

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
May 5, 2010

The May 5, 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)
Mary McDaniel, ESU
Madi Vannaman, KBOR
Lannie Zweimiller, KSU

Members Participating by Telephone:

Chuck Olcese, PSU
Carol Solko-Oliff, FHSU

Also in attendance were Matt Brinson, UHC-SR; Ben Coates and Mike Eichten, Peoples Benefit Group (PBG); Sheryl McKelvey, WSU; and Julene Miller, KBOR General Counsel. Also participating on the phone were Mary Karten, KU, and Cathy Lee Arcuino, PSU. Diana Malott, KU; Lisa Shryock, KUMC; Marilyn Yourdon, WSU; and student representatives Rachel Cunningham, KSU, and Andrea Cole, PSU, were unavailable.

Minutes

The February 3, 2010, and February 17, 2010, minutes were approved.

Updates

The Board of Regents approved the contract extensions for UnitedHealthcare-Student Resources, through July 31, 2012, and Peoples Benefit Group, through June 30, 2013. Ed Phillips stated that early in 2011, the work associated with bid solicitation will begin and the SIAC will look to PBG to provide guidance and direction in light of the evolving federal health care reform bill and subsequent patches.

The Council of Presidents approved new three year terms, through June 30, 2013, for Mary McDaniel, ESU; Lisa Shryock, KUMC, and Marilyn Yourdon, WSU. The new PSU representative, who will serve a three year term effective July 1, 2010, is Cathy Lee Arcuino, PSU, Associate Director in International Programs and Sciences.

Various Topics –

1. GTA/GRA renewal info

Previously, Lisa Shryock had asked about the **GTA/GRA renewal information**. In prior semesters, the renewal information included a “green slip” stating that the renewal was to be processed with the campus and not mailed directly to UHC-SR. For the spring 2010 renewal, no green slip was added and students mailed the payments directly to UHC-SR.

Lisa Shryock had also inquired whether the university contacts could receive information when a GTA/GRA’s payment (check or credit card) was denied and the student is informed he/she does not have insurance coverage. Matt Brinson indicated that Mary Karten, KU, had previously made a similar request and that the compliance area currently is reviewing what options there may be to inform the university contact without violating any laws, including FERPA.

Matt Brinson’s email response: “Compliance did review the request about the University receiving information if a credit card was declined. This was not an issue with compliance and we have been notifying KBOR universities of credit card declines and copying them on letters sent. The renewal notices

have been approved to print with KBOR's return address for payment and the system has been programmed to complete this. To our knowledge all notices are still being sent with the colored (green) slips with mailing instructions. If any University is having an issue with this please let me know."

2. *Concern raised by KSU*

Dr. Dorinda Lambert, Associate Director of Counseling Services, relayed a concern about coverage for students who may need short-term hospitalization in a psychiatric unit and the exclusion of "suicide or attempted suicide while sane or insane (including drug overdose) or intentionally self-inflicted injury." Dr. Lambert requested that the SIAC review the student insurance policy for these points.

Matt Brinson's email response: "These are very valid concerns that have been brought up. To confirm the current policy does allow for hospitalization in a participating United Behavioral Health psychiatric hospital. We do not however provide coverage for a psychiatric hospital that is stand alone and not participating in the United Behavioral Health system. I have asked compliance to see if we could reword the benefit to reduce confusion. This is still being looked into as it would have affect on all of our policies.

"In response to the 'attempted suicide and intentionally self-inflicted injury' our policies are built around the requests of our clients. We customize (sic) design our policies to meet their needs from both a benefits and cost standpoint. If the KBOR would like us to review the cost associated with removing this exclusion we would be more than happy to do so. I believe this exclusion was included in the benefits that were requested in the RFP. As we did with 'club sports' exclusion this past year we are more than happy to review how this would impact the plan if the exclusion were to be removed."

Lannie Zweimiller stated that there is a growing need for this type of coverage as more and more students are impacted. Ed Phillips requested that information about the Kansas locations for the United Behavioral Health psychiatric hospitals be provided to the SIAC members who will, in turn, share that information with their campus SHS so it can be shared with counseling services and other appropriate areas. When the SIAC prepares to rebid the program, a review of benefits will occur to determine what changes, if any, would be appropriate. PBG will be asked to provide assessment of whether different benefits should be added now or whether we should wait for the rebid to review benefits.

3. *Separate stand-alone offering of Medical Evacuation and Repatriation coverage*

During a recent review of plan documents, UHC-SR provided draft versions of enrollment forms for stand-alone medical evacuation and repatriation coverage currently utilized by both PSU and KSU.

This coverage previously had not been brought to the SIAC. It was determined that because this plan is a separate voluntary plan, not associated with the KBOR student health insurance plan and therefore outside the purview of the SIAC, each campus can determine whether to extend this coverage or another company's coverage on campus.

4. *NY and Federal Health Care reform information*

A news article about the impact of the federal health care law and its impact on student health insurance plans was discussed, as well as a letter from the New York Attorney General regarding investigation of "certain troubling practices in connection with student health insurance plans ..."

Ed Phillips stated that most of the concerns in Cuomo's letter were not applicable to the KBOR student insurance plan, as our plan is voluntary rather than mandatory and the plan's financing is such that there are no financial relationships between PBG, UHC-SR or the KBOR and its state universities. Julene Miller confirmed that her reading of the materials was the same.

Mike Eichten stated that because the KBOR plan's coverage limits are significantly higher and the business practices are different, including hiring a fee-basis outside consultant, the KBOR plan is different. The Cuomo letter addressed significantly lower limits and business practices that the KBOR plan is not exposed to.

