

UNIVERSITY OF ILLINOIS

Urbana-Champaign • Chicago • Springfield

Office of the President  
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506 South Wright Street  
Urbana, IL 61801-3689

**Michael J. Hogan**  
*President*

April 12, 2011

Julie Hamos, Director  
Illinois Department of Healthcare and Family Services  
401 South Clinton Street  
Chicago, Illinois 60607

Dear Director Hamos:

I write to respectfully communicate the impact of the recent State of Illinois Managed Care Plan decision upon the University of Illinois.

The University of Illinois has more than 25,000 benefits-eligible faculty and staff employees throughout the State of Illinois. Of these employees, almost 10,000 are covered under the five health maintenance organizations (HMOs) that will be eliminated under the new managed care plan. These same managed care plans also cover more than 9,000 dependents; as such, the health care for approximately 19,000 people will be impacted. The majority of these impacted employees live in parts of the state that are not served by the state's new HMO provider, BlueCross BlueShield. In many cases, it would be unreasonable for our employees and their families to travel to a BlueCross BlueShield provider because of the distance. This includes more than 9,000 employees of the University of Illinois Urbana-Champaign and Springfield campuses and their more than 8,800 covered dependents who live in Central Illinois.

In order to attract and retain the highest caliber faculty and staff, it is of great importance to the University of Illinois to offer an HMO option that is both cost effective and reasonably convenient for employees in terms of proximity to physicians and specialists. If such an HMO is not available, then university employees may be forced to choose between traveling great distances for medical care for themselves and their dependents, or selecting another health plan option that could be more costly to both the employee and the State of Illinois. The state's monthly per employee cost to provide coverage under either the Quality Care Health Plan (QCHP) or one of the Open Access Plans (OAPs), is significantly higher than the state's monthly per employee cost under an HMO.

The University of Illinois understands the budget constraints and fiscal realities faced by the State of Illinois and the need for the state to make significant reductions in the cost associated with state employee health benefits. However, we are deeply concerned about the continuity of

Julie Hamos, Director

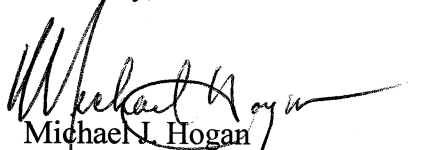
April 12, 2011

Page 2

care for our employees who are limited in their health care options by simple geography. In the few days since the state's announcement of the new managed care plans, we have been contacted by anxious employees who themselves, their spouses, or their children are receiving on-going care for critical health conditions. They are wondering what will happen if coverage is no longer available from the providers on whom they depend.

We ask for your assurance that reasonable coverage will be available from the providers upon which our downstate and rural county employees rely. These include: Carle Foundation Hospital and Carle Physicians Group; Provena Covenant Medical Center and Christie Clinic; and Memorial Medical Center, St. John's Hospital, and Springfield Clinic. With your assurance, we can respond to our employees' concerns and inform them that they will have continued access to their trusted providers for the health and welfare of their families.

Sincerely,



Michael J. Hogan  
President, University of Illinois

c: Governor P. Quinn  
Senator M. Frerichs  
Representative C. Hays  
Representative N. Jakobsson  
Representative C. Rose  
Director J. Sledge

