

KANSAS BOARD OF REGENTS
Student Insurance Advisory Committee
MINUTES
February 19, 2014

The February 19, 2014, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

Members in Attendance:

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| Diana Malott, KU | Mary McDaniel, ESU |
| Sheryl McKelvey, WSU | Jim Parker, KSU |
| Madi Vannaman, KBOR | |

Members Participating by Telephone:

Carol Solko-Oliff, FHSU

Also participating were Matt Brinson, UHC-SR and Leslie Gagnon, Mercer. Participating by phone were Vickie Mense, representing PSU as Cathy Lee Arcuino was unavailable; Jennifer Dahlquist, MHEC; Dale Burns, UHC-SR and Mary Karten, KU. Mary Herrin, WSU and COBO chair; Alisha Wittstruck, KUM and student representatives, Angela Wary, KU, and Dugan Keaton, KSU, were unable to participate.

Minutes

The minutes from December 4, 2013 meeting were approved.

MHECare/Mercer Reports

Leslie Gagnon reviewed the Mercer reports and highlights from the material.

The projected target loss ratio for the 12-13 plan year is 66.9%, based on updated claims through December 2013 which is approximately 99% complete for medical and 100% complete for prescriptions. The plan is very much where Mercer expected it to be; it is a very healthy plan that has been in existence for a long time and UHC-SR has been good at rating premiums. Things that will be watched include the increases to “per capita cost” (number of claims divided by number of students) as they are increasing significantly.

Additional information was requested or suggested for future reports:

- Sheryl McKelvey requested a breakdown to show data based on student group: domestic, international and graduate students.
- Diana Malott asked for a comparison of the KBOR plan numbers to other MHEC programs for items such as types of experience, mandatory group and other voluntary groups; claims comparison; impact of dependent claims, etc.
- Leslie Gagnon suggested that information about health center claims could be provided as they are tracked separately and the listing of top 25 prescriptions.

PY 14-15 Benefit and Premium Information

Matt Brinson provided the proposed 2014-2015 KBOR Student Health Insurance renewal rates for a fully ACA compliant plan. As the State of Kansas requires any renewals that occur after 4/1/14 to be fully ACA compliant, a “transitional” policy, as discussed at the last SIAC meeting, cannot be offered. The proposed student only rate of \$1,485 includes \$100 for ACA related taxes and fees and \$15 for MHEC fees.

The plan **modifications** to bring the KBOR student insurance plan into ACA compliance are outlined below (and are included on the proposal rate sheet):

- * Maximum benefit increased from \$500,000 to No Overall Dollar Limit (unlimited)
- * Out-of-Pocket maximum reduced from \$10,000 to \$6,350 per Member / from \$20,000 to \$12,700 per Family (Preferred Provider)
- * All per service deductibles/copays, coinsurance and policy deductible apply toward the out-of-pocket maximum (out-of-pocket maximum will be reached more quickly and it has been lowered)
- * Removal of Pre-Existing Conditions Exclusion and Limitations
- * Implementation of Pediatric Dental and Vision (up to age 19)
- * Removal of parenthetical as no longer a policy maximum: (Benefits are not subject to the Maximum Benefit) from durable medical equipment and dental; Elective Abortion is not covered under the plan
- * Inclusion of State of Kansas "essential health benefits" (UHC-SR is working on the comprehensive listing)

Matt Brinson stated that plan modifications resulted in about a 9% increase. With ACA taxes/fees resulting in an 8% increase, the overall increase will be around 15%. Matt Brinson stated that other plan renewals are seeing increases in the higher teens, lower twenties because of the essential health benefits, ACA requirements and medical trends. Diana Malott stated she is already hearing from parents who want to know the premiums as they are seeing employer plan premium increases for dependents in the \$300-\$400 range so the KBOR plan is still a good deal for students. Matt Brinson remarked that the KBOR plan is a good value relative to the ACA exchanges and UHC-SR will market the plan more proactively than in the past.

