University of Maine System – 2015 Hospital Tiering
Frequently Asked Questions

Q1. Why does it matter that the University’s health plan is self-insured?

A. Having a self-insured plan means that the University is responsible for establishing plan design and options offered to our employees and dependents; this means that UMS is responsible for determining what services are eligible expenses as outlined in the Plan Document. It also means that the University is financially responsible for the payment of all benefits-eligible claims, which currently cost approximately $70,000,000 annually. If actual claims paid exceed our projections, the University must pay the additional costs out of resources that are intended for other purposes within the University. Cigna administers the health plan for the University, ensuring compliance with plan provisions, contracting with network providers, reviewing claims for medical appropriateness and the actual processing of the claim payments.

Decisions to add, change or increase co-pays and to implement hospital and primary care tiering are made by the University. In order to assist the University in making these decisions and to meet the Chancellor’s charge to reduce the rate of increased health plan costs, the Employee Health Plan Task Force (EHPTF) was formed and meets regularly to make recommendations for improving health care quality and reducing the trend in increasing costs of healthcare for employees and their families.

Q2. What is the Employee Health Plan Task Force?

A. The Task Force (EHPTF) has approximately 19 members including faculty, staff, union and non-represented employees, and managers to help ensure a balanced approach and provide support and understanding of its recommendations across the UMS. The Task Force was appointed by the Chancellor in 2010 and charged with making recommendations to the Chancellor and the Board of Trustees that would reduce the inflationary trend of health care increases. You can read EHPTF’s report at https://mycampus.maine.edu/group/mycampus/human-resources (you must sign in using your MaineStreet ID and password).

Q3. Do all Maine hospitals participate with the University of Maine System health Plan?

A. Yes, all Maine hospitals are the In-Network for the health plan. Cigna negotiates on behalf of UMS and their other Maine clients to determine what will be paid for services rendered. Hospital tiering does not impact a hospital’s In-Network status with CIGNA.

Q4. How are the preferred hospitals selected?

A. Hospital tiering is based on a combination of quality and cost factors. The University’s Health Plan Task Force has adopted nationally recognized quality measures as reported on the Maine Health Management web site (www.getbettermaine.org). These quality measures are based on independent data reported by the hospitals to the federal Center for Medicare and Medicaid and on recommendations unanimously endorsed by EHPTF. The cost ratings are determined by analyzing the average Cigna total claims paid by service type to each hospital in Maine. A cost score below 15 indicates that a hospital’s average cost is more that 5% above the state average for all hospitals in the state. **Effective July 1, 2015**, hospitals must score a minimum of 56 quality points AND 15
cost points. If a hospital does not independently meet the scores for Quality and Cost, the hospital may still be deemed "Tier 1" if they have an active "CAC" contract with CIGNA. A CAC contract indicates that a hospital system has a formal agreement with CIGNA to work towards the goals of quality and cost that the EHPTF committee embraces.

Q5. How do I find out how well my hospital is performing in clinical quality, patient safety, satisfaction and comparative cost?

A. Information about the quality, safety and satisfaction measures of Maine hospitals is available at the Maine Health Management Coalition’s website www.getbettermaine.org. For the most recent cost report and hospital tiering methodology, visit our MyUMS Employee Portal webpage: https://mycampus.maine.edu/group/mycampus/health-insurance

Q6. Who developed the categories and ratings?

A. The quality ratings being utilized are nationally recognized as the best currently available measurements. They are being used by the federal Center for Medicare and Medicaid and other nationally recognized organizations.

Q7. Who can I talk to about my hospital’s ratings?

A. You can discuss this subject with your union representative and your doctor. Non-represented employees can contact Tony Richard in the System Office of Human Resources or their representative on the Employee Health Plan Task Force. If the hospital of your choice is on the non-preferred list, you can encourage the hospital administrator to implement improvements in quality, patient safety, patient satisfaction and cost to achieve a higher rating.

Q8. When will the preferred hospital list be updated again?

A. Traditionally, the hospital ratings are updated annually; however, should hospital systems either terminate and/or join a CIGNA CAC arrangement, their tiering would need to be re-evaluated at that time.

Q9. Last year, the hospital ratings were Tier A, Tier B-Probationary Preferred, and Tier C – Non-Preferred hospitals. – This year, the ratings have changed to Tier 1 and Tier 2. Why has the rating system changed?

A. EHPTF has updated the methodology for determining preferred and non-preferred hospitals. Former Tier A Preferred hospitals that meet both quality and cost measures will now be Tier 1 Preferred hospitals. Former Tier C Non-Preferred hospitals that do not meet the measures will now be Tier 2 – Non-Preferred hospitals. The former Tier (B – Probationary Preferred) was created for hospitals that did not previously meet the quality + cost measures, but submitted an improvement plan to raise their score and meet the quality + cost measures – they will also now be Tier 2. The $200 (AFUM $100) inpatient admission copayment will apply only to Tier 2-Non-Preferred hospitals. If you are admitted to a Tier 1 hospital, the inpatient copay is $100 (AFUM -0-).

Q10. What if the Tier 2 - Non-Preferred hospital I am admitted to is the only hospital in the area to offer the services I need (i.e. maternity, pediatrics, etc.)?
A. The $200 (AFUM $100) inpatient admission copayment would apply.

Q11. I live in rural Maine. What choice do I have?

A. While we are aware that a couple of rural hospitals are not Tier 1 Preferred, the tiering list shows that there are other similarly-sized rural hospitals that have attained Tier 1 Preferred status. We encourage you to discuss opportunities to improve on the quality and cost with your health care provider and your local hospital.

Q12. I live outside of Maine. Are there any Tier 1 Preferred hospitals outside Maine?

A. No. Tiering applies within Maine only. All hospitals outside of Maine are considered either CIGNA "Participating" or "Non-Participating" hospitals.

Q13. Will I be charged the $200 (AFUM $100) copayment for observation, outpatient services, office visits, etc. at a Tier 2 Non-Preferred hospital?

A. The $200 (AFUM $100) copayment is for inpatient admission only.

Q14. How does the inpatient copayment for Tier 2 Non-Preferred hospitals affect the $200 (AFUM $100) copayment for emergency room visits?

A. The emergency room copay is waived if a patient admitted for inpatient care. Therefore, if you are admitted to a Tier 1 Preferred hospital you will not be charged the emergency room copayment. If you are admitted to a Tier 2 – Non-Preferred hospital, your emergency room copay would be waived, but the Tier 2 – Non-Preferred hospital inpatient admission copayment would apply - you would be charged the $200 (AFUM $100) copay. You will not be charged both an emergency room copayment and a Tier 2 Non-Preferred hospital copayment for the same event.