

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
February 4, 2009

The February 4, 2009, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 1:30 p.m. The meeting was held in Board offices at the Curtis State Office Building, 1000 S.W. Jackson, Suite 530, Topeka, and some members participated via telephone conference call.

Members Present:

Ed Phillips (COBO, chair)
Diana Malott, KU
Mary McDaniel, ESU (representing Jim Williams)
Marilyn Yourdon, WSU
Madi Vannaman, KBOR
Lannie Zweimiller, KSU

Members Participating by Telephone:

Tyler Hughes, FHSU student representative
Chuck Olcese, PSU
Carol Solko-Olliff, FHSU

Also in attendance were Harry Imbeau, Director of International Education, ESU; Matt Brinson and Dale Burns, UHC-SR; and Ben Coates and Mike Eichten, Peoples Benefit Group. Also participating by telephone were Elvia Brown, KUMC, and Mary Karten, KU. Zach Gearhart, WSU student representative was unavailable, and Lisa Shryock, KUMC, and Julene Miller, KBOR General Counsel were unable to attend because of scheduling conflicts.

Minutes

The November 5, 2008, SIAC minutes were approved with a correction on page 2, paragraph 3: change the date to September 30, 2008.

Various Topics – UHC-SR provided information on various topics as a follow-up (contained in Section 6 of the UHC-SR renewal).

1. *Brochures - provision of labels by the campuses*

Matt Brinson reports that all marketing questionnaires have been completed and he will follow up with individual campuses to secure any additional information needed.

2. *SR's completion factor for claims*

Matt Brinson reported that based on PY 08-09 claim data, SR estimates claims are 97.2 percent complete. That number represents estimated total claims paid for 07-08 to be \$3,419,131 and total premiums paid of \$6,137,835.

3. *SR use of a List-serve*

Matt Brinson indicated that SR is working on completing the option of purchasing listserv software that will be hosted on a server completely disconnected from the uhcsr.com domain but is still branded, as that would not require it to go through the encryption rules. They expect a March 1 completion date.

4. *Student marketing outreach*

On February 2, 2008, the Kansas Board of Regents (KBOR) Office requested that each campus distribute to students an email that had been reviewed by staff in the KBOR Office, the Student Insurance Advisory Committee, KBOR's Students' Advisory Committee and the administrative hierarchy on each campus.

The email can be used each semester to alert students to the KBOR student insurance program. If the email is used in future semesters, the campuses were encouraged to include information about the open enrollment period.

Matt Brinson also mentioned that a marketing outreach, using campus newsletters, was also done and can be done in future semesters. Marilyn Yourdon recommended that it occur sooner in the semester.

5. *Utilization reporting for international students*

The international student utilization data was generated based on the listings provided by the state universities. Information will not be included for international students who are not on those listings, and who do not self-identify when applying on-line or with a paper application.

The information provided was for the PY 08-09 policy year. The "unit" column reflects the number of times the particular description occurred and lab units can include multiple CPT codes which reflect actual services provided.

In response to a request by Mike Eichten, Matt Brinson will provide enrollment data for internationals, based on lists and self-reporting.

6. *Pre-existing conditions provisions as they impact students who have spring and fall coverage but no summer coverage.*

Matt Brinson confirmed UHC-SR's information about pre-existing conditions and coverage dates:

A. Coverage 8/1/08 through 5/31/09, no coverage during the summer. If the student re-enrolls on 8/1/09, since the gap is less than 63 days, the student would NOT be subject to pre-existing conditions.

B. Coverage 1/1/09 through 5/31/09, no coverage during the summer. If the student re-enrolls on 8/1/09, since the student did not have 9 months consecutive coverage, pre-existing conditions provisions would apply through 11/30/09.

Diana Malott and Marilyn Yourdon inquired whether the 9 month period could be changed to 5 months. Dale Burns indicated that a time frame would have to be identified if 5 months were used; instead of using 63 days it would mean 120+ days. UHC-SR was asked to find out what underwriting impact, if any, would there be by changing the 9 months to 5 months.

