



**STRATEGIC REVIEW
AND
STRATEGIC PLAN
2013-2018**





April 8, 2013

On behalf of the Board of Directors and Management of the Cayman Islands National Insurance Company, we are very pleased to present our Strategic Plan for 2013-2018. This plan is the result of tremendous efforts by the management and employees of CINICO in concert with a plan facilitator and input both from the Board of Directors and from our many stakeholders. It represents a vision and outlook for the company as it continues to play a key insurance role in the provision of healthcare in the Cayman Islands.

Like any Strategic Plan, we anticipate that it will grow and evolve with certain aspects taking on more importance based upon the circumstances of the company. As a result it is expected that the plan will be modified and changed over time as a working document and not a static snapshot of a moment in time for the organization.

The Board of Directors has tasked management with implementation of this plan. As a part of that task, management is called upon to provide periodic updates to the plan. This will measure its effectiveness and provide an opportunity for suggested changes to the plan that will enable its continuous improvement as a working document for the organization. As CINICO looks to its future, this plan will provide the framework for its continued sustainability and growth as a world class insurer and as an employer of choice in the Cayman Islands.

*Scott A. Cummings
Chairman of the Board of Directors
Cayman Islands National Insurance Company*

INDEX

SECTION A	3
INTRODUCTION	3
GENERAL.....	3
SCOPE.....	4
EXECUTIVE SUMMARY	6
SECTION B	8
SUMMARY OF OUTCOMES OF STAKEHOLDER MEETINGS.....	8
SECTION C	14
STRATEGIC GOALS.....	14
STRATEGIC GOAL #1	14
SG1/ Project 1 - Software System Enhancement	15
SG1/ Project 2 - Overseas Network Management and Cost Containment Administration Services.....	15
SG1/ Project 3 - Development of additional health insurance plans	16
SG1/ Project 4 - Development of Non-US Preferred Provider Networks locally and internationally	17
SG1/ Project 5 - CINICO Case Manager	17
SG1/ Project 6 - Documentation of Management of Overseas Costs.....	18
STRATEGIC GOAL #2	19
SG2/ Project 1 - Reinsurance Procedure	19
SG2/ Project 2 - NGS 55.....	19
SG2/ Project 3 - Elimination of Premium Discounting	20
SG2/ Project 4 - Key quality control measures and internal audit requirements.....	20
SG2/ Project 5 - Co-ordination of Benefits	21
SG2/ Project 6 - Subrogation Procedure	22
SG2/ Project 7 - National Ethical Standards Body.....	22
STRATEGIC GOAL #3	23
SG3/ Project 1 - Preventative Care	23
SG3/ Project 2 - New lines of business	23
SG3/ Project 3 - Member communication / Enhanced perception	24
STRATEGIC GOAL #4	25
SG4/ Project 1 - Enhanced Quality of Customer Service.....	25
SG4/ Project 2 - Succession Planning and Cross-Training	25
SG4/ Project 3 - Employee Benefits	26
APPENDICES.....	27
APPENDIX A	28
THIRD PARTY SERVICE PROVIDERS & REINSURANCE.....	28
APPENDIX B	29
BOARD OF DIRECTORS & ORGANISATIONAL CHART	29
APPENDIX C	30
COMMISSIONING OF THE STRATEGIC PLAN.....	30
APPENDIX D	31
STAKEHOLDER CORE QUESTIONS.....	31
STAKEHOLDER MEETINGS	31
APPENDIX E.....	32
SUMMARY RECORD OF STAKEHOLDER MEETINGS	32

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SECTION A

Introduction

General

1. The Cayman Islands National Insurance Company Ltd (“CINICO” or “the Company”) is wholly owned by the Cayman Islands Government (“Government”) and operates under the corporate governance of a Board of Directors (“the Board”).
2. The Company is principally involved in the provision of health insurance for individuals, including Civil Servants, pensioners, employees of Government entities, Seafarers & Veterans, and dependants of the foregoing categories of persons. Health insurance is also offered by the Company to residents of the Cayman Islands who have low income, health impaired status, or who are elderly. The Company further provides Administrative Services Only (“ASO”) for indigents and for overseas benefits in respect of Seafarers & Veterans.
3. Since its inception, CINICO has successfully contributed to controlling the previously spiralling healthcare costs of its sole shareholder and has fulfilled a crucial role in providing health insurance to individuals who would otherwise have been unable to purchase coverage in the private sector health insurance market, namely those purchasing Standard Health Insurance Contracts 1 or 2 (“SHIC”).
4. The Company has an on-going program of assessing and evaluating its strategic position and priorities. As part of this process, this five year Strategic Plan has been commissioned. It will undergo annual revision and be subject to a full review after three years.
5. The Company carries out its business activities both locally and through a number of relationships with overseas service providers.
6. The Cayman Islands Health Services Authority (“HSA”) is the Company’s predominant local service provider.
7. To carry out its functions, CINICO also contracts with a number of additional third party service providers, and purchases appropriate reinsurance. These relationships are noted in Appendix A.
8. As mentioned above, The Company is governed by a Board of Directors. A list of the current Board is noted in Appendix B. The Company has a present staff complement of 10, comprising the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and 8 other persons. An organizational chart is also noted in Appendix B.

9. At present, CINICO faces an environment in which it has significant threats. Foremost amongst those threats is a funding challenge with respect to its sole shareholder, Government. CINICO's core strength also comes from its relationship to its sole shareholder. Accordingly, the development of a sustainable risk management strategy requires a re-definition of the role of CINICO to core Government and the relationship of CINICO to its sole shareholder.

Scope

10. This Strategic Review and Strategic Plan 2013-2018 was commissioned by the Board in 2012. The background is provided in Appendix C.
11. Data gathering, stakeholder input and analysis of the business operations form the basis of this strategic plan. The following documents were also reviewed as part of the data gathering process:



- Report by the Office of the Auditor General of the Cayman Islands on the Management of Overseas Medical Services (dated May 2012);
- Report on the Survey carried out of Civil Servants, by Tower Marketing, Grand Cayman (dated August 2012) ("Civil Servants Survey");
- Cayman Islands National Health Policy and Strategic Plan;
- CINICO corporate governance documents including articles of incorporation and bylaws;
- Budget 2012/13 Ownership Agreement between the Cabinet of the Cayman Islands Government and CINICO, for year ending 30 June 2013;
- Statement of Work between MMSI, Inc. and CINICO, dated 15 February 2012;
- Professional Services Agreement between HSA-CINICO and Health Adjudication Systems Ltd, through its agent Advanced Integrated Systems (Cayman), Ltd, dated 21 December 2010;
- "cooksonjames Loyalty" brochure: Proposal for a CINICO Turnkey Wellness Incentive Program;
- Willis Re presentation on CINICO's 2012 Medical Reinsurance Renewal;
- Draft Strategic Plan Outline presented to the Board 9 September 2005;
- Summary Plan Description for Cayman Islands Government Group Plan 30100 Civil Servants, Pensioners, as restated effective 20 June 2012;
- Administration Services Agreement between Simplifi Health Benefit Management, LLC and CINICO, entered into on 27 July 2011;
- Agreement between Care Management Network Inc. and CINICO, effective 1 April 2012;
- Minutes of CINICO Board meetings occurring in August, September and November 2012;
- Financial Statements of CINICO for financial year ended 30 June 2011;
- Draft Annual Report for CINICO for financial year ended 30 June 2011;
- 2012 Proposed Organizational Chart (post Civil Servants Survey);

- RFP for Overseas Network Management and Cost Containment Administration Services.
12. The process of data gathering for this Strategic Plan also relied on in-depth one-on-one discussions with relevant staff members. *Inter alia*, these discussions provided invaluable information in relation to the daily operation of systems and procedures, along with detail of on-going projects and future proposed projects.
 13. To obtain the views and input of relevant stakeholders the Board approved the establishment of a Steering Committee to identify stakeholders, facilitate meetings with appropriate representatives of each stakeholder and to determine the scope and purpose of the discussions.
 14. The strategy adopted for each stakeholder discussion was to use a core of generic questions, supplemented by questions which applied specifically to the circumstances of a particular stakeholder. These were designed to reflect the particular characteristics of the business relationship with CINICO. The discussions were also designed to provide an opportunity for each stakeholder to express their thoughts on the existing health insurance programs provided, administered and managed by CINICO. In addition, as an interactive forum between the parties, the discussions were structured to encourage feedback from stakeholders on any suggestions for improved operating efficiencies, along with any potential future development prospects.
 15. The core stakeholder questions and a list of completed stakeholder meetings are noted in **Appendix D**.
 16. A total of 13 stakeholder meetings took place.
 17. A Summary Record of each stakeholder meeting is noted in **Appendix E**.
 18. From the discussions during the meetings, a number of common themes emerged which have translated into “Projects” in support of CINICO meeting its Strategic Goals. In addition, a number of “stand alone” Outcomes have been noted which relate more specifically to business operations and will be more appropriately dealt with separately by the CEO.
 19. A table showing the Summary of Outcomes is contained in **Section B**.
 20. The Summary of Outcomes table links the action points flowing from the Outcomes with Projects identified to facilitate reaching the Strategic Goals.
 21. On the basis that this report is for the benefit and use of the Board, it assumes a pre-existing level of understanding and general working knowledge of the various subject matters discussed.

22. Where the context requires, the CEO and CFO are referred to as “CINICO Management”

Executive Summary

23. The current Mission Statement of CINICO is: *“to provide affordable health care coverage on the most cost effective basis possible, to ensure the wellness of residents of the Cayman Islands.”*
24. The Steering Committee met twice to review the mission statement of CINICO and update it as necessary to reflect the current environment in which CINICO operates. The Steering Committee did so with a view to making appropriate alterations to reflect the way forward for CINICO, as determined by the Board and for the ultimate approval of the sole shareholder. In addition to changes to the Mission Statement, the steering committee also drafted a Vision Statement for the company along with a statement of core values.
25. Proposed new Mission, Vision and Core Values Statements:

Mission Statement:

The mission of CINICO is to manage our stakeholder’s welfare by providing cost-effective solutions and sustainable coverage. We will do so through friendly, compassionate and competent service that emphasizes a member’s satisfaction, peace of mind and provides a feeling of security. Through our strategic partnership with government we will continue to broaden the scope of our offerings by providing innovative products and services geared towards adding value and protecting against financial risk.

Vision Statement:

The vision of CINICO is to maintain its strong capital base through broadening the scope of our products and services by exploring opportunities for innovative solutions while sustaining our current operations and activities. We strive to be a leader in the insurance industry in the Cayman Islands through our strategic partnerships with government and our mutual stakeholders. By being client focused and member centered, we endeavor to provide an unparalleled experience as the most trusted partner in insurance for our members through all stages of their life. We will make every effort to be a respected employer sought out as a destination for lifetime employment.

Core Values:

Our core value puts the needs of our members first by providing risk solutions with integrity and honesty in a non-discriminatory and equitable manner.

- *We will protect our member's well being by providing affordable solutions against health related risks through sustainable coverage.*
- *We will bring comfort and security through outstanding customer service and innovative insurance solutions.*
- *We will value our employees and respect those we serve through financially sound decisions that are compassionate to our members.*
- *We will work with our stakeholders to provide a holistic approach to health-care which will assist our shareholder in achieving a national vision for health-care and cost containment.*
- *We will promote national health awareness to achieve a health conscious society.*
- *We will exceed our members' expectations by providing friendly, compassionate and competent service through teamwork and innovation that will make CINICO an industry leader.*

Through our core values we will improve the lives of our members and promote wellness and well-being in our capacity as an insurer.

