

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
September 8, 2010

The September 8, 2010, 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
Madi Vannaman, KBOR
Marilyn Yourdon, WSU
Lannie Zweimiller, KSU

Members Participating by Telephone:

Cathy Lee Arcuino, PSU
Carol Solko-Olliff, FHSU
Lisa Shryock, KUMC

Also in attendance were Ben Coates and Mike Eichten, Peoples Benefit Group (PBG); Courtney George, KSU graduate student; and Julene Miller, KBOR General Counsel. Also participating on the phone were Matt Brinson, UHC-SR; Elvia Brown, KUMC; and Mary Karten, KU. Student representatives Temmuz Coskun, WSU, and Danny Unruh, KSU, were unavailable.

Minutes

The May 5, 2010, minutes were approved.

Various Topics –

1. *UHC-SR payment for IUDs*

The benefit coverage for IUDs was discussed. Under its interpretation of the current policy, UHC-SR is not covering IUD insertion at the SHCs, but is covering it the same as any procedure performed by outside providers at the 80/20 coinsurance rate. The SIAC recognized that during the construction of the benefits to be covered under the student insurance plan, consideration was primarily given to oral contraceptives as part of the Pharmacy benefit, although Depo Provera was also included as part of that benefit. For future plans, the SIAC will need to be more specific in addressing other types of birth control benefits under the student plan.

Initial discussions with UHC-SR resulted in some options including covering this service under the Pharmaceutical benefit and aggregating the \$15/month benefit for however long the student is in the plan. That option was deemed unworkable for both the campuses and UHC-SR administratively and also because IUDs are not a pharmaceutical item.

The UHC-SR underwriters then suggested covering the service provided by SHCs at 80/20, the same as for external physicians, as SHCs tend to have a higher charge than outlying physicians because of the discounts physicians are taking under the contract. Offering this 80/20 benefit would not impact the premium.

The SIAC requested that Matt Brinson approach the underwriters about covering this service at 100% when performed at a SHC. Once that response is provided, if needed, Peoples Benefit Group will look at the current contract language and gather additional information. If necessary, the SIAC will convene a conference call to discuss this information.

2. *Stand-alone dental rider – provider issues in Manhattan, KS*

Lannie Zweimiller reported that in Riley County one of the large practices indicated they would not join the dental network as the reimbursement was less than available from other health plans. Other Kansas counties appear to have good participation. Lannie provided Matt Brinson with a list of dentists in Riley county and outreach will be made to those offices about participation in the dental plan.

3. *“Graduate Assistant” student insurance*

The SIAC considered the resolution from the KBOR student advisory committee to extend to “graduate assistants” the employer contributions that eligible GTAs and GRAs currently receive under the KBOR student insurance plan.

The SIAC unanimously supported the motion that eligible “graduate assistants” be included under the same provisions as GTAs and GRAs under the KBOR student insurance plan to receive the university contribution toward the premium.

COBO will consider this recommendation at a future meeting after gathering information about the number of “graduate assistants” on each campus. Lannie Zweimiller indicated that KSU had 10 and Marilyn Yourdon indicated that WSU had 75.

PBG Review of SR Reports

Ben Coates provided an overview of the PBG reports for the KBOR student insurance plan. The reports reflect the following information:

1. *Enrollment Figures*

- a. Enrollment figures were reviewed (PY 2007-2008 to PY 2009-2010):

2007 – 2008	6,668	2008-2009	6,827	2009-2010	6,047
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There was a drop in enrollment of 1,405 from the January 2010 enrollment report. All campuses showed decreases, with the largest percentage decrease of 40% at Emporia State and the largest number decrease of 519 at KU-Lawrence. Only KUMC showed an increase of 29. It is unknown whether the change to dependents covered until age 26, under Federal Healthcare Reform, has impacted enrollment. Matt Brinson will look into the numbers to determine the accuracy of enrollment figures.

- b. International enrollment totaled 1,948 or 32% of the total enrollment.

2. *Premiums processed and claims paid*

- a. Premiums Processed vs. Claims – For the period 8/1/09 to 8/8/10, there were \$6,764,158 million in premiums processed and \$3,939,124 in claims paid representing roughly 58% of total premiums processed.
- b. Of the claims paid those claims which can be identified as “international claims” amount to \$412,433 or 11% of claims paid.
- c. Claims comparisons show an increase from the 8/08-8/09 period where claims paid were \$3,419,095, to the 8/09-8/10 period where claims paid were \$3,939,124 (an increase of \$520,023 or - 15.21%).

	8/07 – 7/09	8/08 – 7/09	8/09 – 7/10
Premiums	\$5,772,365	\$6,861,569	\$6,764,158
	Increase	18.87%	-1.42%

	8/08 – 8/09	8/09 – 8/10	\$ Increase	% Increase
Claims	\$3,419,095	\$3,939,124	\$520,029	15%

3. *Claims over \$3000*

- a. Total amount of claims for PY 09-10 to date are \$3,939,124 with claims over \$3000 totaling \$2,009,493 or approximately 51% of total claims.
- b. Those claims over \$3,000, which can be identified as “international claims,” amount to \$287,521 or 14%.
- b. Comparing PY 09 to PY 10, claims over \$3000 increased from \$1,675,962 to \$2,009,493 (or a total of \$333,530 or 19.9%).
- 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 July 2010 was \$108,306.

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

The report reflects that SR continues to perform these tasks at a very high rate. 99.9% of claims were paid within 30 days, with 98.87% financial accuracy and 95.63% procedural accuracy. (The number of claims received from March to May 2010, processed from April to June 2010 was 3,836.)

For Customer Service, 94% of calls were answered within 30 seconds and the abandonment rate was 0.35%. Calls for the time period 4/10 – 6/10 were 2,318; for 4/09 – 6/09 were 2,719. All of those figures exceeded the target rate.

6. *Consolidated Utilization Report*

The top 6 charge and 4 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.

Other Items

1. Midwestern Higher Education Compact – Diana Malott serves as the Kansas representative on the MHEC student health insurance committee. MHEC plans to release an RFP in October 2010 for a student health insurance product to be effective fall, 2011. It will be a fairly robust plan, for 2 million students in the twelve state area and hopefully that base will help keep the premiums low. As of 2008, MHEC was not certified to do business in the State of Kansas, and expressed disinterest in taking the steps necessary to become eligible to do business in this State.

2. Federal health care reform – Matt Brinson referred to the document UHC-SR provided. PPACA (Patient Protection and Affordable Care Act). Colleges and universities offer “limited duration blanket policies” for students. The Patient Protection and Affordable Care Act (PPACA) was written to cover individual, group and employer policies. American Council on Education (ACE) wrote a letter to the Department of Health and Human Services (HHS) inquiring about PPACA’s impact on student insurance policies and suggested that limited duration blanket policies, which meet an established minimum, would be considered an “essential benefit plan” under the PPACA.

The ACE letter requests an urgent clarification prior to the 2011 contract negotiations; requests the secretary of HHS to consider student health coverage as meeting the minimum essential coverage if certain criteria

are met; addresses exceptions to the guaranteed renewability and premium and requests that blanket policies be separate from group plans.

Lookout Mountain Group (LMG) subsequently sent a letter to HHS which strongly disagreed with the ACE letter without reference to the ACE suggestion of student health plans meeting the bronze standard.

UHC-SR is waiting for a response from HHS regarding the ability to offer limited duration benefit insurance plans to students attending universities.

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 1, 2010.