

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
December 1, 2010

The December 1, 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

Also in attendance were Dale Burns and 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. Lisa Shryock, KUMC, and student representatives Danny Unruh, KSU, and Temmuz Coskun, WSU, were unavailable.

Minutes

The September 8, 2010, minutes were approved.

Various Topics –

1. *Federal Health Care Reform update* – Dale Burns provided an overview of the issues and communication sent seeking clarification and guidance. The expectation is that a response will be provided by late December 2010, whether programs can be offered, parameters for those programs, etc. Mr. Burns will provide the committee with a UHC-SR internal document with their interpretation of “essential benefit plans” under the new regulations and the current plan provisions for the February 2011 meeting.

2. *Student Insurance Regulations – revisions*

At their November 18, 2010 meeting, the Board of Regents authorized amending K.A.R. 88-30-1 to i) include otherwise eligible graduate assistants in the group of student employees for whom the employing university pays a portion of the single premium; and ii) include graduate student employees with official work stations on the main campus who are taking on-line courses only in the group of students who are eligible for the KBOR student health insurance. If those graduate students meet the criteria for the GTA/GRA plan, those graduate students will also be eligible for the employer premium contribution.

Board staff will pursue a permanent regulation through the process and present to the Board in the spring with the goal to have the change in place by the 8/1/11 plan year.

3. *Prescription Rider – Development*

Diana Malott, on behalf of the KU subcommittee, inquired whether a prescription drug rider could be added to assist students with high cost medications or chronic conditions. Diana noted that this issue might be addressed by the “essential coverage” developed by UHC-SR by removing the prescription maximums.

Dale Burns stated he would ask the underwriter but speculated that a separate rider generally does not work as it is not likely that the premiums would cover the costs. Diana Malott asked if UHC-SR had a separate

prescription based plan, and Dale Burns responded he was unaware of any university that had a separate buy-up prescription drug plan.

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 for the following periods:

08/08 – 10/08 6,866 08/09 – 11/09 7,693 08/10 – 11/10 7,435

There was a drop in enrollment of 253 from the last comparable time period. KSU, KU, KUMC and PSU showed enrollment increases. Marilyn Yourdon noted that the decrease in enrollment at WSU is probably due to students paying on their parents’ plans longer.

b. Of the 7,435 students enrolled, international enrollment totaled 2,892, or 39% of the total enrollment.

2. *Premiums processed and claims paid*

a. Premiums Processed vs. Claims – For the period 8/1/10 to 11/15/10, there were \$3,384,725 million in premiums processed and \$500,106 in claims paid representing roughly 15% of total premiums processed.

b. Of the claims paid those claims which can be identified as “international claims” amount to \$46,760 or 9% of claims paid.

c. Claims comparisons show an increase from the 8/08-11/3/09 period where claims paid were \$3,807,158, to the 8/09-11/8/10 period where claims paid were \$4,439,230 (an increase of \$632,072 or 16.60%).

	2008	2009	2010 (thru 11/8/10)
Premiums	\$6,874,900	\$6,764,158	\$3,387,725

Decrease -1.6% not calc’d

	2008	2009	2010 (thru 11/8/10)	% Increase
Claims	\$4,038,871	\$3,939,271	\$500,106	Not calc’d

3. *Claims over \$3000*

a. Total amount of claims for PY 10-11 to date are \$500,106 with claims over \$3000 totaling \$183,206 or approximately 37% of total claims.

b. Those claims over \$3,000, which can be identified as “international claims,” amount to \$0.00 or 0% (as the reporting is early in the plan year). The international utilization report reflected some claims over \$3,000. Ben Coates will look into this further and report back to the SIAC.

c. Comparing PY 10 to PY 11, claims over \$3000 increased from \$1,740,963 o \$2,192,697 (or a total of \$451,734 or 26%).

d. 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 10-11, the 1.5% administrative fee UHC-SR paid to KBOR through Oct 2010 was \$54,484.

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

The report reflects that SR continues to perform these tasks at a very high rate. 99.88% of claims were paid within 30 days, with 99.50% financial accuracy and 94.56% procedural accuracy. (The number of claims received from June to August 2010, processed from July to September was 2,866.)

For Customer Service, 93% of calls were answered within 30 seconds and the abandonment rate was 0.62%. Calls for the time period 7/10 – 9/10 were 2,249; and 7/9 – 9/09 09 were 2,938. All of those figures exceeded the target rate.

6. *Consolidated Utilization Report*

The top 6 charge and 4 cause codes for KBOR were provided as well as a separate report for those students UHC-SR can identify as international students. The comparison with UHC-SR's entire book of business will be provided next quarter.

Other Items

1. Ben Coats discussed the Committee's decision on providing IUDs at the Student Health Centers at 100%. After speaking with UHC-SR, PBG wanted to ensure the Committee was aware that by paying IUDs at 100% will likely increase claims, as this option becomes more widely known, as these procedures have a cost of \$500.

2. Diana Malott asked about the dental and vision plan forms that were once on-line but are no longer available. Matt Brinson stated there is a 45-day enrollment period and after that the forms are removed. Mary Karten asked if the student could go on-line and enroll for the next period's coverage, even though the forms are not available. Matt Brinson said that enrollment can only occur during the open enrollment period.

3. Mary Karten stated that the renewal notices were to include the campus addresses but continue to show the UHC-SR address in Dallas, TX. Also, at the same time the GTA/GRA reminder notices were mailed, the dental and vision renewal notices were mailed and included the colored notice that incorrectly stated the dental and vision renewals needed to be submitted to the campuses. Matt Brinson will review and address this internally.

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 2, 2011
- ii. Wednesday, May 4, 2011