

APPROVED BY SENATE
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SC.16.30
May 2, 2016

UNIVERSITY OF ILLINOIS
URBANA-CHAMPAIGN SENATE
Senate Executive Committee
(Final; Action)

SC.16.30 Endorsement of the Council of Academic Professionals (CAP) Resolution on the FY16 Budget Impasse on Healthcare Coverage for Urbana-Champaign Campus Employees

BACKGROUND

The Senate Executive Committee endorsed the CAP Resolution on the FY16 Budget Impasse on Healthcare Coverage for Urbana-Champaign Campus Employees on April 25, 2016.

RECOMMENDATION

The Senate Executive Committee recommends the Senate of the Urbana Champaign Campus endorse the attached CAP Resolution on the FY16 Budget Impasse on Healthcare Coverage for Urbana-Champaign Campus Employees.

SENATE EXECUTIVE COMMITTEE

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University of Illinois
Urbana-Champaign Council of Academic Professionals

Resolution on the FY16 Budget Impasse on Healthcare Coverage for Urbana-Champaign Campus Employees

WHEREAS, the Council of Academic Professionals (hereafter referred to as CAP) serves the interests of full-time, part-time, and retired academic professionals at Illinois and provides direct and concerted communication between academic professional staff and administrative officers of the University;

WHEREAS, an ad hoc committee on healthcare coverage was appointed by CAP to identify and summarize the negative impact the FY16 budget impasse is having on healthcare coverage for academic professionals on the Urbana-Champaign campus;

WHEREAS, the ad hoc committee on healthcare coverage findings include that claim payments for the Quality Care Dental Plan administered by Delta Dental, the Quality Care Health Plan administered by Cigna as well as for HealthLink OAP and Coventry OAP are on hold until a budget is approved and funds released while employees continue to pay their contributions to these health care plans;

WHEREAS, prior to a hold being placed on payments, claims were being processed with a delay of over one year with payments for claims through 12/10/2014 having been released to QCHP-contracted providers, claims processed through 09/05/2014 having been released to non-QCHP-contracted providers, and dental claims under Delta Dental being processed based on whether they were incurred at a network or non-network dentist.

WHEREAS, the lack of funding for state employee healthcare benefits has resulted in a significant reduction in access to healthcare as well as significant financial and emotional hardships for employees and their families.

THEREFORE, BE IT RESOLVED that the Council of Academic Professionals adopts this resolution urging the State of Illinois General Assembly to draft and pass legislation to:

1. provide funding to immediately cover the cost of all unpaid claims administered through the Illinois Department of Central Management Services to eliminate the financial burden placed on families of state employees.
2. provide funding for all future FY16 state employee healthcare benefits claims administered through the Illinois Department of Central Management Services to restore access to healthcare for employees and their families as outlined in the healthcare plan selected by each employee during the annual benefit choice period.

AND, BE IT FINALLY RESOLVED, that the attached Final Report of the Council of Academic Professionals Ad Hoc Committee on Healthcare Coverage be incorporated into this resolution as providing the rationale, intent, and guidance of the Council of Academic Professionals in making these recommendations.

Ad hoc Committee on Healthcare Coverage

April 12, 2016

Executive Summary

Council of Academic Professionals representatives have received an increasing number of inquiries and complaints from constituents regarding the negative impacts of the State of Illinois FY16 budget impasse on healthcare coverage, including holds on claim payouts to providers by the State of Illinois that result in increased out of pocket expenses for employees.

The role of the Ad hoc committee on healthcare coverage is to identify and summarize the negative impact the budget impasse is having on healthcare coverage for academic professionals on the Urbana-Champaign campus, to provide a summary of resources available to academic professional employees, and to propose a public response from the council to address the impact of the budget impasse on healthcare coverage for academic professionals on our campus.

Coverage Options and Status of Claim Payments

Summary of Healthcare Coverage Options

There are two types of health care plans available to employees at the University of Illinois at Urbana-Champaign: an Indemnity plan called the Quality Care Health Plan (QCHP), and two Managed Care plans: a Health Management Organization Plan (HMO) and an Open Access Plan (OAP).

All employees are responsible for a salary-based contribution for health insurance coverage. The amount required is contingent upon the employee's status (i.e. full-time, part-time or leave of absence), type of health plan elected (i.e. managed care plan or the Quality Care Health Plan), employee's annual salary as of the preceding April 1st, and coverage elections in effect on the first day of the pay period.

Status of Claim Payments

Quality Care Health Plan and Open Access Plans

These are self-insured plans, which means the state pays the direct cost of each claim, rather than paying a monthly premium to the insurance carrier as with the HMO and Medicare Advantage plans. According to the Central Management Services (CMS) website, claim payments for the Quality Care Dental Plan administered by Delta Dental, the Quality Care Health Plan administered by Cigna as well as for HealthLink OAP and Coventry OAP are on hold until a budget is approved and funds released. However, employees continue to pay their contributions to these health care plans.

Prior to a hold being placed on claim payments, claims processed through 12/10/2014 had been released to QCHP-contracted providers, and claims processed through 09/05/2014 had been released to non-QCHP-contracted providers. Dental claims under Delta Dental were being processed based on whether they were incurred at a network or non-network dentist.

According to the CMS website, late payment interest is paid to healthcare providers on health claims that take longer than 30 days from the receipt of a complete claim submission to pay. An email dated March 14, 2016 from Candace Shimkus of CMS confirmed that the State is still paying interest on claims that take longer than 30 days from the receipt of a complete claim submission.

