

**KANSAS BOARD OF REGENTS**  
**Student Insurance Advisory Committee**  
MINUTES  
September 2, 2020

The September 2, 2020, meeting of the Student Insurance Advisory Committee (SIAC) was called to order at 12:30 p.m.

*Members Participating by Video Conference Call:*

Doug Ball, PSU, COBO rep, Chair	Diana Malott, KU
Mary McDaniel-Anschutz, ESU	Sheryl McKelvey, WSU
Chelsea Dowell, KSU	Carol Solko-Olliff, FHSU
Karen Worley, PSU	Brayden Soper, ESU student
Suraj Shankar, KUMC student	

Matt Anderson, KUMC, was not able to participate. Also participating were Dale Burns and Matt Brinson, UHC-SR; Jennifer Dahlquist, MHEC; Julene Miller, KBOR; Melissa Cole, KU; Lynn Adams, FHSU; and KSU participants: Maria Beebe, Sharon Maike and graduate student, Nathan Astle.

Chelsea Dowell was welcomed as the Kansas State University representative on the SIAC, replacing Jim Parker who has stepped aside to address additional duties.

**Minutes**

The minutes from the May 6, 2020, meeting were approved.

**ECI Waiver Report**

Matt Brinson stated that ECI continues to manage the waiver verification process and nothing outside the norm is reflected in the reports. Dale Burns shared that although this does not impact KBOR at this point, Cigna offers a program touted to be “an ACA-compliant plan” that is underwritten by a company off the coast of England. On behalf of another UHC-SR client, ECI denied that plan as it is not a program approved by the state the university is located in, and Cigna responded aggressively. Dale Burns has had an opportunity to review the policy and certificate and notes that there are exclusions for attempted suicide and some pre-existing conditions, and there are no state consumer protections as complaints need to be sent to Scotland and the policy is governed by laws of Wales/England, etc. Cigna indicates the plan offers minimum essential coverage under CMS guidelines. The waiver standards utilized were such that this type of plan will not be approved because of the exclusions and that the plan is not approved by any state insurance department.

**Utilizing ECI Services – recent NCAA regulations**

Dale Burns provided information about recent NCAA regulations that require COVID specific, no cost sharing, medical insurance for athletes to be able to participate in Intercollegiate Sports. Among the requirements listed: Member schools, in conjunction with existing insurance standards, must cover COVID-19 related medical expenses for student-athletes to prevent out-of-pocket expenses for college athletes and their families.

Dale Burns asked whether the SIAC would like UHCSR to consider filing a plan in 2021-2022 that covers COVID related expenses at 100% and, in conjunction with the Universities, implement an Insurance Waiver process for the athletes.

Doug Ball added that at PSU, it has been noted that as the regulations move toward implementation there are some adjustments in how they would be applied at the D-1 and D-2 levels. PSU's athletics director indicated a willingness to seeing other options. Dale Burns will pursue an alternate quote for the SIAC.

### **UHC-SR Reports**

Matt Brinson shared highlights from the UHC-SR reports through July 31, 2020, noting that there is nothing substantial available for PY 20-21 as that period started on August 1<sup>st</sup>.

The overall loss ratio, through July 31<sup>st</sup> for Plan Year 19-20, is 86.11% but there are remaining claims that will be processed and paid. Matt Brinson said that through the end of August, the ratio was closer to 90%. The loss ratio break out between students and dependents continues to show the student-only loss ratio lower than the dependent-only loss ratio (82.85% and 143.82% respectively), although the dependent-only loss ratio has decreased from prior plan years (18-19, 432.83%; 17-18, 429.81% and 16-17, 289.40%). For Plan Year 19-20, there have been no large claims processed for dependents over \$100,000; whereas, for Plan Year 18-19, there was one claim for \$1.2 million; one for \$945,000; and seven claims over \$100,000, totaling \$4.3 million.

### **Voluntary Student Insurance Plan Solicitation**

Dale Burns indicated that UHCSR believes there may be a lack of knowledge about the KBOR student insurance plan and the value it provides over plans offered through the federal exchange unless a large subsidy is provided. In the current environment, there may be many individuals who would benefit from being aware of the KBOR student insurance plan and who may choose to participate in the program. There is currently low enrollment in the voluntary student plan, with approximately 600-800 enrollees. If the pool could be expanded, it would be helpful to the plan and would provide benefit to the students and parents.

UHCSR suggested an awareness campaign to market the voluntary plan to all of the domestic students (and their parents) who are attending any of the KBOR universities. UHCSR would pay any incidental expenses incurred by the schools and would provide the materials or emails that could be used.

