

October, 2009

NOVANET PPO, LLC ACQUIRES TENNESSEE HEALTHCARE, LLC

Press Release - 8/17/09:

SPECIAL POINTS OF INTEREST:

- THC acquisition
- East Tennessee workers' compensation network
- Is Your Network Flexible?
- NovaNet provides access to two dental networks

NovaNet PPO, LLC has announced the acquisition of Tennessee Healthcare, LLC effective September 1st, 2009. The acquisition is part of NovaNet's expansion of its directly contracted group health and workers' compensation network business.

NovaNet, a national PPO network offering group health, workers' compensation, dental, imaging and lab networks, is pleased to have Tennessee Healthcare as part of its Southeast network delivery system. Tennessee Healthcare's clients now have the opportunity to access NovaNet's PPO coverage throughout Tennessee, Georgia, Alabama, South Carolina, and Northern Florida, as well as the ability to participate in NovaNet's other product offerings. "We at NovaNet are excited about the opportunities Tennessee Healthcare brings to us in expanding our business into Tennessee with such a highly recognized and quality organization," said Richard Morgan, President and CEO of NovaNet. "Furthermore," stated Morgan, "we think the synergy between the organizations will quickly bring significant value to current clients in greater access and savings." This is NovaNet's fourth network acquisition.

Tennessee Healthcare has been known as an innovative solution for payors seeking state-wide coverage in Tennessee since 1994.

Those same payors can now benefit from NovaNet's expanded directly contracted network, as well as its national affiliate network, to cover members in all 50 states.

"NovaNet's proven track record and strong network will be an asset to Tennessee Healthcare's clients as we move forward," stated Greg McNair of Tennessee Healthcare. John Folks of Tennessee Healthcare sees the union as an opportunity for Tennessee Healthcare to continue toward the goal of creating a true all-Tennessee network. "Being a part of NovaNet provides us with the ability to provide a superior network solution for our clients in Tennessee and the rest of the country. Most of all, our shared values and focus on integrity can provide even more stability for providers and clients in the changing health care market."

Tennessee Healthcare began in 1994 when a group of the state of Tennessee's finest hospitals linked their strong regional networks to create a true all-Tennessee network of healthcare providers including physicians and hospitals. Their network reaches from border to border, into every small town and big city in the state. It gives insurance carriers, TPA's, and self-funded employers access to a competitively priced, efficiently run, high quality healthcare system with just a single contract.

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Raising Expectations

October, 2009

NOVANET BUILDS WORKERS' COMPENSATION NETWORK IN EAST TENNESSEE

On October 1, 2009, NovaNet will begin building a directly contracted workers' compensation network in East Tennessee. Together with its existing workers' compensation network across the rest of the state, the completion of contracting in this area will give payors access to a comprehensive, statewide workers' compensation network with contracted discounts off of the state fee schedule, which previously has not existed.

PHP's WORxS network has traditionally been known as the best workers' compensation network in East Tennessee.

As of December 31, 2009, WORxS will no longer be functioning as a workers' compensation network. Because of NovaNet's longstanding relationship with PHP and with the endorsement of WORxS, NovaNet will contract with the same providers at the same discounts.

NovaNet expects to complete its contracting efforts by December 31, 2009, so former WORxS clients, as well as new clients, can have a smooth transition to NovaWorx on January 1, 2010.

PROVIDER SPOTLIGHT ON EDGE PARK MEDICAL SUPPLIES

Edgepark Medical Supplies has been a member of NovaNet's group health network since 2002.

Edgepark is a national mail-order provider of medical supplies with more than 30,000 products. Their inventory includes adult and pediatric products from the following categories: Diabetes, Ostomy, Wound Care, Urological, Incontinence, and Health and Personal Wellness. Edgepark ships medical supplies directly to providers' offices or members' homes free of charge.

They are currently one of the largest distributors of Ostomy, Diabetes, Wound Care, Incontinence and Urological supplies in the nation to the Managed Care Industry. They have six distribution centers located in Ohio, Florida, Texas, California and New York, assuring ground delivery to providers and members in one to two days.

Edgepark has a working relationship with over 400 manufacturers, giving them access to over 30,000 supplies.

In addition to their disposable medical supply offerings, they provide medical devices including Insulin Infusion Pumps, Continuous Glucose monitoring devices, Anticoagulation monitors and supplies, and Bone Growth Stimulators.

