

Informational Notice

Date: September 18, 2015

- To: State Group Insurance Plan Participants
- Re: State Fiscal Year 2016

As promised, the Department of Central Management Services will continue to provide updates to our covered plan participants regarding the budget impasse and its impact on the State Employees Group Insurance Program. Recent reports in the media have raised concerns about access to healthcare coverage for our members and we would like to provide clarification. As a covered plan participant, your medical, prescription, dental and vision coverage has not been stopped or reduced in any way.

For the past decade, the State Employees Group Insurance Program has been underfunded, and healthcare providers and carriers have regularly endured payment delays of 8 months or longer. Until this point, CMS has been able to make delayed but regular healthcare payments from fiscal year 15 revenue streams because of this ordinary backlog. However, because all applicable fiscal year 15 funding has now been exhausted, there is no mechanism for CMS to continue to make regular payments to healthcare vendors until the General Assembly passes a balanced budget for fiscal year 16.

We are working diligently with the plan administrators contracted with the State to continue to provide these vital services without disruption. CMS is available to assist members and to work with the healthcare plans to keep services continuing without interruption as much as possible.

CMS and the plan administrators of the self-insured health plans, which include Cigna, HealthLink OAP, Coventry OAP and Delta Dental will continue to work with providers to avoid having providers charge members up front for services. If a healthcare provider requests payment at the time of service, members should contact their plan administrator directly at which time the plan will reach out to the provider to come to a resolution. If the provider continues to require upfront payment, you will be reimbursed by the provider, plus applicable interest, once State funding has been released to the provider. Dental claim payments may be sent directly to the member or the provider, depending on whether the member uses a network or non-network dentist, and whether or not the claim is assigned to the provider. Please refer to Delta Dental's website for details: http://soi.deltadentalil.com.

At this time, fully-insured plans which include Health Alliance, Coventry HMO, BlueAdvantage and HMO Illinois, will continue to pay claims to healthcare providers and those members should only be requested to pay their normal copayments at the time of service.

Once a budget is approved and appropriate funding is in place, the State of Illinois will resume release of payments for healthcare services.

Employee healthcare insurance is extremely important to us and we understand how critical it is to maintain coverage for all of our plan participants. We will continue to do everything in our power to mitigate the impact on you as we navigate through this budget impasse.

We will continue to post information pertaining to your healthcare at the "Latest News" section on the benefits website at <u>www.benefitschoice.il.gov</u>. This website will be updated as new information becomes available.