Dale Burns suggested another option used for the Alaska system - students who first enroll in spring coverage only are sent a letter from UHC-SR informing the student that coverage will lapse and in order to maintain continuous coverage and not have pre-existing conditions applied, continuous coverage is required.

7. *On-line students*

At the November 2008 meeting, Matt Brinson was asked to provide information about how UHC-SR policies have addressed on-line students and eligibility for the insurance plan. Lannie Zweimiller stated that "on-line" needs to be differentiated from "distance education." Matt Brinson reported that SR is

willing to remove “internet classes” from exclusion from coverage, which means that students who meet the enrollment hour requirement would be eligible for coverage.

Julene Miller asked the following information be shared:

- A. K.S.A. 75-4101(c) states that KBOR may provide health insurance for “all students **attending** a state educational institution....” The word “attending” has been interpreted to mean physically attending.
- B. K.A.R. 88-30-1(f)(2)(A) defines student for the KBOR health insurance plan as not including any individual who is **enrolled exclusively** in any of the following: “one or more semester-based internet courses....”

Lannie Zweimiller asked whether internet hours could be counted if the student was enrolled in a minimum of 3 hours. Ed Phillips inquired whether the six hour on-campus class requirement was the original intent for eligibility and, if not, should there be a basic eligibility requirement. Dale Burns indicated that there are some systems that allow internet classes to be counted toward the eligibility criteria, but cautioned that internet classes allow an avenue into the plan and the KBOR plan is a very rich benefit plan.

For the May 2009 meeting, each campus was requested to provide enrollment information to help determine whether there is a sufficient or growing number of students who are taking a combination of on-campus and internet classes, based on spring 09 enrollment.

8. *Birth control pills*

Matt Brinson indicated that the KSU pharmacy brought to his attention that students were filling birth control pill (BCP) prescriptions off site because they received more coverage by going to a participating United Health Pharmacy Solutions (UHPS) facility. The current BCP benefit covers up to \$15 per month either at an outside Pharmacy or at the SHC. The UHPS facility (or any other PBM/pharmacy card) cannot limit BCP to a maximum limit per month. UHC-SR does have that capability in their system, so claims submitted via ledger billing are reimbursed to SHS at 100% with a maximum of \$15 per month. Claims that come through UHPS are paid at 100% after the copayment, and claims received from SHS are reimbursed at 100% up to \$15.

After running reports and meeting with underwriting, UHC-SR developed an option for the KBOR plan: add a \$15 copayment for birth control at the SHC and remove the limit of \$15 max for birth control. For all other prescriptions the same copay structure at the SHC would apply, \$5 copayment for generic prescriptions and 30% coinsurance for brand name prescriptions. Removing the limit of up to \$15 for Birth Control at the SHC and having just one copayment of \$15, will add incentive for students to visit the on-campus pharmacies rather than going elsewhere. The negative aspect is that prescriptions that are less than \$15 that were previously paid will no longer be reimbursed. The positive aspect of this option is the coverage of the cost of prescriptions that exceeded \$15 would now be covered.

This option would hurt ESU, WSU and PSU’s pharmacy operations as they provide generics that cost \$15. Dale Burns requested that Lannie Zweimiller provide a listing of the actual drugs and charges to determine whether providing a different copay for generic and brand drugs would be a workable option.

9. *Refund of premiums for international students*

Matt Brinson reported that a total of nine refunds for international students were requested from the KBOR system late in the policy year (four at Pittsburg State University, with one student enrolling in the GTA/GRA plan; five from the University of Kansas).

UHC-SR requests that going forward roster changes be requested as soon as possible in the semester. Therefore, for the fall period the requests need to be made by November 1st, and for the spring period, by March 1st.

10. Other items

Matt Brinson indicated they would work toward delivery of the brochures in early April.

At a recent trip to KSU for international student orientation, various pieces of information were requested from UHC-SR. Matt Brinson will reach out to the campus contacts to inquire about their desire to receive information such as:

- a. a UHCSR Student health insurance brochure,
- b. information regarding American Insurance,
- c. brochures in Chinese and
- d. postcards with the Health Center hours of operations, etc.

PBG Review of SR Reports

Ben Coates reviewed the reports PBG provided for the KBOR student insurance plan.

