

**KANSAS BOARD OF REGENTS**  
**Student Insurance Advisory Committee**  
MINUTES  
February 7, 2018

The February 7, 2018, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

*Members in Attendance:*

Diana Kuhlmann, COBO Chair  
Mary McDaniel, ESU

Diana Malott, KU  
Madi Vannaman, KBOR

*Members Participating by Telephone:*

Sheryl McKelvey, WSU  
Jim Parker, KSU

Valerie Noack, KUMC  
Carol Solko-Olliff, FHSU

Also present at the meeting were Dale Burns, UHC-SR; Jennifer Dahlquist, MHEC; and Theresa Schwartz and Julene Miller, KBOR.

Others participating by phone were Sharon Maike and Amy Hall, KSU; Lynn Adams, FHSU; Mary Karten, KU; Matt Brinson, UHCSR. As Karen Kirk, PSU, was unable to attend, Rita Girth participated. KSU student members Caroline Fuss and James Krotz were unable to attend.

**Minutes**

The minutes from the December 6, 2017, meeting were approved.

**MHEC Enrollment report**

Jennifer Dahlquist shared the inaugural report showing enrollment for December 2015, 2016 and 2017 that shows enrollment numbers of 18,719, 22,210 and 32,810. KBOR has the largest enrollment of the systems reflected. This enrollment information will be shared annually.

**ECI Waiver Report**

Preliminary data for eligibility and waiver audit services for spring 2018 was provided for the four universities currently utilizing ECI Services (ESU, KSU, KU and KU Med). So far, the process has gone very smoothly and there are no adverse issues to report. Final report data for spring is not due to be provided to the universities until early February. FHSU and PSU had an ECI demonstration on January 29, 1028.

A few universities have had a drastic decrease in international enrollment because of difficulties students have to get into the U.S. UHC will get in touch with the universities to gather additional information about international enrollment to determine if the waiver process is impacting enrollment numbers.

KSU – Amy substantial delays between time the student positively enrolls and when the information is accessible as it has been reported that it can take up to five days during peak periods. That brings down the student interest in using the insurance. Dale Burns will review the process to ensure that once UHC receives information from ECI it should be loaded within 24 hours.

**Utilization Summaries –**

SIAC reps for each university received their university-specific “Consolidated Client Report” and the agenda included the system Consolidated Client Report as well as the

- Kansas System 2016 Comparison to 2015 - that provides a more in-depth overview of claim activity in 2016-17 compared to 2015-2016 by Charge Type and Cause Code

- Kansas System 2017 Point in Time Comparison to 2016 – that provides a more in depth overview of claim activity in 2017-18 compared to 2016-2017 by Charge Type and Cause Code through December of the respective policy year

The reports include information:

1. Demographics by age and gender. Total members number does not match other (annualized members versus numbers enrolled in the plan. 8216 have enrolled but annualized number is the more relevant number).
2. Plan experience overview (information loses integrity as it is broken out for individual universities)
  - a. Loss ratio – dependents have historically have had higher claims costs than students largely because of maternity claims and anti-selection for children who are enrolled. For Plan Year 16-17, the dependent loss ratio was 286% (and in prior years 193% and 147%).
  - b. Network experience shows how efficient the networks are.

Carol Solko-Olliff requested a breakdown of enrollment information by domestic and international and Sheryl McKelvey requested that information by plan. Dale Burns and Matt Brinson will work to develop a report that shows demographic enrollment information, including age and gender, for each plan by university as well as tweaking the overall report to also incorporate university specific information.

### **Initial Bid Proposal for Plan Year 2018 - 2019**

Dale Burns provided initial bid information for the next plan year. Underwriting renewal highlights:

- In 2016-2017, there was an increase in utilization of approximately 44% compared to 2015-2016. Total paid claims in 2015-2016 were \$6.465mm compared to \$9.356mm
- Prescription spend increased from \$766k in 15-16 to \$1,493k in 2016-2017, almost doubled in one year
- Final expected loss ratio net of PPACA taxes and fee's in 2016-2017 is 91% (UHC underwrites to 80% which provides 4-5% profit)
- In 2016-2017, there was an increase in large claim activity as outlined in the Kansas System Consolidated Client Report
- To date in 2017-2018, Claims are once again up by 4% compared to 2016-2017 through the same time period
- In 2016-2017, through December of 2016, the account loss ratio was 41.88%. In 2017-2018, through December of 2017, the account loss ratio is at 43.23%
- Normally UHC does not see large claims early in a policy year and that has been the case for 17-18 to date. However there are four large claims for one university that make up almost \$344K; two are hospital bills totaling \$183K and two are dialysis bills totaling \$161K
- Based on underwriting calculations the 2017-2018 expected loss ratio is predicted at 91% based on historical data through the same period.

Dale shared enrollment and premium rate information for comparable university plans underwritten by UHC-S as well as recent premium rate information for the KBOR student insurance plan.

Recent Premium Rates

Policy Year	Annual Rate	\$ Change	% Change
2013 - 2014	\$1285.00		
2014 - 2015	\$1489.00	+\$204	15.88%
2015 - 2016	\$1407.00	-\$82	-5.51%
2016 - 2017	\$1392.00	-\$15	-1.07%
2017 - 2018	\$1464.00	+\$72	5.17%
2018 - 2019	\$1702.00 *	+238	16.25%

\*The annual rate reflects alternate quote information referenced below.

The UHC-SR underwriter was asked to take every positive assumption into account and the lowest rate available for renewal is \$1756 for the student only rate, or a 19.94% premium increase for plan year 2018-2019.

Dale Burns stated that the note about the 1% rate for Evans Consulting was included in error as the waiver consulting services costs are paid out of administrative fee for marketing costs.

Diana Malott asked that Dale Burns provide information about the number of dependents enrolled, by university, and with a percentage of enrollment for future consideration.

Mary McDaniel suggested looking at some of the alternative quotes.

1. Option 3 – change the per insured person, per policy year deductible from “\$300 preferred provider/\$600 out-of-network provider” to \$500 preferred provider/\$1,000 Out-of-Network Provider” for a \$35 decrease to the student only rate. SIAC members in favor: unanimous.
2. Option 5 – change the Medical Emergency Expenses copay per visit from \$100 to \$250” for a \$8 decrease to the student only rate. SIAC members in favor: unanimous.
3. Option 6 – change the Inpatient Room & Board expense benefit from “80% of Preferred Allowance/60% of Usual and Customary Charges” to “80% of Preferred Allowance after \$250 copay per Hospital Confinement/60% of Usual and Customary Charges after \$250 Copay per Hospital Confinement for a \$11 crease to the student only rate. SIAC members in favor: unanimous.
4. Total reduction to the \$1756 rate would be reduced by \$54 or \$1702. The \$1702 rate represents a \$238 annual increase or 16.25%. SIAC members in favor: unanimous.

**Good of the Order**

No items were brought forth by participants.

**Future SIAC meetings**

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

1. Wednesday, May 2, 2018
2. Wednesday, September 5, 2018
3. Wednesday, December 5, 2018