They have a dedicated Care Management Support Team that specializes in handling urgent and delicate patient needs, assisting in locating hard-to-find products and providing samples to members.

The ordering process is simple and efficient. The nurse or member calls or faxes the patient's demographic information to Edgepark, Edgepark calls the patient's physician to obtain Certificate of Medical Necessity or prescription, Edgepark calls the payor to verify benefits and eligibility, then ships the order within one business day, keeping the provider or member informed of the order status.

To learn more about Edgepark Medical Supplies, please visit www.edgepark.com.



Raising Expectations

 **NovaNet**
Network Coverage with a Different Perspective

**NEW SERIES:
TOP 5 THINGS TO LOOK FOR IN A
PPO NETWORK –
4 IS YOUR NETWORK FLEXIBLE?**

In today's fast-paced and constantly changing managed care environment, you need a network that keeps up with you and offers a variety of options to meet your needs.

Does your current network offer that flexibility? Are they customer-service driven? Or do they offer the same old products and services, forcing you to adapt to their practices?

So many times, new NovaNet clients are surprised at our innovative perspective and willingness to alter our products and services to fit our clients' needs. Just because one client does things a certain way does not mean that another client does things the same way, so we set up a unique set of products, services and work flows for each of our clients.

This flexibility and responsiveness can most obviously be seen in NovaNet's client-specific recruiting, special/customized networks and repricing technology.

When a current or prospective client sends us claims data for a disruption analysis, we immediately begin recruiting any out-of-network providers that appear on that analysis.

In addition, we respond right away to all client and member nominations of providers, keeping that client or member updated on the recruitment status of those providers.

NovaNet offers a variety of networks and we can customize those networks to suit each client's specialized needs. Our repricing technology offers EDI and/or online repricing options, with EDI file layouts and/or online repricing setup configured to our client's specifications, and each claims work flow is customized to fit our client's model.

Almost every day, a client, provider and/or member comments to a member of NovaNet's staff that they do not receive the same level of customer service or responsiveness from other networks that they receive from NovaNet.

We formulate our systems and services to fit your needs, not force you to change your procedures to fit ours.

In today's fast-paced and constantly changing managed care environment, NovaNet knows that flexibility and customer service are key, and we offer that to our clients every day.

**NOVANET OFFERS ACCESS TO
TWO DENTAL NETWORKS**

NovaNet offers access to two national dental networks. The **Aetna Dental® Administrator** network and the **Dental Health Alliance** network (through Assurant Health) offer excellent national coverage and significant discounts.

There are over 80,000* available dental practice locations nationwide in the **Aetna Dental® Administrator** network, with national average savings of 38%**.

The **Dental Health Alliance** network offers access to over 57,000 dental provider locations across the country, with a 30% savings average.

NovaNet can perform a GEO access analysis, a disruption report and/or a savings analysis for each dental network and offers a variety of repricing options for each network.

Each network has its own particular strengths in coverage in certain areas of the country. This additional dental network option demonstrates once again that NovaNet is continuously striving to provide its clients with strong options and flexibility.

*According to the Aetna Enterprise Provider Database as of 3/1/09.

**Savings will vary by geographic area.

Aetna Dental® Administrators



Raising Expectations



About NovaNet

NovaNet was founded in 1994 to participate in the rapid evolution of healthcare moving from traditional fee-for-service to a managed care environment.

NovaNet recognized a void in the way managed care was being delivered to the consumer. Unlike other networks, NovaNet is a privately held corporation not owned by physicians, hospitals or insurance carriers. The company is led by a team of professionals who have a cumulative total of over 60 years experience in the delivery of healthcare products and services. Our team is committed to providing the best delivery system throughout our areas of service.

NovaNet's mission is to provide an innovative healthcare delivery system to benefit and better fit the needs of today's employers and providers.

NovaNet is a national PPO that provides comprehensive coverage in 50 states and represents over 1,000,000 physician locations and more than 5,000 acute care, rehabilitation and behavioral health facilities. The national network is made up of NovaNet's proprietary networks in Alabama, Georgia, Northern Florida and Tennessee, as well as NovaNet's Affiliate Network, which is comprised of the strongest state and regional networks in their respective service areas. Our clients benefit from a single source for local, regional and national PPO network access.

We're on the Web!
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Raising Expectations


Network Coverage with a Different Perspective