

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
February 3, 2016

The February 3, 2016, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

Members in Attendance:

Cindy Bontrager, COBO (Chair)
Mary McDaniel, ESU
Madi Vannaman, KBOR

Diana Malott, KU
Sheryl McKelvey, WSU

Members Participating by Telephone:

Angela Murphy, Student Representative, KU

Carol Solko-Olliff, FHSU

Also present at the meeting were Dale Burns, UHC-SR; Lesley Gagnon, Mercer; Theresa Schwartz and Julene Miller, KBOR. Participating by phone were Vickie Mense, representing PSU, as Cathy Lee Arcuino was unavailable; Matt Brinson, UHC-SR; Bryan Kakita, Mercer; and Mary Karten, KU. Jim Parker, KSU, and Valerie Noack, KUMC, were not able to participate.

Minutes

The minutes from the December 2, 2015 meeting were approved as distributed.

Graduate Student Insurance Plans

Matt Brinson reiterated that the federal agencies are expected to provide guidance regarding subsidies to graduate student insurance plans. That guidance was expected last August 2015, with indications that the outcome would be favorable and positive. Although that formal guidance has not yet been provided, UHC continues to hear positive things related to the outcome. For the renewals UHC-SR is working on, universities are continuing to take a wait and see approach and to provide subsidies to graduate students.

Leslie Gagnon shared information from a Liz Marks email from the American College Health Association requesting that universities provide anecdotal information related to the subsidies by February 4, 2016. Steve Bloom, director of Federal Relations with the American Council on Education, will be provided the anecdotes and will compile information about how the absence of guidance is impacting schools as they work on the 2016-2017 policy year. The information is to be non-identifiable by college/university. An example of the requested information to be provided:

The university is continuing forward with the 2016-2017 policy negotiations with the intent to keep the graduate assistants on the student plan. The intent, without regulatory guidance, is to continue the subsidy of premium for the graduate assistants and their dependents at 80% as a post-tax (or pre-tax) deduction.....

Dale Burns stated that when Health and Human Services rules have been implemented in the past, generally a transition period is provided that allows universities to accommodate plan design changes and he believes a transition period will be available if the guidance on graduate student subsidies required a change.

[After the meeting, the Department of Labor issued Technical Release No. 2016-01. Mercer has been asked to provide guidance as to impact of that notice to KBOR's graduate student insurance premium.]

International Student Enrollment

At the December 2015 meeting, Matt Brinson stated he would follow up to find out why the default provided Spring/Summer coverage when international students have to enroll each semester. After the meeting, in a 12/9/15 email, Matt provided the following information:

“The UHC-SR Eligibility Department did confirm that our system is programmed in such a manner that the renewal notice will select the largest period within our system. If Spring coverage period and Spring/Summer coverage period are offered the system will select Spring/Summer.

“One change that we could review is to remove the Spring/Summer option for Dependents. The renewal notice will then default to the Spring period only. However we did run enrollment reports and noticed that we are receiving international lists for the Spring/Summer period.”

Dale Burns shared that the UHC-SR system is set up to provide only one option for the period of enrollment and the current default could be changed to Spring. Historically, pre-existing waiting periods would have impacted a student’s eligibility for coverage, but those no longer apply.

Matt Brinson stated that some of the international lists received have a combined period of Spring/Summer and may require modification if that option is removed. Dale Burns suggested that both options could be made available, as it is for domestic students, and the university would need to decide which to use. Dale Burns stated that most universities have two waiver options (Fall and Spring) so the KBOR plan would need three which would include the Summer. Diana Malott stated that if a university wanted to leave it as Spring/Summer, then the university would not need the third waiver option.

3G (GTA, GRA, GA) Enrollment Options

At the December 2015 meeting, Angela Murphy asked whether an option could be provided to graduate students in the option 3 plan so they could enroll in both spring coverage and continuation coverage for the summer as there are graduate students who know they will not have a summer appointment that qualifies to receive the university premium subsidy. Dale Burns stated the he will investigate whether UHC-SR could allow this option.

After the meeting, in a 12/8/15 email, Heather Lewis, UHC-SR, provided the following information:

“UHC-SR has created an enrollment form for review (attached). These enrollments would need to be handled on a case by case basis, similar to how we currently process qualifying life event enrollment, with additional assistance from the individual university.

“To enroll in coverage via the attached form, the student would not be able to follow the current process for requesting enrollment in the subsidized policy via our payment management site. We would need to receive the completed enrollment form with payment for the spring and summer continuation periods, invoicing the university for the remainder of the premium amount for spring.”

