

**KANSAS BOARD OF REGENTS**  
**Student Insurance Advisory Committee**  
MINUTES  
December 6, 2023

The December 6, 2023, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 1:00 p.m.

*Members Participating by Video Conference Call:*

Wesley Wintch, FHSU COBO rep, Chair

Aaron Coffey, WSU

Mary McDaniel-Anschutz, ESU

Carol Solko-Olliff, FHSU

Madi Vannaman, KBOR

Matt Anderson, KUMC

Kiera Pulliam, PSU

Jennifer Williams, KSU

Morgan Swartzlander, KU

Also participating were Matt Brinson, Jim Lester and Traci Martin, UHC-SR; and John Yeary and Gage Rohlf, KBOR. KSU students Jyothi Kalarikkal and Jessica Ramirez were not able to attend.

**Minutes**

Carol Solko-Olliff moved to approve the September 6, 2023, minutes. Following the second by Kiera Pulliam, the motion carried.

**ECI Waiver Reports**

Matt Brinson referenced the ECI reports reflecting the waiver process utilized for six of the campuses.

At the September 2023 meeting, Aaron Coffey asked for a breakdown of what qualifies for waiver approval. This response was provided in the ECI information for the December 2023 meeting: “A question was sent to ECI requesting additional information on the waiver denials for a student’s lack of Medical and Evacuation coverage. Typically, in these cases a student presents an employer plan for waiver as typical domestic employer plans do not have these benefits. When a student’s waiver is denied for insufficient coverage for this benefit, the denial email furnishes links so students can purchase the coverage under a separate plan and fulfill the Medical Evacuation and Repatriation (MER) requirement. Most international students purchase the additional benefit, and their records are adjusted to reflect coverage and waivers are approved. Of the 66 denied waivers for Fall 2023, 11 students were denied for non-purchase of a separate MER plan for unknown reasons.”

**UHC-SR Quarterly Reports**

The reports reflected data as of October 31, 2023, and showed that annualized membership slightly decreased about 4.5%. Some of the decrease is related to dependent enrollment. That is not a large number from an underwriting perspective. Jim Lester shared that the decrease was from approximately:

1. Option 2, students whose academic discipline requires them to have health insurance, a drop of about 50 students;
2. Option 3, graduate students who meet eligibility criteria and receive the university’s 75% semester premium contribution, an increase of about 100 students;
3. Option 4, international students, a drop of about 300 students; and
4. Option 1, for all other students, a drop of about 14 students.

Carol Solko-Olliff commented that the swing in international enrollment has been growing since COVID. Aaron Coffey remarked that at WSU, enrollment has been severely restricted by some programs, and that has

significantly impacted international enrollment. Matt Brinson noted that international enrollment is flat, if not down slightly, for UHC-SR student plans overall.

Matt Brinson reviewed the plan's experience noting that the P&L (profit and loss) trend is swinging in a more positive direction after being impacted by COVID, decreased international and other enrollment, as well as benefit changes. For Plan Year 22-23, the net effect is trending positive but there is still a tail run out of claims for six to eight months after a policy year is completed.

Wesley Wintch asked what UHC-SR's acceptable target loss ratio is, taking into account overhead and administrative costs. Matt Brinson replied that individual insurance must have at least an 80% medical loss ratio but, as the KBOR account has grown over the years, the target ratio for the KBOR SHIP Plan is 84%. [Information used last year, for the PY 23-24 renewal that was presented to the Board, also stated that the target loss ratio for the Plan is 84%.] A big driver of utilization has been dependent utilization but there was a significant drop in PY 22-23 from \$3.1M to \$1.2M.

Wesley Wintch asked whether the 0% premium increase proposed for PY 24-25 should instead reflect a reduction if the target loss ratio is 84%, based on the current PY 22-23 numbers showing a 61.16% loss ratio (and understanding that there will be runout still for several more months). Matt Brinson replied that there are numerous factors impacting the rate proposal. The 0% underwriting renewal workup does include medical and prescription inflationary trend numbers which, on a combined basis, is 8%. Also, enrollment numbers are trickling down for KBOR and nationally. UHC-SR's underwriting is trying to create a stabilized rate instead of ups and downs based on utilization and enrollment.

Jim Lester noted that PY 22-23 data for large claims showed there were ten claims over \$250k totaling 1.8M. In PY21-22, there were 11 claims and UHC-SR paid \$4.7M. In PY20-21, 13 claims with payment of \$3.5M. So far, for PY22-23, there are not those large claims paid. Underwriting will look at what the future favorable experience will be and project out some portion of that, averaging over several years.

