

**STUDENT HEALTH INSURANCE  
ADVISORY COMMITTEE  
Information for September 2, 2015**

**AGENDA**  
Kansas Board of Regents  
Student Health Insurance Committee  
Kansas Board of Regents Board Room  
Wednesday, September 2, 2015, 12:30 p.m.

- I. Approve: Minutes from the May 6, 2015 meeting
- II. MHECare Reports –
- III. Outstanding Items from Prior Meetings
  - A. Discussion about ACA and Expatriate Health Plans (see February 4, 2015 and May 6, 2015 minutes)
- IV. UHC-SR Brochures
  - a. Timing of filing policies with the Kansas Insurance Department – is there a way to get the info to KID sooner so that the filing can be approved more quickly?
- V. Visa types – requiring insurance (Sheryl McKelvey)
- VI. Graduate Student Insurance Plans – employer subsidies
- VII. Good of the Order
- VI. Future SIAC meeting tentatively scheduled for 12:30, KBOR Board Room
  - A. Wednesday, December 2, 2015
  - B. Wednesday, February 3, 2016
  - C. Wednesday, May 4, 2016

KANSAS BOARD OF REGENTS  
**Student Insurance Advisory Committee**  
MINUTES  
May 6, 2015

The May 6, 2015, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

*Members in Attendance:*

Cindy Bontrager, KSU (COBO Chair)	Diana Malott, KU
Mary McDaniel, ESU	Jim Parker, KSU
Madi Vannaman, KBOR	

*Members Participating by Telephone:*

Cathy Lee Arcuino, PSU	Sheryl McKelvey, WSU
Carol Solko-Olliff, FHSU	Valerie Spencer, KUMC

Also present at the meeting were Lesley Gagnon, Mercer and Julene Miller, KBOR. Participating by phone were Sally Nixon, PSU; Mary Karten, KU; Amanda McDiffett, KSU; Matt Brinson and Dale Burns, UHC-SR and Bryan Kakita, Mercer. Student representatives Andrew Peuchen, KSU, and Matthew Conklin, WSU, were unable to attend.

**Minutes**

The minutes from the February 4, 2015 meeting were approved as distributed.

**MHECare Report**

Lesley Gagnon stated that because the data is not yet meaningful in May, the next report will be provided at the next meeting in September.

**UHC-SR Brochures for PY 15-16**

Dale Burns informed the SIAC that the filing will be submitted to the Kansas Department of Insurance today. The filing is complex and required lots of work to get it finalized for submission. Dale Burns asked for the SIAC's assistance in contacting the Insurance Department to help expedite the filing. He also mentioned that fines can be levied if UHC-SR releases materials about the plan before the filing is approved. Dale will provide additional information so that an email can be sent to the Insurance Department.

In response to a question about when the materials might be ready to provide to students, Dale provided a guess of 45 days. Diana Malott stated that the sooner we could receive information the better. Jim Parker and Diana Malott agreed to update last year's flyer with the new rates and benefits information, and Matt Brinson agreed to review that information. Once finalized, the KU/KSU flyer will be shared with the other universities to use for student orientations and to provide information to interested students and families.

**Common end dates used for Plans 01 and 04 for Open Enrollment Dates**

The SIAC discussed the use of common end dates, across the system, for the 01 plan. For PY 14-15, common end dates were used for the spring and summer periods, but the fall end date was dependent on the class start date for each university.

Dale Burns agreed to take the following information to underwriting for review and approval.

1. Any Plan 01 student who enrolls by 8/31 will have coverage retroactive to 8/1. (For spring the enrollment deadline would be 1/31 with coverage retroactive to 1/1; for summer the enrollment deadline would be 6/30 with coverage retroactive to 6/1.)
2. The student would need to apply for and pay the premium by the enrollment deadline.
3. The only enrollment that would be allowed after the semester's end date would be if the student had a qualifying life event (QLE).
4. Matt Brinson will investigate whether late enrollment and arrival on campus would qualify as a QLE. [After the meeting, in a May 14, 2015 email, Matt Brinson wrote: For Plan 01, I confirmed with Eligibility that late enrollment and arrival on campus does count as a QLE therefore a student would be eligible to enroll after the enrollment period has ended. We would just need to make sure they are using a Qualifying Event Enrollment Form when submitting their application to us. Please let me know if you have any other questions.]
5. Plan 01 is "direct enrollment" where the student directly enrolls with UHC-SR.
6. Plans 03 and 04 will continue to use the same enrollment and coverage date protocol, as they are list enrollments.

