The Virgin Islands Consortium

Small Savings Realized In Latest Health Insurance Agreements Between GVI And Cigna

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ST. THOMAS -- A bill that seeks to ratify the FY 2019 Group Medical and Dental Insurance between the Government of the Virgin Islands (G.V.I.) and insurance firm Cigna was ratified during a Senate session here on Thursday, and has been forwarded to Governor Kenneth Mapp.

The measure, Bill No. 32-0311, also seeks to ratify the agreement for vision insurance and the agreement for group life accidental death and dismemberment insurance between the G.V.I. and the Standard Insurance Company.

Senator Kurt Vialet said on Thursday said that the new deal lowers the cost of individual and family insurance, albeit slightly. "Today I am elated to announce that effective October 1, 2018 the cost of individual and family insurance will decrease. Hats off to the board for a great job and thank you Cigna for addressing our concerns relative to cost. These new rates will result in a cost savings for the GVI and employees," Mr. Vialet said, sharing a screenshot of the decrease.

Government Employees Service Commission (GESC) Health Insurance Board of Trustees Chairperson, Beverly Joseph, said on Thursday that based on the proposed premiums, the overall savings would be approximately $8.6 million, or a reduction of 5.5 percent to the local government and its employees. Employees would see a decrease of $3 million and the government’s portion of the savings would be approximately $5.6 million, if approved by the governor. (Mr. Mapp is expected to sign the measure into law.)

The FY 2019 annualized premium projection of Cigna Insurance totals $146.8 million. The prediction is a 5.5 percent reduction in comparison to the FY 2018 Cigna Insurance totaling $155.4 million. FY 2019 breakdown is as follows: Medical/Rx at $127.1 million, dental at $5.3 million and UHC Med/RX at $14.4 million. The current cost-share breakdown of the Cigna Medical/RX and dental premiums between the G.V.I. and its employees is 65 percent or $95.4 million for the G.V.I, and 35 percent or $51.4 million for its employees.

Relative to the status of the Health Risk Assessment (HRA), Kurrell Hodge of the Division of Personnel said that 95 percent of government employees completed the HRA before Hurricanes Irma and Maria; 2,000 employees needed to complete the HRA in the next few weeks; and an estimated of 1,000 employees were non-compliant and will be levied with a $500 penalty. Division of Personnel Director Milton Potter said monies from the penalty go to the general fund to pay down insurance premiums.

Some of the benefits that CIGNA added to this year's package include increasing the Wellness Initiative Fund from $400,000 to $700,000; providing six nursing scholarships at UVI for two years; and donating $250,000 in grants to nonprofit organisations.