

[In these minutes: Impact of Health Care Reform on Student Health Benefits, Dental Insurance for Students]

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC) MINUTES

DECEMBER 1, 2010

5:00 - 6:00 p.m.

488 CHILD REHAB CENTER

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions, or actions reported in these minutes represent the view of, nor are they binding on the Senate, the Administration, or the Board of Regents.]

PRESENT: Eric Moeker (chair), Samantha Berget, Brandon Burk, Sean Corvin, Patrick Day, Junaid Ghouse, Kelly Johnson, Kit Johnson, Erin Kasper, Lynn Seuer, Eden Sonn, Paul Syverson,

REGRETS: Mark DeRocher, Grant Hennington, Megan Meyer, Josie Thole

ABSENT:

GUESTS: Susann Jackson, director, Office of Student Health Benefits, and Dave Golden, director, Public Health and Communications

OTHERS ATTENDING: Kathy Nelson (COGS), Barry Park

I). Eric Moeker convened the meeting, and welcomed those present.

II). Mr. Moeker welcomed today's guest, Susann Jackson, director, Office of Student Health Benefits, who was invited to provide information on the impact of health care reform on student health plans, Student Services Fees, the waiver process and strategic planning.

Ms. Jackson thanked the committee for the invitation but before covering the topic she was invited to speak about she had heard that the committee had questions from the last meeting concerning blood borne pathogen exposure protocol. She then introduced Dave Golden, director, Public Health and Communications, who explained to members what they should do if they have a needle stick.

Mr. Golden stated that students who have a needle stick should call Boynton Health Service (BHS). Assuming BHS is open, students will be instructed to go to BHS, or, if BHS is not open or this location is not feasible for some reason, students will be instructed to go the nearest emergency room. He noted that rotation sites will sometimes want to treat a needle stick as a work site injury, but it should really be billed through the Student Health Benefit Plan, assuming students have this coverage. Treatment for a needle stick is covered at 100% at BHS and outside of BHS the coverage is 80/20. As previously mentioned, if BHS is closed, students will be directed to the nearest emergency room because ambulatory clinics are not the best place to go for treatment of a needle stick. Students with any left over billing charges should send them to Ross Janssen, director, University-wide Occupational Health and Safety, who has a fund to help cover remaining balances. Needle stick coverage is one of advantages for having the Student Health Benefit Plan.

Mr. Moeker stated that Mr. Janssen attended the committee's last meeting and is exploring how this process can be improved upon to avoid student confusion about what to do in the event of a needle stick. Mr. Golden stated that distribution of the laminated Blood Borne Pathogen Exposure Program cards is being stepped up to get this information out to students and the Blood Borne Pathogen Exposure Process Presentation also explains the process very well. One of the benefits to students who go into BHS for a needle stick is that BHS will help manage the student's care and provide follow-up. Other sites do not always have the ability to provide the kind of follow-up that BHS provides. Mr. Golden added that Rochester students should also call BHS in the event of a needle stick.

To clarify, noted Ms. Jackson, if a student is seen outside of BHS for a needle stick, the facility will bill whatever insurance provider the student has. Whatever balance the insurance company does not cover should be submitted to Mr. Janssen who will help facilitate payment of the balance. She added that Student Services Fees do not cover services provided outside of BHS. Therefore, the reason students should go to BHS for service whenever possible, is that Student Services Fees will pick up the difference between the what is charged and what is covered by insurance; students will never see a bill if they go to BHS. She also noted that only 1/3 of the AHC students are on the AHC Student Health Benefit Plan, and the other AHC students are covered by some form of employer-sponsored group plan. For more information about Blood Borne Pathogen Exposure Management, members were directed to <http://www.med.umn.edu/gme/residents/needle/home.html>.

