

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
December 2, 2009

The December 2, 2009, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m. The meeting was held in Board offices at the Curtis State Office Building, 1000 S.W. Jackson, Topeka, and some members participated via telephone conference call.

Members Present:

Ed Phillips (COBO, chair)
Diana Malott, KU
Marilyn Yourdon, WSU
Lannie Zweimiller, KSU

Members Participating by Telephone:

Mary McDaniel, ESU
Chuck Olcese, PSU
Carol Solko-Olliff, FHSU
Andrea Cole, PSU

Also in attendance were Matt Brinson, UHC-SR, Ben Coates, Peoples Benefit Group (PBG) and Julene Miller, KBOR General Counsel. Also participating on the phone was Mary Karten, KU. Madi Vannaman, KBOR; Lisa Shryock, KUMC; and Rachel Cunningham, KSU student representative were unavailable.

Minutes

The September 2, 2009, minutes were approved.

Various Topics –

1. *On-line students – survey results*

Currently, students who are enrolled in 6 or more hours on-campus are eligible to participate in the KBOR student insurance program. Previously UHC-SR received information about the number of students from the Spring 2009 semester who were enrolled in a minimum of 3 hours on-campus **and** a minimum of 3 on-line hours in an effort to determine i) whether eligibility standards should be changed to allow these students to participate in the KBOR student insurance plan and ii) what, if any, impact this change would have on the plan in terms of coverage, premiums, etc.

KSU and FHSU conducted an on-line survey to determine interest in expanding eligibility criteria to include on-line enrollment when the student is also taking on-campus hours. Carol Solko-Olliff, FHSU, and Lannie Zweimiller, KSU, discussed the results of their surveys.

Fort Hays sent the survey to 1,110 students and received responses from 49 (or 4.41%).

- a. Thirty-eight (or 77.55%) stated they are currently eligible to purchase the KBOR student insurance. Nine (or 20.45%) stated they did not currently purchase the coverage. Four indicated they are not currently eligible to purchase the insurance.
- b. Twenty-one (or 44.68%) students who are not eligible or do not currently purchase the insurance indicated they would be either very likely or somewhat likely to participate at some point.

Kansas State University sent the survey to 2,192 students and 126 completed the survey (or 5.75%).

- a. Fifty-two (or 40.62%) stated they are currently eligible to purchase the KBOR student insurance. Forty-three (or 33.59%) stated they did not currently purchase the coverage.
- b. Fifty-seven (or 44.53%) indicated they are not currently eligible to participate in the KBOR student insurance plan. Fourteen (or 18.92%) said they would be either very likely or somewhat likely to participate if they were to become eligible.

Ed Phillips asked Matt Brinson to determine what the potential impact on premiums would be if we change the policy to include some on-line students. Matt indicated that their underwriters had looked into that previously and he would report the information to Madi.

While several expressed the opinion that they would not be in favor of a change that would result in significant premium increases in order to include what appears to be a relatively few additional student participants, there was not a consensus by the committee to make a decision on this issue now, but it was determined that the issue would be decided at the February meeting.

2. *Possible federal legislative changes*

A. *J-1 students and scholars*

The proposed federal regulation changes proposed by the Department of State would modify the insurance requirements raising the maximum benefit per injury or sickness to \$200,000 with repatriation of \$25,000 and medical evacuation of \$50,000.

Matt indicated that this issue would be incorporated into the KBOR policy so that we are compliant with any new regulation and that the current plan is compliant with the proposed medical evacuation and repatriation limits. There was a question about the possibility of putting a rider on the plan to include the increased amount for coverage. UHC-SR is putting together some possible ways to address the issue and has requested that each of the schools provide information on how many students could be affected by this issue. Each campus should email their information about the number of F-1/2 and J-1 students and scholars to Madi, who will forward it to United.

