



Payroll & Benefit Services

University of Colorado

575 SYS

3100 Marine Street, 6th Floor
Boulder, Colorado 80309

December 21, 2005

Dear CU Community:

Today the *Denver Post* reported on the merger of PacifiCare and UnitedHealth and its possible outcomes, including concerns raised by the United States Department of Justice regarding the impact on competition in the Boulder market. As reported by the *Denver Post*, the Department of Justice has proposed that PacifiCare be required to divest itself of some of its business, including its contract with the University for 6,000 Boulder members.

The University is aware of this merger and we have been working with the Department of Justice and PacifiCare to ensure that health care coverage will not be interrupted.

The Colorado Division of Insurance is expected to rule on the merger today.

What exactly does this mean for employees covered by PacifiCare?

First, there is no immediate impact to any University employee! If PacifiCare is forced to divest itself of University members in Boulder, it will only be after the University has had an opportunity to review and comment on the divestiture. During this comment period, we will continue to work to ensure that no University employees will go a day without coverage, and to mitigate any impact on University employees.

Additionally, we will work to ensure the following:

- Employees will have access to the same doctors, hospitals and prescription coverage; and,
- Employees currently undergoing any treatment will be provided continuity of coverage.

The University expects the transition to be seamless to employees. We keep all affected employees updated as we learn more.

Our number one priority is to provide uninterrupted health care coverage for University employees.

Please contact Payroll & Benefit Services at 303-735-6500 if you have any questions.

Thank you,

Gena Trujillo

Director of Benefits Administration