation in the First Choice Health Network. I look forward to working with you.

Sincerely,



Ken A. Hamm
President and CEO

First Choice Health Network Receives Full URAC Re-Accreditation

First Choice Health Network has been awarded Provider Credentialing Re-Accreditation by URAC, a Washington, DC – based health care accrediting organization that establishes quality standards for the health care industry.

The URAC Health Provider Credentialing standards were established to ensure that physicians and other providers participating in health care networks have the appropriate credentials, qualifications and licensure. URAC Health Provider Credentialing Accreditation ensures that a network has verified the education, training, liability record, and practice history of its providers. This accreditation provides important information for consumers and employers in the selection of their health care network.

URAC, an independent, non-profit organization, is a leader in promoting health care quality through accreditation and certification programs. URAC's standards keep pace with the rapid changes in the healthcare system and provide a mark of distinction for health care organizations to demonstrate their commitment to quality and accountability. Through its broad-based governance structure and an inclusive standards development process, URAC ensures that all stakeholders are represented in setting a meaningful standard for the health care industry. For more information, visit www.urac.org.

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Technology Grants to Help Physicians Deliver Better Health Care

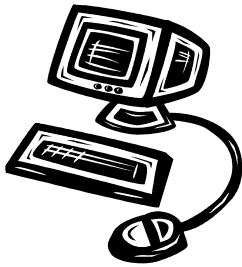
Improved patient care is the goal of the 2005 technology grants totaling \$200,000 announced by First Choice Health. Grants of \$20,000 each are being awarded to ten small and generally rural physician practices throughout Washington state, according to First Choice Health's Chief Medical Officer, Dr. Ze'ev Young.

"The appropriate use of digital technology, such as electronic medical records, has great potential for improving health care for patients," Young says in announcing the grants. "But we have found that cost is often a barrier for smaller practices to integrate such technology into their practices. The result is that the patients of these smaller physician practices may not be able to benefit from this technology. First Choice Health has decided to do something about that."

The innovative technology grants are being provided by First Choice Health as part of a joint quality initiative with Qualis Health, a Seattle-based health care quality improvement organization, to encourage physician groups to participate in a program called the Doctor's Office Quality Information Technology (DOQ-IT) initiative. DOQ-IT is a Centers for Medicare & Medicaid Services (CMS) quality initiative. It is designed to improve the efficiency, safety and quality of health care for patients by making it easier for physician practices to adopt electronic medical record (EMR) systems, improving access to patient medical records and decision support data.

While First Choice Health provides the funding for the grants, Qualis Health will provide federally-funded consultation, quality improvement assistance and support to the eligible physician practices. The DOQ-IT project aims to improve care for patients in the areas of diabetes, heart failure, coronary artery disease, hypertension and preventive care.

Young says the grants will be formally presented at separate awards ceremonies in the communities of the selected physician practices. "First Choice Health hopes that this program will be a catalyst for more organizations to consider how they can contribute to the advancement of our state's health technology infrastructure," he says. "We are delighted to be able to give back to our community and intend to offer an expanded grant program later in 2006."



Technology Grant Recipients

Family Wellness Center, Vancouver
Kittitas Valley Internal Medicine, Ellensburg
Puget Sound Neighborhood Health Centers, Seattle
San Juan Healthcare Associates, Friday Harbor
K.B. Family Practice, Olympia
Associated Family Physicians, Spokane Valley
Family Health Center, Spokane
Marysville Family Medicine, Marysville
Pullman Family Medicine, Pullman
The Broadway Clinic, Aberdeen



Our PPO Provider Relations Team in the Spokane Area

In addition to our Provider Relations team in the Seattle office, we are pleased to announce that First Choice Health has opened an office location in Spokane and is now staffed by two PPO Provider Relations representatives. Cyndi Petersen and Charmaine Miller are now teamed up to assist providers and facilities located in the eastern Washington and Idaho areas, including greater Spokane.

Both Cyndi and Charmaine have extensive healthcare background experience and have been very hard at work in building relationships with area provider groups and hospitals.

Please join us in welcoming them to the team in Spokane!

If you are a provider or facility located in Eastern Washington, Idaho and Montana, please call Cyndi or Charmaine at our toll free number (800) 231-6935, extension 2103.

Holiday Closure

Please note that First Choice Health will be closed on Monday, May 29th, 2006 in observance of Memorial Day. We will return to our regular business hours on Tuesday, May 30th, 2006.

The Scribner Courage in Health Care Award Program

Call for Nominations

Deadline for submissions: June 20, 2006

The Award

The Scribner Courage in Health Care Award is bestowed to a health care professional who has made an extraordinary contribution to the health of people of the State of Washington through the exhibition of personal courage, within or outside of traditional “systems.” Emphasis is given to extraordinary service, innovation and professional courage over time that has resulted in meaningful change and improvement in health care. Any living health care professional doing his or her work primarily in Washington State is eligible for the award.

Background

This distinguished award is named in honor of the kidney dialysis pioneer Dr. Belding Scribner. Dr. Scribner’s ground breaking clinical research at the University of Washington in the early 1960’s changed terminal kidney failure into a survivable condition with the invention of the “Scribner Shunt.” This device made long-term dialysis a feasible treatment for kidney failure, and has since saved the lives of hundreds of thousands of men, women, and children the world over.