26. Whilst the Strategic Goals have a long-term reach, the specific Projects in support of achieving the Strategic Goals have a short to medium term focus. These Projects span a "look forward" period of between 1 and 5 years duration. As the Company evolves in line with the Strategic Goals there will be scope for appropriate revisions to these Projects, and in some cases they will be concluded.
27. The Strategic Plan is a framework document and will be reviewed by the Board at least annually to ensure it remains current and reflects the development of the Company and the priorities of the Board.
28. In accordance with the annual budget requirements of the Cayman Islands Government, the components of the Strategic Plan should be discussed with relevant parties when compiling the 2013/14 Ownership Agreement for year end 30 June 2014, and future budget periods.
29. The Strategic Goals, expanded in **Section C**, are identified as:
 - 1. To provide affordable health insurance to the residents of the Cayman Islands that facilitates access to quality healthcare;*
 - 2. To maintain CINICO's status as a dynamic and financially stable insurance company that supports its stakeholders in a sustainable manner;*
 - 3. To identify and evaluate options for broadening the scope of the Company's products and services; and*

4. To be an “Employer of Choice” recognized as a company providing a high quality work environment.

30. A separate document called “The Strategic Implementation Plan” will be created by management, for approval by the Board, in conjunction with this document. The Strategic Implementation Plan will record the progress of each project within the Strategic Goals and each action point from the stakeholder meetings. It will also detail the stages and outcomes for each.

SECTION B

Summary of Outcomes of Stakeholder Meetings

<u>Stakeholder</u>	<u>Factors Underlying Outcomes</u>	<u>Outcomes</u>	<u>Action</u>
Seafarers and Veterans Association	Daily operating efficiencies within CINICO would benefit from improvement together with a more positive staff response to member queries	Staff training on Customer Service	SG4/P1
	Understanding of existing health insurance provisions require greater focus and more detailed knowledge	Information Seminars by CINICO and “Plain English” Information Booklet regarding plan coverage, the claim process and provider access	SG3/P3
	Inaccuracies and duplications were identified within the NHIS database	Evaluate the possibility of CINCIO taking ownership & maintenance responsibility for an NHIS equivalent database	SG1/P1
	CINICO’s business model is constrained by its limited number of plan options	Consider writing additional lines of business	SG1/P3 and SG3/P2
Portfolio of the Civil Service	Collaboration on matters of mutual interest requires a structured and regular communication strategy	Establish a Timetable for a regular Discussion Forum	SG3/P3
	Need identified for a reduction of healthcare costs in retirement	Explore the viability of facilitating a retirement healthcare plan	SG3/P2
	Staff understanding of plan coverage, the claim process and provider access is weak, combined with limited access to management information to assist understanding of what drives up costs (e.g. utilization trends)	Improve communication by CINICO to facilitate better understanding of plan coverage, claim process and provide more management information; including use of a new software system	SG3/P3 and SG1/P1
	A more holistic view of healthcare, such as “Wellness Programs”, should be encouraged and	Develop a preventative care program	SG3/P1

	<p>pursued</p> <p>Importance recognised of having access to accurate information / reliable database; including support for CINICO to taking over operation of an NHIS equivalent database</p>	<p>Establish feasibility project for CINICO to take ownership and maintenance responsibility for an NHIS equivalent database, with POCS involvement integrated into the project</p>	<p>SG1/P1</p>
<p>Cayman Islands Civil Service Association</p>	<p>Need to understand the detail in the Summary Plan Description (“SPD”), with a request for supporting guidance booklet</p> <p>The raison d’être of CINICO, both present and future was questioned</p> <p>Individuals with under 10 years consecutive service are not eligible for health insurance upon retirement</p> <p>Offering additional healthcare plans and choice in medical provider would allow CINICO compete with Private Sector Insurers</p> <p>Inability to underwrite in respect of coverage granted to spouses & dependants identified as a weakness</p> <p>Need identified to pursue “wellness program”</p> <p>Need recognized to improve perception of CINICO, along with improved understanding and efficient use of healthcare plans</p>	<p>Information briefing to be given to CICSA re SPD features and guidance booklet to be compiled</p> <p>Review mission statement</p> <p>Pursue feasibility project for providing a “Retirement Health Insurance Plan”</p> <p>Consider writing additional healthcare plans and expanding to become an Open Market Insurer</p> <p>Consider introduction of medical underwriting into healthcare plans</p> <p>Increase focus on preventative care and develop a “wellness program”</p> <p>Establish more regular and structured communication process with civil servants</p>	<p>SG3/P3</p> <p>CEO</p> <p>SG3/P2</p> <p>SG1/P3</p> <p>SG1/P3</p> <p>SG3/P1</p> <p>SG3/P3</p>
<p>Department of Child & Family Services</p>	<p>Recognition of value in CINICO having its own off-island (non-US) medical network for use by Indigents; establishing guidelines for where treatment should take place and reducing US care costs</p> <p>Need identified for a booklet explaining the role of CINICO, contact details, medical benefits, Case Management Providers and the Preferred Provider Network in Jamaica</p> <p>High long term costs and operational inefficiencies create “grey areas” in addressing the appropriate level of medical treatment / care to be given for difficult cases (e.g. 20 week foetus; care for individual declared brain dead)</p>	<p>Put in place a formal contract with Dr Cawich & the hospitals to be used as CINICO’s Preferred Provider Network in Jamaica (to include setting clear operating parameters and formalizing discounts)</p> <p>Liaise with DCFS and the Ministry of Health regarding booklet content and responsibility for its issue</p> <p>Explore options with Ministry of Health for appropriate initiatives such as a National Ethical Standards Setting Body</p>	<p>CEO and SG1/P4</p> <p>SG3/P3</p> <p>CEO</p>

	NHIS system is viewed by DCFS as unwieldy and untimely; delays in update of information on NHIS cause delays in approving treatment commencement. (Note: DCFS would have no objection to CINICO taking over operation of an NHIS equivalent database)	Pursue project with a view to CINICIO taking ownership and maintenance responsibility for an NHIS equivalent database.	SG1/P1
Cayman Islands Medical and Dental Society	Medical professionals interested in giving discounted rates if certain volume of business was sent to them with scope for development of Local Preferred Network. This may possibly occur if civil servants had an option to pay extra premium for a plan giving access to local private doctors, rather than using HSA.	Consider development of Local Preferred Provider Network	SG1/P4
	Discussion on need to assist individuals obtain treatment for what they actually require, i.e. manage care costs for high risk and indigent cases	Recruit Local Case Manager	SG1/P5
	Outpatient costs and unnecessary utilization of services could be reduced. The potential for doing so would be enhanced with the enthusiasm expressed for introduction of additional plans, such as “major medical” only; recognition of “solidarity” among patients re CINICO and expected favourable response to CINICO competing with additional plans against the private sector.	Pursue feasibility of writing additional health plans; which may include having a deductible feature and, separately, limited cover such as “major medical only”	SG1/P3
	Healthcare plan to address medical needs post-retirement was favourably received.	Pursue feasibility of writing a post-retirement health plan	SG3/P2
Health Services Authority	Benefit recognised of establishing a protocol where referring physicians have continuing and increased involvement regarding patient treatment while overseas and ensuring smoother transition once arriving back on island. The potential to involve a CINICO Case Manager in the liaison process would yield benefit in HSA level of control and the perception of well managed/ “hands on” CINICO personal touch healthcare.	Liaise with HSA and MMSI to establish a protocol for HSA physician and CINICO Case Manager having on-going involvement in patient care when off-island	CEO
	Enthusiastic response to CINICO expanding its lines of business to include, e.g. post-retirement healthcare plan, auto, property.	Pursue feasibility of writing a post-retirement health plan, auto and property insurance	SG3/P2
	Suggestion that CINICO offer health insurance to all Statutory Bodies, with possible further expansion to offer plans to all residents of the Cayman Islands.	Pursue feasibility of writing additional health plans	SG1/P3
	Recognition that focus is needed on primary/preventative care (at GP level), yielding benefits long term, with CINICO involvement	Partner with HSA re education / preventative care program	SG3/P1

	<p>being to encourage their members to “buy in” to the education/preventative care program.</p> <p>Recognition of difficulties with lengthy waiting times, in particular for specialist services which could be addressed with greater use of GP’s and less self-referral to specialists, combined with a request for CINICO to educate members on proper procedure prior to accessing a specialist. Cost reduction required in respect of social cases. The length of hospital stay, beyond medical necessity, can be protracted where home adjustment requirements have not been completed to allow patient release. An alternative short-term care option would reduce this problem and also achieve a lower “per bed cost”.</p> <p>An on-line portal for data access would be of value to patients, allowing access to relevant information to better manage their healthcare. HSA expressed no objection to CINICO taking over operation of an NHIS equivalent database.</p> <p>Discussion took place on the role HSA could play in capturing data to facilitate CINICO pursuing cases with subrogation potential.</p> <p>The need was identified for ethical guidelines to assist in cases involving “grey areas”, such as treatment of NICU cases and aged patients. The possibility of a joint project was raised, with a 3 year data look back.</p>	<p>Educate members on referral procedure to be used when accessing a specialist</p> <p>Explore short-term care facilities, to reduce non-medically required stay-overs at HSA</p> <p>Pursue project with a view to CINICO taking ownership and maintenance responsibility for an NHIS equivalent database</p> <p>Pursue creation of a mechanism for HSA to facilitate data capture to identify injuries with subrogation potential</p> <p>Joint project & discussion with Ministry of Health, with a view to exploring options such as the need for a National Ethical Standards Setting Body</p>	<p>SG3/P3</p> <p>CEO</p> <p>SG1/P1</p> <p>SG2/P6</p> <p>CEO</p>
<p>Health Insurance Commission</p>	<p>There is merit in additional plans which offered greater cover than SHIC and filled a gap in the present coverage offered by CINICO. Offering a new plan which responded to the need for hospitalization and acute benefits coverage (not outpatient) was suggested.</p> <p>Additional products, such as post-retirement plans and life and disability insurance, together with deductibles and co-pay provisions were suggested as suitable future products.</p> <p>There is concern that many members do not understand the health plan coverage or procedures to make a claim, and there was an identified need to better educate the members.</p> <p>There is a lack of relevant ‘soft skills’ amongst CINICO staff to adequately explain eligibility and benefits</p>	<p>Pursue feasibility of writing additional health plans</p> <p>Pursue feasibility of writing other insurance lines, such as a post-retirement health plan</p> <p>Educate members on plan coverage and procedure to make a claim</p> <p>Institute program of customer service training and product / procedures education for CINICO staff</p>	<p>SG1/P3</p> <p>SG3/P2</p> <p>SG3/P3</p> <p>SG4/P1</p>

