

## **Cigna announces plans to buy N.J. managed care company QualCare, bringing competition, jobs**



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Lt. Gov. Kim Guadagno, left, QualCare, Inc. CEO Annette Catino and Cigna Vice President John Wray pose for this photo following this morning's announcement that Cigna intends to buy QualCare, the Piscataway-based managed care company. *(Courtesy of QualCare, Inc.)*

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**PISCATAWAY** — In a move company executives say will deliver more options for consumers and more competition into New Jersey's limited insurance market, Cigna Health today announced it intends to buy QualCare, Inc. of Piscataway, a 25-year-old mid-size managed care company owned by nonprofit hospitals.

QualCare, with more than 800,000 members from hospitals, unions, local governments, school boards, small to large businesses and large corporations, will maintain its name and health insurance and workers compensation offerings. Cigna, an international health and life insurance company, will sell policies alongside QualCare, and replicate QualCare's business model to other states.

**Annette Catino**, QualCare's founder and CEO, will retain her title as her company becomes a wholly-owned subsidiary of Cigna, once regulatory approvals are met, according to a statement

Catino said she expects QualCare will add information technology and customer service jobs that will pay competitive wages. Its satellite offices in Egg Harbor will look to give jobs to casinos employees affected by the recent closings.

"Having another Fortune 100 company committing capital resources to NJ is an economic boon," Catino said.

Lt. Gov. Kim Guardagno was on hand at QualCare's main headquarters in Piscataway this morning for the announcement.

"Cigna's goal is to deliver affordable health care solutions that provide greater value and better health outcomes and experience for our customers," Matt Manders, president of U.S. commercial markets and global health care operations for Cigna, said in a statement. "This acquisition is an example of Cigna's ongoing commitment to being a partner of choice to health care professionals and hospital systems."

QualCare was founded to compete with large insurance companies, with an eye toward managing people's health. That model will flourish, said John K. Lloyd, chairman, Board of Directors, QualCare Alliance Networks, Inc. and CEO of Meridian Health.

"The era of providers relying on volume of care and illness is over. The future is one of serving local communities and focusing on wellness," Lloyd said. "Today's decision to have QualCare Alliance Networks join Cigna Corporation will ensure QualCare's success in this changing environment and enhance the value it can bring to its local communities."

By buying QualCare, Cigna will grow its presence in the state, which is dominated by a few carriers, Catino said.

"They bring a national and an international healthcare presence, they bring insurance expertise in underwriting, they bring capital, and they bring really a cultural commitment to focus on the patient, the member, the customer. It melds very well with our culture," she said.

QualCare offers health plans on the federal health exchange through Health Republic Insurance of New Jersey and **Oscar**.

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