December 20, 2012

Marilyn Tavenner, Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS–9972–P
Mail Stop C4–26–05
7500 Security Boulevard
Baltimore, MD 21244–1850

Re: Patient Protection and Affordable Care Act; Health Insurance Market Rules; Rate Review
45 CFR Parts 144, 147, 150, 154 and 156 – Comment
File Code CMS-9972-P

Dear Ms. Tavenner:

On behalf of the American College Health Association (“ACHA”), I write in response to the Notice of Proposed Rule Making (CMS-9972-P) in which the Centers for Medicare & Medicaid Services (“CMS”) solicited comments on its proposed rules concerning health insurance market rules and rate review. ACHA is a non-profit national health association that represents multidisciplinary college and university health professionals whose principal collective interest is to advance the health of the nation’s 20 million college students. Comprised of more than 2,800 physicians, nurses, and other clinical providers, mental health providers, health promotion professionals, health administrators, pharmacists, and support staff on over 900 student health centers, ACHA has long supported the provision of high-quality, comprehensive and affordable health coverage through college and university sponsored student health insurance plans (SHIPs). Specifically, I am writing in response to the Department’s request for comments1 on whether the final rule should allow insurance issuers of college student health insurance to maintain a separate risk pool for student health insurance coverage (SHIC); and, whether the final rule should provide any modifications with respect to the generally applicable individual market rating rules in connection with SHIC.

As the Department has acknowledged, “…there are between 1.1 million and 1.5 million enrollees” 2 in student health insurance coverage. Given our knowledge of the market and foreseeable impacts, we feel it essential that SHIC plans not be included in an issuer’s individual market single risk pool to determine premium ratings. Doing so would greatly threaten the viability of these plans by rendering

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1 Federal Register / Vol. 77, No. 227 / Monday, November 26, 2012 / Proposed Rules, III, D. Applicability of the Proposed Rules Under PHS Sections 2701, 2702, and 2703 and Section 1312(c) of the Affordable Care Act to Student Health Insurance Coverage, Page 70600.

premium pricing cost prohibitive. This would essentially diminish institutions’ ability to offer comprehensive coverage tailored to the needs of college students.

Student health insurance pricing is based on consideration of several factors, including the experience rating of the plan, its partnership with low cost, high quality care through on-campus health services, and the size and demographics of the student population within the institution. Many student health plans are designed to coordinate with services available on campus, which provide access to primary care, mental health care, and health promotion services, further contributing to their low cost and affordability for students. These considerations would be obviated if issuers were compelled to include SHIC in a single individual market risk pool.

The Department has repeatedly acknowledged that the intent of Congress was to ensure that SHIPs would remain viable, citing that “… if particular requirements in the Affordable Care Act would have, as a practical matter, the effect of prohibiting an institution of higher education from offering a student health plan otherwise permitted under Federal, State or local law, such requirements would be inapplicable pursuant to section 1560(c).” The Department has already recognized the uniqueness of SHIPs, which are dependent upon the insured’s status as a student at the respective institution, and thus applied the rationale articulated in the rule of construction -- section 1560(c) of the ACA. Student plans have been exempted from HIPAA guaranteed availability and renewability requirements applicable to the individual market per 45 CFR Part 147, §147.145(b)(1), and issuers must aggregate and report the experience from student policies on a national basis, separately from other policies for purposes of federal MLR reporting per 45 CFR Part 158, §158.120(d)(5).

Furthermore, the Department has also recently proposed in a pending rule to treat student health plans as a separate group that would not be subject to risk adjustment charges or receive risk adjustment payments. Thus, it would be entirely consistent to likewise exempt SHIC from the single individual market risk pool.

Given the importance of quality health insurance coverage in ensuring student success, we respectfully request that SHIC be exempted from inclusion in an issuer’s individual market single risk pool in the final rule. We ask the Department to sustain these important products as high-quality cost-effective options for college students by allowing SHIPs to remain in a separate risk pool for purposes of premium rating. We thank the Department for the opportunity to comment and would be pleased to provide additional information that would be helpful as the final regulations are developed. On behalf of college health professionals across the country, we thank you in advance for your attention to these views.

Sincerely,

Jennifer Haubenreiser, MA, FACHA
President
American College Health Association

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3 Ibid, I. Background, Page 16454.