

**KANSAS BOARD OF REGENTS**  
**Student Insurance Advisory Committee**  
MINUTES  
December 4, 2019

The December 4, 2019, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

*Members in Attendance:*

Ethan Erickson, KSU, COBO rep, Chair  
Diana Malott, KU

Mary McDaniel-Anschutz, ESU  
Sheryl McKelvey, WSU

*Members Participating by Telephone:*

Valerie Noack, KUMC  
Carol Solko-Olliff, FHSU

Jim Parker, KSU  
Karen Worley, PSU

Also present were Dale Burns, Matt Brinson, and Van Malafa, UHC-SR; and Julene Miller, KBOR. Others participating by phone were Jennifer Dahlquist, MHEC; Lynn Adams, FHSU; Matt Anderson, KUMC; Mary Karten, KU; and from KSU: Maria Bebe, Sharon Maike, Nathan Astle, and Chelsea Dowell. Student members Kathryn Martinez, PSU, and Hannah Heatherman, KSU, were unable to attend.

**Minutes**

The minutes from the September 4, 2019 meeting were approved.

**From Previous Meeting: Fellows and Trainees**

Graduate students who are no longer eligible for the “3G” plan (Plan 03) qualify for Plan 01 as currently designed. These are students who have been appointed or hired as fellows or trainees based on their prior academic, research or teaching performance while serving as a graduate teaching or research assistant. They no longer receive the university premium subsidy in Plan 03 and will not receive the lower premiums associated with Plan 02 as currently designed. UHC-SR has agreed to review census data from each of the campuses, but to date only KU Lawrence has provided that information. KSU, the only other campus with these types of students, indicated that it will provide their information to UHC-SR today. Dale Burns will have underwriting review the census data to determine if this cohort can be included in Plan 2 and, if yes, whether the change can be made effective January 1, 2020.

**ECI Waiver Reports and Proposed Waiver Standards**

Matt Brinson provided an overview of the ECI reports and requested feedback. None of the campuses have issues with the reports and all stated that working with ECI has been positive and they make the process easy. With that positive feedback, Dale Burns asked if for 2021 we would like to continue to utilize ECI services. Jim Parker spoke on behalf of the group by stating “emphatically, yes” (with an exclamation point!).

ESU, KU and KUMC all use direct enrollment. From UHC-SR’s perspective it does not make a difference and if any other campus wants to explore that process, they can discuss it with them, but he suggested that all campuses continue their current process.

Dale Burns reviewed the Proposed Waiver Standards. Because there are multiple things going on in the marketplace and at the federal level, there will be many plans that comply with federal legislation but not with the ACA, including travel plans with low minimum loss ratios that do not provide the consumer protections under the ACA. The proposed standards would allow the SIAC to be more specific in what they are looking for in plan coverage and why, specifically delineating which types of plans are acceptable and

which are not, with details about the required components as well as addressing government and employer sponsored plans.

Sheryl McKelvey noted that in the draft provided by UHC all plans must meet the first three delineated requirements, including the third requirement that the plan must be approved as a health plan by the Kansas Insurance Department, and some students might be on employer plans that do not meet that requirement. Dale Burns stated the third requirement was for “fully insured” plans only and most employer plans are self-insured. Dale Burns will take feedback provided and will present an updated proposal at a future meeting.

**UHC Reports**

Van Malafa provided information and analysis of the UHC reports with 2019-2020 data only as of October 2019. Among the information highlighted:

All Plans (students and dependents)

	2018-2019	2019-2020	Difference	% Difference
Total Enrolled	7,558	6,672	-866	-13.279%
Students Enrolled	7,190	6,318	-872	-13.802%
Dependents Enrolled	368	354	-14	-3.955%

By Plan

	2018-2019	2019-2020	Difference	% Difference
Plan 01	1,967	701	-1,233	-180.599%
Plan 02 (i)	0	597	+597	
Both Plans 01 & 02	1,967	1,298	-669	-51.541%
Plan 03	2,406	2,359	-47	-1.992%
Plan 04	3,185	3,015	-170	-5.638%

(i) For Plan Year 2019-2020, Plan 02 is a new offering for “health science students” previously eligible for (and possibly previously participating in) Plan 01.

For the loss ratio (premiums received and claims paid), 82% is the target.

