

BOARD OF REGENTS
BRIEFING PAPER

1. Agenda Item Title: Student Health Insurance Fees Revisions

Meeting Date: June 9-10, 2016

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Student Health Insurance: Each June, the Board approves the Student Health Insurance rates for the upcoming academic year, shown in Chapter 7, Section 10 of the Procedures and Guidelines Manual. System representatives and institution representatives worked with the System's insurance broker, Wells Fargo Insurance Services, to obtain the best insurance rates possible for the students at each institution.

UNR: UNR has 1,884 graduate, international, and medical students enrolled in the hard waiver mandatory insurance plan currently offered through United Health Care. UNR also has 140 undergraduate students enrolled in the voluntary plan. Although the numbers for the voluntary plan are small, UNR's Insurance Committee feels it is important for the institution to continue to offer an option for undergraduate students.

UNLV: UNLV has 2,620 international, domestic graduate and professional students in the hard waiver mandatory (HWM) insurance group (meaning all F-1 international students and domestic graduate students over 9 credits must provide proof of insurance or purchase a policy) and only 92 undergraduate students enrolled in the voluntary plan. The number of undergraduate students enrolled in the voluntary plan declined by 60% from academic year 2011/12 to present. The voluntary enrollment group is heavily subsidized by the hard-waiver groups and does not support its own cost at the current premium levels. Voluntary programs are susceptible to rate instability and adverse risk-selection. With the assistance of the broker, Wells Fargo, UNLV tried to adopt a HWM plan for the undergraduates during the past three years to mitigate the negative impacts of the voluntary enrollments. However, lacking support from CSUN to transition the undergraduate voluntary program to a HWM plan, UNLV's Insurance Committee requested Wells Fargo to explore impacts on pricing from removing the voluntary component of the insurance program. Aetna Student Health responded by quoting UNLV a 9% rate reduction from their best proposed rate for this year if UNLV eliminated the voluntary health insurance plan. This change will save every student in the HWM group \$204 per year without any change to their benefits. This equates to a savings of over half a million dollars in premium expenses for the 2,620 international, domestic graduate and professional students. There was no objection from the Student Health Insurance Committee regarding this proposal. To facilitate the transition, UNLV will assist impacted students in finding insurance coverage on the Nevada insurance exchange or the private market. UNLV will implement this change effective immediately with Board approval.

Summary: The rates proposed in the attached reference material represent institutions recommendations for the best option for coverage for academic year 2016/17. The carriers recommended are Aetna for UNLV/NSC and United Health Care for UNR. Wells Fargo Insurance Services is the broker. These final recommendations have been reviewed by insurance committees (which include student representation) at each institution.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

The Board is being asked to approve:

1. The Student Health Insurance rates for academic year 2016/17 as presented on the attached reference materials for UNR, UNLV and NSC.
2. Discontinue of UNLV's Voluntary Program for undergraduate students.

4. IMPETUS (WHY NOW?):

Current Student Health Insurance policies expire at the end of this academic year.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The rates for Student Health Insurance Plans identified here represent the best option available through an analysis of all options and a competitive quotation process.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

N/A

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Discontinue offering plans or direct staff to bring different options.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #____ Chapter #____ Section #____
- Amends Current Board Policy: Title #__ Chapter #__ Section #____
- Amends Current Procedures & Guidelines Manual: Chapter # 7 Section # 10G
- Other: _____
- Fiscal Impact: Yes No _____
Explain: Student health insurance and health center fees that meet the reporting threshold of \$25,000 will be reported in the Self Supporting Budget report.

Additions appear in ***boldface italics***; deletions are [~~stricken~~ and bracketed]

Section 10. Student Fees

G. HEALTH SERVICE/INSURANCE FEES

UNR

	Graduate	Undergraduate	International
<u>Health Service Fee: Per semester</u> (MANDATORY for students with six or more credits, VOLUNTARY for students with fewer than six credits & summer school students)	\$93.00	\$93.00	\$93.00

Student Health and Accident Insurance:

VOLUNTARY (All domestic undergraduate students enrolled in nine credits or more.)

Annual		[\$2,502.22] \$2,624.00	
Fall		[\$1,045.56] \$1,099.73	
Spring		[\$943.33] \$984.53	
Spring/Summer		[\$1,456.67] \$1,524.27	
Summer		[\$512.22] \$538.67	

Student Health and Accident Insurance:

MANDATORY¹ (All International Students and Graduate & Professional Students taking six credits or more per semester.)

