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November 5, 2003

## Sale of PHN Products Halted

**Market:** PHN

The Preferred Health Network, Inc. (PHN) is a wholly-owned subsidiary of CareFirst BlueChoice, Inc. (BlueChoice). CareFirst and its subsidiaries currently offer several products in the Maryland, DC and Northern Virginia areas. Because many of these products are duplicative and overlapping, CareFirst has been working to streamline its HMO portfolio in order to offer one regional managed care company.

As part of this initiative, CareFirst has notified the Maryland and Washington, D.C. regulators of its intent to merge PHN into CareFirst BlueChoice, Inc. As a result of this proposed merger, **effective immediately, PHN products may no longer be sold to new accounts.**

We will provide you with additional information regarding this merger and how it will affect your clients within the next few weeks. Until then, if you have any questions please contact your CareFirst Broker Sales Representative.



Shekar Subramaniam  
Director, Broker Sales

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