Ed Phillips asked about the future for student insurance programs, especially in light of the Patient Protection and Affordable Care Act. Mike Eichten said there would be immediate enrollment impact because dependents can be covered until age 26 but, because of the extended timelines associated with provisions, it will take several years to fully implement the bill. Matt Brinson stated that there are outstanding questions that UHC-SR is trying to get resolved including whether student blanket accident plans fall under health care reform as they are not group or individual plans, but stand alone policies.

5. *Dental and Vision Insurance – voluntary coverage options*

The **separate riders for dental and vision coverage** provided by UHC-SR were reviewed. As these plans are separate, stand alone plans that are not part of the KBOR student insurance plan, UHC-SR will not include information about them in the KBOR brochures. Students can enroll on-line or by printing and mailing an enrollment form to UHC-SR. Enrolling in the KBOR medical plan is not a pre-requisite to enroll in either the vision and/or dental plans.

PBG reviewed the information and confirmed there were no minimum participation requirements. Although comparison to other vendor plans was not performed, Mike Eichten wrote that "the vision plan appears to be an excellent value and there are in-network providers in all areas. The students that purchase this plan should receive total benefits that exceed the cost." Regarding the dental plan, the review indicated "the low option represents an affordable plan and should be well received. The high option however is too expensive and not a good value for the students. In most cases we believe the low option would be selected in lieu of the high option. Since this is the case our recommendation would be to offer the low option exclusively. This should alleviate any confusion that might come about by offering two options. It should be noted that the network for dentists is acceptable in all areas with the exception of Hays. Matt Brinson has agreed to speak with their provider recruitment department in an effort to recruit providers in Hays."

A survey of KSU graduate students indicated that students wanted both dental plan options available.

Lannie Zweimiller asked what UHC-SR is doing to recruit providers into the system and whether there is anything the campuses can do to encourage dental providers to join? Matt Brinson responded that UHC-SR is always recruiting, and if there are certain providers the campuses would like to nominate, that information should be sent to Matt's attention and a fee schedule will have to be negotiated with the provider.

Information about the dental and vision plans will be available on the UHC-SR website, including the KBOR state universities sections of that website and, when clicked, the individual will be directed to a separate website where the vision and dental plan options will be available.

PBG Review of SR Reports

The PBG reports for the KBOR student insurance plan reflect the following:

1. *Enrollment Figures*
 - a. Enrollment figures were reviewed (Aug to April for the past 3 year period):

8/07 – 4/08	6,673	8/08 – 4/09	6,884	8/09 – 4/10	7,452
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Student Insurance Advisory Committee

May 5, 2010

Page 4

For the last two periods, there was an increase of 568 enrollees or 8%. Four campuses showed an increase (ESU, 5; KSU, 465; KU, 247 and KUMC, 28). The other campuses showed a decrease (FHSU -35; WSU - 100; and PSU – 42).

b. International enrollment totaled 2,667 or 36% of the total enrollment.

2. *Premiums processed and claims paid*

a. Premiums Processed vs. Claims – For the period 8/1/09 to 4/8/10, there were \$6,033,200 million in premiums processed and \$2,175,795 in claims paid representing roughly 36% of total premiums processed.

b. Of the claims paid those claims which can be identified as “international claims” amount to \$225,312 or 10.4% of claims paid.

c. Claims comparisons show a decrease from the 8/1/08-4/3/09 period where claims paid were \$6,433,602, to the 8/1/09-4/2/10 period where claims paid were \$6,033,200 (a decrease of \$400,402 or - 6.22%).

	8/07 – 4/09/08	8/08 – 4/03/09	8/09 – 4/02/10
Premiums	\$5,772,365	\$6,433,602	\$6,033,200
	Increase	11.46%	-6.22%

	8/08 - 4/8/09	8/0 - 4/8/10	\$ Increase	% Increase
Claims	\$1,902,229	\$2,175,795	\$273,566	14.38%

3. *Claims over \$3000*

a. Total amount of claims for PY 09-10 to date are \$2,175,195 with claims over \$3000 totaling \$925,948 or approximately 43% of total claims.

b. Those claims over \$3,000, which can be identified as “international claims,” amount to \$137,921 or 15%.

c. Comparing 08/08-4/17/09 to 08/09–4/9/10, claims over \$3000 decreased from \$959,790 to \$925,948 (or a total of \$33,842 or 4%).

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 09-10, the 1.5% administrative fee UHC-SR paid to KBOR through March 2010 was \$95,228.

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

The report reflects that SR continues to perform these tasks at a very high rate. 99.90% of claims were paid within 30 days, with 99.70% financial accuracy and 95.60% procedural accuracy. (The number of claims received from December 09 to February 10, processed from January to March 10 was 3,300.)

For Customer Service, 94% of calls were answered within 30 seconds and the abandonment rate was 0.72%. Calls for the time period 1/10 – 3/10 were 2,005; for 1/09 – 3/09 were 2,408. 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. Lannie Zweimiller stated that KSU's student governance passed a resolution to extend health insurance benefits to **graduate assistants** which would make them eligible, under the GTA/GRA plan, for the University's premium contribution. The KBOR Student Advisory Committee contacted the KBOR Office to ask how their support of the KSU resolution should be presented to the Board. Julene Miller responded by suggesting that the recommendation first come to the SIAC for review and recommendation. Ed Phillips responded that because there will be fiscal implications, an assessment of the number of graduate students and associated costs will be necessary, as this will be a business decision and affordability issue, and he will place the topic on the agenda for the Council of Business Officers.

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, September 1, 2010.
- ii. Wednesday, December 1, 2010.