Jim Parker, Carol Solko-Olliff and Mary McDaniel each expressed concern about newly arriving international students and summer coverage. Because TB tests are needed before the start of the summer session, UHC-SR has allowed the TB tests to be covered prior to 6/1.

After much discussion, Dale Burns offered this idea: if UHC-SR's underwriting will agree to use the same rate for early arriving and continuing international students, would an office at each university be able to inform UHC-SR which students were in the early arriving group so that their effective date of coverage could be correctly reflected in UHC-SR's system? **(The University Health representatives will need to discuss this with their International Offices to ensure that information about early arriving students will be shared with UHC-SR.)** [After the meeting, in a May 12, 2015 email, Matt Brinson wrote: Underwriting has agreed to offer the same summer rate for the early arriving international students and the continuing international students. If we are advised of the students that will be in this early arriving period for TB testing purposes we will load them accordingly at the same rate as the regular summer period. ]

Mary Karten asked whether this was an issue for either the fall or spring semesters and the responses provided were that this is only a problem in the summer due to the fall/spring classes beginning much later in the month.

**Follow-up on Items from the February 2015 meeting:**

Discussion about ACA and Expatriate Health Plans: Jim Parker, KSU, stated it would be helpful to have a discussion with direct stake holders because there has been confusion with insurance coverage purchased by international students. He cited service issues including that some insurance companies will not allow electronic transmission of health claims. Cindy Bontrager reiterated that it would be helpful to provide more time to discuss international health insurance coverage with campus constituents. Mary McDaniel stated that the university health center directors would discuss this at their April meeting and Carol Solko-Olliff stated that the Kansas international educators group would discuss this at their March meeting. This item will be added to the SIAC's May agenda.

In an April 13, 2015 email, Dale Burns wrote: "With respect to the comments...regarding the ACA and Expatriate Health Plans, our concern is that since the expatriate plans are exempt from all of the provisions of the ACA (except that they have to be at least have an actuarial value of 60% +/- 2%-Bronze), there will be many plans in the marketplace that are offered that are not comparable to the KBOR plan. If the waiver

standards are not applied consistently throughout the system or not set in a manner that requires comparable or better coverage, students that use these non-comparable plans to waive off of the KBOR plans will have inferior coverage. The KBOR plan is a Gold Plan, with an actuarial value of 80.9%.

Mary McDaniel reported that at their April 2015 meeting, the university health center directors discussed this issue. The group prefers that international students utilize an ACA compliant plan, so that the universities and communities are not left with unpaid bills. Diana Malott stated that the campuses all need to ensure that the waiver standards that were developed are applied to plans that are accepted in place of the KBOR plan.

Bryan Kakita noted that a plan can be ACA-compliant at different levels. A 60% bronze plan is ACA-compliant, whereas the KBOR plan is an 80.9% gold plan that is ACA-compliant. Dale Burns shared that another university is establishing waiver requirements that requires the student to have either a government sponsored plan or an employer sponsored plan in order to waive out of the student plan. This will eliminate the need for the university to evaluate plans. Dale Burns also noted that currently that KBOR's provisions require that F-1 students and J-1 exchange visitors to have health insurance and that they must enroll in the KBOR plan or show proof of health insurance coverage in an alternative plan that meets their university's requirements.

Jim Parker asked whether such a waiver requirement would limit the number of students that elect to attend the university and create an unwelcomed barrier or obstacle that impacts enrollment and cause a campuses' administration to push back. Mary McDaniel stated that some international students come with coverage from their country that is part of their educational package.