Annual	[\$2,760.00] \$2,892.80		[\$1,306.67] \$1,369.60
Fall	[\$1,153.33] \$1,212.80		[\$546.67] \$573.87
Spring	[\$1,041.11] \$1,085.87		[\$492.22] \$514.13
Spring/Summer	[\$1,606.67] \$1,680.00		[\$760.00] \$795.73
Summer	[\$565.56] \$594.13		[\$267.78] \$281.60

SCHOOL OF MEDICINE

Annual fee for life and disability insurance	\$77.44		
Student Health Insurance (MANDATORY ¹)			
Fall		[\$1,380.00] \$1,458.13	
Spring/Summer		[\$1,380.00] \$1,434.67	
Summer		[\$460.00] \$483.20	

Additions appear in **boldface italics**; deletions are [~~stricken~~ and bracketed]

UNLV

	Graduate	Undergraduate	International
Health Service Fee – Fall & Spring (MANDATORY)	\$72.00	\$72.00	\$72.00
Summer School	\$37.00	\$37.00	\$37.00

Student Health and Accident Insurance [~~VOLUNTARY (All domestic undergraduate students. Available to students enrolled in six or more credits.)~~]

~~[\$4,778.48]~~
No longer offered

{Annual}	[\$4,778.48]
{Fall}	[\$1,945.10]
{Spring}	[\$1,632.40]
{Spring/Summer}	[\$2,833.38]
{Summer}	[\$1,200.98]
{Fall-Nursing}	[\$1,736.28]
{Spring-Nursing}	[\$1,657.84]
{Summer-Nursing}	[\$1,384.36]

Student Health and Accident Insurance, (MANDATORY¹ for International Students; Law Students taking a minimum of twelve credits per semester; Graduate & Professional Students taking a minimum of nine credits per semester; six credits if a graduate assistant) OPTIONAL for Graduate Students not on Assistantships.

Annual	[\$2,246.14] \$2,207.98	[\$2,246.14] \$2,207.98
Fall	[\$914.78] \$901.00	[\$914.78] \$901.00
Spring/Summer	[\$1,331.36] \$1,306.98	[\$1,331.36] \$1,306.98
Fall-Nursing	[\$871.32] 858.60	
Spring/Summer-Nursing	[\$1,374.82] \$1,349.38	

DENTAL SCHOOL

Health Insurance (MANDATORY ¹)	
Annual	[\$2,295.00] \$2,254.00
Spring/Summer	[\$1,486.00] \$1,457.00

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NSC

	Graduate	Undergraduate	International
Student Health and Accident Insurance, for International Students ONLY, MANDATORY ¹ :			
Annual			[\$2,246.14] <i>\$2,207.98</i>
Fall			[\$914.78] <i>\$901.00</i>
Spring			[\$767.44] <i>\$750.48</i>
Spring/Summer			[\$1,331.36] <i>\$1,306.98</i>
Summer			[\$564.98] <i>\$556.50</i>

NOTES:

- ***NSC International students are enrolled in UNLV's policy at no impact to costs. It is estimated that up to 2 International students will enroll in the 2016/2017 academic year.***
- CSN (domestic), GBC, TMCC, WNC students have available health services on a voluntary basis through a third party entity. These institutions facilitate the availability of student health services; however, students who contract for these services pay the third pay entity directly.
- CSN International students purchase mandatory health coverage through a third party entity designated by CSN. Proof of equivalent coverage will be accepted on a limited basis. No fees are paid to CSN.
- Amounts represent total charges and include insurance premium, ACA taxes and fees, broker commission and fees, and institution fees.
- Some NSHE Allied Health and Nursing programs require students provide evidence of coverage. The coverages indicated above may be used to satisfy this programmatic requirement.

(B/R 4/92, 5/93, 3/94, 2/95, 6/95, 4/96, 4/97, 9/97, 5/98, 4/99, 6/99, 4/00, 3/02, 3/03, 8/03, 1/04, 3/04, 2/05; Added 6/05; A. 8/05, 1/06, 4/06, 7/06, 2/07, 7/07, 12/07, 6/08, 2/09, 4/09, 6/09, 12/09, 4/10, 6/10, 12/10, 4/11, 6/11, 12/11, 6/12, 9/12, 11/12, 6/13, 9/13, 12/13, 3/14, 6/14, 12/14, 6/15, 12/15)

¹ Mandatory Coverage definition: when coverage is indicated as mandatory, the student must purchase the coverage or provide proof of equivalent coverage.