Employees may make arrangements with out-of-network providers to pay an outstanding balance or establish a payment plan, and the provider should reimburse the employee after receiving payment. According to CMS, it is the responsibility of employees enrolled in the Quality Care Dental Plan administered by Delta Dental and the Quality Care Health Plan administered by Cigna to make reimbursement arrangements with their provider.

Health Management Organization Plans

A document titled “Group Insurance Budget Impasse FAQs” dated September 25, 2015 indicated that all of the vendors providing fully-insured HMO plans (BlueAdvantage, HMO Illinois, Health Alliance, and Coventry HMO) and Medicare Advantage plans have agreed to continue to pay claims to healthcare providers on their normal schedule.

http://www.illinois.gov/cms/Employees/benefits/StateEmployee/Documents/Budget_Impasse_FAQs_092415.pdf

Employee Payments to Network Providers

Campus Human Resources has indicated that, to their knowledge, in-network providers are not requiring payment up front at this time. In the event that in-network providers require payment up front, employees should consult their plan administrator (e.g. HealthLink OAP).

Out of Network Provider Reimbursement Rates

There has reportedly been some confusion regarding reimbursement rates when an out-of-network provider is used. It has always been the case that employee copayments are higher with an out of network provider, and this is not related to the current state budget impasse.

Resources Available to Employees

Faculty-Staff Assistance Program

The staff of the FSAP is dedicated to providing quality, confidential assistance to employees and their families who may be experiencing difficulties that impact their lives. This includes assessments, short-term counseling, crisis services and referrals to appropriate resources. More information is available at <http://fsap.illinois.edu>.

Central Management Services Website

Employees may visit this site for up to date information on the status of the hold on claim payments and other announcements related to healthcare coverage.

<http://www.illinois.gov/cms/Employees/benefits/StateEmployee/Pages/default.aspx>

Plan Administrator Contact Information

See Appendix A

Group Insurance Representative Contact UIUC

Benefits Services at Urbana-Champaign is UIUC’s internal contact for employee benefit questions.

Email: benefits@uillinois.edu

<https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm>

Full UPB Benefits Services Staff see Appendix B

Recommended response

Public Statement by the Council of Academic Professionals

The committee recommends that a strong statement be released by the Council of Academic Professionals, describing how the budget impasse has negatively impacted health coverage for state employees at the University of Illinois at Urbana-Champaign and urging the legislature and governor to fulfill their constitutional duty to pass a state budget.

Share information on resources with Academic Professionals

Provide information on resources outlined in this document with academic professionals on our campus.

Contact state representatives and governor

Strongly encourage employees to contact their state senator, representative, and the Governor to share concerns and testimonials about the how the budget impasse is affecting healthcare coverage and how uncertainty about coverage and increased out of pocket expenses are negatively impacting state employees and their families.

The State of Illinois District/Official search page is located at:

<http://www.elections.illinois.gov/DistrictLocator/DistrictOfficialSearchByAddress.aspx>

Contact information for Governor Rauner is available at:

<http://www.illinois.gov/gov/contactus/Pages/default.aspx>

Sources

“QCHP & QCDP Claim payment Delay,” Illinois Department of Central Management Services, last modified March 14, 2016,

<http://www.illinois.gov/cms/Employees/benefits/StateEmployee/Pages/QCHPQCDPClaimPaymentDelay.aspx>

“Health Insurance,” University of Illinois Human Resources, last modified November 20, 2015, https://nessie.uihr.uillinois.edu/cf/benefits/index.cfm?Item_ID=55&mlink=1

“Group Insurance Budget Impasse FAQs.” Illinois Department of Central Management Services, last modified September 25, 2015,

http://www.illinois.gov/cms/Employees/benefits/StateEmployee/Documents/Budget_Impasse_FAQs_092415.pdf

“General Information,” Delta Dental of Illinois, last modified date unknown,

<http://soi.deltadentalil.com>

“Faculty Staff Assistance Program,” University of Illinois at Urbana-Champaign Human Resources, last modified date unknown, <http://fsap.illinois.edu>

“State of Illinois Employees Benefits Handbook,” Illinois Department of Central Management Services Bureau of Benefits, last updated July 1, 2015,

http://www.illinois.gov/cms/Employees/benefits/StateEmployee/Documents/FY2016_State_Handbook.pdf

Committee Members

Mike Bohlman, District 9

Kristina Miller, District 1

Tracy Parish, District 8, Chair

FOR REVIEW

Appendix A: Plan Administrator Contact

Cigna www.cigna.com/stateofil	
(800) 962-0051	(800) 526-0844 (TDD/TTY)
Health Alliance HMO https://healthalliance.org/stateofillinois	
(800) 851-3379	(800) 526-0844 (TDD/TTY)
HealthLink OAP www.healthlink.com/illinois_index.asp	
(800) 624-2356	(800) 624-2356, ext. 6280 (TDD/TTY)
HMO Illinois www.bcbsil.com/stateofillinois	
(800) 868-9520	(866) 876-2194 (TDD/TTY)
BlueAdvantage HMO www.bcbsil.com/stateofillinois	
(800) 868-9520	(866) 876-2194 (TDD/TTY)
Coventry Health Care OAP www.chcillinois.com	
(800) 431-1211	(217) 366-5551 (TDD/TTY)
Coventry Health Care HMO www.chcillinois.com	
(800) 431-1211	(217) 366-5551 (TDD/TTY)

FOI

Appendix B: Group Insurance Representatives UIUC

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