Julene Miller stated that it is permissible for the university to send marketing material to their own students but cannot provide information to vendors for use in soliciting students. Diana Malott indicated that KU has provided information to students about a number of topics in the past by using names and email addresses from the electronic medical record database, rather than asking the university to send out information. Doug Ball asked if other universities have promoted the plan to students and/or parents in the past. Diana Malott recalled that several years ago, booklets were mailed to all students but that practice ended; an email would be a viable option. During new student orientation, information is shared but because of this year's virtual environment, a lot of information had to be minimized.

Doug Ball suggested that it would be left to each campus to determine if they wished to market the student plan to its students and parents. In responding to a request from Diana Malott, Dale Burns will prepare some concise information that could be attached to an email and campuses will follow back up with UHCSR.

### **2021-2022 Plan Renewal**

Several months ago, UHCSR started discussing things that could be done to help with limited or impacted resources in the COVID environment. UHCSR is allowing early renewal for a subset of clients, including KBOR. Underwriting projected out 2 years and provided 2 options.

Two options were presented for consideration, which would be included in a Draft Letter of Intent (LOI), should KBOR want to proceed. UHCSR needs to know whether either of these options will be pursued and agreed that they could work with an early to mid-November date for a final decision.

1. Commit to Renew Now (“Fixed Rate” on LOI) for 2021-2022: At an agreed upon increase of 9%, you can lock in the premium rates for the 2021-2022 academic year; or,
2. Commit to a Future Renewal for 2021-2022 (“Rate Guarantee” on LOI): UHCSR will agree that the renewal rates for 2021-2022 will not exceed a cap of 12%. The actual rates will be increased by 12% or less, determined through negotiation at the typical renewal time.

The “Fixed Rate” increases would be applied across the board to all Plan options and all Plans would retain their current benefit offerings. The “Fixed Rate” option would remove any uncertainty for the next Plan Year and students could be informed about the Plan in the spring, before the end of the academic year which may positively impact enrollment. That timeline would also be helpful in securing timely KID approval and the production of Plan documentation for the website.

Julene Miller asked about the sample letter of intent that shows universities signing it, and asked if KBOR would sign the letter of intent on behalf of the system? Dale Burns stated that KBOR would be the signatory and once the decision to proceed is made, UHCSR will provide the appropriate letter.

Julene Miller shared the internal process that would be followed: The SIAC will go back to their campus sub-committees to formulate their university’s recommendation back to the SIAC. Then the SIAC recommendation would be presented to the Council of Business Officers (COBO); COBO in turn would report to the Council of Presidents (COPs) and then COPs would make the recommendation to the Board. Julene Miller indicated that students would be involved along the way, so they have a voice as participants in the plan. The Board will either approve or disapprove. Once Board approval is secured, then UHCSR can take the plan to the KID for approval. Whether the Board will meet in October has not been finalized. If they do not meet, Julene Miller indicated that we will look for a way to get this finalized before November.

When asked how UHCSR came up with the rates, Dale Burns stated that underwriting looked at COVID abatement, where claims went down in April through June but are now trending up to where they were before. When looking at Plan Year 19-20, the underwriters looked at variation in claims cost from what would have been expected. As time goes on, those claims that were abated will resume. The underwriters used Plan Year 18-19 and part of Plan Year 19-20 through March as the baseline. Plan utilization was 90% in Plan Year 16-17, increased to 108% in Plan Year 17-18 and 107% in Plan Year 18-19, which resulted in large rate increases. The underwriters believe the Plan now is rated appropriately. The premium increase is needed for the “trend” increase going forward, and what that trend increase will be is unknown at this time. The trend increase reflects costs associated with utilization (medical and prescription drug) and increased cost by contract providers.

The 21-22 Plan Year would get credit if there is favorable enrollment or low utilization during Plan Year 20-21. Currently, more than 9 out of 10 students who purchase the voluntary plan used it and for the incentive plans, 7 out of 10 students enrolled in the Plans use the benefits.

Dale Burns shared that we are currently under an emergency declaration, which is scheduled to end on October 22, 2020, after which time the COVID-related benefits will no longer be paid at 100% and will revert to being paid like any other services. Dale Burns confirmed that UHCSR will continue to pay for

testing of an asymptomatic individual who is identified as a close contact; when there is a medical necessity, the test is covered.

The SIAC members will meet with their university sub-committees to review the early renewal options. The SIAC will reconvene on Wednesday, September 30, to share their sub-committee recommendations (and will provide that information to Doug Ball and Madi Vannaman prior to September 30th). Doug Ball requested that the SIAC member ensure that their Business Officers are looped into the discussions.

**Good of the Order**

1. Diana Malott shared that she will retire December 31, 2020. KU will make plans to transition so someone else will be the KU representative and Jennifer Dahlquist will find a replacement for Diana on the MHEC committee.

**Future SIAC meetings**

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

- A. Wednesday, December 2, 2020
- B. Wednesday, February 3, 2021
- C. Wednesday, May 6, 2021
- D. Wednesday, September 1, 2021