

State University of New York
University Faculty Senate
Student Life Committee

Student Health Insurance in SUNY

The Student Life Committee of the SUNY Faculty Senate is concerned about various aspects of student health insurance at SUNY campuses. For the past year and a half, committee members have discussed the extent of and variations in coverage and cost of such insurance on the SUNY campuses, the use of “hard” and “soft” waivers, and efforts to provide coverage to more of our students. This report summarizes the Committee’s findings.

On March 28, 2008, the U.S. Government Accountability Office (GAO) released a report (GAO-08-389) entitled “Health Insurance: Most College Students Are Covered through Employer – Sponsored Plans, and Some Colleges and States Are Taking Steps To Increase Coverage.” The GAO analyzed data from the U.S. Census Bureau’s 2007 Annual Social and Economic Supplement to the Current Population Survey (CPS). About 80% of college students nationwide, aged 18 to 23, nearly 7.0 million students, were insured through private or public sources of health insurance in 2006. Two-thirds of these students obtained their coverage through employer-sponsored plans (private insurance plans that employers offer to employees and their dependents); about 7 percent obtained coverage through other private health insurance plans, such as college-sponsored insurance plans, and about 6 percent obtained coverage through public health insurance programs, such as Medicaid or the State Children’s Health Insurance Program (SCHIP). The CDS data show that 20 percent of college students (aged 18 to 23) – about 1.7 million students – lacked health insurance in 2006.

Of these 1.7 million uninsured college students, certain groups of students including students from racial and ethnic and minority groups, students from families with lower incomes, and part-time and older students were more likely than others to be uninsured. These uninsured students incurred from \$120 million to \$255 million in uncompensated care for non-injury-related medical events in 2005 primarily for visits to office based providers and hospital emergency rooms. Because of the difficulty in reliably estimating the cost of injury-related medical events, these costs are not included.

The consequences for uninsured college students are that they may skip treatment or delay medical care until their health is significantly compromised and major intervention, often more expensive, is required. These costs must be absorbed by the pool of those insured and/or by the communities that provide the public health care.

In general, the plans colleges offered were designed to specifically reflect the colleges' priorities in making health insurance premiums affordable to their students while providing coverage tailored to their needs. Plans also were customized to coordinate the specific aspects of the college on-campus health centers.

The SUNY Office of University Life has assessed the status of student health insurance coverage. The best and, perhaps, only comprehensive data on the student health insurance policy and coverage at SUNY campuses has been collected by the Vice Chancellor for University Life in System Administration in 2005. This Student Health Insurance Survey of the 29 state-operated campuses included University Centers (4), University Colleges (13), Colleges of Technology (5), Health Science Centers (3), and Specialized Colleges (4). All respondents offered health insurance to the students except Empire State College whose students utilized the health centers at Syracuse University. The cost to the students ranged from \$81/year at one campus to \$1200 or more a year at five other campuses. Health insurance is mandatory at 17 of the 29 campuses where, except Upstate HSC, waivers are accepted. The extent of coverage, amount of the co-pay, and the deductibles varied widely and is reflective of the cost of the policy.

There are two types of waivers available "soft" and "hard". To obtain a "soft waiver" and avoid having to purchase student medical insurance, a student must sign a form stating that he/she has health insurance, although proof does not have to be provided. At those campuses with a "hard waiver", proof of coverage must be provided before the student is waived from being charged a mandatory health insurance fee. The 2005 survey did not inquire about the nature of the waiver.

The first recommended stop for most simple, routine illnesses and minor injuries is the Student Health Services on campus where immediate attention is provided. This service is covered by a Student Health Fee which is assessed on all 29 campuses except the College of Optometry and Empire State College whose students use the health center at Syracuse University. This fee was mandatory on all 26 campuses and ranged from \$50 to \$162.50 a semester.

A follow-up survey on student health insurance was conducted by the Vice Chancellor's staff in the spring of 2007. Nineteen of the 29 state-operated institutions responded and 18 of these 19 campuses offered student health insurance. Again, Empire State College did not have such an offering. Sixty-three percent of those responding (12/19) required students to have health insurance. Each of these 12 campuses allowed students to waive the requirement upon evidence of having other health insurance; four campuses had a "soft" waiver and eight had a "hard" waiver.

The scope of services offered and the costs of the health insurance programs vary widely. Premiums generally varied according to the extent of covered services.

<u>Annual Costs</u>	<u>Number of Campuses</u>	<u>Percentage of Respondents</u>
<\$300	3	16%
\$301-\$600	4	21%
\$601-\$900	5	26%
\$901-\$1200	3	16%
>\$1201	4	21%

Student participation in the programs also varied widely. Of the 12 campuses requiring health insurance, 5 of 12 reported less than 25% of the students enrolled and the same number indicated that between 26% and 45% of the students were enrolled. The services covered by the student health insurance programs include: hospitalization, emergency outpatient care, ambulatory surgery, pharmacy, mental health inpatient and outpatient, pregnancy, gynecological/STD, and substance abuse.