Renee Dempsey, Senate staff, noted that there was also a question at the last meeting about needle stick coverage for students who are on international rotations. Mr. Golden stated that there is a good chance that students on international rotations who are on the Student Health Benefit Plan will be close to a facility that covers this kind of care. On occasion, students are in areas where this type of care is less than ideal. Naturally, there are risks associated with traveling abroad and this happens to be one of those risks. Students who are covered on the Student Health Benefit Plan, noted Ms. Jackson, have access to a worldwide network through Blue Cross and Blue Shield, and they also have access to MEDEX, a global emergency assistance program. Students covered on the Student Health Benefit Plan would be able to contact MEDEX for a referral to the nearest facility that would be able to provide services closest to western medicine.

III). Moving on, Ms. Jackson solicited members input about their interest in having access to dental insurance. A few years ago, preventive dental care coverage in the Academic Health Center (AHC) was added. However, restorative dental services are not covered under the Student Health Benefit Plan. There are a lot of students outside the AHC who do not have dental coverage. With that said, the Office of Student Health Benefits is exploring offering a volunteer dental program to all students on all campuses.

Preventive dental care through the Academic Health Center (AHC) plan covers check-ups, x-rays and cleanings at BHS. This is a self-funded, capitated, financial arrangement that saves students money. This coverage also gives students a discount (20%) on restorative care.

The RFP that the University has issued for a volunteer student dental plan will cost more than what is offered through the AHC because this will be a fully insured product. A fully insured product means that the insurance company accepts the risk rather than the University accepting the risk (self-funded product). The cost difference between a fully insured plan and a self-funded plan is roughly 35% - 40%. Currently, students on the Student Health Benefit Plan are paying \$1,284/semester, which includes approximately \$50 for preventive dental care. If restorative services are added, the cost would increase by about \$75 - \$80/semester.

A difference between the current plan where all AHC students are covered, and a volunteer plan is that under a volunteer plan students will have the choice to accept or reject the coverage. Volunteer plans can result in adverse selection because people tend to only take coverage if they know they need care.

Ms. Jackson asked members to think about whether they would like to have a volunteer student dental plan for 2012 and also to solicit the opinions of their fellow students. She said she would be very interested to get student feedback on this matter.

Mr. Moeker asked whether the 35% - 40% price increase is the result of one plan being mandatory and the other being volunteer. Ms. Jackson stated that this is part of the increase and also having a fully insured plan (insurance company administers the benefits) versus a self-insured plan increases the cost.

Ms. Jackson stated that she would like to hear from students on:

1. Should restorative benefits be added to the current dental plan, which would cost students about \$130/semester (\$50 for preventive care and \$75 - \$80 for restorative care)?
2. Should the University should offer a fully insured, volunteer student dental plan to all students University-wide? This plan would cost students about \$200/semester.

Ms. Jackson provided background information about the AHC Student Health Benefit Plan. The AHC plan was created about 5 years ago to make sure students had access to a higher level of coverage than the general Student Health Benefit Plan. For example, AHC students requested a full pharmacy benefit, more preventive services, and for the plan to be open to all AHC students, even those who were not meeting the 6-credit threshold. The administration was supportive of this type of plan because it wanted students to have a certain level of coverage and also for accreditation purposes. In order to take on the increased financial risk for higher benefits (the AHC plan costs about 20% more than the regular Student Health Benefit Plan), the administration had to implement a strong waiver with a threshold. The waiver criteria states that if a student is covered under an employer-sponsored group plan, the University will require students to have the same level of benefits that the AHC plan offers.

With respect to health care reform, stated Ms. Jackson, the big question has been how it will impact student health plans. As the legislation is currently drafted, student health plans will not be subject to the same kind of administrative encumbrances that employer-sponsored plans and ERISA plans are subject to. Therefore, it is expected that an increasing number of group and individual plans will become deductible plans so that the cost of coverage can be affordable. An issue that deductible plans present for students is that if students go outside of BHS for care, students will have to satisfy any deductible requirements. As a result, a number of students will likely choose not to go outside of BHS for care. The University does not want there to be obstacles for students when it comes to accessing care.

Ms. Jackson explained that when the University self-insures a plan it puts money aside to cover its risk, and whatever money students pay goes into a fund and only pays expenses related to the plan. Under this self-insured scenario, insurance companies do not earn a profit. Blue Cross Blue Shield has informed the University that if it were to offer a fully insured plan with the same level of benefits the University offers AHC students it would cost 27% more.

