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ECHN, CIGNA Reach Agreement In Principle  
By DIANE LEVICK

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CIGNA HealthCare and Eastern Connecticut Health Network reached an agreement Thursday that will allow thousands of patients to continue using Manchester and Rockville hospitals and affiliated doctors instead of having to scramble for new ones.

The agreement in principle, coming just three weeks before the old contract expires, resolves a dispute over reimbursement offered by CIGNA, which ECHN considered inadequate.

CIGNA had recently sent letters to members in eastern Connecticut warning of a possible disruption and had notified 157 doctors that they'd be terminated from the insurer's network if no agreement was reached with ECHN by Jan. 1.

The accord announced Thursday "will more appropriately reimburse ECHN for the health-care services we provide to those covered by CIGNA," Peter Karl, president and chief executive of ECHN, said Thursday. ECHN includes Manchester Memorial and Rockville General hospitals.

"As a not-for-profit health-care system experiencing rising operating costs with no increases in Medicare and Medicaid, it was necessary for us to obtain fair and reasonable rates that will enable ECHN to meet the needs of our patients," Karl said.

Neither side would disclose how much higher CIGNA's reimbursement to ECHN will be.

CIGNA spokeswoman Lindsay Shearer said the agreement "balances our commitment to providing fair reimbursement to the hospitals and their physicians while holding down the escalating cost of health care for those we serve."

She said agreements haven't been signed yet "but we expect all the necessary documents to be in place within a week or so." The company will send letters telling members and doctors there's a new contract when papers are signed, she added.

Without an agreement in place, most CIGNA members who continued to use ECHN hospitals, and doctors affiliated only with those hospitals, would have had significantly higher out-of-pocket costs. That's because CIGNA would have considered the health care providers to be out of network after Jan. 1. Some ECHN physicians have privileges at hospitals other than the ones in Manchester and Rockville General, and would still have been considered in-network.

The showdown between CIGNA and ECHN angered some doctors, who felt they were collateral damage in the fight. Some patients also were upset because they'd already signed up for health plans for 2009.

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