Although Dr. Scribner was a figure of eminence and stature whose work was recognized in 2002 with the Lasker Award—the American equivalent of the Nobel Prize in Medicine—he was a humble, entirely humane physician whose chief concern was always for his patients. He believed that research should be conducted for the public good and that dialysis should be a community resource, not a commodity. Early in his career, Dr. Scribner’s work was greeted with skepticism. However, he persisted with courage and commitment in pursuing his vision for better care and improved quality of life for people with kidney failure. He greatly influenced the areas of kidney dialysis, bioethics, Medicare coverage of end stage renal disease, and other areas of thought and practice. Dr. Scribner’s work exemplifies the superior contribution to health care envisioned by the Scribner Courage in Health Care Award program.

Past Awardee

Dr. Alvin Thompson, University of Washington Clinical Professor of Medicine and Past President of the Washington State Medical Association, received the first Scribner Courage in Health Care Award in 2004. Dr. Thompson demonstrated great professional courage while enhancing health care for underserved communities in our state. His community service and professional advocacy have provided inspiration and mentorship to the medical community and aspiring health care professionals.

Presentation of the Award

The Scribner Courage in Health Care Award will be presented at a community event to be held Fall 2006. Proceeds of this event will benefit the Northwest Kidney Centers, which Dr. Scribner helped found in 1962. Event date and keynote speaker will be announced late-Spring 2006.

Nomination Process

Please send a statement describing why the nominee deserves the Scribner Courage in Health Care Award, as well as contact information for the nominator and nominee. Further information will be requested about those individuals who are selected as finalist nominees.

**The deadline for nominations is June 20, 2006. Send nominations to:
First Choice Health, Attn: Dr. Ze’ev Young, 600 University Street #1400, Seattle, WA 98101.**

For more information please call (206) 268-2430 or e-mail breyolds@fchn.com.

First Choice Welcomes New Clients!

Two new clients are effective February 1st; the Eucon Corporation and the Local Government Insurance Coalition (LGIC). The Eucon Corporation has employees in Washington and Idaho, and their benefit plan is administered by AmeriBen/IEC Group in Boise, ID. Eucon is accessing FCHN in Washington via Beech Street, however in Idaho they are using First Choice direct. The LGIC group represents employees of Ferry, Lincoln, and Stevens Counties, and their benefit plan is administered by AW Rehn in Spokane. We appreciate their decision to move to First Choice!



Important Changes to Lumenos Groups

In last quarter's Provider Newsletter, we communicated specific group information for five Lumenos groups. We recently received updates that affect these groups and are communicating these changes in order to assist you for billing these groups' members.

Of the original five direct Lumenos employer groups, three employer groups have had changes:

- 1.) Effective 1/1/06, Harris Group has transitioned to Allegiance Benefit Plan Management. The Harris Group was under Lumenos from 1/1/04 – 12/31/05. For DOS after 12/31/05, please use "Harris Group Inc" as the group name, "0010585" as the group number, and "Allegiance Benefit Plan Management" as the Payor.
- 2.) Effective 8/1/05, Washington Athletic Club has moved to Beech Street/FCHN, however Lumenos remains their Payor. For DOS after 7/31/05, please use "Washington Athletic Club" as the group name, use "41400AD" as the group number, and "Beech Street" as the Payor.
- 3.) Effective 5/1/05, North Coast Electric Company has moved to Beech Street/FCHN, however Lumenos remains their Payor. For DOS after 4/30/05, please use "North Coast Electric Comp" as the group name, "4140021" as the group number, and "Beech Street" as the Payor.

For the two remaining employer groups currently under the Lumenos-direct relationship, please remember to use "Lumenos" as the Group ID number, and use the specific Lumenos employer group name for the employer name. The two groups are:

- 4.) Ducich Inc dba Pacific Seafood Group Effective 11/1/04
- 5.) Northrop Grumman Corp Effective 7/1/04

If you have any additional questions pertaining to these changes to groups through Lumenos, please contact Provider Relations at (800) 231-6935, extension 2103.

Costco Executive Health Plan Reminder



Effective with January 1, 2006 dates of service, claims for Costco Executive Member Health Plan should be submitted to Health Net Health Plan of Oregon at PO Box 14103 Lexington, KY 40512. Executive Members received new ID cards and have new member numbers---Please update your patient records so that claims are submitted to the correct plan with the correct member number. Submitting a claim with an incorrect number delays the processing of the claim.

Please Note: First Choice Health Administrators is handling will continue to process all Costco executive member claims with dates of service December 31, 2005 and prior. We are requesting that claims with dates of service prior to January 1, 2006 be sent to First Choice Health Administrators at: PO Box 12659, Seattle, WA 98111-4659.

State of the Network

Thank you for your continued participation with us!

As of March 31, 2006, First Choice Health PPO reports 27,414 actively participating practitioners and 1,219 participating facilities within our PPO Network.

Provider Bulletin Index

Since January 2006, all providers should have received the following provider bulletins:

Control Number	PRB-02-06-01
SUBJECT	CIGNA HealthCare Replaces CareCentrix as National Provider of Durable Medical Equipment, Respiratory Equipment, and Enteral Nutrition **

** Please call Provider Relations to request a copy of this targeted Provider Bulletin