



PROVIDER MANAGEMENT

Working with our providers

We give our customers access to a comprehensive choice of hospitals at the best rates possible.

Hospital charges are a significant part of the total medical spend so, as well as managing the length of hospital stays, we secure excellent rates to keep costs down.

There's more to hospital negotiations than the insurer's relative size in the market. We work with providers to understand their needs and ensure a sustainable quality of service for our customers.

We benchmark any rate increases with published indices such as the retail price index (RPI), Consumer Price Index (CPI) and national average earnings (NAE).

We also consider prevailing market conditions, wider economic factors and the competitive environment. We take a medium to long term view during negotiations, as our customers tend to stay with us for many years, looking beyond short term prices.

We negotiate with all the main hospital groups in the UK, including most independents and NHS facilities. Our five largest providers are:

- BMI Healthcare
- HCA International
- Nuffield Hospitals
- Ramsay Healthcare
- Spire Hospitals

We also have excellent relationships with key independents such as:

- The London Clinic
- The Royal Marsden
- The Hospital of St. John & St Elizabeth

We build strong working relationships that influence not only hospital tariffs but also shape and design future care pathways.

To make this happen we visit hospitals and hospital groups regularly to:

- view facilities
- meet key medical and nursing staff
- monitor quality standards
- exchange information on new treatments and practices

We also review and consider all outputs from the bodies responsible for regulation and inspection of hospitals and facilities.

Quality standards for UK providers

Our providers must have the following accreditation:

Care Quality Commission (England),
Care Commission (Scotland), Healthcare Inspectorate (Wales) and Health and Social Care Services (Northern Ireland)

Getting the best from our providers

1. Preferred provider networks

The majority of our customers prefer to have a complete choice about where they have their treatment. So we don't have generic provider networks of preferred hospitals and specialists. Instead, for our larger clients we develop client-specific preferred provider networks for their local areas.

In these instances we'll work with the hospital or hospital group to put together a client-specific arrangement. This may involve some promotion of the preferred hospital or group, upfront preferential tariffs and special member benefits.

2. Cigna fee schedule

We provide a fee guideline for surgeons and anaesthetists. This guideline, known as our fee schedule¹, is continually reviewed to ensure our fees remain competitive in the market. We'll also review this as new procedure codes are released by the Clinical Classification and Schedule Development (CCSD) group.

If a member develops a complication as a result of an operation, we may contact the specialist for clinical information on the actual procedure performed. What's more, for unexpected complications and extended periods in the theatre area we may increase the benefit payable shown in the fee schedule.

3. Fee checking

We also advise consultants what our benefit limits are and we keep records of how each normally sets their charges.

What does this mean to our clients?

Our approach improves clinical outcomes, controls client costs and ensures the highest levels of customer satisfaction - we can help our clients strike the right balance between providing a highly valuable benefit to employees and controlling healthcare scheme costs over the long term.

What our Providers say

"We deal with the team at Cigna regularly. Their clinical expertise and professionalism make it very easy to work together."

"It's not the case that the insurers with the largest market share always get the cheapest hospital rates."

HCA hospital group

1. The Cigna fee schedule is available to consultants and members on www.Cigna.co.uk/providers