



Dear UPA members,

It is with mixed emotions that I write this letter to the members of University Physicians Associates. Geoff Mitton, Alan Getts, and I have had a meeting with Dave Belkoski yesterday evening and were informed that University Hospital is planning to withdraw its physicians and all funding from the joint University Hospital/UPA venture via University Health Link (UHL). The hospital has been dealing with a significant and unprecedented financial crisis facing COVID and are concerned that the goals of the hospital and UPA may no longer be as closely aligned as in the past. The hospital wishes this separation to be amicable and as trouble-free as possible and plans to continue to participate in all routine UHL and UPA business matters until December 31st of this year.

This will obviously change some things about the structure and functions of UPA as we become a completely independent physician association (IPA). We have performed an in-depth analysis of all UHL and UPA employees' responsibilities and have arrived at a working model of staffing that will keep most of the current UHL/UPA employees while efficiently redistributing some work. UPA will now manage for its physician groups all of the current UHL functions of contracting, credentialing and provider relations in addition to UPA clinical integration operations. We have spoken with our legal counsel along with several major health plans and are reassured that contractual terms will remain the same until the time of their renewals, most of which will not occur for two more years. Financially we are very solid with plenty of capital reserves and expect to be able to enter 2021 seamlessly. Our goal as we transition to full independence is to maintain good fiscal health and keep dues as low as possible while continuing to provide all the same services.

I do believe however, that this separation affords us opportunities that we would not otherwise have. We can now go out into the community and recruit physicians that before had been unable or unwilling to join with the UPA/University alliance. I also believe that being autonomous will allow us to set our own agenda and pursue goals that maximally benefit the private practice of our physician members. We will be able to better control our own destiny--as well as shared savings and pay-for-performance returns--as we strive to build clinical integration and improve quality performance.

The UPA has been through a lot over the last several years and has had a tumultuous history. We have grown immensely as an organization and learned much while navigating current changes that have better trained us for the future. I am optimistic that we are as prepared as we will ever be to weather this storm and I assure you that as members of the board, chief medical officer, and executive director, we will work tirelessly to insure the health and well-being of our organization. Please feel free to reach out to any of us if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chris Carlson', with a stylized flourish at the end.

Chris Carlson MD
Chairman, UPA board