	<p>The image as an “Employer of Choice” is impeded by lack of a first class functioning staff</p> <p>There is a fundamental lack of understanding of what health insurance is and how it works</p> <p>Time delays on records updating on the NHIS system could be reduced and data sharing improved.</p> <p>Lack of guidelines for handling issues of medical ethics.</p>	<p>Provide opportunities such as staff coaching to improve staff understanding of CINICO’s mission / purpose/ culture with a view to creating a “culture of quality” and “buy in” to providing first class service</p> <p>Partner with HIC to educate members on the principles and practice of health insurance</p> <p>Pursue project with a view to CINICIO taking ownership and maintenance responsibility for an NHIS equivalent database</p> <p>Raise with Ministry of Health, with a view to exploring options such as the need for a National Ethical Standards setting body</p>	<p>CEO</p> <p>SG3/P3</p> <p>SG1/P1</p> <p>CEO</p>
CINICO Staff	<p>Staff questioned why CINICO exists in its current form, being a safety net for “uninsurables” in the private sector</p> <p>Additional plans, add on benefits and wider coverage to allow CINICO to compete with the other private sector health insurers</p> <p>Human resource constraints resulting in an inability to respond to members in a timely manner (e.g. answer telephone calls, reply to emails)</p> <p>Lack of understanding by members on plan coverage and how to submit a claim</p> <p>Operational inefficiencies arise from ring-fenced job functions which limit are highlighted when a staff member is absent</p> <p>Elderly and health impaired on the existing SHIC plans frequently request “add-on” coverage (e.g. prescription, dental, optical)</p> <p>Members have lack of clarity on the various roles and responsibilities of the 3 overseas service providers, and who to contact</p> <p>People perceive CINICO as a Health Administrator, not an Insurer.</p>	<p>Provide opportunities such as staff coaching to improve staff understanding of CINICO’s mission / purpose/ culture</p> <p>Pursue feasibility of writing additional health plans</p> <p>Review staff resources and time management application</p> <p>Educate members on plan coverage and procedure to make a claim</p> <p>Cross-train staff</p> <p>Pursue feasibility of writing “add-ons” to SHIC plan</p> <p>Improve communication to aid member understanding (e.g. by development of information on the CINICO website)</p> <p>Marketing program to improve understanding of CINICO’s purpose and image</p>	<p>CEO</p> <p>SG1/P3</p> <p>SG4/P2</p> <p>SG3/P3</p> <p>SG4/P2</p> <p>SG1/P3</p> <p>SG3/P3</p> <p>SG3/P3</p>

	<p>Choice of medical provider desired</p> <p>Easier and more comprehensive access to claims information required; more reliable eligibility database required</p>	<p>Pursue feasibility of writing “add-ons” to existing plans and/or additional health plans</p> <p>Utilization of a more comprehensive and reliable integrated operating system</p>	<p>SG1/P3</p> <p>SG1/P1</p>
MMSI, Inc	<p>Opportunity exists for focusing on improved management reporting to CINICO (e.g. more detailed and timely cost estimates for new referrals)</p> <p>Opportunity exists for creating a “quality top tier” of care facilities for treatment of certain conditions/illnesses</p> <p>Weak focus regarding preventative care</p>	<p>Pursue provision of management reports</p> <p>Pursue discussions re identifying “quality top tier” care facilities</p> <p>Develop a Preventative Care Program i.e. Wellness Incentive platform</p>	<p>CEO</p> <p>CEO</p> <p>SG3/P1</p>
PSPB	<p>Choice of medical provider desired</p> <p>Post-retirement healthcare cover for Civil Servants not applicable to those having less than 10 years consecutive employment</p> <p>Administrative difficulties from errors in NHIS system</p>	<p>Pursue feasibility of writing “add-ons” to existing plans and/or additional health plans</p> <p>Pursue feasibility of a retirement healthcare plan</p> <p>Pursue project with a view to CINICIO taking ownership and maintenance responsibility for an NHIS equivalent database.</p>	<p>SG1/P3</p> <p>SG3/P2</p> <p>SG1/P1</p>
Minister of Health, Hon. Mark Scotland	<p>Closer relationship with Shareholder to support needs of core government</p> <p>New products are possible but must be justified in a way that supports financial viability of company and cost savings for government</p> <p>Present funding process for the ASO function, and resultant NGS55 overdue balance, is operationally unacceptable for CINICO</p> <p>Circumstances identifying the need for a National Ethics Standards Setting Body discussed</p>	<p>CINICO to meet with Shareholder on a defined and regular basis to facilitate closer partnership and support</p> <p>Pursue feasibility of writing “add-ons” to existing plans and/or additional health plans</p> <p>New operating arrangement is required between CINICO and Ministry of Health for funding the NGS55 Account, for 2013/14 onwards</p> <p>CINICO to continue dialogue with Ministry of Health regarding the establishment of a National Ethics Standards Setting Body</p>	<p>CEO</p> <p>SG1/P3 and SG3/P2</p> <p>SG2/P2</p> <p>SG2/P7</p>

Office of the Auditor General	Need identified for CINICO to have Vision and Mission Statements, along with clearly defined Core Values	Board of Directors of CINICO to approve a clearly defined Vision Statement, Mission Statement and set of Core Values, to then be communicated to Stakeholders	CEO
	A mechanism is required to define and evaluate how CINICO is achieving its goals, meeting its objectives and how it assesses its financial and operational performance	CINICO to establish and utilize a Performance Management Framework, introducing both Qualitative and Quantitative measures	CEO
	Evidence of oversight, and control, of the costs of overseas care is needed	An operating procedure will be implemented and documented to support oversight and control of overseas care costs	SG1/P6

SECTION C

Strategic Goals

In respect of each Strategic Goal a number of Projects have been identified which will better facilitate the achievement of the Strategic Goal.

Strategic Goal #1

“To provide affordable health insurance to the residents of the Cayman Islands that facilitates access to quality healthcare”.



30. In pursuit of Strategic Goal #1 the Company engages in the provision of health insurance for the Cayman Islands Government including Civil Servants, pensioners, employees of other Government entities, Seafarers & Veterans and their dependants, CINICO employees, and residents of the Cayman Islands who have low income, impaired health status, or who are elderly.
31. The Company also provides Administrative Services Only for Indigents and in respect of Seafarers & Veterans overseas benefits.

SG1/ Project 1 - Software System Enhancement

32. Currently, the software systems utilized by CINICO are overly dependant on manual operation and lack cohesion and integration. The need for an integrated system to enhance operations has been identified by the Company, with the intention of providing a range of improvements. These include centralized core services in respect of an accurate eligibility database, premium invoicing facility, claims administrative function (including “real time” adjudication and local providers having the ability to submit claims for timely adjudication), customized management reporting facility and a member interface providing access to details of the current status of their claim and the ability to submit their claims electronically. An integrated system will not only provide considerable time savings to staff and cost savings, but afford CINICO management a tool to extract critical management reports to provide enhanced understanding and control measures, e.g. utilization rates for each provider; all members currently overseas for treatment, their diagnosis and their care cost estimate; number of SHIC terminations and additions; customer service reports on number of calls or number of complaints.
33. The concept of adopting a new system includes exploring the feasibility of the database also being used by all other parties who input and/or make use of the NHIS system database. This would effectively replace the NHIS system with an equivalent database for which CINICO would have ownership and maintenance responsibility. Initial discussion with the relevant parties currently using NHIS confirmed that they would have no objection to CINICO assuming this role. Research into the required data fields for each party, and designing the system to allow appropriate access rights to manage the data, would be a significant project. The scope of this exercise should not be underestimated particularly as multiple parties are involved and the requisite technical steps would require to be taken via Government’s Computer Services Department.

Project Deliverable:

Software System Enhancement: A Request for Proposal (“RFP”) is in the process of being created as CINICO has identified a need to upgrade to an integrated operating system

SG1/ Project 2 - Overseas Network Management and Cost Containment Administration Services

34. The present use of MMSI, CMN and Simplifi has produced operational challenges. Replacing this arrangement will streamline operations, deliver improved system efficiencies (including time savings in claims processing and query resolution) and provide a clearer referral point for members who require overseas healthcare. It will also afford CINICO cost savings from utilizing a large vendor with access to a global network management system along with improved data management, reporting capability and internet portal accessibility. It is envisaged that MMSI services will

continue, dovetailing with the new vendor, by providing the approval for medical necessity.

Project Deliverable:

Overseas Network Management and Cost Containment Administration Services: An RFP has been issued and tenders are currently being considered as CINICO has identified a need to rationalize the present structure which utilizes 3 separate service providers in respect of overseas healthcare

SG1/ Project 3 - Development of additional health insurance plans

35. CINICO has already commenced development of a number of potential additional plan coverage's and pricing. The results of the Civil Servants Survey and the comments made in many of the stakeholder meetings showed support for CINICO pursuing the further development of additional plans. Interest has been shown in the following:
- an "add-on" to the Civil Servant plan, where the member would elect to pay additional premium and in return have choice in selecting their medical provider;
 - an "add-on" to the SHIC plans, where the member would elect to pay additional premium and in return receive an annual benefit in respect of prescription coverage and /or dental and /or optical coverage;
 - a plan, or plans, providing wider outpatient and inpatient coverage than the present SHIC options and which would be made available for purchase by residents of the Cayman Islands;
 - a plan providing only "Major Medical" coverage (no outpatient benefits).
36. The latter two options will expand CINICO's role, whereby it will operate as a direct competitor to the existing health insurers in the Cayman Islands. The amended business plan will not only produce a greater member base and additional revenue stream to CINICO, but will provide a wider choice of healthcare coverage for the residents of the Cayman Islands. Discussion with CINICO's sole shareholder on this proposal should occur, along with completion of a feasibility study, since this option significantly alters CINICO's remit, making it an Open Market Insurer.

Project Deliverable:

Development of additional health insurance plans: there is potential scope for expanding the health insurance products to create an additional revenue stream, provide a wider range of products to meet the expressed wishes of Civil Servants and SHIC members, and respond to changing needs in the healthcare market in the Cayman Islands

SG1/ Project 4 - Development of Non-US Preferred Provider Networks locally and internationally

37. The stakeholder meeting with the Cayman Islands Medical & Dental Society revealed that there is scope for discounts being offered by local medical services providers. To source specific types of treatment, on-island, outside of the primary medical services provider (the HSA) would be a significant shift in current operating practice. Consequently, consideration of this project will require a detailed and comprehensive cost/benefit analysis.
38. In respect of overseas care being carried out in Jamaica, there presently exists a verbal agreement with Dr Cawich who acts as a care co-ordinator regarding treatment for individuals referred to one of four hospitals in Jamaica. A written contract, with defined terms, conditions and remuneration parameters will be put in place with Dr Cawich. Further discussion should take place to fully identify the potential cost savings from utilizing care providers in Jamaica. In formalizing the existing arrangement, due diligence will be carried out to confirm the medical credentials of Dr Cawich and a procedure put in place for an agreed vetting and approval process for each medical services provider in Jamaica. This will feed into the development of a CINICO Preferred Provider Network.
39. The creation of a Preferred Provider Network outside the United States to be utilized for the Indigent population was supported by DCFS, who recognised that defined procedures and protocols would bring clarity and consistency to where Indigents receive treatment. This will also provide substantial cost savings to the Government budget for Indigent care.

Project Deliverable:

Development of non-U.S. Preferred Provider Networks: this project will encompass creating new arrangements with medical services providers both on island and in non-US locations with cost effective air transportation accessibility, along with formalizing an existing operational arrangement involving overseas care in Jamaica

SG1/ Project 5 - CINICO Case Manager

40. The need for a comprehensive local case management function has been identified by the Company, and a recruitment process is underway. Historically, any local case management carried out was on a case-specific basis and dealt with by the CEO.
41. Training for the local Case Manager will include an initial secondment to MMSI, thus providing a comprehensive understanding of the principles and practice of case management and an opportunity to further strengthen the working relationship between CINICO and MMSI.

