

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

The September 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
Madi Vannaman, KBOR
Lannie Zweimiller, KSU

Members Participating by Telephone:

Mary McDaniel, ESU
Chuck Olcese, PSU
Lisa Shryock, KUMC
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 (PBG); and Theresa Bush, KBOR Associate General Counsel. Rachel Cunningham, KSU student representative, had a test conflict and Andrea Cole, PSU, was unavailable.

Minutes

The May 6, 2009, minutes were approved.

New Student Members

The two new student representatives were noted for the year and welcomed: Rachel Cunningham, KSU, and Andrea Cole, PSU.

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.

KSU and FHSU will conduct a survey of on-line students to determine interest in expanding eligibility criteria to include on-line enrollment when the student is also taking on-campus hours. KSU survey results should be available after September 30th; FHSU survey results should be available mid-September.

Ed Phillips inquired whether any other authorization was needed for the student surveys. Theresa Bush stated that universities can contact their own students and that what is done with the information is what may raise issues. If individual, personalized information is shared then there will be FERPA concerns. The survey results will report general information only and will be discussed at the next SIAC meeting.

Diana Malott asked how the survey will be distributed and to how many students. Carol Solko-Olliff stated that FHSU will email the survey link to select students who meet certain criteria. Lannie Zweimiller was uncertain about KSU's process.

2. *Inquiry about coverage from parent of KUMC student.*

A parent emailed Reggie Robinson, CEO of the Board asking about exclusions in coverage. Matt Brinson, UHC-SR providing information for the reply, and Ed Phillips also provided his perspective.

Ed Phillips stated that in the development of the KBOR student insurance plan, a lot of time was spent determining the benefits and costs with the goal of providing the best coverage at the best price. An assessment of the inclusion or exclusion of benefits can be made for future contract years.

Diana Malott asked about the parent's response about the KBOR plan exclusions and whether they were typical. Mike Eichten stated that most plans would have the same exclusions, except maybe the acne exclusion. Matt Brinson stated he had randomly pulled six other student policies and found the same exclusions and that suicide is covered in some policies and can be related to the religious perspective of the university.

Lisa Shryock asked if a student satisfaction survey was being considered. Diana Malott stated that a survey had been discussed previously, but was not developed as there was uncertainty about what was to be accomplished, who would be surveyed and what would be done with the results.

Lisa Shryock asked if KUMC could do a survey on its own. Ed Phillips indicated that as we approach another RFP process, a review of benefits will be undertaken. He requested that each campus look at the benefit structure and determine if there are any glaring exclusions that should be addressed in the short-term, otherwise suggested changes would be blended into the RFP process. Matt Brinson stated that if there are any glaring exclusions that needs to be addressed during the renewal period, UHC-SR will provide information about the impact on premiums.

PBG Review of SR Reports

Mike Eichten 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 – July 2009 enrollment was 6,827 (compared to last plan year's enrollment of 6,688) or an increase of 139 or 2.1%. With a premium reduction for PY 09-10, which is counter to national trends, we believed that enrollment in the plan would increase.

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.

2. *Premiums processed and claims paid*

a. Premiums Processed vs. Claims - As of July 2009, there were \$6,861,569 million in premiums processed and \$3,419,095 in claims paid representing roughly 49.837% of total premiums processed. Those paid claims reflect a \$637,777 increase (22.93%) from last year this time when claims paid were \$2,781,318. Claims paid information is early, and claims always lag the premiums and will increase over time.

b. Of the \$3,419,095 claims paid, those claims which can be identified as “international claims” amount to \$299,084 or 8.75% of claims paid

	2007 –2008	2008 - YTD	\$ Difference	% Difference
Premiums Processed	\$ 5,772,365	\$6,861,589	\$1,089,204	18.87%
	8/07 – 8/08	8/08 – 8/09	\$ Difference	% Difference
Claims Paid	\$2,781,318	\$3,419,095	\$ 637,777	22.93%

On the Claims Comparison report, it was noted that there was a 50% decrease in claims at PSU. Mike Eichten indicated that in the prior year, there was a claim exceeding \$90,000 for one person, and that much larger variations will be seen with smaller enrollment numbers. The larger campuses will have more consistency with claims because of large enrollment. Mary McDaniel noted that some of the increase in ESU’s claims may be because of TB clearance which used to be \$5 and is now \$50.

For the Paid Claims and International Claims reports, Mike Eichten indicated those numbers will fluctuate over time and that the bottom-line total is more important as it reflects whether the entire group operates profitably. In any given year, one school may see unfavorable results and the next year they may be more favorable, and that we are combining effort and pooling risks.

Carol Solko-Olliff stated that it would be helpful to know enrollment by domestic and international categories for the claims comparison information.

3. *Claims over \$3000*

a. Total amount of claims for PY 08-09 to date are \$3,419,095 with claims over \$3000 totaling \$1,675,962 or approximately 49.02% of total claims.

b. Comparing PY 07-08 with PY 08-08 to date, claims over \$3000 increased from \$1,460,648 to \$1,675,962 (or a total of \$215,315 or 14.74%).

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 08-09, the 1.5% administrative fee UHC-SR paid to KBOR through July 2009 was \$104,850; since inception \$203,423. Expenses paid to date \$56,383.16.

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

The report reflects that SR continues to perform these tasks at a very high rate. 99.93% of claims were paid within 30 days, with 99.43% financial accuracy and 100.00% procedural accuracy. (The number of claims received from April 09 to June 09 and processed from May 09 to July 09 was 4,397.)

For Customer Service, 89% of calls were answered within 30 seconds and the abandonment rate was 0.74%. Calls for this time period were 2,719 (for the same period last year the calls were 2,313). All of those

figures exceeded the target rate. Matt Brinson indicated that the increase in call volume may be related to increased plan enrollment.

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 was asked whether information for international students could be included. Matt Brinson indicated that they could look for a peer institution that has an international policy also. Mike Eichten asked whether PBG could discuss with UHC-SR provision of information in an Excel format. Matt Brinson responded 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. Lisa Shryock asked about coverage for Tamiflu and other drugs for exposure to a protected group. Ed Phillips stated that the plan's prescription benefit would determine what is covered and that guidance from the CDC and KDHE is to prescribe anti-viral drugs according to a strict protocol. Anti-viral drugs are not to be used as a prophylactic, but are to address specific situations. Diana Malott stated that in all of the KU cases, the physicians only have prescribed anti-viral drugs in four cases.

2. Marilyn Yourdon indicated that wart treatment services have been processed differently even though the coding was the same; once paid in full and another time denied. Matt Brinson will speak directly with Cheryl to investigate the situation.

3. Diana Malott asked about marketing of the plan. Matt Brinson replied that UHC-SR currently is contacting the university newspapers and marketing is putting together an ad similar to last year's ad. A draft of the ad will be provided to the marketing subcommittee for approval and the goal is to have the ads placed as soon as possible.

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, December 2, 2009 and
- ii. Wednesday, February 3, 2010.