



Victoria Harbour City
The Anchorage
Salford Quays
M50 3SP

www.bupa.co.uk

16 December 2011

Dear,

A further update on Bupa and BMI hospitals

Following my letter of 6 December 2011, I am writing to let you know that the BMI hospital that you have attended, or will shortly attend, is to be removed from Bupa's recognised hospital lists from 1 January 2012.

I want to give you my personal assurance that if you are mid-treatment, this will not be affected in any way and we will settle all invoices as usual. Furthermore, you will be able to continue your treatment at the same hospital, even if your current treatment and follow-up run in to 2012.

As I explained before, Bupa's current contract with BMI expires at the end of this month and we have been unable to arrive at a mutually agreeable contract with BMI for treating Bupa members from 1 January 2012.

As our negotiations had reached a point where it was extremely unlikely that we could agree terms before the current contract expires, on Monday 12 December 2011 we asked BMI to clarify the out-of-contract prices it will charge for treating Bupa members at its hospitals in order to ensure some certainty of the prices they may charge from January 2012.

Despite an assurance from BMI that they would send us their out-of-contract pricing by midday on Friday 16 December 2011, they did not do this. As it was so close to the expiry of the current contract, we needed to make a decision later that day on which BMI hospitals would remain on Bupa's recognised hospital lists to ensure Bupa members were not being charged unduly high rates for treatment at BMI hospitals. For this reason, we had no realistic option but to remove all BMI hospitals from 1 January 2012 where we believe reasonable alternative arrangements can be made for our members.

We continue our discussions with BMI and hope to be able to return their hospitals to our recognised hospital lists in the future, if we are able to agree appropriate commercial terms.

If you have any questions about this matter, you can find further information at www.bupa.co.uk/BMIquestions or call your normal Bupa helpline number and speak to one of our advisers.

Once again thank you for taking the time to read this letter, and for your support and understanding.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Natalie Jane Macdonald". The signature is written in a cursive style with a large initial 'N' and a long, sweeping tail.

Dr Natalie-Jane Macdonald
Managing Director, Bupa