



February 15, 2007

IMPORTANT INFORMATION ABOUT MENTAL HEALTH BENEFITS

Dear GHI HMO Group Administrator:

In December 2006, New York State enacted legislation known as "Timothy's Law." The law changes the coverage requirements for the diagnosis and treatment of mental, nervous, or emotional disorders under all health coverage policies.

Timothy's Law took effect on January 1, 2007. It applies to all policies as they issue or renew on or after that date. We are currently working on formal amendments to your policy and determining any related premium adjustments. We will get these to you as soon as they are ready. However, your members may be entitled to benefits right now even without the formal change to your policy. This letter explains how the new law applies to your group.

Since your group is covered under a policy issued to members of a small group (comprised of 50 or fewer eligible employees), your group benefits now include coverage for the diagnosis and treatment of mental, nervous, or emotional disorders for up to 30 days of inpatient care and 20 visits of outpatient care per calendar year. If your current benefits already exceed these limits, your current benefits will not be reduced at this time.

These benefits will be comparable to other benefits provided under your policy. The deductibles, copayments, or coinsurance applied to the mental health benefits will be equal to those applied to other benefits under your policy. If your policy includes any lifetime maximums on the number of inpatient days for mental health, those maximums are being eliminated.

To be eligible for benefits, the services provided must be medically necessary as determined by GHI HMO.

GHI HMO provides our members with access to mental health services through its association with Magellan Health Services, one of the nation's leading providers of these services. If your members need mental health services, they should call the toll-free number for mental health benefits on the back of their GHI HMO ID card or call Magellan Health Services at 1-800-836-2256.

Please visit GHI.com to review a list of helpful Questions and Answers about Timothy's Law. If you have any other questions about Timothy's Law, call GHI HMO at 1-877-244-4466.

Sincerely,

George Babitsch
Senior Vice President, Sales and Account Management
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