Diana Malott suggested that the issue be taken back to each individual university to continue discussion, as the issue will not go away. Mary McDaniel stated that there is value in having the system be uniform in its approach. Julene Miller stated that the statute requires the student insurance plan to be voluntary and if the rationale for using a particular waiver provision is not to mandate the Board's plan, and does not have an end result of mandating the Board's plan, that would be okay.

Mary McDaniel noted that for ESU the current waiver process has been working very well, using the guidelines Bryan has provided. They have experienced very few problems with the cut-rate plans sneaking through with a handful of exceptions, and they are aware of those situations and the student has to pay cash for services. Jim Parker noted that KSU supports using the current criteria but he does not know whether campuses in the system would support more stringent criteria if they negatively impact the recruitment of international students. It was noted that if the amount of non-receivables increase, that may impact/influence the perspective of others in the administrative hierarchy.

Members of the SIAC requested that this topic be added to the September and December agendas as a working issue.

### **Good of the Order**

1. Mary McDaniel asked if other campuses were encountering issues with claims for international students being taken to court for non-payment. ESU has already had the claims reprocessed for the six students who are in this situation, but it has been a time intensive process. Sheryl McKelvey stated that WSU has experienced this also. Matt Brinson stated that he will check the UHC-SR system to ensure that the "other insurance" letter is not sent to international students, as they should not be receiving that letter.

2. Sheryl McKelvey asked whether setting up the MyAccount feature on-line could be streamlined as it is confusing to students. Dale Burns stated that UHC-SR is finalizing a two-minute video that shows how to set up the account. That video will be emailed to students when it is finalized and the set-up can be done on a mobile device or computer. UHC-SR will welcome feedback about the video.

**Future SIAC meetings**

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

1. Wednesday, September 2, 2015
2. Wednesday, December 2, 2015

DRAFT

An issue has come to our attention ...  
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KNOWLEDGE | RESOURCES | ADVOCACY | CONNECTIONS

Dear Chief HR Officers and HR Directors at Research Institutions,

An issue has come to our attention on the application of the ACA to student health insurance plans (SHIP) and coverage for graduate students. Many schools provide graduate students with SHIP coverage at no or greatly reduced cost as part of the graduate school package. In a recent [webinar](#), a well-known benefits consulting firm stated that the IRS had provided informal guidance to some schools and/or their insurance brokers that this practice is not permitted pursuant to [IRS Notice 2013-54](#) and institutions could face fines of \$36,500 per impacted individual (\$100 per day).

We think that the informal guidance is a misinterpretation of the law based on the following language in the Notice:

*"(a) for purposes of the annual dollar limit prohibition, an employer-sponsored HRA cannot be integrated with individual market coverage or with individual policies provided under an employer payment plan, and, therefore, an HRA used to purchase coverage on the individual market under these arrangements will fail to comply with the annual dollar limit prohibition;"* (See Notice, p. 4) (italics added).

As you may know, Health and Human Services (HHS) regulations define SHIP coverage as a type of "individual" coverage issued pursuant to a written agreement between an institution of higher education and an insurer. Although HHS defines SHIPs as "individual" coverage, they function like group coverage by issuing "blanket" coverage which only enrolled students (and their dependents) may purchase. As a result, SHIP coverage is NOT sold on the individual market, exempt from guaranteed availability and renewability under the Public Health Service Act and "deemed to be available only through a bona fide association." See, 45 C.F.R. § 147.145.

Unfortunately, the informal guidance is causing great concern on a number of campuses because it interferes with longstanding practice intended to enhance access to higher education and lower the cost of graduate education.

We have reached out to the IRS to seek clarification and hope to hear from them soon. However, we think it would be beneficial to our conversations if we could provide the IRS with any cost estimates that have been done.

**If you are already aware of this issue and could share any feedback on your analysis, or if you are just learning about this and can do a brief assessment on the impact for your research institution, we would greatly appreciate hearing from you.**

**Simply complete this [short survey](#) by Thursday, July 2.**

We encourage you to forward this e-mail to your federal affairs lobbyists and follow up with a conversation, as well.

Thank you!

CUPA-HR



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