

Board Meeting
March 26, 2008

APPROVE STUDENT HEALTH INSURANCE FEES FOR URBANA, CHICAGO,
AND SPRINGFIELD CAMPUSES, FISCAL YEAR 2009

Action: Approve Student Health Insurance Fees for Urbana, Chicago, and
Springfield Campuses, Fiscal Year 2009

Funding: No New Funding Required

The Chancellors at Urbana, Chicago, and Springfield recommend approval of student health insurance fees for Fiscal Year 2009. The student health insurance fee, combined with the student health service fee, fund health care programs tailored to meet the needs of the students at the campuses. The campuses consult with student advisory groups on health program coverage and the resulting fee. Students may choose not to participate in the student health insurance program by providing evidence of comparable insurance coverage from other sources. Attached is a summary of the student health program coverage.

In 2005 the Urbana campus issued a RFP for student health insurance selecting Student Resources, through the insurance carrier Mega Life, as the plan provider. During 2007 Student Resources/Mega was purchased by United Healthcare. The United Healthcare Student Resources program at Urbana provides basic coverage for undergraduate students and expanded benefits for graduate students. Coverage enhancements have been made to both plans since 2005. Inflationary costs as well as

deteriorating claims experience necessitate a nine percent increase for both the graduate and undergraduate plans for FY 2009. Renewal options exist through 2015.

Beginning in 2004 the Chicago campus proposed the adoption of a self-funded plan to increase student benefits and contain costs. All medical care is provided at the University of Illinois Medical Center and approved regional facilities and qualifying severe emergencies are also covered when necessary at other medical facilities. All students receive the same benefit package. Beginning this fall well-child care will extend to children nine years or younger (up from age six), and all eligible dependents will receive one covered annual check-up. There will be no price increase necessary in FY 2009 because of the plan's focus on wellness and improved management of chronic diseases, as well as efficiencies due to developing and following quality care protocols.

Beginning FY 2008 Springfield campus leaders determined their changing mix of students required not only a competitively priced program, but enhanced coverages in order to better align the Springfield campus with the Urbana and Chicago student health insurance plans. Inflationary costs necessitate an 8.5 percent increase for FY 2009.

The recommended student health insurance fees per semester are as follows:

LOCATION	PROPOSED PREMIUM, FALL 2008	PERCENT INCREASE
<i>Urbana</i>	Undergraduate--\$197	+9
	Graduate--\$279	+9
<i>Chicago</i>	All students--\$401	0
<i>Springfield</i>	All students--\$233*	+9

The rates displayed are for the typical undergraduate and graduate student. Rates may vary for summer session, family dependent coverage, etc. Students needing coverage for their spouse and dependents voluntarily pay a separate charge.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois *Statutes*, *The General Rules Concerning University Organization and Procedure*, and Board of Trustees policies and directives.

The Vice President/Chief Financial Officer and Comptroller concurs in these recommendations.

The President of the University recommends approval.