

KANSAS BOARD OF REGENTS  
**Student Insurance Advisory Committee**  
MINUTES  
May 6, 2009

The May 6, 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  
Mary McDaniel, ESU  
Lisa Shryock, KUMC  
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 participating on the phone were Matt Brinson, UHC-SR, and Mary Karten, KU. Also in attendance were Ben Coates and Mike Eichten, Peoples Benefit Group; Betty Stevens, KSU; Jennifer Stout, ESU, and Julene Miller, KBOR General Counsel. Zach Gearhart, WSU student representative was unavailable.

**Minutes**

The February 4, 2009, and the March 17, 2009, SIAC conference call minutes were approved. Ed Phillips noted that the Board approved the first one year contract extension with UHC-SR which will run through July 31, 2011.

**Various Topics –**

1. *On-line students*

Currently, students who are enrolled in 6 or more hours on-campus are eligible to participate in the KBOR student insurance program. Each campus provided information to UHC-SR 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.

Matt Brinson reported that the underwriter, Jim Lester, estimates that for PY 10-11, this would not result in a change in plan coverage but estimates it might result in a 2-4% rate increase. Historically risk has increased when the eligibility standards are loosened. As it is unknown where these students reside, it is unknown whether they will have access to or choose to utilize the student health centers. More will be known after claims experience is garnered. Mr. Brinson also indicated that the on-line component for eligibility has been increasing in the SR plans as more students are accessing higher education using on-line options.

Betty Stevens, KSU's Associate Dean of Continuing Education, expressed a high interest in expanding eligibility criteria to include on-line enrollment when the student is also taking on-campus hours. She stated

that KSU has 40 programs, most are graduate programs which are almost all fully on-line, and seven undergraduate programs which have 1000 students. Ms. Stevens volunteered to conduct a survey of those off-campus students to gather demographic data and gauge interest in the KBOR student health insurance policy. Carol Solko-Olliff indicated an interest in surveying those students at FHSU as well. Ms. Stevens and Ms. Solko-Olliff will work with Matt Brinson to determine questions to ask that would provide UHC-SR with demographic data and to interest in the KBOR plan. The intent is to conduct the survey early in the fall semester, 2009.

Julene Miller reviewed the enabling statute and regulations for the plan and determined that the statute would allow this change in eligibility as K.S.A. 75-4101(c) states that KBOR may provide health insurance for “all students attending a state educational institution...” And, the regulations would not exclude these students as they would not be “enrolled exclusively” in on-line classes.

2. *Graduate Staff Assistants and other non-GTA/GRA graduate students – eligibility to receive the GTA/GRA employer contribution toward premiums*

WSU has included GSAs as eligible for the employer contribution since the student insurance program was part of the State of Kansas plan (pre-KBOR). WSU states that GSAs are treated in the same manner GRAs are treated, in terms of eligibility for in-state tuition waivers, stipend and student health insurance, and their primary function is to assist in non-teaching and non-research activities.

After lengthy discussion, there was lack of support to recommend changing the regulation to include Graduate Assistants in light of the difficult fiscal environment the campuses face. There was acknowledgement of how this impacts WSU’s students who have been receiving this benefit, but recognition that K.A.R. 88-30-1 and -3 define who is eligible to receive the University contribution as those who are Graduate Teaching Assistants and Graduate Research Assistants who hold at least a 50% appointment.

3. *Eligibility criteria for GTA and GRAs to receive employer contribution toward the premium*

Each campus was asked to determine which of the following GTA/GRA eligibility criteria for the University contribution is used. All campuses report use of definition A below, except FHSU (no graduate students hold 50% appointments) and WSU (which uses definition B).

A. Each graduate teaching assistant or graduate research assistant holding at least a 50% appointment for a minimum of eight consecutive work weeks for each of the fall and/or spring semester or four consecutive work weeks during summer, is eligible for an employer contribution toward the cost of coverage.

B. All graduate assistants (GTA/GRA) holding a 20 hours per week appointment are eligible for this insurance and must be employed at least from the 20th day of classes to the end of the semester in order to maintain eligibility to receive the employer contribution toward the cost of coverage.

4. *Allowing GTA/GRAs, eligible to receive the University contribution toward the premium, to enroll on-line*

Jennifer Stout, from ESU’s HR department, stated they were creating Best Business Practices to protect personal information of students and were working with PCI (Payment Card Industry) compliance data security standards created by the major credit card issuers. Ms. Stout inquired whether it would be possible to eliminate the collection of credit card or checking account information from students enrolling in the GTA/GRA plan beginning with PY 10-11.

Matt Brinson stated that he had spoken with Tracy Hirsch, VP of UHC-SR's eligibility department, and she was excited about looking into this. Currently they do not have the capabilities set up within their systems to process these enrollments on-line. SR has a newly formed "Enrollment Advisory Group" (EAG) that meets to brainstorm better ways to improve enrollment technology and this topic will be discussed at a future meeting.