Plan Year	Loss Ratio
2016 - 2017	89%
2017 – 2018	108%
2018 – 2019 (ii)	107%

(ii) As of October 2019.

Point in time loss ratio comparison (through November xxxx – the November of that Plan year)

Plan Year	November xxx Loss Ratio	Finalized Loss Ratio
2016 – 2017	37%	89%
2017 – 2018	34%	108%
2018 – 2019 (iii)	40%	107%
2019 – 2020	43%	???

(iii) Plan year is not yet finalized.

Plan Utilization – students

Plan Year	% Utilizing the Plan
2015 – 2016	66%
2016 – 2017	67%
2017 – 2018	69%
2018 – 2019	70%

Plan Utilization – dependents

Plan Year	% Utilizing the Plan
2015 – 2016	100%
2016 – 2017	92%
2017 – 2018	96%
2018 – 2019	97%

Premiums paid for dependent coverage is 6% of total premiums but dependent claims represent 23% of total claims for Plan Year 2018-2019.

Jim Parker asked if the SIAC could have access to the data UHC provided (and the tool used to present the data) as it would be helpful to tell the story about the student insurance plan. Dale Burns cautioned that because there is no mechanism currently in the tool to prevent drilling down to the level of protected health information that cannot be disclosed, they will need to determine how to best provide the data for campus presentations.

When asked what they would do given the data available, Dale Burns stated that there are several options that could be considered based on what they are seeing with other groups and clients across the country:

1. “In looking at Plan 01 (the voluntary, domestic student plan) and other like groups across the country, we see it is very difficult to sustain the plan, because of cost, unless the premiums are subsidized by enrollees in other plan options. Consider eliminating Plan 01.
2. “As the dependents are paying only 6% of the premiums while generating 23% of the claims, students are currently subsidizing the dependent premiums. Consider eliminating dependent coverage.
3. “Look at the plan design and consider whether there should be more copayments/cost-sharing to help with the premium rates.”

Matt Brinson agreed with those considerations stating that they are working with other systems (Nebraska and Georgia), that have similar plans and the same discussions are ongoing. Those systems understand that dependent utilization is a driver and can get out of control quickly. Georgia has higher premiums for dependents, which was not well received but that cohort was impacting the overall loss ratio by 18%.

Mary McDaniel-Anschutz shared that she recently helped a student look at coverage through the Federal Exchange and that coverage and cost was not positive. Dale Burns agreed and stated that another option would be to consider putting in place a hard waiver to require all KBOR students to have insurance coverage. That would dramatically impact the premiums in a positive way if the goal is to ensure that every student is insured.

Jim Parker stated that yes, we are in the student business but unless we get control of costs associated with providing care the KBOR student insurance plan will not be sustainable: we will price ourselves out of the

market over time. The numbers and data we are seeing also will help tell the story if we need to make changes. If we drop dependents how will that impact our recruitment? There are many considerations but the system has to be sustainable. UHC-SR cannot continue to absorb the level of loss ratios of recent plan years.

Diana Malott stated that the KU sub-committee has questioned whether eliminating dependents from just 01 Plan or all plan options would be possible. She stated that, given the data, we have to look at dependent coverage as we are in the business of students.

Sheryl McKelvey asked if dependents were not covered under the plan, how would insurance be secured. Maria Bebe stated that plans are available, but not necessarily gold ACA plans.

The SIAC requested that UHC-SR provide proposed rates for the following options for Plan Year 2020-2021 consideration: i) as is; ii) remove Plan 01; iii) remove dependents from all Plans; iv) hard waiver; and v) plan design change considerations.

Dale Burns stated they will get information to the SIAC by January 15, 2020. That information will be based on data through the end of December 2019. The next SIAC meeting has been changed to Tuesday, January 28, 2020, at 12:30 in the Board Conference Room. The SIAC members are encouraged to meet with their sub-committees before the January 28<sup>th</sup> meeting so that recommendations can then be taken forward.

### **Good of the Order**

1. Valarie Noack will be leaving KUMC at the end of the year. KUMC's new SIAC representative will be Matt Anderson, in the registrar's office. We thank Valerie for her service.

### **Future SIAC meetings**

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

- A. Tuesday, January 28, 2020
- ~~B. Wednesday, February 5, 2020~~
- C. Wednesday, May 6, 2020
- D. Wednesday, September 2, 2020
- E. Wednesday, December 2, 2020