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# BENEFITS BULLETIN

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*FOR CYPRESS-FAIRBANKS INDEPENDENT SCHOOL DISTRICT EMPLOYEES*

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Cigna Non-Network Facility Notice

December 10, 2010

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## CIGNA NON-NETWORK FACILITY NOTICE NORTH CYPRESS MEDICAL CENTER

**Remember to ask your medical care provider,  
“Are you a Cigna Open Access Plus network provider?”**

If you are enrolled in the CFISD Choice Fund HRA Plan with the Cigna Open Access Plus (OAP) Provider Network, you have a choice of using a provider in the Cigna Open Access Plus network or a provider who is not contracted with Cigna. We believe that it is important to have this kind of flexibility in the CFISD plan so that you are able to seek care from the doctors or hospitals that you want to use and feel will provide you and your family with optimal health care. The design of the CFISD Choice Fund HRA Plan is to encourage members to use the Cigna Open Access Plus **in-network providers in order to obtain the best and lowest medical costs.**

North Cypress Medical Center, located at US 290 and Huffmeister, does **not** contract with Cigna Healthcare or any other insurance Preferred Provider Organization (PPO) network. As a physician owned non-network facility, their charges are not discounted like other hospitals in the Cigna OAP network.

Many of our staff may not be familiar with the fact that the CFISD medical plans are self-funded. This means that the employee contributions and employer contributions are pooled together to pay claims on behalf of all participating employees and their covered dependents. Cigna Healthcare has no financial risk for the district’s plans’ claims, they are simply contracted to administer the plans. The district and its employees hold the risk; therefore, we have an incentive to obtain the best costs for our medical services. The employer contributions come straight from the district’s operating funds. As such, our health plan expenditures are the second largest item in our operating budget behind staff salaries. As the costs for our health plan continues to rise, it impacts our ability to provide much needed staff pay raises and other district services.

Since the opening of North Cypress Medical Center in January, 2007, the costs for our health plan have increased significantly due to having to pay claims to a non-discounted out-of-network facility. While North Cypress is not the only out-of-network facility our members use, it is by far the largest recipient of district medical plan claims dollars.

By using a Cigna OAP network facility, you not only reduce your out-of-pocket expenses for that claim, you also make your Health Reimbursement Account (HRA) funds go further. We have received reports that North Cypress is assuring patients that use their facility (even though they are out-of-network), that they will not have to pay any more out-of-pocket than if they were to receive care at a Cigna contracted provider. While this may appear to give you an “in-network” experience, it does not satisfy the in-network deductible you are responsible for, and it increases the cost of the claims your CFISD health plan has to pay! These higher claims costs are not hurting an insurance company’s bottom line; they are hurting the district’s bottom line.

Where you receive your medical care should be a decision reached by you, your family and your physician. It is your responsibility to ensure the providers you select and are directed to by your physician are in the Cigna OAP network if you want to keep your out-of-pocket costs as low as possible. By providing this information to you about North Cypress Medical Center (and all non-network providers), CFISD hopes that you will consider the significant financial impact to both your personal finances and your CFISD medical plan when selecting your healthcare providers. Don’t just ask, “Do you accept Cigna insurance?”

Remember to ask, “Are you a Cigna Open Access Plus (OAP) network provider?”