

MEMORANDUM OF UNDERSTANDING

A Settlement Agreement ("Settlement Agreement") dated May 21, 2003 was entered into by and among Aetna, Inc. ("Aetna"), and certain medical signatories ("Medical Societies");

Nearly two years have passed since the Settlement Agreement was signed. The Medical Societies and Aetna have continued to discuss ways in which they can work together. Because it is committed to the Settlement Agreement principles, Aetna is desirous of extending the term of the Settlement Agreement's substantive provisions for a period of one year. To that end, Aetna has hereby agreed to operate under certain provisions of the Settlement Agreement for an additional period of one year as more specifically set forth below.

NOW, THEREFORE, in consideration of the foregoing, Aetna and the Medical Societies agree to the following terms and conditions:

1. The parties agree that the term of the Settlement Agreement's substantive provisions shall be extended for a period of one year, to June 2, 2008. Specifically, Sections 1 ("Definitions"), 7 ("Business Practice Initiatives"), 10 ("Application to Fully Funded and Self-Funded Plans"), 11 ("Limited Liability"), 12 ("Compliance Disputes Arising Under This Agreement"), 18 ("Not Evidence; No Admission of Liability"), 19 ("Entire Agreement"), 20 ("No Presumption Against Drafter"), 23 ("Counterparts"), 24 ("Additional Signatory Medical Societies"), 25 ("Successors and Assigns") and 26 ("Governing Law") shall be amended, to the extent required, so as to provide for the one-year extension of the Settlement Agreement, up to June 2, 2008.

2. Other than as modified and expressly extended by the terms of this Memorandum of Understanding, the Termination Date defined in Section 15(g) of the Settlement Agreement will remain as described therein. Additionally, any obligation or provision of the Settlement Agreement that terminated on a date prior to June 2, 2007 will not be extended by this Memorandum of Understanding.

3. Notwithstanding the foregoing, during the one-year extension (from June 2, 2007 through June 2, 2008), the following obligations shall not be in effect:

(a) Any obligation to provide annual reports, such as the Internal Compliance Report referred to in paragraph 12.7 of the Settlement Agreement;

(b) The requirements set forth in paragraph 7.16(b) of the Settlement Agreement requiring the filing of Clinical Policy Bulletins with the Physician Advisory Board;

(c) The provisions set forth in paragraph 7.15 of the Settlement Agreement.

(d) Section 7.10 – billing dispute resolution process.

4. During the extension year, the provisions of paragraph 7.15 shall be supplemented or otherwise amended as follows:

Company shall recognize all valid assignments by Plan Members of Plan, benefits to Physicians; provided that Company shall not be obligated to recognize such assignments in any market in which (a) a competitor with substantial market share declines to recognize similar benefits assignments; and/or (b) Company's share of the commercial health insurance market (defined to include both fully insured and self-funded plans) is 5% (five percent) or less.

MEDICAL ASSOCIATION OF GEORGIA

By: _____

Name: Deborah J. Winegard

Its: General Counsel

Date: _____

CALIFORNIA MEDICAL ASSOCIATION

By: Catherine I. Hanson

Name: Catherine I. Hanson

Its: Vice President and General Counsel

Date: _____

CONNECTICUT STATE MEDICAL SOCIETY

By: _____

Name: Cameron C. Staples

Its: General Counsel

Date: _____

NORTH CAROLINA MEDICAL SOCIETY

By: _____

Name: Carol Scheele

Its: Associate General Counsel

Date: _____

TEXAS MEDICAL ASSOCIATION

By: _____

Name: Donald P. Wilcox

Its: General Counsel

Date: _____

MEDICAL SOCIETY OF THE STATE OF NEW YORK

By: _____

Name: Donald Moy

Its: General Counsel

Date: _____

AETNA, INC.

By: *Robert Stillman*

Name: Robert Stillman

Its: Counsel

Date: August 3, 2005