

Strengthening Our Student Health Insurance/Benefit Programs

ACHA Annual Meeting
Orlando World Center Marriott
June 6, 2008
(8-9:30am)

ACHA Student Health Insurance
Task Force

Objectives

- Describe Task Force Recommendations to ACHA's Board of Directors
- Compare "Best Practices"
- Discuss Implementing a Campus Health Insurance Requirement

Panelists

- Dana Mills – Marquette U.
– (Moderator and Task Force Chair)
- Val Lyon – Cornell U. (Co-Planner)
- Ferd Schlapper – Boise State U.
- Barbara Rabinowitz – U.C.L.A.
- Jake Baggott – Southern Illinois U.
- Sue Jackson – U. of Minnesota
- Cindy McGahey – U. of New Hampshire

Five Recommended Actions to ACHA's Board

- 1) Approve Revised Standards for Student Health Insurance/Benefit Programs
 - http://www.acha.org/info_resources/stu_health_ins.pdf
- 2) Create study group to issue position paper on Fed and State compliance laws and general liability for SHIBP's
- 3) Form a Coalition to provide continuing education for the field

Five Recommended Actions to ACHA's Board

- 4) Invite NAFSA back to the table to revise 1993 document regarding international student health insurance
- 5) Support S. 400 (Michelle's Law) to provide employer-group coverage for students who need a medical leave-of-absence in order to address a health problem

Changes to Standards

- Standard I-11: Insert the word “adequate”
- Standard II: Add'l features of “adequate plan”
 - Coverage for Rx meds, including psychotropics
 - Minimization or ideally elimination of pre-X conditions exclusions
 - Coverage for medically-necessary leave of absence
 - “No gain no loss” between plan years and carriers unless change RFP
 - Review for plan consistency with group health field
- Standard V: Internal and External Expert Review
- Standard VI: Reserve funds may be maintained for short and long-term plan viability

“Best Practices” Panel

- **Val Lyon – Cornell U.**
 - Understand and respect your environmental context
 - Campus health service is major stakeholder and guides benefit design for plan
 - Engage in external consultative support where appropriate
 - Use a disciplined process for periodic competitive bid cycles
 - Where possible partner with like institutions

“Best Practices” Panel

- **Ferd Schlapper – Boise State U.**

- SHIP Survey Results – students determining scope of coverage and cost shifting
- Electronic Waiver Application and Auditing Process
- Capitated Fee Funding for On-Campus Primary Care
- “Best Value” Procurement – paradigm shift for RFP development and contract award compliance
- Innovative Promotional Items

“Best Practices” Panel

- **Barbara Rabinowitz – U.C.L.A.**
 - Student Insurance Advisory Committee
 - Student Health Advisory Committee
 - A plan that works with the Student Health and Wellness Center
 - Dedicated insurance staff
 - Orientation and Outreach Programs

“Best Practices” Panel

- **Jake Baggott – Southern Illinois U.**
 - Reality of Expectations
 - Infrastructure Considerations – Processes & People
 - Processing Systems
 - Provider Networks
 - Self-Funded & Administered Plan
 - External Review

“Best Practices” Panel

- **Sue Jackson – U of Minnesota**
 - Accumulated reserves to convert plan to Partially Self Insured with removal of the pre- X condition exclusion
 - Customization – developed variations in coverage for different student groups
 - Annual increases below industry standard
 - RFP negotiations – Fixed administration and stop loss fees
 - Guaranteed conversion plan options through BCBS after graduation without proving insurability

“Best Practices” Panel

- **Cindy McGahey (U. New Hampshire)**
 - Expect the unexpected
 - Be sure you have support for the requirement from the top down
 - Dedicate a certain number of staff to handle the inquiries that come up
 - Involve areas such as Finance, Bursar/Business Services, and MIS very early in the process
 - Know the regulatory environment you are in

Contact List

Dana Mills	414-288-5745	dana.mills@marquette.edu
Valerie Lyon	607-255-3564	vl19@cornell.edu
Ferd Schlapper	208-426-2770	fschlapp@boisestate.edu
Barbara Rabinowitz	310-825-3416	Brabinowitz@ashe.ucla.edu
Jake Baggott	618-453-4446	jbaggott@siu.edu
Susann Jackson	612-626-5211	sjackson@bhs.umn.edu
Cindy McGahey	603-862-2853	Cindy.mcgahey@unh.edu