42. The local Case Manager will provide a valuable link between the HSA/other local medical services providers and the members thereby improving the quality of service to members and providing the added benefit of a more ‘personal touch’ approach to healthcare.
43. Approval for medical necessity will be granted by the Case Manager. This serves to perform a quality check on proposed local treatment plans, both in respect of the HSA and other local medical services provider procedures, by means of quality review “triggers” e.g. certain diagnoses, length of hospital stay, length of treatment plan, etc.
44. It has been recognised by CINICO, and the HSA, that there is scope for improvement in continuity of care for members who require overseas treatment and subsequently return to Cayman for follow-up treatment/monitoring. In such cases, the local Case Manager will provide a consistent monitoring role to provide comprehensive oversight (including coordination with local physicians, overseas physicians and the member). The Case Manager will also deal with the investigation and resolution of cases which generate an “Incident Report” by MMSI, ensuring prompt resolution and focused quality care.
45. In addition to making member care more efficient, the use of a local Case Manager will reduce the cost of unnecessary referrals overseas and reduce the cost of hospital stays. A previous projection of annual savings resulting from utilizing a local Case Manager was estimated at a minimum of US\$400k.¹ Further savings may be seen on reinsurance premiums as overall claims costs reduce.

Project Deliverable:

Recruit and train a local CINICO Case Manager: implement a procedure for the case management of local claims and monitoring of the overseas claims case management process

SG1/ Project 6 - Documentation of Management of Overseas Costs

46. To address the concerns raised by the Auditor General’s Office and to insure that proper oversight of the costs of overseas care is ongoing, CINICO will maintain and utilize an internal documentation system to show review of scrubbing operations, documentation of cost reviews, network discount confirmations and other steps necessary to show internal oversight with respect to overseas costs.

¹ This figure was provided by CMN in 2010.

Project Deliverable:

Update as necessary the policy and procedures manual to reflect how oversight of the costs of overseas care will be implemented and documentation maintained to support this operating procedure.

Strategic Goal #2

“To maintain CINICO’s status as a dynamic and financially stable insurance company that supports its stakeholders in a sustainable manner”



SG2/ Project 1 - Reinsurance Procedure

47. The reinsurance program is robust. However, it has a weakness with regard to monitoring the creditworthiness of the reinsurer. Whilst the program itself is reviewed annually, there requires to be regular on-going monitoring of the reinsurers’ strength and, although it is recognised that the reinsurance broker will perform this function, there are not yet in place any requirements on the frequency of expected monitoring by the reinsurance broker, or the parameters which would require the broker to advise CINICO of any rating downgrade. This monitoring provision should be in place as part of a comprehensive reinsurance program designed to protect the Company from catastrophic losses.

Project Deliverable:

A procedure will be put in place which determines who has responsibility for monitoring the credit worthiness of the reinsurer, the frequency of the monitoring and the process by which CINICO is advised of any rating downgrades

SG2/ Project 2 - NGS 55

48. A review of the financial position of CINICO over the last 3 years reveals that each year the funding by Government of the “NGS55 account” falls short of the balance due. The components of the NGS55 account are Indigent overseas claims costs, Indigent non-HSA claims costs, Seafarers and Veterans Overseas claims costs and the Administration Services fee due to CINICO.
49. Operating with an overdue balance creates issues regarding liquidity, cash flow, annual audit, regulatory concerns and a fundamentally negative perception of the business viability and stability of the Company. The Board has recognized that this

practice cannot continue. Accordingly CINICO has approached the Ministry of Health to advise that the Company will as necessary suspend providing ASO services to stop a further increase in the cumulative overdue balance until a funding commitment for existing overdue balances is obtained.

50. To resolve the issue of overdue balances from the shareholder in respect of NGS55 impacting the balance sheet and financial stability of CINICO in future financial years, discussion with the shareholder must commence as a matter of priority to agree an alternative operating arrangement for 2013/14 onwards.
51. Consideration may be given to either pre-funding the projected indigent care cost on a monthly basis, or continuing to provide the ASO function but altering the payment process such that the remittance by CINICO to the medical services providers in respect of funds for claims payments be made after such funds have been received from the Ministry.

Project Deliverable:

Implement a new payment protocol regarding NGS55: the ASO function performed for the Ministry of Health requires operational reform to mitigate future financial exposure to CINICO

SG2/ Project 3 - Elimination of Premium Discounting

52. Premium income is actuarially determined and applied on the basis of a cost “per member per month”. In recent years Government has diluted the premium income to CINICO by requiring a premium discount be applied without actuarial justification for the discount. Enforced premium discounting is not good business practice, creating instability and impacting profit earned.
53. To resolve premium discounting adversely affecting the financial performance of the Company, discussion with the shareholder must commence as a matter of priority to agree an alternative operating arrangement for 2013/14 onwards.

Project Deliverable:

Premium Discounting: Engagement with the shareholder to eliminate the practice of premium discounting

SG2/ Project 4 - Key quality control measures and internal audit requirements

54. An identification of key quality control measures and internal audit requirements, including audit frequency and reporting structure, requires to be carried out in respect of each party with whom CINICO contracts for services, e.g. monthly reports from MMSI

on percentage retracted bills (and the percentage savings from retracted bills), “Estimated Cost Analysis” reports, reports on specific performance measures as identified by CINICO, and a procedure for compulsory claim review for all claims greater than US\$150k.

55. Procedures will be established which place the responsibility on the contracted service providers to evidence proof of compliance with the contractual terms and such internal audit reports, or other mechanisms used, will be provided to CINICO at defined intervals.

Project Deliverable:

Identify key quality control measures and internal audit requirements for all parties with whom CINICO contracts for services and establish a reporting protocol

SG2/ Project 5 - Co-ordination of Benefits

56. Operation of an efficient Co-ordination of Benefits (“COB”) procedure will realise cost savings for the Company. A COB procedure will require 2 key elements to facilitate effective implementation:

- Data capture by CINICO:

As part of the changes required to allow capture of the necessary information, the “ Summary Plan Description for Cayman Islands Government, Group 30100 Civil Servants, Pensioners, as restated effective 20 June 2012” (“SPD”), contains the following provision at page 25: “*The plan Member must provide additional information, relating to themselves and dependents, to permit co-ordination of benefits. CINICO is to co-ordinate benefits to minimize costs to the Plan.*” This information (previously unavailable or unreliable) is now being collected via the Id Card Application Form completed by each member prior to issue of their Id card.

- Agreement with other local Health Insurers:

The mechanics of operating a COB procedure will require an agreement by all other local health insurers; where there are two (or more) insurers providing coverage, agreement must be reached specifying the circumstances under which a particular insurer is deemed to be the “Primary Insurer” with responsibility for paying the claim (per the policy benefits), together with the parameters by which further payment(s) will require to be made by a “Secondary Insurer”.

57. Creating a central database to record the outcome of all cases involving Co-ordination of Benefits will provide a valuable management reporting tool together with a tracking mechanism for CINICO.

Project Deliverable:

Co-ordination of Benefits procedure to be developed and implemented

SG2/ Project 6 - Subrogation Procedure

58. Subrogation recovery has a history of being carried out on an ‘*ad hoc*’ basis by an overseas service provider contracted by CINICO. It has not followed a prescribed and agreed procedure and CINICO has not, to date, carried out any checks to verify that claims with subrogation potential have been pursued, nor has there been any quality assessment as to whether such claims were pursued correctly to yield the maximum recovery. Whilst there have been a “handful” of successful subrogation recoveries in the last three years under this ‘*ad hoc*’ arrangement, a documented subrogation procedure is now being implemented.
59. A contractual arrangement is presently in place between Simplifi and CINICO. Section 3.9 the arrangement provides that Simplifi will: “*Administer the subrogation provisions of the Plan, including both savings and recovery functions, subject to the terms and conditions set forth in Section 4.15*”. Section 4.15 sets out the parameters under which Simplifi may adjust and settle the subrogation claim, and where prior referral to CINICO is required.
60. A monthly report to CINICO management of all cases identified as having subrogation recovery potential will provide a valuable management tool together with a tracking mechanism for CINICO.

Project Deliverable:

Subrogation Procedure to be developed and implemented

SG2/ Project 7 - National Ethical Standards Body

61. There is a lack of national standards related to ethical issues of medical care for terminal patients and neonatal patients in particular. CINICO will advocate with its strategic partner HSA and with the Ministry of Health for the creation of a standards body that will address ethical dilemmas and create national standards to be implemented.

Project Deliverable:

Creation of National Ethical Standards Body

Strategic Goal #3

“To identify and evaluate options for broadening the scope of the Company’s products and services”



SG3/ Project 1 - Preventative Care

62. CINICO recognises the value in pursuing a program of preventative care, which will benefit the health and well being of residents of the Cayman Islands, as well as reduce overall healthcare costs to CINICO by mitigating or eliminating treatment for certain conditions. By including initiatives, such as fitness promotions, sponsoring sporting events and providing incentives for pursuing a healthy lifestyle, this will also improve the awareness and positive profile of CINICO in the community.
63. Research in this area has commenced and CINICO has reviewed a proposal from one vendor² of a “Turnkey Wellness Incentive Platform”. In conjunction with HSA, further research will take place in actively promoting a ‘Wellness program’ and developing strategies for implementation.

Project Deliverable:

Preventative Care: Development and promotion of a ‘Wellness and Lifestyle Management program’

SG3/ Project 2 - New lines of business

64. More than 80% of those responding to the Civil Servants Survey expressed an interest in learning about options to purchase additional insurance plans from CINICO (e.g. Premium Plans or Retirement Plans). 75% of respondents were interested in learning more about options to purchase Life Insurance, with greater than 60% of respondents interested in learning more about Auto Insurance, Education Savings Plans and Property Insurance.
65. Considerable interest was also shown during a number of stakeholder meetings regarding the possibilities of CINICO providing additional insurance plans, with the Retirement Plan generating the highest level of interest. An identified need emerged for post-retirement healthcare coverage for former Civil Servants, since those who do not

² cooksonjames Loyalty

complete 10 years consecutive service at the date of retirement do not meet the eligibility criteria for continuing health insurance coverage by CINICO. Furthermore, many employees in the private sector find themselves having to purchase health insurance for their retirement years once the benefit of employer health insurance has ceased.

66. Since life and disability insurance are often sold in conjunction with health insurance, these lines of business would have the greatest affinity with the business model of a health insurer. To expand the business plan to accommodate these products will require a cost/benefit analysis as the first step.
67. As these alternative further lines of business would considerably expand the scope of CINICO's present function, discussion with CINICO's sole shareholder should occur at the earliest opportunity. Further lines of business would require approval of a revised business plan and almost certainly result in additional capital requirements being prescribed by the regulatory body.

Project Deliverable:

Determination and prioritisation by the Board of which additional lines of business should be pursued, instruction of the appropriate feasibility studies, and early engagement with the sole shareholder on policy and legal considerations for the mission and scope of business of the Company.

SG3/ Project 3 - Member communication / Enhanced perception

68. A common theme identified during the stakeholder meetings was the view that CINICO should provide more focus on both projecting itself, and proving itself, to be a "User Friendly Insurer". This should entail easier accessibility to staff, increased regular updates to members, and a complaints resolution process which evidences the Company's attitude of prompt resolution of a member's issue as being of the utmost importance.
69. The Civil Servants Survey revealed the need for more effective communication to members and awareness of the role of CINICO. In particular, the benefit of holding special events throughout the year to raise the profile of CINICO was highlighted. These special events will include an "Education Road-show", developed and carried out in conjunction with HSA. The purpose will include informing members of the appropriate procedure to access specialist services, encourage greater use of the district clinics and pursue other strategies to reduce overall waiting times at HSA.
70. The CINICO website should be improved to better facilitate access for its members and the provision of information to the general public.

