

**KANSAS BOARD OF REGENTS**  
**Student Insurance Advisory Committee**  
MINUTES  
September 1, 2021

The September 1, 2021, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

*Members Participating by Video Conference Call:*

Diana Kuhlmann, ESU COBO rep, Chair	Matt Anderson, KUMC
Chelsea Dowell, KSU	Hollie Hall, KU student
Mary McDaniel-Anschutz, ESU	Sheryl McKelvey, WSU
Amber Roberts Graham, KU	David Schulte, FHSU student
Carol Solko-Olliff, FHSU	Karen Worley, PSU
Madi Vannaman, KBOR	

Also participating were Dale Burns, Matt Brinson and Traci Martin, UHC-SR; Jennifer Dahlquist, MHEC; Julene Miller, KBOR; Maria Beebe and Sharon Maike, KSU; Kiera Keegan, PSU; David Liu, WSU Student Government Association; Colyn Heimerman, KSU Student Government Association; Melissa Cole, KU.

**Minutes**

The minutes from the May 5, 2021, meeting were approved.

**Introduction**

All participants introduced themselves and two new student members were recognized: David Schulte, treasurer for FHSU Student Government Association, and Hollie Hall, KU Graduate Student Body Vice President 2021-2022.

**Wichita State Student Government Insurance Proposal**

David Liu outlined the two options under the proposal. Option 1: students wanting to enroll a dependent/spouse would enroll in a different plan. Option 2: students and spouses could enroll in the same plan but if children are to be enrolled, they would enroll in a different plan.

Dale Burns shared that he was really impressed with the professionalism of the proposal and the amount of time and effort it took to perform the research. He also shared that there are regulations, some associated with the Affordable Care Act (ACA), that impact student health insurance programs like the KBOR plans. Separate risk pools can be created for groups identified by the university such as undergraduates, graduates, medical students, domestic undergraduates, etc. Individual pools can be created for those groups but, within each of those pools, the student rate must be the same as the spouse rate, which has to be the same as the child rate, and the children rate cannot be more than 2x what the child rate is. Regulators consider student insurance plans to be an individual product and normal individual markets allow for age rating and for differences of up to 5x between younger and older ages. But a separate/different rate cannot legally be imposed for the spouse and child if the spouse and child are in the same risk pool.

If a separate risk pool was created for spouses and children, the premiums would have to be rated based on the plan's experience. UHC-SR works with 500 different schools and most have relatively small numbers of dependents (spouse or child) covered compared to the student population. When students, spouses and dependents are all in the same risk pool with the same rate, the students typically subsidize the covered dependents. Before the ACA and current regulations, plans could differentiate premium rates and it would have been typical to see something like a student rate of \$1,000, a child rate between \$1500 and \$2000 and a spouse rate of \$3500.

When UHC-SR looks at options that might be available, it has to develop options allowed by the regulations and UHC-SR cannot legally charge a student more based solely on the fact that they have dependents covered. Dependents (spouse and children) could be pulled out and rated separately but the number of dependents is relatively small compared to number of students.

For example, the annual premium for Plan Year 19-20 Option 1 was \$3643 for the student and was the same for a spouse and the same for a child. Because there is a small number of enrolled dependents, the loss ratio (claims compared to premiums) vary dramatically from year to year, and the plans are ACA compliant offering unlimited benefits and coverage for pre-existing conditions. UHC-SR underwriting was asked to provide premiums that would remove the subsidy from the student and would rate the spouse and child at the same rate. The result: the student rate would be \$3253; and the spouse and child rate would each be \$11,449. Because there are so few dependents enrolled compared to the students, even though dependent claims ratio is high, the student subsidy would only decrease by \$400 while increasing the other rates by over 300%.

The dependent coverage topic has been discussed in the past and the thought has been that it did not make a lot of sense to offer a spouse or child plan but to perhaps eliminate dependent coverage and offer a student only plan. But, because graduate and international students are interested in retaining an affordable option for their dependents, the status quo of continuing to offer dependent coverage has held. Holly Hall reiterated that removing the coverage option for dependents would be detrimental for graduate and international students.

Amber Roberts Graham asked about the long-range sustainability of the plan with separate risk pools for spouses and dependents. Matt Brinson replied that the Georgia system had eliminated or priced differently the spouse and child groups for one year but, because of negative feedback especially from graduate student groups, the plan options reverted back the following plan year.

Amber Roberts Graham asked if the cost increase would sufficiently reduce the number of enrollments in that pool and would that have negative implications for future plan years? Dale Burns replied that the federal exchange would become a more economical option for spouses and children, and he guessed that over the long run the plan would be eliminated based on low enrollment. North Dakota eliminated all domestic coverage students except for graduate and internationals about four years ago, and Minnesota did the same about eight years ago after ACA implementation

### **Plan Renewal for Plan Year 22-23**

Matt Brinson stated that UHC-SR underwriting wants to look at additional information at the end of September before providing a proposal (i.e., to see what enrollment is for the fall of the 21-22 policy year, including international enrollment, the impact of COVID on utilization).

The UHC-SR information will be shared with the SIAC in early October for review with their campus sub-committees. Questions about that information or requests for additional scenarios or tweaks will be provided to UHC-SR before a special SIAC meeting on Wednesday, October 27<sup>th</sup> at 12:30.

### **ECI Waiver Report**

Dale Burns referenced the addition of the key which had been requested by Amber Roberts Graham, and he stated that UHC-SR is pleased with the services ECI provides and plans to continue their involvement for PY 22-23.

### **UHC-SR Quarterly Reports**

Matt Brinson provided highlights about information in the reports.

### **Good of the Order**

Dale Burns asked if there is any interest in creating an opt out (waiver) program for any subset or group of domestic students in the KBOR system for whom it would make sense to require them to be insured?

Julene Miller stated that because the Kansas statute requires the student insurance plan be voluntary, we cannot require students to enroll in the KBOR student plan. Dale Burns stated the program would require the student to enroll in any coverage, but the default would be the KBOR plan. Carol Solko-Olliff stated that the international offices monitor coverage for international students but asked who would do so for domestic students? Matt Anderson stated that at KUMC insurance is required and a hold is placed on accounts by the Registrar's Office. Dale Burns stated that ECI is set up to perform waiver processes. Several SIAC members indicated there were other groups on their campuses that would need to be involved in this discussion such as residential life, student government, international students. Dale Burns acknowledged that such a change would take several years to get in place, and UHC-SR will provide illustrative premiums to show how this might impact premiums.

Julene Miller asked about the risk pools established a few years ago. Dale Burns stated that Option 1 (domestic students, the truly voluntary option as it is not subsidized and there is no insurance requirement) rates were set so that option could be self-sustainable and where students in the other options would not subsidize option 1. The rate for option 1 does not impact the other options. And, if option 1 was eliminated, premiums for the other options would not be impacted. Mary McDaniel-Anschutz stated she did not think it would be a good idea to eliminate Option 1. There are plans with similar premium rates but the deductible is \$6,000.

Chelsea Dowell asked what the metallic level is the KBOR plan? Matt Brinson stated that for the current year plan, all plan options are the gold metallic level under the ACA system. Dale Burns will provide information about past years.

### **Future SIAC meetings**

Future SIAC meetings tentatively scheduled for 12:30 (unless otherwise stated below):

- A. Wednesday, October 27, 2021 (special meeting)
- B. Wednesday, December 1, 2021
- C. Wednesday, February 2, 2022
- D. Wednesday, May 4, 2022
- E. Wednesday, December 7, 2022