Student Health Insurance Status Update  
April 21, 2011

Background of the Problem

- Research shows that improved access to medical care supports academic success.
- Nationwide, many universities (both public and private) mandate health insurance coverage as a condition of enrollment. In the Florida State system, only FSU mandates health insurance. They are in their fourth year of the mandate with no reported negative impact on enrollment. FSU’s insurance premium is approximately $1000 less annually than USF’s for comparable coverage.
- USF’s voluntary health insurance plans have led to “adverse selection” of insured students which resulted in high utilization and spiraling premium costs. This lead to the need to explore other insurance options. Over the course of the last year, USF Student Health Services explored two possible options for addressing the concern of increasing premiums: moving towards a mandatory health insurance policy and examining the feasibility of creating a state-wide SUS consortium to purchase health insurance at a more economical rate. The outcome of both explorations is summarized below.

Factors Related to Mandatory Insurance

- Most experts in student health insurance believe that mandating health insurance is the best way to provide enhanced access to health insurance, control premium costs, and offer a quality insurance plan in the long term.
- USF’s Student Health Services had initially considered bringing a proposal to the Board of Trustees to explore the possibility of a Mandatory Health Insurance Policy, similar to the one at Florida State University. However, current political considerations resulted in a withdrawal of that consideration.
- The new Federal health care legislation mandating health insurance coverage is facing legal challenges by many states. Florida is one of the states leading the charge to overturn this key component of health care reform.
- The new Congress has just passed legislation in support of overturning the health care reform law. Although the ultimate outcome is unclear, mandating insurance coverage is a very politically divisive issue.
- Several federal judges have offered conflicting opinions about the constitutionality of having a health insurance mandate. The court cases will inevitably be resolved at the level of the Supreme Court. If the current law is successfully overturned, it will become illegal to impose a penalty for being uninsured. Therefore, public universities will likely not be able to require health insurance as a condition of enrollment and the FSU mandate may be removed.
- To assess the pulse of the student body, Student Health Services worked with Student Government Association to put a referendum on the February, 2011 SG ballot. The following question was posed:

  “Should the University of South Florida’s Board of Trustees consider adopting a regulation for all incoming students (effective Fall 2013) that would require that they purchase health insurance coverage if they are not already covered by another policy (i.e., their parents’ plan, spouse’s plan, Student Health Insurance Plan, or other private policy)? Your vote on this policy will not impact any current USF student and will only apply to future students.”

Wellness USF and Student Health Services implemented an extensive educational effort to inform the student body about this issue and emphasize the potential benefits of a mandatory health insurance policy. Despite these efforts, the vote was 70% opposed to such a policy and 30% in support, with relatively high voter turnout.
• Given the current political climate and the results of the election, it was decided to defer any discussion about mandatory health insurance until some future date. USF will continue to take the lead in negotiating with a state-wide consortium as the best option for containing spiraling premium costs.

Resolution: SUS Insurance Buying Consortium

• Over the past six months, USF Student Health Services took the lead in hosting discussions with six SUS institutions to develop a state-wide insurance buying consortium. After reviewing numerous proposals, the consortium work group decided to contract with a nationally recognized insurance brokerage firm that specializes in student health insurance: Gallagher and Koster.
• The insurance broker obtained bids from underwriters based on a model plan of benefits that would apply to all participating institutions. Three formal bids were obtained and reviewed by the consortium. Initial rates were too high, so revised bids were requested based on benefit modification.
• After multiple discussions with the broker and insurance companies, the consortium agreed to contract with United Healthcare Student Resources, the company which currently provides the USF Student Health Insurance Plan. The selected plan will provide several significant benefit enhancements. The cost for students voluntarily participating in the plan remains essentially the same as this year. The premium for mandatory/subsidized students (graduate assistants, medical and international students) will increase by 13%, far less than the steep increases seen in recent years. The proposed plan was reviewed by the USF Student Health Insurance Advisory Committee (SHIAC) and unanimously supported.