B. *Health care reform impact on student insurance*

Matt Brinson handed out language currently in the Senate health care reform bill which includes coverage for Student Health Centers and student health insurance.¹ He indicated that he will continue to provide the SIAC with updates as they occur. Provision of this information stems from questions presented to the SHS listserv and noted below:

Listmates—Based on a careful analysis of the various bills, particularly the Senate Finance Committee bill, it's clear that most student insurance programs will not be able to continue if a version of these bills passes. This is because the bills define "group" plans as employer-based. Everything else is "individual" coverage and must be either one of the exchange plans or the young invincible plan for people 25 years old and younger. Any of these individual plans would leave students who are currently covered by a student insurance plan with comprehensive coverage that complies with ACHA insurance standards worse off—paying a similar amount for fewer benefits. It is therefore critical for people in college health to respond quickly to their members of congress, particularly to members of the Senate Finance Committee, in the next couple of days. A list of these committee members is below. If your campus has governmental affairs staff in Washington, it would be important to bring this issue to their attention. The Lookout Mountain group today issued the press release below calling attention to this issue—see text below.

Arizona (Kyl)	New Jersey (Menendez)
Arkansas (Lincoln)	New Mexico (Bingaman)
Delaware (Carper)	New York (Schumer)
Florida (Nelson)	Nevada (Ensign)
Idaho (Crapo)	North Dakota (Conrad)
Iowa (Grassley)	Oregon (Wyden)
Kansas (Roberts)	Texas (Cornyn)
Kentucky (Bunning)	Utah (Hatch)
Maine (Snowe)	Washington (Cantwell)

¹ Handout attached.

Massachusetts (Kerry) Michigan (Stabenow) Montana (Baucus)	West Virginia (Rockefeller) Wyoming (Enzi)
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Jim Mitchell Director, Student Health Service Montana State University

FOR RELEASE

A PDF copy of this press release is available at: <http://www.hbc-slba.com/LMG/LMG101009.pdf>
Impact of Health Care Reform on College Students

The non - partisan Lookout Mountain Group announced today that health care reform proposals may have an adverse impact on the cost and quality of health insurance for thousands of college students who are presently covered by student health insurance/benefit programs (SHIBPs) that comply with the standards for health insurance endorsed by the American College Health Association

(www.acha.org/info_resources/stu_health_ins.pdf). Jim Mitchell, Director of Student Health Services at Montana State University and Spokesperson for the Lookout Mountain Group, noted, “None of the health care reform legislation presently under consideration explicitly states that (1) the definition of group Insurance’ will include college - and university - sponsored student health insurance/benefit plans (SHIBPs); and (2) colleges and universities will be able to continue to collect health fees or allocate a portion of tuition in order to fund college health programs.”

“Many SHIBPs provide comprehensive coverage, complying with the standards for college health insurance plans endorsed by the American College Health Association. Recent surveys show the average monthly cost of these comprehensive SHBIPs is \$136 for public universities and \$157 for private universities. The programs provide catastrophic coverage, medical and mental health benefits, prescription drug benefits, and many have no pre - existing condition exclusion,” said Mr. Mitchell. Model SHIBPs identified by the Lookout Mountain Group, include a diverse group of public and private colleges and universities, with both large and small student populations, located in all areas of the country.

Ed Phillips asked committee members if there were any other proposed plan changes they would like to have made in the plan so that United could research impact prior to the February meeting. Nothing was brought forward as an issue with the plan specifics.

PBG Review of SR Reports

Ben Coates provided an overview of the reports PBG provided for the KBOR student insurance plan. During the last routine claims audit, no errors were uncovered in the random sample. PBG has not received feedback from the campuses about any claims issues. If an issue arises, campuses are encouraged to notify PBG so that the matter can be investigated.

The reports reflect the following information:

1. *Enrollment Figures*

Enrollment figures were reviewed – November 2009 enrollment was 7,132 (compared to last plan year’s enrollment of 6,866) or an increase of 266 or 4.01%. With a premium reduction for PY 09-10, which is counter to national trends, we believed that enrollment in the plan would increase.

- a. International enrollment totaled 2,903 or 41%.