Dale Burns stated that this turned out to be complex. If UHC-SR knows the student will be eligible for the summer subsidy, it would work. Otherwise, it will be very complex and create customer service issues creating a potential for dissatisfaction.

Mary Karten suggested that if the Continuation Enrollment Form could be changed to remove the restrictive language related to “60 days of termination of coverage,” then graduate students could apply during the Spring. Angela Murphy stated this would work as it would allow graduate students to pay for Summer coverage with earnings from Spring paychecks.

Mary Karten also asked if the Continuation Enrollment Form could ask which months the student was purchasing coverage.

Dale Burns stated he would look at the different enrollment forms to see what could be modified to offer Spring/Summer, Spring and Summer options. Matt Brinson shared that the 3G enrollment and continuation forms might be combined into one. A draft will be provided for the SIAC to review.

Sheryl McKelvey asked if a student enrolled in coverage for the summer and later found out she would be eligible for the subsidy, how long it would take for the student to be reimbursed the premium differential. Dale Burns stated UHC-SR has 60 days to refund premiums. The student would enroll in the 3G plan and that would generate a premium refund through the payment management process.

Other Items

1. **Healthiest You**, a Telemedicine product. Matt Brinson shared this product has been launched to a few clients and UHC-SR has received very positive feedback. It will be available for Plan Year 16-17 and will replace the Ask a Nurse helpline. Matt Brinson believes both video and audio are authorized in Kansas.
 - a. Byran Kakita asked whether data from the app would be available for analysis. Matt Brinson stated that general, non-personal health and non-personally identifiable information would be available.
 - b. Diana Malott stated her only concern is that the University of Kansas has a 24/7 nurse helpline that is outsourced and is available when the Student Health Center is closed. The vendor provides reports that are scanned into the student’s medical record. The Healthiest You product would be great for a non-university student who may not have a primary care physician but it might interrupt the relationship between the student and the health center because the health center would not know about that contact that could impact the student’s care.
 - c. Cindy Bontrager asked how the product is being promoted. Dale Burns stated that UHC-SR cannot include information in the brochure itself but instead provides the information on flyers. The impetus for the program is that a few states have required this to be included in their plans, but utilization is currently relatively low. There will be a slow ramp-up and feedback will help ensure no problems will be encountered.
 - d. Lesley Gagnon stated that this type of product is becoming more the norm with employer plans, and we would not want it to impact health centers. It is a nice alternative to going to the emergency room or for those who are off campus, at home or on vacation, without access to the student health center.
2. **Dental and vision plans** – offered as annual premium only. Information from Matt Brinson:
 - a. Both plans are UHC offerings but neither are housed within UHC-SR. We have very limited input on the underwriting or the administration of those offerings.
 - b. Beginning with 13/14 policy year, we will only offer the annual period for dental and vision and we will eliminate the semi-annual periods. This is for both new business and renewals. There are several reasons for this change, including:

- i. The plan maximum is for the twelve month policy period.
- ii. A student can buy 6 months of insurance and get the full plan max. The result can be anti-selection, higher utilization and the resulting rate increases
- iii. A student can buy the first semi-annual period, max out the benefit, and then buy the second semi-annual period. The second semi-annual period has no coverage benefit at that point.
- iv. This has only happened a handful of times in the past five years, but it is still an issue that has led to a refund each time.
- v. Supporting a semi-annual period requires additional manual work.
- vi. Also causes additional work in terms of manually monitoring the open enrollment periods and working with PS to publish then expire the enrollment forms for the second semi-annual period.

Matt Brinson stated that UHC-SR is waiting for final guidance from compliance whether enrollment can be offered in the Spring to new, incoming students. A concern is that there is no way to verify that the student is a new, incoming student. The SIAC asked for information about the enrollment in the plans.

Sheryl McKelvey also asked if Spring enrollment also could be offered for the medical evacuation and repatriation coverage and Matt Brinson stated he would look into it.

3. **Dietitian services for medical counseling, such as for diabetes.** Diana Malott asked that if the UHC-SR plan does not provide benefits for medical dietetic counseling whether it could be considered for students that have a condition for which such counseling is medically necessary. Dale Burns stated he would find out whether it is covered and, if not, he will have underwriting look at covering it. Dale Burns wondered if coverage is provided under some of the preventative care requirements.