5. *UHC-SR 1.5% Administrative Fee Payment*

Under the KBOR contract, UHC-SR "shall provide funds, equal to 1.5% of collected premiums, to the KBOR office to provide for the costs of salary and benefits of appropriate personnel and/or outside consultants as deemed to be required by KBOR to administer the contract, or other uses as determined by the Board. The Administrative fee will be calculated based on the total collected premium for all of the KBOR institutions."

Since the inception of the KBOR student insurance plan in August 2007 to April 2009, the 1.5% administrative fee totals \$194,800. Expenses to date (Peoples Benefit Group consulting services and administration/legal services provided by the KBOR Office) total \$50,120.66 (with the balance of FY 09 expenses, including both future and incurred but not yet billed expenses, yet to be reported).

Diana Malott asked what the money could be appropriately used for and Julene Miller stated the language in the contract is written fairly broadly and allows funds to be used for the program's administration. Ms. Miller indicated that KBOR previously has not sought reimbursement for all staff work associated with the plan but, in light of the current financial situation, that would be looked at more closely.

Mike Eichten also indicated that PBG's billings have been less than the contract amount because the plan did not go out for a bid and there have not been a lot of plan problems to deal with.

**PBG Review of SR Reports**

Mike Eichten reviewed the reports PBG provided for the KBOR student insurance plan.

1. *Enrollment Figures*

Enrollment figures were reviewed – April 2009 enrollment was 6,884 (compared to April 2008 enrollment of 6,688) or an increase of 196 or 2.9%. With a premium reduction for PY 09-10, which is bucking national trends, if the student enrollment remains constant, enrollment in the plan should increase.

2. *Premiums processed and claims paid*

Premiums Processed vs. Claims - As of April 2009, there were \$6,433,602 million in premiums processed and \$1,902,229 in claims paid representing roughly 29.57% of total premiums processed. Those paid claims reflect a \$387,781 increase (25.61%) from last year this time when claims paid were \$1,514,447. Claims paid information is early, and they always lag the premiums and will increase over time.

	August 2007 – April 2008	August 2008 - April 2009	\$ Difference	% Difference
Premiums Processed	\$ 5,772,365	\$6,433,602	\$ 661,237	11.46%
Claims Paid	\$1,514,448	\$1,902,229	\$ 387,781	25.61%

3. *Claims over \$3000*

a. Total amount of claims for PY 08-09 to date are \$1,902,229 with claims over \$3000 totaling \$959,789.83 or approximately 50.46% 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.)

4. *Administrative Fees Paid*

For Plan Year 08-09, the 1.5% administrative fee UHC-SR paid to KBOR through April 2009 was \$94,652.

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

Mike Eichten reported that SR continues to perform these tasks at a very high rate. 99.93% of claims were paid within 30 days, with 98.57% financial accuracy and 97.67% procedural accuracy. (The number of claims received and processed, from December through February, was 4,263.)

For Customer Service, 85% of calls were answered within 30 seconds and the abandonment rate was 1.26%. Calls for this time period were 2,408. 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. PBG will spend more time with UHC-SR's claim department to modify the report so that it adds more value and work towards understanding the information in more detail for general and miscellaneous categories.

**Other Items**

1. Diana Malott shared that she had been selected to serve on the Student Benefit Committee of the Midwest Higher Education Compact, one of four compacts across the country, for which Reggie Robinson serves as one of the commissioners. There are thirteen states looking at student benefits, especially a multi-state student insurance plan. Ms. Malott shared that lots of questions have been raised about the viability and legality of such a plan and that a Wisconsin model is being used which has fourteen private schools across the east coast and in Wisconsin. After further study, the Compact intends to issue an RFP.

2. Carol Solko-Olliff stated that FHSU has a joint program where Fort Scott students are on the FHSU campus and can utilize FHSU services, including the health center, but they are enrolled at Ft. Scott. Chuck Olcese, PSU, and Lannie Zweimiller, KSU, both indicated their campuses have similar programs. Those students from non-KBOR universities are not eligible to enroll in the KBOR student health insurance plan as the regulation requires that the student must be enrolled in a KBOR state university or hold nonimmigrant status and be engaged in optional practical or academic training.

3. Matt Brinson stated that PY 09-10 brochures were expected to be delivered to campuses on May 6, 2009. He also inquired about the marketing campaign in the campus newspapers, and SIAC representatives suggested that the information be run in early fall 2009.

**Next SIAC meetings**

The next SIAC meeting is scheduled at **12:30** on Wednesday, September 2, 2009 in Room 530 of the Kansas Board of Regents Office.