APPENDICES

SHIP Campus Discussion Topics

Why Important to Consider

- **Uninsured Students**
- **Underinsured Students (high co-pays/deductibles, out-of area limits)**
- **Safety Net to Support Academic Success (students self-report derailment from high, unplanned medical expenses)**
- **Protects Community Providers (strong political issue)**
- **Protects State Medicaid Fund (strong political issue)**
- **Extensive Research/Survey Data to Support**

SHIP Campus Discussion Topics

Level of Student Support

- Proactively Engage Students in Discussion
- Strong Concern for Affordable Health Care Coverage
- Employer May Not Offer (particularly for part-time workers)
- Age Off Parent's Plan
- Confidentiality of Own Plan
- Relevance/Focus of Student Health Care Needs Coverage
- Willing to Support for Needy Students if Waiver Process is Simple

SHIP Campus Discussion Topics

Cost of Higher Education

- **Actually Lowers Overall Costs for Students**
- **Medical Expenses Already Exist, Regardless of SHIP Consideration**
- **SHIP Funnel Primary Care to Cost Effective Campus Health Service**
- **Capitated Fee Option Lowers Administrative Expenses**
- **Lower Co-Pays/Deductibles Reduce Out-of-Pocket Expenses**
- **Larger Enrollment Pool Leverages Provider Network Discount Rates**
- **Eligible Expense for Financial Aid Package**

SHIP Campus Discussion Topics

Access

- **Provides Full Access for All Students**
- **Eliminate Referral Issues and Effectively Address Health Needs of Uninsured/Underinsured Students**
- **Provides Mental Health Coverage Benefits**
- **Assures Continuity of Care Coverage During Breaks or Medical Leave**
- **Reduces Disparities for Low Income and Minority Students**
- **Addresses International Student Non-Immigrant Visa Requirements**
- **Access is Critical Healthy Campus 2010 Health Factor**

SHIP Campus Discussion Topics

Enrollment System

- **Voluntary System Unsustainable (high risk pool, low enrollment, high claims experience, reduced benefits, high premium increases)**
- **Automatic Enrollment (Mandatory is 4-letter word!)**
- **Waiver Option**
 1. **Most Underwriters Can Now Manage**
 2. **Simplified, Electronic Process**
 3. **Part of Class Registration Process**
 4. **Audit Capability**

SHIP Campus Discussion Topics

Student/Parent Concern of Potential Double Coverage

- Heavily Promoted, Simplified Waiver Option
- SHIP Premium vs. Family Plan Dependent Premium plus Additional
- Out-of -Pocket Expenses
- Lack of Confidentiality
- Limited Out-of-Area Coverage
- Safety Net When Age Off Parent's Plan

SHIP Campus Discussion Topics

Institutional Competitiveness

- Majority of Institutions Offer
- Can Demonstrate Student Demand
- Protects Investment in Education and Supports Academic Success
- Effectively Manages Existing Health Care Costs vs. Adding on Costs
- Builds and Supports Community Health Resources Relations
- Health Coverage for Accidental Injury on Campus may Reduce Institutional Liability

Recent Survey Research

ACHA (N=255*)

- 60% of SHS's have control of SHIBP's
- 57% of schools require health insurance (38% public ;79% private)
- 70% SHIBP's are voluntary (38%) or restrictive waiver (32%)
- 40% of voluntary plans not financially viable

GAO (N= 340*)

- 80% of college students aged 18-23 had health insurance (20%: part-time, older, lower income, students of color, West and South regions)
- 30% of schools require health insurance (22% public 4-yr; 62% private 4-yr; 3% public 2-yr)

Recent Survey Research

ACHA

- 64% of schools have 25% or less of students covered by SHIBP
- 70% of public and 74% of private schools have annual SHIBP premiums below \$1,200
- 30% of schools have aggregate premium below \$250K; 3% have \$15M or more

GAO

- 57% of schools offered student health insurance (82% for 4-yr public; 71% 4-yr private; 29% 2-yr public)
- 1.7M uninsured incurred \$120 M-\$255 M in uncompensated care
- Annual premiums varied between \$30 and \$2400 with average of \$850

Recent Survey Research

ACHA

- Underinsured concerns:
 - Deductible of \$1000 or more
 - Inadequate Rx coverage
 - Inadequate MH coverage
 - No catastrophic coverage
- 132 4-yr publics; 123 4-yr privates

GAO

- Benefits range: \$2500 per injury or illness to \$1M per condition per lifetime; median \$25K
- 15-40% of students enroll in SHIBP's if health insurance requirement; less than 10% if voluntary (Industry standards)
- * 74 4-yr publics; 133 4-yr privates; 133 2-yr publics

<http://www.gao.gov/new.items.do8389.pdf>