Project Deliverable:

Develop and implement a program, including improving functionality of CINICO's website, to improve communication to members and enhance their perception of CINICO

Strategic Goal #4

"To be an "Employer of Choice" recognized as a company providing a high quality work environment"



SG4/ Project 1 - Enhanced Quality of Customer Service

71. The Civil Servants Survey revealed that the members thought CINICO had a need for improvement in respect of day-to-day handling of members queries and in particular in the area of "remote contact" service provided.³ 16% rated their "in-person contact" experience as negative, with 31% rating their remote contact experience as negative. The stakeholder meeting with the Seafarers and Veterans confirmed a similar experience when dealing with CINICO on a daily basis. Accordingly, further focus and training for staff in the area of customer service will be carried out to improve communication to members, along with consideration of the introduction of a claims query hotline to provide direct and simplified access for member enquiries.
72. As the Civil Servants Survey also revealed significant criticism of both CINICO management and the claim process, the provision of more frequent and clear communication to members will be regarded as a vital on-going project.

Project Deliverable:

Institute a program of customer service training and product / procedures education for CINICO staff

SG4/ Project 2 - Succession Planning and Cross-Training

73. Introduction of a "buddy system", whereby at least one other member of staff is able to perform fully all job functions of their "buddy" will provide business continuity and improve performance. Comprehensive individual training plans will include this robust

³ "Remote contact" encompassed phone calls, emails and written correspondence.

system of cross training and provide the framework for mapping further educational opportunities.

74. The revised Organizational Structure (effective fourth quarter 2012) provides for 3 Client Service Managers (“CSM’s”). Cross training will be implemented in tandem with the reallocation of workload to each CSM having responsibility for their own portfolio of members. The CSM will be responsible for all aspects of management of their portfolio. Cross training will eliminate the historical practice of segregation of functions and will enhance operational stability, ensure business continuity and facilitate succession planning.

Project Deliverable:

Succession Planning and Cross-training: Develop a staff training plan which includes a technical education program and “buddy system” of cross training

SG4/ Project 3 - Employee Benefits

75. An independent committee of the board will be authorized to review the current contracts for all employees with a remit to examine and make recommendations for changes to employee contracts and benefits.

Project deliverable:

Implementation of new contracts and a new benefits scheme that will retain already existing high quality employees and attract new employees to CINICO as an employer of “choice”.

APPENDICES

APPENDIX A

Third Party Service Providers & Reinsurance

- Simplifi Health Benefit Management, LLC (“Simplifi” or “the TPA”) of Columbus, Ohio, U.S. provides claims administration services for overseas claims and provides claims payment functions for all claims, with the exception of claim payments to the Cayman Islands Health Services Authority (“HSA”) which are processed directly by CINICO. The contract with Simplifi commenced on 1 July 2011 and is for an initial term of 24 months, with automatic renewals thereafter for further 12 month terms, unless sooner terminated.
- CINICO and HSA (“CINICO-HSA”) have a contractual arrangement with Health Adjudication Systems Ltd, through its agent Advanced Integrated Systems (Cayman), Ltd (“AIS”), to perform the function of claims processing for members receiving treatment at the HSA. The contract commenced on 21 December 2010 and is for an initial term of 5 years, with automatic renewals thereafter for further 5 year terms, unless sooner terminated.
- Effective 1 April 2012, CINICO altered its pre-existing contract with Care Management Network Inc. (“CMN”). Prior to this date, CMN provided claims administration and case management services for insured persons requiring overseas medical treatment. From 1 April 2012, CINICO altered this arrangement to utilizing CMN solely for access to the CMN Network and/or related services of Air Ambulance Coordination and Global Emergency Assistance.
- Effective 1 March 2012, a Statement of Work arrangement was entered into with MMSI, Inc. (“MMSI” or “the Case Management Company”) under which MMSI provide CINICO with U.S. based Care Coordination for patient care while in the U.S and other countries (excluding Jamaica), together with related claim review following referral by the Chief Medical Officer (“CMO”).
- The Case Management function for patient care in Jamaica is carried out under an arrangement with Dr Cawich, who acts as co-ordinator between CINICO and the four hospitals utilized in Jamaica.
- The Company currently uses Willis Re as its reinsurance broker, Presidio (an underwriting agent of Lloyds of London) for its underwriting management, and Zurich American Insurance Company as its reinsurer. The current reinsurance agreement runs from 1 July 2011 to 30 June 2014, with 3 contract terms ending 30 June 2012, 2013 and 2014 respectively. The reinsurance arrangement provides Specific Excess of Loss coverage on a “per covered person per year” basis, for losses over US\$700k to US\$5m. The maximum aggregate contract limit is US\$10.5m.

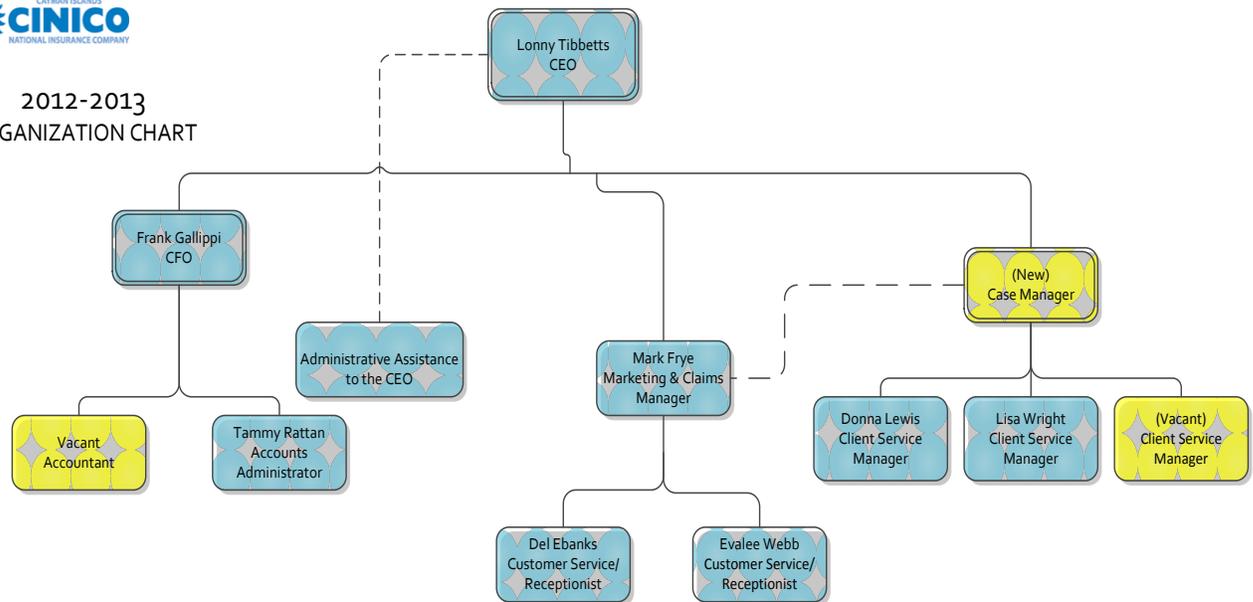
APPENDIX B

Board of Directors & Organisational Chart

Mr. Scott Cummings	Chairman
Mr. Seamus Tivnan	Vice Chairman
Dr. Ruthlyn Pomares	Director
Mr. Armando Ebanks	Director
Mr. Carl Brown	Director
Mrs. Jennifer Ahearn Chief Officer, Ministry of Health	Director
Mr. Godfrey McLean, Representative for Seaman and Veterans Groups	Director
Mrs. Darlee Ebanks	Director



2012-2013
 ORGANIZATION CHART



APPENDIX C

Commissioning of the Strategic Plan

The Strategic Plan was commissioned by the Board in August 2012. As part of the process to create the Strategic Plan, a Consultant was engaged to act as facilitator and provide the first draft of the Strategic Plan. This resolution by the Board to produce a Strategic Plan was in accordance with recommendations contained in the Report by the Office of the Auditor General dated May 2012.

The consultancy contract provided for the Consultant to “gather information, by discussion and data provided from the CEO, the Board and any other parties as directed by the CEO and the Board, and to summarize this information by preparation of a Strategic Plan for CINICO”.

The Board also resolved, at its August 2012 Board meeting, that a “Staff Benefits Subcommittee” should be formed to conduct a review of staff benefits. This component (CINICO aspiring to be an employer of “choice”) is referenced as part of this Strategic Plan.

APPENDIX D

Stakeholder Core Questions

- As a Stakeholder, what is your perspective on the current relationship with CINICO?
- Do you see areas where there is room for improvement, either in cost efficiencies OR operational efficiencies?
- Where do you see business synergies that could be researched/developed in the future?
- From your perspective what challenges are you experiencing or do you anticipate that CINICO can respond to or prepare for more successfully in future?
- In finalizing a new Strategic Plan for CINICO, CINICO wants to take a wider scope look and in doing so obtain your valued input, so what is your "wish list"?
- Do you have any views or thoughts on any potential wider role for CINICO as an insurance company?

Stakeholder Meetings

Seafarer & Veterans Association

Portfolio of the Civil Service

Cayman Islands Civil Service Association

Department of Child & Family Services

Cayman Islands Medical & Dental Society

Health Services Authority

Health Insurance Commission

CINICO Staff - meeting A (part staff complement attending)

CINICO Staff - meeting B (remainder of staff complement attending)

MMSI, Inc

Public Service Pension Board

Minister of Health, Hon. Mark Scotland

Auditor General's Office

APPENDIX E

Summary Record of Stakeholder Meetings

Seafarers & Veterans Association

15 November 2012

Representative: G Mclean

CINICO: CEO & Chairman of the Board of Directors

- There was a need for improved daily operating efficiencies with CINICO (e.g. complaints re who to contact when relevant staff member is not in office, unhelpful staff attitude, slow response times, and more accurate and timely update of eligibility record).
- Discussion of the possibility of the Ministry of Health handing over the maintenance of the NHIS system to CINICO.
- View CINICO as needing to be bolder by acting as an Open Market Health Insurer, providing the option to all residents to purchase health insurance and allowing CINICO to compete against existing private health insurers. The option to purchase insurance with increased benefits would be advantageous.
- Members would willingly support a NHS type system (e.g. UK system).
- Members would be interested in the longer term on other lines of business, but the clear emphasis was to focus on the short term to improve the existing arrangements for healthcare coverage.
- Perception / Education: members don't easily see the distinction between CINICO providing insurance cover for local treatment and an "Administrative Function Service" only in respect of overseas treatment. They also identify the need to improve understanding of CINICO's role, and, since overseas treatment requires 10% co-pay by members (they view this as giving a negative impression of CINICO and, at times, limiting their ability to pursue overseas treatment). They fail to recognize that the co-pay requirement is set by Government.
- It was noted that there was a need for information seminars by CINICO, better communication between parties, more user friendly relationships and compilation of a "Plain English" information booklet. This booklet should contain information regarding what the Plan says, how it works and how members can help with its smooth operation (e.g. timely referrals obtained). CINICO can use this series of talks as a mechanism to inform members of promotions such as healthy lifestyle initiatives.