The University is working hard on behalf of students in this time of health care reform because it knows the University can provide higher quality benefits, without a deductible, and at a similar cost compared to what will be available through the health care exchanges. The exchanges are gearing up to offer high deductible plans, and, as employers are looking at how they can cut costs, inevitably cost shifting will occur. The University does not believe that health care reform is in the best interest of its students. Another consideration to keep in mind is that currently the

cost of coverage for students who are covered by the Student Health Benefit Plan or the AHC plan is factored into their financial aid packages because they are mandatory fees, but this would not be the case if students purchased coverage through an exchange. It is clear that the federal exchange plans will cost more and have less benefits than the Minnesota Comprehensive Health Association plan, which provides insurance for people who cannot get individual health insurance or because they have expensive health conditions.

Ms. Jackson stated that in light of the health care reform legislation, the University will likely implement a stronger waiver process. She stated the University also is looking at whether it should have deductible limits, e.g., \$500 or \$1,000, in order to get a waiver. In addition, the University is looking at requiring students to have access to care within a certain geographic area.

A member asked whether students who have an employer-sponsored group plan would be able to just purchase the dental coverage. Ms. Jackson stated that she would need to think about the ramifications of doing this and report back to the committee.

Ms. Jackson also wanted members to know that the University's reserves are subsidizing an additional \$80 per semester for students on the Student Health Benefit Plan because medical claims increased significantly. The rationale for sharing this fact is to let students know that the University monitors the plan closely for how much it costs students, and works hard to keep the cost as affordable and reasonable as possible.

Ms. Jackson announced that she is holding a student meeting next Tuesday afternoon, December 7, and invited any AHC SCC students who would be interested in reviewing the RFP proposals, etc. to attend.

A member voiced concern over the lack of clarity about what forms need to be completed and what information is required when applying for a waiver. Ms. Jackson stated that students must complete the Waiver Request Form and submit the form along with a certificate of coverage from an employer-sponsored group plan, Minnesota Care, or the Graduate Assistant Plan. She noted that there is a deadline for submitting waivers and missing the deadline can cause problems for students. Ms. Jackson volunteered to look into the student's specific waiver application.

An issue for graduate students related to student health insurance is the NIH funding caps, noted a COGS (Council of Graduate Students) representative sitting in on the meeting. For some students, between their tuition benefits, stipends, and health care expenses they are hitting the NIH cap. If restorative care is added to the current plan, which will increase the cost, an increasing number of students will go over the cap and be required to make up the difference out of their own pocket. Ms. Jackson explained that the Graduate Assistant Health Plan already includes a full complement of dental coverage, which includes restorative care. The goal for the Student Health Benefit Plan is to make the plan more in-line with the Graduate Assistant Health Plan.

A member asked about the current restorative services utilization in the AHC dental plan. Ms. Jackson stated that she does not have this figure right now but that she will be taking this into consideration as the University explores offering a volunteer student dental plan.

Can students receive preventative care, e.g., teeth cleaning, without seeing a dentist at BHS, asked a member? Ms. Jackson stated that she would need to check on this, but that she would guess that for liability purposes a dentist would need to do an exam. The member added that just having a cleaning without a dental exam would be cheaper. Ms. Jackson stated that she is an

avid proponent of dental care and noted that the dental clinic is willing to make financial arrangements with students so they can get needed work done.

Mr. Moeker thanked Ms. Jackson and Mr. Golden for attending today's meeting.

Mr. Moeker asked if anyone was available to attend next week's dental RFP meeting that Ms. Jackson mentioned. Sean Corvin volunteered to attend, and report back at the January meeting.

Mr. Moeker asked Ms. Dempsey whether a guest has been scheduled to attend the January meeting. Ms. Dempsey reported that Victoria Nelson from Parking and Transportation has been invited to talk with the committee about parking concerns, particularly for Medical School students on rotations.

IV). Hearing no further business, Mr. Moeker adjourned the meeting, and thanked members for attending.

Renee Dempsey
University Senate