1. *Enrollment Figures*

Enrollment figures were reviewed – December 2008 enrollment was 7,058 (compared to December 2007 enrollment of 6,599) or an increase of 459 or 7%. All universities reflected an enrollment increase except WSU which reflected a 4% decrease.

2. *Claims over \$3000*

a. Total amount of claims for PY 08-09 to date \$749,667 with claims over \$3000 totaling \$242,925 or approximately 32% of total claims. (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.)

3. *Premiums processed*

	As of January 2009	As of January 2008
Premiums processed	\$4,024,950	\$3,824,233
Claims processed	\$ 749,667	\$ 844,729

4. *Administrative Fees Paid*

For Plan Year 08-09, the 1.5% administrative fee UHC-SR paid to KBOR through November 2008 was \$55,552.

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

Ben Coates reported that SR continues to perform these tasks at a very high rate. 99.60% of claims were paid within 30 days, with 99.90% financial accuracy and 98.60% procedural accuracy. (Total number of claims received and processed, October through December, were 2,158; total claims amount for this time period: \$1,054,970.)

For Customer Service, 92% of calls were answered within 30 seconds and the abandonment rate was 1.04%. Calls for this time period were 2,220 (compared to 1,386 for this time period last year). All of those figures exceeded the target rate.

6. *Consolidated Utilization Report*

Premiums Processed vs. Claims - As of January 7, 2009, there were \$4,024,950 million in premiums processed and \$1,500,374 in claims (\$444,392 in discounts and \$749,667 in paid claims). Paid claims are roughly 19% of total premiums processed. Those paid claims reflect a \$95,062 decrease (11%) from last year this time when claims paid were \$844,729.

The top six charge and four cause codes for KBOR compared to UHC-SR's entire book of business were provided.

Mike Eichten stated that additional reports will be added next quarter, comparing the data from the plan as more experience and data becomes available.

PY 09-10 Renewal Information

Mike Eichten indicated they are very pleased with the renewal information, but not surprised, because of the favorable claims experience. He noted that of particular interest was the possibility of expanding the usage of the UHC network, especially for those using the WPPA network. The raw numbers indicate that most locations would see fairly minimal impact by using the UHC network and would provide an additional 5% savings on the renewal rate.

The four campuses affected by the network change (ESU, FHSU, KSU and PSU) will work with Peoples Benefit Group to help analyze the network. If there are particular providers that will not be included, they are encouraged to work with UHC-SR to help secure contracts with those providers.

Mike Eichten indicated that for ESU there is a net gain both in primary care and specialists, even though there may be some exclusivity that might be lost. Mary McDaniel noted there are no surgeons, and ESU would need to assist UHC-SR in recruiting providers.

UHC-SR will need a decision by mid to late February so that a final rate quote can be provided. If there are no changes to benefits, the policy will not have to be filed again with the State which will provide a few additional weeks, and UHC-SR would need a decision by the first week or two in March.

Other Items

1. Brochure changes/enrollment form changes - Changes to the GTA/GRA enrollment form were accepted and changes to the brochures were discussed and finalized.
2. SIAC membership - COBO will recommend an additional term of three years for Carol Solko-Olliff, FHSU; Diana Malott, KU and Lannie Zweimiller, KSU; and that Mary McDaniel serve out the remainder of Jim Williams' term.
3. Renewal process – Ed Phillips led the discussion about the KBOR contract with UHC-SR. PY 09-10 is the third and last year of the initial contract, with the option to extend the contract for two additional one year terms. If the contract with UHC-SR is not extended, the SIAC will need to start review of the benefit structure this summer, develop an RFP for distribution in late fall for return in late January.

Each campus representative was asked if their recommendation would be to pick up the one year option. The consensus was that it would be in the best interest of the students to exercise that option as the campuses and students have been well served by the service and products provided by UHC-SR.

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Ed Phillips will report that recommendation at the COBO March meeting. I hope the provider issues can be addressed so that premiums can also be reported on to COPs.

Next SIAC meetings

The next SIAC meeting is scheduled at **12:30** on Wednesday, May 6, 2009 in Room 530 of the Kansas Board of Regents Office.