Portfolio of the Civil Service

16 November 2012

Representative: Gloria McField (Chief Officer)

CINICO: CEO, Chairman & Vice Chairman of the Board of Directors

- Background on POCS responsibilities, including POCS role to give strategic advice to Government; specific mention that POCS keeps an eye on Governments' liabilities re healthcare costs and is looking at ways healthcare costs in retirement can be reduced or if any cost sharing program can be implemented in the future.
- Recognition of benefits of new SPD, being a mechanism to aid implementing changes in efficiency of healthcare provisions going forward, next would like to build Civil Servants awareness of SPD provisions, suggesting perhaps in future to further realize full benefits to staff by CINICO issuing a reference guide for staff regarding local preferred providers.
- Flagged the issue of having a reliable IT database for transfer of data between CINICO & POCS, & reliance of accuracy of data. Highest priority was flagged as having access to accurate information, to allow identification of what's driving costs, such as utilization trends. Proactive new approaches would be welcomed e.g. dedicated primary physician for individuals, and motivating greater efficiencies with incentives to staff.
- Suggested it would be helpful to discuss between POCS and CINICO how they can now use the information captured in new SPD for POCS' benefit.
- Mention of POCS' need to review billing practices and avoid duplicate billing practices (noting the particular issue when both spouses are employed with Government).
- Positive comment on the monthly input by CINICO presenting the basics of the plan at the orientation sessions for new POCS staff.
- POCS will increasingly be working towards greater use of accurate electronic management of data going forward and be emphasizing its value.
- The CEO floated the idea of a new CINICO software system that would, inter-alia, allow members to maintain their own profile, provide automatic electronic invoicing (by department), provide identification by the system of the primary user, and provide a recording log for the maintenance of a wellness program. A favourable response was noted.
- There was positive feedback regarding the possibility of the NHIS system being taken over by a new CINICO software system and managed by CINICO. POCS is in support of giving staff more information regarding their healthcare plan benefits and would be very supportive of a software system that efficiently transfers information between multiple users, e.g. data maintenance for PSPB & CINICO to avoid duplication of effort and to reduce error.

- Support for Discussion Forum to look at areas such as:
 - new provisions in the SPD which can be used to facilitate increased efficiencies;
 - establishing and understanding CINICO & POCS respective priorities;
 - how to best obtain a visible presence and involvement of CINICO with the Service;
 - strategic planning discussion regarding the possibility of health plan cost sharing by Civil Servants in future.

- There is a perception that the current business model of CINICO is “not sustainable in the longer term” as the number and cost of the “unhealthy/ high risk “ population is increasing and will continue to do so. It is therefore predicted that there is an increased risk/exposure to CINICO to rising healthcare costs.

- Having an increased choice of medical providers in future would be seen as a positive benefit for staff (recognizing it is likely to include a cost sharing element to the individual).

- There is a perception that POCS staff do not see premium level as being set by CINICO’s actuary, rather that it is Government that makes this decision.

- Regarding POCS interest in CINICO expanding into writing other, non-health insurance, lines of business, the view was expressed that CINICO should “concentrate on the basics first”, i.e. get its existing health insurance business plan operating efficiently and cost effectively. “Competency first, then expand to competitiveness.”

- POCS “Wish List” items:
 - initiatives involving CINICO which will improve overall healthcare provisions for staff e.g. wellness program, flu shots from HSA, basic free health checks;
 - ways to make the process easier for staff dealing with overseas care, submission of claims and access to medical services providers;
 - improved communication between CINICO staff and POCS staff, and increased streamlining of processes / synergy between CINICO and the HSA; e.g. looking at how to improve time and ease of getting basic functions done for POCS staff (such as the process of getting prescriptions filled and subsequently renewed).

- CEO advised that as part of the mechanism to improve communication and efficiency of handling by CINICO there would be a change in internal work distribution in the near future, where CINICO staff will be responsible for all aspects of healthcare (eligibility and claims handling) for a specified book of business e.g. police or legal department.

- Enthusiastic support was noted from POCS for the establishment of a discussion forum for collaboration on matters of mutual interest (including those mentioned above being on the initial discussion agenda).

Cayman Islands Civil Service Association

20 November 2012

Representatives: James Watler, Dr Rodriguez & Catherine Dinspel-Powell

CINICO: CEO, Chairman & Vice Chairman of the Board of Directors

- CEO referenced the new SPD; mentioned that CINICO will sit down with CICSA to fully inform them of the SPD features and will provide information via a guidance booklet and the website.
- CICSA “consider themselves the primary stakeholder of CINICO”.
- CICSA carried out a survey of its members earlier this year. (The CEO requested a summary of CICSA survey findings.) It concluded that CINICO needs to provide healthcare that is affordable, accessible and meets the needs of Civil Servants.
- View expressed that CINICO needs a clearer mandate regarding its target audience: does it primarily exist to provide health insurance for Civil Servants? Or is it a form of National health insurance for all (although restricted to indigent and SHIC members right now)? The question is: “who is CINICO intended to be there for?”
- Recognition that the healthcare costs of the over 60s on the Civil Servants plan erode the profit margin generated by the healthcare costs experience from the under 60s on the plan.
- The issue was raised of individuals joining at, say, 52 years of age and hence not having the minimum required 10 years service when reaching retirement at 60years. These individuals would not be eligible for on-going health insurance under the CINICO plan in their post-retirement years. The CEO mentioned the idea of a “golden age plan “ where Civil Servants would fund contributions to the plan while they were working towards retirement and then have a fund to pay (or part-pay) for a retirement healthcare plan. This possibility was met with enthusiasm.
- The view was expressed that CINICO needed to be able to compete with the private sector insurers (it was mentioned that some Civil Servants already elect to also pay for private health insurance themselves). Government has a fundamental duty to provide basic healthcare for all (with the indigent provision being part way to providing that) and that a perception existed that Civil Servants were being seen as not contributing towards paying for their health insurance when in fact they, as reflected in their salary. The opinion was expressed that many Civil Servants would be prepared to pay additional premium if they had the option of choice of medical provider. (This latter point is upheld in the summary of findings from the recent CICSA survey)
- Fundamental question raised: What is CINICO’s purpose – Insurer primarily for Government or does it / can it have a wider scope? What is the vision of the Ministry for

CINICO's future? It was acknowledged that this was a policy decision for Government which would drive the way forward for CINICO.

- Further comment was made, and recognition given, of the potential benefit of having future discussion between POCS, CICSA & CINICO regarding the issue of those with no retirement healthcare provision due to having completed less than 10 years consecutive service.
- View that CINICO should have underwriting capability in respect of spouses and dependents of Civil Servants. CINICO confirmed it would to discuss this with POCS.
- Comment that CINICO should focus on its healthcare products and improve how it services the Civil Servant plan.
- Perception expressed that CINICO does not yield best possible cost efficiencies as it uses "middle men" i.e. TPAs. Suggested cut out use of the middle men and have one CINICO network. The CEO responded by explaining why middle men are necessary (specifically regarding cases requiring overseas treatment) and of the future potential to do some of this work "in-house".
- Interest was raised regarding any investment type plan that individuals could access in retirement.
- Mention was made that CINICIO could consider benefits from a Wellness Type Program (i.e. pursuing preventative care rather than CINICO being reactionary).
- Key conclusion was that there would be benefit of more regular and structured communication between CICSA & CINICO, to improve perception and understanding and for the more efficient use of the Civil Servants' healthcare plan.

Department of Child & Family Services

21 November 2012

Representatives: Jenny (Alicia) Dixon, Debra Webb-Sibblies

CINICO: CEO, Chairman of the Board of Directors & Director Dr. Ruthlyn Pomares

- DCFS outlined their remit, which was to perform a “Needs Assessment”, involving a financial assessment, as to who fitted the prescribed criteria to be deemed “Indigent”. Indigents are entitled to receive health care benefits (amongst others). In these cases, CINICO provides an ASO service for Government. DCFS then co-ordinates with HIC to add the individual to the “Indigent List” maintained by HIC.
- An interest was expressed in CINICO having clearly defined off-island medical facilities identified for use by the indigent population i.e. a prescribed or preferred provider network. It was noted that research is already underway between DCFS & CINICO in this regard. The off-island medical facilities currently used in practice for the majority of indigent care are in Jamaica. (Treatment can be given at a lesser cost in Jamaica than in the US, allowing Government spending on Indigent healthcare costs to “stretch” further.)
- Comment was also made that there would be significant benefit in having a clearly defined network, as this would reduce the scope for third party influence regarding where an individual is treated.
- Following assessment, an individual will be added to the Indigent list for either 1 month, 3 months, 6months, 1 year, or indefinitely. At the end a defined period, a further financial assessment is made to either extend the period or remove the individual.
- Those added for the shorter periods are normally individuals who have a sudden or emergency medical need for treatment. They are subsequently further assessed to determine the appropriate length of duration of being deemed Indigent.
- The CEO categorized 3 types of Indigent: Permanent, Transient Individuals and those with Insufficient Insurance Coverage for the treatment required. The latter 2 categories are classified and added on an “emergency/acute” basis with DCFS developing a procedure which gives them initial access to medical assistance. They can then potentially transfer to “Advance Loan” status if they can part-pay. (Note: comment made by CEO that no individual has been categorized as “Advance Loan” in the past 2years)
- Approximately 75% of individuals assessed as Indigent are placed on the list for an initial period of 3months. For 2012 (as at the date of the Stakeholder meeting) a total of 340 Indigents were recorded of which 43 (approximately 15%) were assessed as eligible to remain on the list on a permanent basis.
- The CEO mentioned current work by CINICO on a guidance booklet which seeks to identify a Preferred Provider Network in Jamaica. This would include basic information on what CINICO is, its role (ASO), contact details, case management referral point for case requiring treatment in Jamaica, together with basic detail on medical benefits.

- Liaison by CINICO with the Ministry of Health is required, regarding who should “own” authorship of the guidance booklet and approve its content.
- DCFS view that to improve cost and operational efficiency of the Indigent program, formal ethical decisions and national policies need to be put in place, i.e. clear parameters need to be set which are based on rational pre-set rules (not emotional decisions) which determine when costs are or are not to be incurred in difficult or costly cases (e.g. the appropriate level of medical treatment to be funded for a 20 week foetus).
- NHIS system: the current process for input/update for DCFS is unwieldy and untimely. DCFS issues a letter to the Indigent, instructs HIC to add the individual to “the list”, and advises HSA that overseas treatment is likely to be required. There can be a delay in HSA update of NHIS, which causes logistics problems for the timely commencement of treatment. A “one-stop shop”, with CINICO maintaining a NHIS equivalent database, would in DCFS’s view be very attractive in streamlining/improving utilization of their “stretched resources”.
- DCFS confirmed it carries out (a) Financial Services Assessments (e.g. for food, health care) and, (b) Clinical Services Assessments (e.g. in cases of child abuse, foster care, domestic violence). Workload from the Financial Services Assessments aspect was described as being “overwhelming these days”.

