

Questions and Answers about the UA System Change in Health Plan Administrators

The University of Arkansas System maintains a self-funded health plan. Premiums paid by the campuses and employee participants are used to pay claims and plan expenses. A third-party administrator (TPA) is paid to process those claims and provide administrative services for the plan.

After an extensive review of TPA vendors and analysis of TPA expenses, programs and administrative support, the UA System has announced that effective January 1, 2013, the System will move health plan TPA services from QualChoice to United Medical Resources (UMR), a United Health Care company. UMR has been in business for 30 years and provides services for several organizations in Arkansas and for many groups nationwide.

UMR will provide new opportunities for costs savings, access to national networks, improved programs in disease and care management, and state of the art quality and cost management tools. However, with this change it is important to remember that the health plan will continue to be self-funded and controlled by the UA System.

What does this change mean to our health plan?

Our health plan will not change as a result of using a different TPA vendor to administer claims and plan operations. Our health plan is self-funded and, within state and federal regulations, the UA System controls all plan design changes.

Why are we changing from QualChoice?

The UA System has a large and complex health plan. Two major factors driving the costs of a health plan are network fees and administrative fees. With this TPA change, the plan can save a significant amount of money, and lower plan costs mean fewer premium increases for participants.

How was this decision made?

The decision to change our TPA was made after an in-depth review of vendor proposals addressing costs, services and provider networks. Individuals representing the different UA System campuses participated in this review.

When will the change occur?

On January 1, 2013, UMR will begin processing all new claims for UA System health plan participants as well as the new open season health plan enrollments for 2013.

Will our premiums increase because of the new TPA?

No. As you know, there was a 10% increase in total health premiums effective July 1, 2012, and CES made a substantial commitment to employees by absorbing that entire premium increase. The savings on plan expenses with UMR will now allow us to avoid premium increases in January 2013 and hopefully beyond.

Will this change my copayments, deductibles or other health plan expenses?

No. Those are plan design issues controlled by the UA System. Your copayments, deductibles and other out-of-pocket expenses will not increase. You may actually see some reductions in your out-of-pocket expenses.

Is my doctor in the network?

The new network retains almost all of our current providers and hospitals, and UMR is committed to adding those providers who wish to participate. Please note that the Baptist Health facilities in Little Rock and North Little Rock will remain out of network for the UA System health plan. With that exception, **you can view the current UMR listing of providers at www.umar.com. Click on “Find a provider,” “Medical,” “UnitedHealthcare Options PPO,” and “Medical.”**

Do I have to enroll or make other changes to my health plan?

No. Unless you need to make changes in your current enrollment or enroll as a new participant during the fall open enrollment period, you do not need to take any action. Your current information with QualChoice will simply transfer to UMR. UMR will provide you with a new health plan ID card and related information. As the enrollment, data transfer and implementation processes move forward, you will receive additional information directly from UMR.

Will my pharmacy plan provider change?

No. MedImpact will continue to be the UA System pharmacy plan provider.

Will my Flexible Spending Account (FSA) administrator change?

Yes. Our change in health care providers will necessitate a change in UA System FSA administration. Flexible Spending Account administration will change to UMR. You will receive additional information related to this change during the fall benefits open enrollment period in November.