

[In these minutes: Review Committee Charge, Student Health Benefits Update and Proposed Plan Changes, Future Agenda Items]

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC) MINUTES

OCTOBER 2, 2013

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: Christine Myers (chair), Sandy Dong, Renee Felber, Gina Gibson, Riley Hauschildt, Alexandria Kahlert, Susan Lee, Maeve McClellan, Ian Reynolds, Abby Sauer, Chris Thomson, Marissa Wagar, Andrew Weaver

REGRETS: JonPaul Dragseth, Arnes Huskic, Rose Lemke

GUEST: Susann Jackson, director, Office of Student Health Benefits

OTHERS ATTENDING: Kymberly Knust, Gina Kundan, director, CHIP and George Sakkal, program assistant, CHIP

I). Christine Myers convened the meeting, welcomed those present and called for a round of introductions.

II). Next, Ms. Myers turned members' attention to the committee charge, which had been sent to them prior to the meeting. Members reviewed the charge.

III). Ms. Myers announced that student leaders have been invited to participate in special interview sessions with the candidates for the Medical School dean and vice president for health sciences. Members who are interested in attending these sessions should RSVP to Kate Stuckert at stuck005@umn.edu. Mr. Reynolds, who served as a student representative on the search committee for this position, also strongly encouraged members to attend these special sessions and to let their respective school leadership know as well.

IV). Ms. Myers welcomed Sue Jackson, director, Office of Student Health Benefits, who was invited to share information about possible student benefit changes for 2014. To supplement her presentation, Ms. Jackson distributed copies of the following brochures – AHC Student Health Benefit Plan, Academic Health Center Disability Insurance Plan, and the Voluntary Student Dental plan. Salient highlights from her presentation included:

- The University requires students with six or more credits who are enrolled in a degree program to have health insurance. This requirement has been in place since the mid 1970s. The Student Health Benefit Plan (SHBP “base plan”) provides health coverage to all students at the University who are not covered by another plan.
- Approximately eight or nine years ago, in addition to the SHBP, the AHC students and administration decided it wanted a plan with richer benefits for AHC students because of the risks associated with students' areas of study. The main

- areas of concern were eligibility, preventive benefit limitations, prescription benefit limitations, and access to care outside of Boynton. Later preventive dental benefits were added.
- The University's student health plans (SHBP and AHC-SHBP) are not subject to the Affordable Care Act (ACA) requirements because the plans are self-funded, which means the University pays the claims directly versus paying an insurance company to take the risk for the claims. The University, however, pays Blue Cross Blue Shield (BCBS) to manage the plan and to process the claims. In addition, the University purchases stop/loss insurance through BCBS to cover the risk for high cost and catastrophic claims.
 - Due to insurance coverage changes resulting from the ACA, the University has aligned its coverage with the essential benefits outlined in the ACA for both the AHC-SHBP and the SHBP provided to all students at the University.
 - In terms of why the AHC plan costs more than the base student plan, there are a number of reasons. First, the AHC plan has significantly richer prescription benefits than the base plan and also has preventive dental benefits. Secondly, because the AHC plan has a richer benefit set, the University calculates the AHC plan's rates separately from the base plan. Additionally, AHC students use more health benefits than other students making the plan more expensive and AHC students cover more dependents than other students (dependents are expensive). Last year, the AHC plan also had a number of high costs claims, which contributed to the cost of the AHC plan going up more than the base plan.
 - Over the years, the benefit differences between the two plans have become less and less pronounced. Therefore, for 2013, students were allowed to waive the AHC plan and enroll in the base plan. In addition, the criteria of the level of coverage required for the waiver process was eliminated. And, as a result of the ACA, employees, over the last couple years, have been able to cover dependents up to age 26, which has caused the University's student health plan enrollment to drop. For example, the AHC plan's enrollment dropped by approximately 25% over the last two years. The size of the pool is important when it comes to spreading the risk.

With this background information, Ms. Jackson asked members if they were responsible for managing these two plans, what changes, if any, would they recommend for 2014. Making changes can mean tough choices, and, as changes are being considered, the University needs to take into consideration what is happening with the ACA. The University works with two consultants, one national and one local, to have a pulse on what is happening in the marketplace. While a number of the plans being offered in the marketplace have low monthly premiums, the deductibles can run into the thousands. For example, BCBS is putting a product on the market, which will cost \$10 less per month than the student base plan (about \$157/month), but it will have a \$3,100 deductible. The high deductible plans coming to market require consumers to satisfy their deductible (upfront costs) before paying any benefits.

The University wants to keep its student plans in place. It has always been the goal of the University to offer plans without a high deductible and access to care, stated Ms. Jackson. She then shared information on the new Disability Insurance Plan, which is available to all AHC students. Ms. Jackson provided a couple examples to highlight what is covered under the plan, etc.

Beginning in 2014, stated Ms. Jackson, the University is considering eliminating the AHC Student Health Benefit Plan and putting all AHC students on the base plan. Because the claims for AHC students are higher, the cost of the student base plan will

increase by about 5%. She asked members for their opinions about the proposed change. Member questions/comments included:

- Will students be able to get their prescriptions filled at pharmacies other than Boynton? This is still up for discussion, stated Ms. Jackson. Filling prescriptions outside of Boynton will mean additional costs to the plan, but because the University recognizes students' time is valuable, a few different options are being considered.
- What will happen to the University's student plan if students decide to purchase insurance in the open market versus through the University? The impact of this will not be known for a year or two. She reminded students that they can request that the cost of their health insurance be included in their financial aid package. While it is likely the University will continue to see a decrease in enrollment in its student plan, it is difficult to know how much it will decline.
- Some students have voiced concern over changes to the prescription drug benefits that took place earlier in the year (biologics for eating disorders). Will this benefit eventually be completely eliminated? Also, students on the base plan will likely be unhappy if they have to pay more for premiums but have fewer benefits. Ms. Jackson stated that the University will be looking at how many students are using certain drugs and the cost of those drugs in deciding what the prescription drug benefit will look like. Last time the formulary was changed, students were given a three-month notice that the formulary would be changing.
- How will the plan changes be communicated to students? There will definitely be a communication plan. The Office of Student Health Benefits will carefully monitor who will be adversely impacted by any changes that are made and make sure they reach out to these individuals. Unfortunately, however, based on previous communication campaigns directed at students, they frequently do not pay attention. A member suggested communicating with students in conjunction with the recruitment process. Ms. Jackson stated that her office sends newly admitted students information to their parent's address. She added that she welcomes any ideas for how best to communicate with students that members have. Other ideas that were mentioned for communicating with students were to have food available and to put a face on it.

Ms. Myers thanked Ms. Jackson for her presentation.

V). Ms. Myers asked members about ideas for future agenda items. The following suggestions were made:

- Invite the new Medical School dean and vice president for health sciences to a spring meeting.
- Invite GAPSAs to talk about tuition fixing for graduate and professional students.
- Receive an update on the smoke-free campus implementation.

Renee Dempsey, Senate staff, reported that Vice President Brandt has been scheduled to attend the January 22 meeting. Ms. Myers added that a School of Nursing faculty member will also attend that same meeting to talk about an event the school will be hosting in the spring. In terms of other agenda items, Ms. Dempsey stated that she is also working on scheduling Tim Busse from University Services to provide a light rail update.

Ms. Myers thanked everyone for coming. She asked Ms. Dempsey to send out a call for agenda items to members who may come up with ideas after today's meeting. Hearing no further business, Ms. Myers adjourned the meeting.

Renee Dempsey

University Senate