Cayman Islands Medical & Dental Society

26 November 2012

Representatives: Dr Tomlinson, Dr Foley & Dr Marzouca

CINICO: CEO, Chairman of the Board of Directors & Director Dr. Ruthlyn Pomares

- A summary was requested of who CINICO insures (including plans and premium costs) and a response was provided by the CEO. The proposed changes to SHIC (with increased benefits) were also discussed.
- The question was asked: “does reinsurance for Indigents push up the premium cost?” The CEO explained that reinsurance is only purchased for the Civil Servants plan.
- Mention was made that the private sector health insurers pay towards the Indigent fund (now \$10individual/\$25 family).
- All representatives present said they would be interested in giving discounted rates to CINICO if certain volume of business (individuals) could be sent to them. This would confirm the merit of CINICO pursuing the creation of a Local Preferred Provider Network. The potential for expansion of medical services would be as a result of Civil Servants opting to pay premium to gain the option to upgrade their plan and have access to private medical providers. (For information, the CEO advised that the HSA fees for CINICO currently are below SHIF rates.)
- Focus is required on matching treatment to actual needs, i.e. cutting out frequent visits for minor ailments. The suggestion was made of creating a management oversight medical team who would manage costs of care for high risk persons and Indigents. This would effectively be part of the role of a Local Case Manager
- Suggestions made included looking at patient usage (outpatient vs. inpatient) to reduce costs, imposing a deductible on small but frequent treatment costs, and that the insurance plan(s) should be primarily to be used for large healthcare costs (major medical). It was recognized that individuals also need to use their insurance wisely, as overuse of outpatient care drives up costs.
- Consideration should be given to either minimal coverage or no coverage for outpatient care, or a large deductible.
- An observation was made of “solidarity” being seen amongst patients in respect of CINICO and as a result expanding their role to offer plans would be received favourably.
- A view was shared that in future CINICO should distinguish between its role as a health insurer from its administrative support of indigent care (ASO) and set the standard for inpatient benefits. CINICO should “do what it does best”, i.e. concentrate on health insurance.

- An enthusiastic response was received to the idea of CINICO becoming a “true insurer” which offered better/wider plan benefits.
- All three doctors expressed concerns regarding any move towards an “NHS” type system. None were in favour of this. Mention was made of “long term sustainability issues”, other counties having this system and then moving to privatization (e.g. Canada), and concern regarding the restricted amount of doctor consultation time available to patients.
- It was stated that there is, and needs to continue to be, a social component to medical care.
- The CEO asked for views regarding a plan to address healthcare needs post retirement, stating examples such as the NRA, CIMA, HSA, where post-retirement there is no option for continuing healthcare. The CEO outlined the basic idea of paying into a fund while in employment, to be used for post-employment health plan. The concept was favourably received.
- It was suggested that a policy providing basic cover, with no age restriction, would eliminate problems when an individual reaches retirement (other than their ability to pay the premium on ongoing basis).
- Concluding remarks were made on the subject of cost containment, stating that this is an area everyone is looking at going forward. Comment was made that it needs to be recognized by medical providers that they should give the “largest discounts possible” to CINICO, as CINICO does provide health insurance options for individuals that no other insurers will underwrite.

Health Services Authority

27 November 2012

Representative: Lizzette Yearwood (CEO)

CINICO: CEO & Chairman of the Board of Directors

- HSA recognised good personalized service. Along with the benefit of joint Board meetings, ready access to key personnel, such as the CEO of CINICO and the Chief Medical Officer (“CMO”) ensured prompt handling of referrals.
- A concern was, however, noted of the perception of a weakness in the system where there is potential for the CMO to be influenced from peer pressure of fellow doctors. Mention was also made of weakness as a result of the fact that we work in a culture where inappropriate influence from certain individuals does play a part at times, i.e. certain third parties trying to control the decisions of their family members/friends who require treatment. There is also a misconception that “overseas care is better”. The value of having policies and procedures (which were adhered to) was agreed by all parties. Creating common practices avoided the scope for political influence.
- An issue was raised regarding patients going overseas where it was felt that HSA to some extent had a “loss of control” of the patient. To resolve this, HSA is now carrying out the following:
 - o educating patients before they leave regarding what to expect;
 - o drawing their attention to the weblink which shows the formulary;
 - o advising patients to get their medical records to bring back with them;
 - o changing the referral form so that patients give authorization for release of information to HSA, CINICO and MMSI.
- The “Top Priority” for HSA was stated to be the establishment of a protocol to address improved communication links and oversight regarding overseas care. HSA acknowledges that the original referring HSA physician needs to be more involved with what happens in respect of the patient when he/she goes overseas, rather than largely leaving them in the hands of MMSI/Case Management until it is time to return to the Cayman Islands. The weekly telephone phone calls with the Case Manager to discuss patient care (which include CINICO) were noted. It was stated that operating this protocol would be beneficial and result in a smoother transition of the patient back under HSA’s care. The contact point for patients requiring overseas care is the referral officers. There are 3 referral officers at HSA at present and CINICO has approx. 100 patients overseas at anyone point in time. HSA staff resources to facilitate this is, however, an issue and the benefit from having a 4th referrals officer involved in operating this protocol is hampered by the lack of budget provision. All present noted that involving a local CINICO Case Manager in this liaison process provided a positive benefit. It was recognized that improving the regular communication links, and identifying key trigger points for communication, between referring physicians and overseas physicians would result in patients seeing overseas physicians and local physicians as part of their

combined health team. In addition, benefit in the level of control and perception of well managed, “personal touch” healthcare would be a result.

- The next priority for HSA is to iron out the current glitches with AIS. Comment was made that having a well functioning electronic adjudication system will be of great value.
- An enthusiastic response was given to the suggestion that CINICO may, in the future, offer additional products, e.g. auto insurance, property insurance, and a retirement health plan.
- The following opportunities, as seen by HSA, were outlined:
 - Bringing more services locally to the HSA. This is seen as a 6-9month project with HSA working alongside CINICO and local physician. Several (5 or 6) areas of care have been identified that could be brought into HSA (with HSA employing the specialists). The timescale for this was recognized as being significantly dependent on a successful recruitment program. Consideration has also been given to “Telemedicine” opportunities.
 - Offering the health insurance plan to all Statutory Bodies, and possibly further expand this into offering the plan to all residents of the Cayman Islands (HSA currently uses BRITCAY as TPA and self-funds its’ employee healthcare needs. It was noted that a “British NHS type system” was not viewed as being viable.
 - Focus is needed on primary / preventative care (at GP level), recognizing that it would take time before the savings and true benefits from this were seen. It was recognized that CINICO’s involvement in this increased focus on primary / preventative care would be to get their members to “buy into” the education / preventative care program, with incentives for compliance, such as gym membership.
 - The longest waiting times are for specialist services. Greater use of GPs and less self-referral to specialists would help reduce waiting times. It is recognised that CINICO had a role in educating its members on this issue.
 - HSA will soon start piloting an “Urgent Care Track” through A&E (i.e. a staged triage assessment) to streamline and prioritize the treatment assessment process and to reduce waiting times.
- The following weakness, as seen by HSA, was outlined:
 - Social Cases: where patients remain in hospital beyond the point where they need medical care, and where patients return from overseas and their home is not “ready” (adjustments not completed), there needs to be an option to send patients to a care home/ other facility at lower “per bed” cost. The new CINICO Case

Manager could oversee improved management of social cases, in conjunction with a Government Policy setting parameters for dealing with ‘social cases’.

- Data Collection:

- AIS issues were discussed. HSA responded that it would have no positive or negative view on CINICO operating a system equivalent to the NHIS system; the HSA was only interested in having a fully functioning eligibility system.
- An improvement HSA would like to see in the future is an online portal for patients. This would allow them greater information to better manage their healthcare (HSA currently holds data but cannot give patients access to it).
- In connection with gathering data for CINICO to facilitate the pursuit of cases with subrogation potential, HSA could build in a field (or fields) to capture the data of other insurers which would allow coordination with them, e.g. when the injury is a result of an accident, or vehicle collision. It was recognized that key definitions (e.g. “accident”) would be required.
- Regarding ethical issues, guidelines were needed for “grey areas” such as treatment of certain NICU cases and cases involving aged patients. A joint initiative between CINICO & HSA was suggested, to pursue a project which would involve a retrospective review of data for a 3 year period, with a view to reporting the results to Government to inform Government’s view on whether any form of policy directives were required in the future.

Health Insurance Commission

28 November 2012

Representative: Mervyn Connelly

CINICO: CEO, Chairman of the Board of Directors & Director Carl Brown

- Mr Connelly stated he was at the then Ministry of Health when the concept of CINICO was conceived, the HIC Commission was established and the relevant law introduced. However, as it has developed over time, he has seen a “gap” in providing segments of the population with healthcare coverage. This conclusion is borne out of his HIC experience and from conversations on talk shows that he has been involved in, plus views shared from small focus groups. People view CINICO as vital; especially to sectors of the population who can’t afford health insurance. (He gave an example of an individual where there is still currently a missing insurance provision; the person is ‘older’ & wishes better coverage than the SHIC plan, is willing to pay for it, but no plan is available for purchase because of her age.)
- He expressed a strong view that additional plans, offering greater coverage (with CINICO therefore acting as an ‘Open Market Insurer’) is the “way to go”.
- He was not in support of moving towards NHS type system: general issues of waiting times, access to specialists, delay in treatment, waste and hidden costs. He also does not view a move to a national socialized medicine system as being wise.
- Ongoing surprise was expressed that, for approx. 55k of population, currently there are 9 Health Insurers and that this line of business is profitable (relying on CIMA statistics).
- He views CINICO as playing a critical role for individuals deemed uninsurable, with low payment ability, with significant health issues/pre-existing conditions, and for Civil Servants. Therefore, CINICO acts as “lower rung of the ladder” insurer, but does not offer “higher rung” options. CINICO seen as “insurer of last resort”
- He suggested that to gain additional members (even with current plans): simply increase the number of “open enrolment” periods.
- He suggested having 2 plans: SHIC and a new plan that responds to focused need of hospitalization and acute benefits coverage (not outpatient), with a form of “community rating” where premiums are regulated.
- He is in support of additional products, and anticipates minimum negative reaction from the insurance market, with the key to success being the ability to offer products that meet customer need and that are financially viable to CINICO (Health retirement Plan, Life & Disability Insurance). It was suggested that these could be offered initially to Civil Servants and subsequently to all residents of the Cayman Islands.

- He was in favour of deductibles to keep premium rates down and also favoured co-pay provisions. Regarding the issue raised of HSA having trouble collecting co-pay, he viewed this as a short term education issue which would largely resolve over time.
- It was noted that “Government Buy-In” to expanding the role of CINICO was very dependent on the view of each administration. There was recognition of the need to balance Government expectations and demands against resources and support, together with the benefit of CINICO having a Strategic Plan in place. This makes it more difficult for political changes to alter CINICO’s business plans/intentions.
- The following operational concerns were mentioned:
 - A considerable number of people do not understand the health plan coverage or the procedures involved in using the insurance. Need to better educate members.
 - There is a significant communication issue between CINICO and its “users”. (This is a front end issue; i.e. CINICO staff need to be able to better explain eligibility and benefits, and to better display ‘soft skills’). He agreed there is a need is for CINICO staff to have both customer service training and product / procedures education. CINICO needs to be more “user friendly”.
 - For CINICO to be seen as an “employer of destination” in future it must provide a first class functioning staff. The view was taken that if all staff members clearly understood and sought to support CINICO’s mission/purpose, then this would create an operating culture of striving for quality, and there would be more evident ” buy-in” to providing a first class service going forward.
 - The view was expressed that there is still a fundamental lack of understanding within the general population of what health insurance is and how it works, e.g. cases were cited of individuals who think that if they pay premium and have no claims, they should get some premium back or a premium discount/reduction the next year. (In his opinion, HIC has the primary responsibility for health insurance education and, to date, has fallen short in this role.)
 - The primary target for education need is “blue collar workers” and temporary employees, as their expectation is high, but their understanding is low.
 - HIC is willing and enthusiastic about partnering with CINICO on an Education Project, to be rolled out in first half of 2013. HIC is willing to give resource time to work together to get the message across on how to best use the health insurance mechanism and understand health insurance coverage. There was a need to tell people exactly what they need to know.
 - HIC sees from the weekly reports generated that the indigent numbers are increasing. This is a worrying trend. Accordingly there will be even greater need in the future for HIC, CINICO, DCFS & HSA to work together as efficiently as

possible. This impacts the need for improved data sharing. There was a time delay issue at present with the NHIS (unresolved by computer services); HIC input data but it does not show on reports for up to 2 weeks later. It was acknowledged this is not acceptable, especially where urgent treatment of an individual is required. HIC would have no objection to CINICO taking over NHIS, using a substituted software system.