[After the meeting, Matt Brinson emailed the following information: Dietician / nutritional services for medical counseling of conditions such as diabetes would be covered under the Test and Procedures benefit in the policy when ordered by a Physician and provided by appropriately licensed or registered healthcare professionals. Nutritional programs are limited to nutritional counseling services provided by a licensed health professional when nutritional education is required for a disease in which patient self-management is an important component of treatment and there exist a knowledge deficit regarding the disease which requires the intervention of a trained health professional.

Please note exclusions and limitations # 24 excludes nutrition programs for weight management, weight reduction, obesity.

This does not guaranteed payment. We are not able to determine if and what benefits are payable until an actual claim for services is received. Benefit payment shall be subject to all deductible, copayment, coinsurance, exclusions and limitations, or any other provisions of the policy effective at the time of service.]

MHECare Report

Bryan Kakita reviewed the information contained in the MHECare report for the completed 2014/15 plan year. It was noted that lab costs increased significantly from the prior year, nearly doubling to \$955,000. Bryan will work with Dale Burns and Matt Brinson to get additional information.

The next report will be delayed, as enough time will need to have passed so that enough data is available for analysis.

Plan Year 2016 – 2017 Renewal

Upon receiving UHC-SR's initial renewal calculation, Mercer negotiated the renewal on several key points, resulting in a revised renewal reflecting a -1.44% premium decrease which is deemed appropriate given the historical experience of the plan. This premium decrease will result in an estimated savings of approximately \$732,000.

Because of Metallic Banding actuarial value requirements, the KBOR plan will require a design change. The current design no longer falls within the "Gold" threshold (78-82%) as the plan currently calculates at 83.232%.

The recommended plan design modification is to change the Tier 2 member coinsurance at the student health centers and UHC Pharmacies from 30% to 40% and to change the out of network Tier 2 member coinsurance from 40% to 50%. These changes bring the plan to a Gold actuarial value of 82%. Without those changes, additional benefits would need to be added to bring the plan to a Platinum level.

Dale Burns stated that these changes impact the least number of individuals. Bryan Kakita stated that the alternative, to make other changes, would have impacted more students on the front-end by increasing the copayments and/or deductibles.

Diana Malott asked what the Tier 2 volume was in comparison to Tier 1 and generics. Dale Burns will run a report to get this information as well as out of network claims. Diana Malott stated these changes seem to be the most reasonable thing to do. Bryan Kakita stated that considering the top 25 prescription drugs listed in the report, seven of them are specialty prescription drugs which are Tier 2. There is a large dollar amount associated with those prescriptions but not a large number of scripts.

Diana Malott asked about the "renewal concession" that was referenced in the Mercer report and about the premium calculations and progression to the final proposal. Dale Burns stated that for UHC-SR, 70% of their clients utilize a business consultant or a broker. When UHC-SR has a direct business client, like KBOR, the inside agent works with underwriting to secure the best rate. The information first provided is never the best. What Matt Brinson and Dale Burns do internally after that is to go to underwriting to look at the various factors producing an increase if it is higher than what they think is appropriate. The KBOR proposal was produced early, in December, and Matt and Dale waited before making a first pass with underwriting. After Mercer's feedback was received, they went to underwriting and concurred with Mercer's perspective. The +6 initial proposal would not have been the rate that was ultimately provided.

The SIAC discussed whether to hold the current student/dependent rates, rather than give a reduction, to aid in administrative simplicity and to help offset any future experience variances that may impact the next renewal.

Dale Burns stated that the KBOR plan is in the 75-80th percentile and comparable plan designs with comparable enrollments have higher premiums. As UHC-SR does not do deficit recovery, they will have to rate the plan appropriately it in the next plan year. Lesley Gagnon stated it is more of a long-term strategy to keep rates stable.

Because of the need to expedite the approval process and to complete the Kansas Insurance Department's filing process, which is necessary before UHC-SR can produce brochures and information for Plan Year 16-17, Diana Malott moved that the SIAC accept the recommend plan changes and premium decrease. Carol Solko-Olliff seconded the motion that was approved unanimously. The recommendation will be provided to the Council of Business Officers with the intent to have the item on the Board's March agenda.

Good of the Order

1. Diana Malott asked about the UHC-SR video for international students. Matt Brinson said that internally they are reviewing many videos and they hope to have them available soon for review.
2. Sheryl McKelvey asked about TB screening for Summer semester international students that will occur on May 23rd. Matt Brinson replied that a process was developed and used last year to accommodate these testing and would be used again.

Future SIAC meetings

Future SIAC meeting tentatively scheduled for 12:30, KBOR Board Room

1. Wednesday, May 4, 2016
2. Wednesday, September 7, 2016
3. Wednesday, December 7, 2016