Twenty-six of the 29 state-operated campuses charge a student health fee averaging \$240 per year. The GAO Report (GAO-08-389) found that nationwide, college student health centers vary widely in the services provided, ranging from the limited services of one nurse to extensive services from multiple specialists. Efforts must be made on each campus to coordinate the services provided by the Student Health Service/Office with the specifics of the health insurance coverage offered to ensure that at least “minimal emergency” service is available.

The American College Health Association (ACHA) has established standards for health insurance for college students. They recommend requiring student health insurance as a condition of enrollment and that student health insurance plans provide an appropriate level of benefits, including coverage of preventive services, mental health services, and catastrophic illness or injuries. These standards are attached to this report.

Some states, such as Massachusetts and New Jersey, have implemented health insurance requirements for college students. Massachusetts requires all college students with at least three quarter full-time status to be insured. New Jersey requires all full-time college students in the state to have health insurance.

The GAO Report (GAO-08-389) reported that the availability of health insurance was increased when colleges jointly purchased insurance through consortiums. California’s 109 community colleges are part of a consortium known as the Community College League of California. Such efforts to pool need and resources have been attempted within SUNY, but results have been minimal. Perhaps regional efforts across similar-sized institutions should be attempted.

Student health insurance coverage is an important issue facing SUNY and New York State. Presently, there is no minimum coverage required on many campuses. Even some campuses that require coverage, offer a “soft” waiver policy so it is relatively easy to forego coverage. Not having coverage, of course, can be personally devastating to the student and family. The cost of the uncompensated care for non-injury and injury-related medical events can be significant, particularly on a small college community.

The SUNY Faculty Senate should continue to assess the health of SUNY students and impact of student health insurance, particularly the need for minimum coverage and related costs.

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Standards for Student Health Insurance/Benefits Programs

ACHA Guidelines

MARCH 2008

Standards for Student Health Insurance/Benefits Programs

The American College Health Association has instituted these standards to guide colleges and universities in the establishment of an appropriate, credible student health insurance/benefits program.

Standard I.

As a condition of enrollment, the college or university requires students to provide evidence that they have adequate health insurance coverage.

Standard II.

The college or university recognizes that students rely upon its student health insurance/benefit program for their primary source of health insurance protection. An adequate and appropriate scope of coverage is provided, including, but not limited to:

- Coverage for preventive health services.
- Coverage for catastrophic illness or injury.
- Coverage for prescription medications, including coverage for psychotropic medications.
- Minimization, or ideally elimination, of pre-existing condition exclusions/waiting periods.
- Coverage for dependents of covered students including children, spouses, and domestic partners.
- Continuity of coverage up to plan limits for students requiring a medically-necessary leave-of-absence.
- Continuity of coverage for previously insured students in plan renewals or with new carriers (i.e., no gain/no loss provision), subject to RFP provisions and final negotiations.
- Program benefits, limitations, exclusions, special provisions, and definitions are reviewed to assure they are consistent with common practices of the group health insurance field and/or there is a compelling reason for the college or university to have a provision that is unique for its SHIBP.
- The program encourages use of campus health and counseling services, where doing so provides cost effective and high quality care for students.

Standard III.

The college or university acknowledges it has a fiduciary responsibility to manage student health insurance/benefits programs in the best interests of students covered by the programs.

Standard IV.

The student health insurance/benefits program is annually reviewed to assure it is in full compliance with all applicable federal and state statutes and regulations.

Standard V.

Student consumers, student health program staff, and other internal or external experts, as appropriate, are involved with the selection, monitoring, and evaluation of the student health insurance/benefits program.

Standard VI.

The student health insurance/benefits program is reviewed annually to ensure the program: (a) meets the needs of covered individuals; (b) provides desired benefits at the least possible cost; and (c) returns as much of the premium or fund contributions as possible to covered individuals in

the form of benefits. Reserve funds may also be maintained to assure short- and long-term financial viability for the program.

Standard VII.

Commercial insurance carriers, agents, brokers, and all others providing services to the student health insurance/benefits program are required to provide a full description of estimated claims, reserve estimates, administrative expenses, and all other fees. The student health insurance/benefits program is audited periodically and the results are provided to appropriate university or college officials and student consumers. Each year, a summary financial report for the program is published and made available to student consumers and campus officials responsible for management of the student insurance/benefits program.

Standard VIII.

The selection of vendors for the student health insurance/benefits program adheres to institutional and/or applicable governmental requirements relative to competitive vendor selection processes.

Standard IX.

Agents, brokers, consultants, and program managers do not have relationships that could be construed to be a real or potential conflict of interest. Agreements with consultants or brokers are fully disclosed and clearly define the services to be performed and the compensation to be received.

Standard X.

The student health insurance/benefit program is available to all eligible students regardless of age; gender identity, including transgender; marital status; psychological/physical/learning disability; race/ethnicity; religious, spiritual or cultural identity; sex; sexual orientation; socioeconomic status; veteran status.

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