- In respect of the handling of difficult medical cases where long term care and ethical considerations come into play, it was agreed that there is a need for an National Ethical Standards Setting Body which would set guidelines to be used in such cases. The Board could comprise, inter-alia, a medical expert, a lawyer and a social care representative (such as a local church pastor).

CINICO Staff
29 November 2012

Representatives: Lisa Gager, Denise Archer, Dell Ebanks, Mark Frye, Tammy Rattan & Evalee Webb

CINICO: Chairman of the Board of Directors

- The question was raised as to why CINICO exists in its current form (taking those who are viewed as “uninsurable” by other insurers, and taking high risk individuals) rather than the legislative framework being changed to force the Private Sector Insurers to provide cover to these individuals. CINICO is seen as acting as a “safety net”.
- Staff view CINICO as running efficiently and serving its limited purpose, but view that CINICO could do more: more plans, wider coverage, expand existing plans to have add-on benefits, offer insurance to all, and therefore compete with the other Private Sector Insurers.
- CINICO could improve its customer service: feedback from customers highlighted issues with delay in telephones being answered, emails replied to, and being passed from one person to another... etc. A number of staff members agreed that “all staff are too busy & this is the knock-on effect”.
- Education required for members: members are not clear on plan coverage, both Civil Servants & SHIC Insureds. Approx. 60/70% of one staff member’s time is spent responding to questions about plan coverage. Although Government has reintroduced a CINICO education session to its new staff orientation process, many existing members do not understand the coverage, they also do not understand the process to be followed when they need to submit a claim, nor the procedure to expect in the course of receiving treatment. SHIC members do not understand the plan was created to provide a focused coverage for ‘Catastrophic’ medical needs, not a comprehensive coverage for frequent and minor treatment needs.
- Need for cross-training of staff: Enthusiasm from all staff members regarding the idea of introduction of a “buddy system”. Staff members have not received training to perform any role other than their specific jobs. Some have picked up parts of others job functions over time, but no formal training given which is seen as a weakness. It creates lack of confidence when trying to temporarily fulfil the job function of another staff member. (Noted in discussion that this situation leaves risk of gaps in understanding/incorrect understanding.)
- Add-on coverage to existing SHIC plans: a frequently asked question by the elderly and health impaired is if they can have more coverage; specifically prescription, dental, optical.
- Better use of CINICO web site: this is a perception point, as it is confusing to users why there are a number of overseas companies involved in the healthcare provision procedure and the users are unclear what each do, or when the user should contact each.

- Staff want CINICO to be seen as a viable competitor in the health insurance marketplace, not just “for sick people” & “limited in what it can offer”
- The staff have a generally held view that a significant number of people perceive CINICO as a Health Administrator, not an Insurer. More products, and competing with the Private Sector, are recognized as the means to change the image of CINICO. Often people equate CINICO with HSA.
- The firm view was expressed that Civil Servants, and the Seafarers and Veterans, do not value the plan coverage as they should – they don’t see the value in having wide ranging coverage, nor the benefits of no deductibles and no co-pay.
- Choice of medical provider desired: view strongly expressed that persons would willingly pay extra to have choice of physician instead of having to use HSA.
- Need to improve access to claims data: too much time is spent trying to find the status of a claim and where the ‘problem’ lies when responding to customer queries/complaints. Determining the present status of a claim involves searching databases of 3 overseas companies depending on where the claim is in the handling process. Approx. 30% of claim queries/problems emanate from eligibility problems, therefore having a more reliable eligibility database would go a significant way to resolve many of the questions raised.
- It was agreed that use of a new database recording system would be welcomed and beneficial as it would free-up resource time to be used to focus on other work tasks.

MMSI, Inc
17 December 2012

Representatives:

Jim Berg (Administrator for Business and Product Development),

Brian Rotty (Service Line Administrator),

Tammy Morris-Adams (CINICO Program Manager),

Dale Nafby (Director of HealthServices)

CINICO: CEO

- In response to being asked about MMSI'S perception of CINICO and the working relationship, comments were made that the weekly telephone call with the CEO and CFO, to discuss pertinent issues and address operational questions, was working well and that a good working relationship had developed between the parties.
- It was also noted that the weekly telephone call with Drs Smith & Jefferson, to talk about clinical components regarding the overseas care, was working well.
- Mention was made that customer service issues take up a lot of Mark Frye's time and they have daily telephone calls with him as part of the resolution process but find that often the resolution lies with Simplifi or CMN. (Having now recognized this, and Mark having altered his checking system such that he now contacts these 2 parties before MMSI, has reduced the time spent for all trying to resolve the issues.)
- The Care Coordination aspect is considered to be running well, but the area of reporting could perhaps be better addressed, e.g. MMSI providing more detailed and timely cost estimates for new referrals.
- As far as challenges experienced by MMSI, the only response given was "having 3 entities collaborating to provide the overseas care and claims process".
- In reply to being asked about the Quality Review Process used by MMSI, the primary quality checks outlined were:
 - o Chart Reviews – an internal audit process carried out quarterly. CINICO does not at present get the results of these reviews, but could do so if requested.
 - o Check of staff competency – an annual report, following the MAYO & MMSI competency program, which includes checking that policies and procedures have been followed and evidencing cultural awareness issues.
 - o Audit checks on eligibility files and claim files are done on an ongoing basis, to check for coding and payment accuracy. The audit parameters are all claims over \$9k and 1% of all other claims.

- To improve care co-ordination, MMSI is now changing its focus in its meetings with HSA to discuss “real time issues” and treatment required, rather than the historical “one month look back” approach.
- MMSI sees an opportunity to improve care going forward by focusing more on where people are sent for care and looking afterwards at the quality of service provided by that care facility, with a view to creating a “top 5” list of care facilities for certain conditions/illnesses for CINICO use.
- Additional MAYO support options were mentioned, and more information on these will be sent to the CEO:
 - “e-consults”
 - “second opinion program”
 - “remote care on-line program”
- MMSI still have notable difficulty on getting discharge summaries, but are working with the care facilities to speed up this process.
- In respect of areas CINICO & MMSI could focus on in the future, it was suggested that together they could look more at prevention i.e. wellness programs and try to determine what CINICO groups/plan members would best respond to this.

Public Service Pensions Board

17 December 2012

Representative: Melony Ebanks-Jackson (Director Designate of Plan Administration)

CINICO: CEO

- View expressed that the perception of the Civil Servants is very positive regarding CINICO, especially the fact that “the plan coverage is 100%”; when asked if there was any negative feedback, none came to mind.
- Comment was made that Civil Servants would like an enhancement option where they can have choice of medical provider.
- Concern was expressed regarding the fact that some retiring Civil Servants (due to age retirement or medical disability retirement) do not receive any post-retirement healthcare coverage. Civil Servants require 10years consecutive service to qualify for post-retirement healthcare under the Civil Servants’ plan with CINICO. The view expressed was that there would be considerable interest in a retirement healthcare plan for those individuals who are not eligible post-retirement under their existing Civil service employment provisions.
- PSPB experiences administrative difficulties with errors in the NHIS system (e.g. cards with incorrect information). The addition or alteration of data regarding a pensioner is input manually into NHIS by PSPB. PSPB would have no objection to CINICO operating an alternative system to replace the NHIS system.
- The possibility of additional plans being offered by CINICO, offering choice of medical provider for an additional cost to the individual, was favourably received and, subject to affordability, it was thought this would be of interest to many.

Ministry of Health

30 January 2013

Representatives: Hon. Mark Scotland and Jennifer Ahearn

CINICO: Chairman of the Board of Directors and Director Carl Brown

- A discussion centered on the relationship between Government and Statutory Authorities ensued and it was expressed that Statutory Authorities need to be redefined/defined. It was suggested that Government's role should be altered to allow these organizations to act more like independent entities, but closely related to Government. This would include:
 - Dividends being paid back to Government;
 - Clearer definitions; relationship needs to be closer between Government and Statutory Authorities.
- It was acknowledged that CINICO has a good relationship with Government. It was felt however, that this relationship could potentially become problematic if a concise definition of the relationship is not clearly outlined.
- The issue of what CINICO represents was discussed and the conversation examined some of the services it did not provide:
 - Does not cover all "residents" – only defined groups
 - Requires Government policy decision on anyone else;
 - Government would look at proposals to increase the pool of insured's, but where the private sector is meeting needs it was felt that CINICO should not get involved where it could be avoided.
- Other lines of business were discussed in the context of financial viability and were presented as an avenue to establish new revenue streams. It is envisioned that the new products/services can help not only alleviate some of CINICO's challenges, but also Government's future contingent liabilities.
- Further discussion covered concern with use of the term "residents" because CINICO has defined market; use of private physician's increase locally; the "NGS-55 Balance"; Cash for this year – premiums owed; Old NGS-55; and Current NGS-55; the need to redefine the process /relationship to 'pay as you go' (ie, where Government puts money into an account and once the funds have been exhausted, the facility ceases).
- The need for a National Ethics Standards setting body was discussed, along with financial viability and support shareholder

Office of the Auditor General

30 January 2013

Representatives: Alistair Swarbrick and Martin Reuben

CINICO: CFO, Chairman of the Board of Directors and Director Carl Brown

The Auditor General acknowledged that CINICO has had a good start with the process of establishing objectives to achieve goals and recommendations and commented on the following:

- The need to define the Vision and Mission for CINICO
- The question of ‘what is CINICO trying to achieve’?
- The need to define Core Values

Results – Focus/Orientation

- The need for a Performance Management Framework to define how CINICO determines it is meeting its objectives and achieving its goals.
 - Is it doing the right things;
 - Is it doing the right things the right way?
- The need to discuss conflicting objectives of the Company:
 - Is it doing the right things?
 - Refine high level strategic objectives;
 - Measurable ability to achieve objectives/goals.
- What means of assessment is used?
 - Financial results;
 - Image in community.
- More transparent in external environment discussion within projects:
 - Discussion of challenges faced;
 - Overall understanding of challenges and how to address them in the current environment.
- Need to define how to achieve the strategic goals from current state of affairs.
- How is CINICO creating value for shareholder and for stakeholders?
- What action is required to create value for the stakeholders and shareholder:
 - What performance measures need to be put in place to demonstrate that goals are being achieved;
 - Qualitative measures;
 - Financial, etc. benchmarks
 - Minimum capitalization.
- Clarity of what is the insurance rate and what is CINICO’s ASO role.