The Virgin Islands Consortium

De Jongh: Health Coverage for 7,000 Government Workers Could Lapse, Health Board To Blame

VIC News / **Published On September 26, 2014 10:30 AM /**

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Due to a failure of the Health Insurance Board to successfully negotiate a new contract, more than 7,000 government employees could be left without health insurance come Sept. 30.

Governor John P. de Jongh, Jr. expressed his displeasure Thursday of the inability of the Government Employees Services Commission/Health Insurance Board to come up with a new contract to provide health coverage for government employees.

“Last night’s hearing by the Senate Committee of the Whole clarified for the public and especially for government workers that the health insurance board has not completed a contract for my review or execution," de Jongh said, adding, the board is nearing a Sept. 30 deadline to produce a new contract or risk a lapse in health insurance coverage for government workers.

Since a Government House meeting on June 23, de Jongh pointed out, the board knew that $150.9 million was the most the government could afford to pay for a new one-year contract.

"We have the same objective, which is ensure that our employees and their families have access to insurance coverage," de Jongh said. "Where we disagree is that the board ignores the realities of our financial situation, and therefore, wants to go around me and get a contract approved based on their belief that there is an 'open checkbook'."

The Governor went on to explain that Board members "chose not to include the Executive Branch in the review and approval process" and now that the Sept. 30 deadline is approaching they are now "seeking guidance from the Legislature."

"We have had since June twenty-third to resolve this situation, but they decided not to engage us in the process and have failed to come up with a contingency for what happens on October first," de Jongh said.

De Jongh noted that despite the board being notified in June that the territory's finances could only support a maximum health insurance contract of $150.9 million, the board responded on Aug. 1 with a cost of $159.7 million. The board was again reminded on Aug. 14 that the budget could only sustain a contract of no more than $150.9 million.

As of the end of business on Sept. 25, de Jongh said he still had not received a contract to review, approve and submit to the 30th Legislature. He urged the board to request a contract submission extension with CIGNA beyond the Sept. 30 deadline and to open talks for a contract that would fall in line with what the government can afford.

"We cannot ignore the fact that we face a $74 million dollar shortfall in FY 2015," de Jongh said. "This contract cannot be negotiated in a vacuum."