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CIGNA And ECHN
CIGNA Dispute With Network Could Disrupt Health Care
By DIANE LEVICK
The Hartford Courant
December 4, 2008

A nerve-racking showdown between CIGNA and hospitals in Manchester and Rockville could end their relationship in a few weeks, sending thousands of patients scrambling for new doctors and forcing them to use other hospitals.

CIGNA and the Eastern Connecticut Health Network, which includes the two hospitals, have failed so far to reach a new contract. The old one expires Dec. 31. Both sides expect to continue negotiations, and the hospitals are fighting for higher reimbursement.

ECHN has notified CIGNA it won't continue participating in the insurer's network after Dec. 31 without a contract agreement.

CIGNA has told 157 doctors affiliated only with the two hospitals that they will be terminated from the insurer's network Dec. 31 under the same scenario. To be part of the insurer's network, a doctor must have privileges at a participating hospital. Some affiliated with ECHN have privileges with at least one other hospital.

If there's no contract by the end of this week, CIGNA said it will notify affected members. But most whose insurance renews Jan. 1 have already chosen a health plan for 2009 without knowing about the battle.

The showdown has left some doctors angry about the potential impact on patients, as well as the possible shrinkage of their practices.

Dr. Gordon Brodie, medical director of HealthWise Medical Associates, which has 5,576 CIGNA patients, criticized the insurer's actions.

"To use patients and their health care as a bargaining chip in a case like this is despicable," he said.

CIGNA said ECHN could postpone terminating the current contract, but wouldn't.

Andrew A. Beck, vice president for marketing, communications and public affairs at ECHN, says it's a nonprofit "experiencing rising operating costs and no increases in Medicare and Medicaid reimbursement. We can no longer absorb low reimbursement rates offered by CIGNA."

Beck says he's "somewhat optimistic, but it looks tough" to reach an agreement by Dec. 31. CIGNA patients make up 5 percent to 6 percent of ECHN's business, and the insurer pays lower rates than others, he said.

CIGNA spokeswoman Lindsay Shearer said the company is "committed to staying in conversations with them until we can resolve any issues" and come to an agreement "that balances fair reimbursement to providers with our commitment to keep health care costs as reasonable as possible."

If CIGNA terminates ECHN, members who are in treatment, such as the second or third trimester of pregnancy or cancer care, can still use the hospitals by paying in-network co-pays. Other members whose health plans allow it can use the hospitals on an out-of-network basis, shouldering significantly higher costs.

Patients who have to find a new doctor, especially in primary care, will find it difficult because many aren't taking new patients, Brodie noted.

CIGNA has had conflicts recently with hospitals in Philadelphia and Vermont.

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