From the September 2, 2009, SIAC meeting, it was noted that there was a slight decrease in WSU enrollment (from 21% to 19% of the total). Marilyn Yourdon stated that there was also a slight decrease in university enrollment and a decrease in international enrollment. Carol Solko-Olliff stated they saw the

same thing at FHSU, and they are seeing international students who are purchasing other off-campus insurance. Ed Phillips responded that it would be interesting to see if there is a particular product that is attracting students. Mike Eichten shared that they had worked with Washburn for their student insurance RFP process, and they reported one outside vendor with a premium that was 50% of the Washburn plan. When evaluated, that other plan offered very limited coverage. Mike Eichten stated they would be willing to take a look at other plans to assess differences.

Marilyn Yourdon, WSU, noted that she believes some of the change at WSU may be because GAs are not eligible to purchase the insurance anymore. She also provided a website for an insurance company several of their students are using. It is International Students of America, www.isoa.org. The premiums are very low, although tiered based on age, and the coverage limits are comparable to our plan. Ben Coates stated he will check to find out other plan limits and he noted that he spoken with several vendors who are offering individual policies to college students.

2. *Premiums processed and claims paid*

- a. Premiums Processed vs. Claims - As of November 2009, there were \$3,536,938 million in premiums processed and \$388,062 in claims paid representing roughly 11% of total premiums processed.
- b. Of the \$388,062 claims paid, those claims which can be identified as “international claims” amount to \$13,085 or 3.4% of claims paid.
- c. Claims comparisons show an increase from the 8/1/07-10/8/08 period where claims paid were \$1,551,274, to the 8/1/08-10/30/09 period where claims paid were \$2,064,024 (an increase of \$512,750 or 33.05%).

	8/07 – 11/14/07	8/08 – 10/20/08	8/09 – 11/4/09
Premiums	\$3,293,994	\$3,549,896	\$3,536,938
	Increase	7.77%	0.37%

	8/07 – 10/8/08	8/08 – 10/30/09	\$ Increase	% Increase
Claims	\$1,551,274	\$2,064,024	\$512,750	33.05%

3. *Claims over \$3000*

- a. Total amount of claims for PY 09-10 to date are \$388,062 with claims over \$3000 totaling \$65,001 or approximately 17% of total claims.
- b. Comparing 08/07-10/17/08 to 08/08 – 10/30/09, claims over \$3000 increased from \$1,521,256 to \$1,740,963 (or a total of \$219,707 or 14%).
- c. Claims for services that started in prior plan years will be included in the current plan year if the charges in the current plan year exceed \$3,000.

4. *Administrative Fees Paid*

For Plan Year 09-10, the 1.5% administrative fee UHC-SR paid to KBOR through September 2009 was \$47,726; since inception \$251,489. Expenses paid to date \$60,470.66.

5. *Performance Results – Claim Payment and Customer Service*

The report reflects that SR continues to perform these tasks at a very high rate. 96.4% of claims were paid within 30 days, with 99.90% financial accuracy and 99.00% procedural accuracy. (The number of claims received from July 09 to August 09 and processed from August 09 to September 09 was 2,412.)

For Customer Service, 89% of calls were answered within 30 seconds and the abandonment rate was 0.13%. Calls for this time period were 2,938 (for the same period last year the calls were 2,798). All of those figures exceeded the target rate.

6. *Consolidated Utilization Report*

The top six charge and four cause codes for KBOR compared to UHC-SR's entire book of business were provided as well as a separate report for those students UHC-SR can identify as international students. The reports on international students are included in this packet. Matt Brinson indicated that they had not yet looked for a peer institution that has an international policy also with which to benchmark, but would do so. Matt Brinson noted that he had checked with their Information Technology Department and learned that UHC-SR can not provide the routine utilization reports in an Excel format. He reiterated that the reason the information is provided in a pdf format is to prevent data manipulation but that they would discuss this with PBG.

Other Items

1. Carol Solko-Oliff noted that FHSU recently had an international student expire on campus. She indicated that they used the KBOR plan medical evacuation procedures and they were extremely helpful. She asked whether or not the claims would show up on the utilization reports and Matt indicated that they would.

Next SIAC meetings

The next SIAC meetings are scheduled at **12:30** in the Board Conference Room of the Kansas Board of Regents Office on

- i. Wednesday, February 3, 2010.