MBP Administrator Selection Process and What It Means to the Participants

By Greg Mordin & Maureen Brookbank

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IMFRA was pleased to have been part of the selection process for the recent review of the MBP administration. HRD has announced the outcome to all MBP participants, and the following information provides additional details and insights from the IMFRA.

As HRD announced, Aetna has been selected to be the single administrator of the plan globally. Effective January 1, 2024, Aetna will be the plan administrator whether participants reside in the U.S. or outside the U.S. Aetna will continue its role for U.S. residents and replace Cigna for non-U.S. residents.

Some history and background.

The MBP is self-insured. That means that participants and the Fund are responsible for the costs of claims incurred under the Plan and that the administrator receives service fees to process claims and provide customer service.

Participants contribute one quarter, and the Fund contributes three quarters toward the cost of the plan. Also, for those on Medicare Part B, the Fund reimburses the totality of that cost to the participant.

The benefits provided by the Fund are generous not only in the cost sharing but also of the benefits provided.

Since 1999, there have been separate claims administrators for U.S. and non-U.S. participants. This dual approach largely reflected the state of the health care market in which capacity for global administration was limited. During the period of 1999-2007, Willse and Associates/NCAS was the claims administrator for the U.S. and Vanbreda International managed claims for non-U.S. participants. During the period 2009-2023, Aetna managed claims for the U.S. and Vanbreda/Cigna was the administrator for non-U.S. participants.

To ensure a competitive process, Fund procurement rules require the MBP to conduct a Request for Proposal (RFP) process after a maximum of five years under a single provider. The current contracts with Aetna and Cigna had been in place since 2018. The RFP process was solely

focused on MBP administration, not on the plan design. The plan design has been reviewed separately every five years and the last review was completed before the RFP process and resulted in improvements of coverage for dental and hearing aids.

The selection process.

An evaluation committee was formed at the start of this process with representatives from HRD, SAC, Health & Safety, Procurement, and IMFRA. I (Greg Mordin) was the retiree representative on the committee, with Maureen Brookbank serving as alternate. Mercer, a healthcare consulting company with a long history of working with HRD, was contracted to assist the Fund in the RFP process. Mercer and the evaluation committee advised on the RFP requirements and conducted an evaluation of the proposals received, by scoring each vendor on their proposal.

The RFP was sent to the current administrators (Aetna and Cigna) as well as Care First Blue Cross-Blue Shield and United Healthcare. It must be noted that there are only a very limited number of vendors that have the capabilities to handle our complex global medical plan.

Proposals were evaluated on the following basis:

- Customer service including ability to provide enhanced service
- High quality claims processing
- Comprehensive network with high quality providers for medical, dental and prescription drugs
- Case management / member advocacy programs

Consideration was also given to combining U.S. and international administrators under one vendor for a more seamless claim and administration process.

The evaluation committee met multiple times during this process to review the RFP, first proposal, second proposals, presentation by the vendors, questions, and answers directly to the vendors and a final scoring of the administrative aspects of the proposals. The Procurement section separately scored the financial aspects of the proposal. Of note,

the scoring scheme was heavily weighted towards quality of service and not the cost.

Aetna was judged to have presented the best proposal going forward including adding two additional dedicated service advocates and a global system already in place that could handle both U.S. and non-U.S. participants. Importantly, this streamlines coverage for those that move in or out of the U.S. and makes coverage while traveling internationally less complicated. It also means, for those currently under Aetna administration, that the existing Aetna network and claims systems remain in place, avoiding disruption for the majority of participants.

Yes, some may not be pleased that the Fund has retained Aetna as they may have had problems with claims. Based on participant feedback the fact remains that the vast majority of claims are processed quickly and without problems and, with the additional service advocates, the goal is to provide even better services of claims processing. You may be assured that the IMFRA strongly advocated for quality service as a key criterion.

Going forward.

Those currently under Cigna will receive new ID cards in the latter part of this year with the Aetna logo. In some cases, the new card will also have the name of a local affiliate of Aetna so that it is better recognized in that country as a reliable health care carrier. HRD will be communicating details of this process in the coming months.

IMFRA continues to meet with HRD at least monthly and will also continue to monitor the process to ensure that the change of administrators proceeds smoothly for international participants. The implementation process will begin immediately and take effect on January 1, 2024.

In the interim, retirees with claims or service issues should continue to direct their calls to Aetna at 1-866-258-6680 and retirees under Cigna should continue to contact Cigna directly at 0414 783 183. For complex and ongoing issues, you may also email mbpqueries@imf.org. This email goes to HRD and HRD can put you in contact with a resource dedicated to resolving complex issues. Some Aetna resources will be available in person at the Fund, and you may request an appointment.

In conclusion, it is our hope that the vast majority of you are relieved that your coverage under Aetna will continue and that coverage for those residing or traveling outside the U.S., service will be streamlined under a global provider.

If you have questions about this article, please email IMFRA@IMF.org and in the subject line indicate: Attention: Greg Mordin

Please refer to the email dated July 19 from HRD, MBP Queries for all other questions regarding the change over from Cigna to Aetna.