Wesley Wintch asked about the structural big difference in PY 22-23, being the first year that dependents are ineligible for coverage under Option 1. He noted that PY 22-23 could have been impacted by not having those dependents on the plan. Based on that structural change, we could expect to have more "good years." Morgan Swartzlander agreed and asked if there is tail run out of claims annually, does UHC-SR have data that will help to better predict claims experience. Matt Brinson replied that the runout for PY 22-23, it is 97-98% complete and UHC-SR can make a pretty solid estimate for the total run out. But, for the current PY 23-24, it is too early to make a reliable projection. Jim Lester stated that if there are two years in a row of positive experience, the underwriters will be looking to drop the rates.

Carol Solko-Olliff stated that international students are required to have insurance but, as enrolled participants, they are most likely to use the KBOR insurance the least.

Aaron Coffey asked about CVS' recent information about how it will change its reimbursement to pharmacies in how they use pharmacy benefit management and whether there would be potential impact to prescription costs or if the industry, in general, will remain status quo. Matt Brinson replied that impact will not occur overnight and that everyone is in the same boat. As more generics are introduced to the market, it will directly impact overall utilization.

### **PY 2024 – 2025 Renewal Proposals**

UHC-SR's renewal proposal reflected no increase in the premiums, and no change to the benefit package or eligibility, for each of the four options. Although no premium increase is proposed, UHC-SR's pricing does include 8% for medical and prescription drug inflationary trend numbers.

The Committee discussed whether it could or should ask for another proposal. Matt Brinson and Jim Lester indicated that waiting to utilize data through November 30 would not result in any change and that waiting to utilize data through January 31 would impinge upon the time needed to get the approvals finalized and brochures and websites updated. Matt Brinson shared that as soon as the rates are finalized, UHC-SR does a "bid accept" to subject the proposal to actuary and compliance input, and then submit it to the Kansas Insurance Department (KID). KID then has 60 days to review the filing. UHC-SR cannot release any information until the KID approval is received. If there are any changes required by KID, those have to be addressed before draft brochures and marketing information are shared for review and finalization.

Each of the campus representatives indicated that their sub-committees were fine with UHC-SR's renewal proposal. Matt Anderson asked, based on the current Plan experience, whether Option 1 could be brought back into the same risk pool with the other Options. Matt Brinson will have data reviewed to see if that is possible and what the potential impact would be as, historically, plan experience has run much higher for Option 1 students. [*After the meeting*, UHCSR provided the following information: Including the Option 1 plan into the same risk pools as the other Options is a possibility. However, there is the potential by including Option 1 within the other risk pools it could adversely impact the financial performance of those Options. Option 1 has had a history of running at a loss ratio in excess of 100% which is mostly based on the eligibility of the plan being voluntary. As the 2023-2024 becomes more complete from a utilization perspective; underwriting will be happy to review the impact of including the Option 1 utilization into the other risk pools.]

Carol Solko-Olliff moved to accept the UHC-SR proposal for PY 24-25 as presented. After a second by Jennifer Williams, the motion passed.

### **Good of the Order**

Morgan Swartzlander asked whether UHC-SR could work with the universities who have graduate students eligible for Option 3. Those 3Gs are currently required to enroll for both the fall and spring semesters when many of them have full academic year appointments. The universities can continue to verify eligibility each semester and pay that semester's 75% university premium contribution but, if the students can enroll with UHC-SR for the entire academic year, that would be extremely helpful. Jennifer Williams and Aaron Coffey indicated their campuses would be interested too. Matt Brinson stated that he will discuss this with UHC-SR's payment management program and will secure additional information, as necessary, from the SIAC contacts. [*After the meeting*, UHCSR provided the following information: Currently, we have the Fall (8/1-12/31), Spring (1/1-5/31) and Summer (6/1-7/31) periods set up in our system for the Option 3 GTA/GRA students that utilize Partner Center Payment Management (PCPM) for enrollment. We are able to set up Annual as well if needed. However, we do have to match the premium amount in our system to the enrollment period that was chosen. In other words, if a student wanted to enroll for an Annual basis we cannot setup a "payment plan" to allow them to pay on a monthly basis even though enrolled for the entire year. Students would have to pay the full amount for the period they choose. We hope this helps to address the question and if further discussions need to take place we can organize a call with our Payment Management Team to discuss additional options.]

### **Future SIAC meetings**

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

A. Wednesday, May 1, 2024

B. Wednesday, September 4, 2024

C. Wednesday, December 4, 2024