Premium Rates Comparison

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<thead>
<tr>
<th>EXISTING 2010-2011 POLICY</th>
<th>PROPOSED SUS 2011-2012 PLANS</th>
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<tbody>
<tr>
<td>United HealthCare Student Resources</td>
<td>United HealthCare</td>
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<td>Student</td>
<td>Spouse/Partner</td>
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<td>Voluntary:</td>
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<td>$2,534</td>
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<td>Mandatory/Subsidized:</td>
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<td>$2,570</td>
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<td>Summary of Key Benefit Enhancements</td>
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<td>o Increased annual benefit maximum from $250,000/person to $250,000/condition/year</td>
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<td>o Decreased out-of-pocket maximum from $10,000 to $5,000 in-network and from $20,000 to $10,000 out of network</td>
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<td>o Increased annual prescription benefit maximum from $1,000 to $1,500</td>
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<tr>
<td>o Increased coverage from 90% to 100% in-network and waived the annual deductible under both plans for physician, mental health and substance abuse office visits.</td>
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<tr>
<td>o Annual policy deductible waived for urgent care.</td>
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<td>o Increased wellness benefit from $150/year to $300/year and removed office visit co-pays.</td>
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<td>o Voluntary policy deductible (out-of-network) decreased from $550/year to $500/year out of network</td>
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<tr>
<td>o Mandatory/subsidized policy deductible decreased from $250/year to $100/year in-network</td>
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<tr>
<td>o Mandatory/subsidized policy deductible decreased from $550/year to $200/year out of network</td>
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</tbody>
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2011-2012 Consortium Participants

- University of South Florida
- University of North Florida
- Florida Gulf Coast University
- University of Central Florida
- University of West Florida

*Florida Atlantic University participated in the initial discussions with the consortium but elected not to join for this year. Other institutions expressed interest in participating in future years once their existing contractual obligations end.

Prepared By: Diane Zanto and Alan Kent
Update on the Status of USF’s Student Health Insurance Plan

Alan Kent, Ph.D.
Assistant Vice President - Health and Wellness
April 2011
Why Care About Student Health Insurance?

- Healthy student = Successful student
- Impacts recruitment of Grad Assistants, Fellows
- Students susceptible to accidents, injuries, mental health problems
- Health insurance allows access to healthcare
- Health status linked to retention
- Illness + uninsured → Drop out
Current Status of USF Student Health Insurance Plan

- Currently insured by USF Insurance Plan = 2,977
  Mandatory/International/Grad Assistants = 2,194;
  Voluntary = 783

- Current coverage with United HealthCare
  54% increase in premium from 2009-2010

- Unknown number of uninsured
  Estimated at 25-35%
Mandatory vs. Voluntary Insurance

- Mandatory pool spreads the risk
- Voluntary pool → Adverse selection
- High utilization → High loss ratio → High premiums

Issues:
- Only FSU has mandatory policy
- Legal & legislative challenges to health care law
- Student referendum: 70% opposed to mandate
Plan for 2011-12: SUS Insurance Consortium

- Work group organized by BOG office
- Headed by USF Student Health Services
- Managed by professional insurance broker
- Six schools negotiated/five participating
- Few bidders came forward
- Comprehensive benefit plan
- Proposed new premium renewal with United:
  - Voluntary = 1% increase ($1,806)
  - Mandatory/Supported = 13% increase ($2,570)
“WELLNESS USF”
RESOURCES FOR STUDENTS
Funded by Student Fees

Wellness Education and Promotion Department
- Drop-in center for wellness education and referral
- Resource and information on alcohol and drugs, sexual health and responsibility
- Nutrition consultation and information
- Blood pressure, height, and weight checks
- Ongoing health education and promotion events and workshops

Counseling Center
- Individual and group counseling for mental health or substance abuse concerns
- Crisis Intervention and after hours telephone counseling
- Psychological testing and assessment
- Student Success educational workshop series

Student Health Services
- Primary care visits with physicians, nurse practitioners, and physician’s assistants
- Well-woman exams and women’s health services
- Administration of immunizations and immunization compliance
- Wellness visits and physical examinations
- Administration of Student Health Insurance Plan
- Lab testing and visits
- Referral to specialists at USF Health

Center for Victim Advocacy and Violence Prevention
- Crisis intervention, victim support, and advocacy 24/7 for students victimized by violent crime
- Advocacy and support services for students victimized by any crime
- Campus-wide crime prevention, education and safety awareness events (Take Back the Night)
- Primary prevention of sexual and relationship violence through REAL, a peer education program utilizing bystander intervention training

Campus Recreation
- Newly-renovated and expanded state-of-the-art recreation center (Opens July, 2011)
- Extensive fitness offerings including free weights, machine weights, cardiovascular equipment, personal training, group fitness classes, and massage therapy
- Indoor and outdoor swimming pools
- Outdoor recreation fields, basketball courts, volleyball courts, fitness course
- Extensive Intramural Recreation program and Sports Club Activity program
- Outdoor Recreation adventure trips
- Riverfront Park, Canoe rentals on Hillsborough River, and Ropes Course
- Bike rental program

Students of Concern Assistance Team
- Outreach, referral, and case management for students in distress
- Education and information for faculty on how to assist a distressed student

*Nearly all these resources are free with enrollment. Some require additional fee payment.