Matt Brinson stated the plan had an 80.2 rating which makes it a gold plan (78-82). Going forward, plans have to fall within a metallic bucket: bronze, silver, gold or platinum. If the plan is rated 85 but less than 88 for platinum, plan changes would be necessary to ensure the plan fell within a metallic bucket range.

The rate sheet also included the requested alternate quotes for review:

1. To cover titers for all students would increase the proposed gross rates by +0.25% or roughly \$4 to the gross rate.
2. To cover flight training, when taken as part of the student's degree program, the same as any other injury would increase the proposed gross rates by +0.5% or roughly \$7 to the gross rate.

Diana Malott stated that the titers quote was requested because the international population is increasing and those students often do not have the appropriate vaccination documentation. Coverage for titers is less expensive than vaccinations. The motion to include coverage for titers was supported unanimously.

Last year, representatives from Kansas State University requested that the flight training coverage be added so that the 400 students who are taking part in that degree program would have medical coverage. The policy currently excludes that type of coverage. The request was submitted after PY 13-14 rates had been finalized, so it was carried over. The premium increase would impact all students enrolled in the plan but the benefit coverage would only be available to those students who are taking flight training as part of the student's degree program. Discussion ensued about whether exploration of other options, including a separate accident policy, should be explored. Matt Brinson stated that he could go back to underwriting to see if the coverage could be added without impacting the premium.

Two motions on the topic were voted on:

The SIAC unanimously approved adding this coverage if there is no increase in premium.

All SIAC members, except one, voted to decline this coverage if there is an increase in premium. Jim Parker voted to include this coverage, even with an increase in premium, so that the flight students would have coverage.

Enrollment Guidelines

Matt Brinson shared the following enrollment guidelines for PY 14-15, because the KBOR student plan is a voluntary enrollment plan (no mandatory or waiver enrollments), to try and minimize the risk associated with no pre-existing conditions and unlimited benefit coverage. Dale Burns stated that the stringent enrollment requirements are being revisited to allow some students to enroll at semester (fall, spring, and summer). The SIAC will discuss the revised enrollment guidelines during an upcoming conference call.

Concern was expressed about the impact of any guidelines on Plan 3 enrollment as students often may not know if they will have an eligible graduate position to qualify for the university's premium contribution. If the student enrolls in Plan 1, the regular student plan, and then later qualifies for Plan 3, the graduate student plan, UHC-SR will refund the premium difference. Currently, if the student enrolls in Plan 3 and then does not get a qualifying graduate position, the student cannot be transferred to Plan 1. But, that student will be captured on the Partner Center listing and UHC-SR may be able to transfer the student.

Mary Karten asked whether a timeline needed to be associated with the qualifying life events and Dale Burns will include that information in the final guidelines. Mary Karten also asked for the definition of "full-time degree seeking students" as there may not be a common definition. Dale Burns will look to see what he can find. (Per the KBOR Office, all universities participate in Title IV financial aid programs, which use 12 hours for full-time eligibility for those funds.)

Good of the Order

1. Medical evacuation and repatriation coverage - Sheryl McKelvey stated that some international students have other medical coverage but need medical evacuation and repatriation coverage. UHC-SR offers Frontier MEDEX for that coverage, but their website indicates that coverage is not available in certain places including Iran, Iraq, Afghanistan, North Korea and Somalia, and that other countries can be excluded if "black-listed" by the U.S. Government. Matt Brinson will investigate to determine why the countries are excluded and how this can be addressed and what impact, if any, there is for this coverage under the KBOR student insurance policy.
2. Coverage for Athletes – Diana Malott asked for an update on the project to provide coverage for international athletes. Leslie Gagnon stated the project is continuing and the committee will meet in March and many representatives from Kansas will participate. The goal is to have a plan available this fall.

Future SIAC meetings

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

1. Monday, February 24, 2014, conference call at 1:00 central
2. Wednesday, May 7, 2014