

Board Meeting  
March 7, 2013

**REVISED**

APPROVE STUDENT HEALTH INSURANCE RATES FOR  
URBANA AND SPRINGFIELD CAMPUSES, ACADEMIC YEAR 2013-14

**Action:** Approval of Student Health Insurance Rates for Urbana and Springfield Campuses, Academic Year 2013-14

**Funding:** No New Funding Required

The Chancellors at Urbana-Champaign and Springfield\ Vice Presidents recommend approval of student health insurance rates for Academic Year 2013-14. The student health insurance rate, 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 rate. 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.

On March 21, 2012, the U.S. Department of Health and Human Services published final rules related to the applicability of the Affordable Care Act (ACA) to student health insurance plans, allowing a three-year phased-in approach for commercially insured health insurance programs. Beginning fall 2013, plans may not have lifetime limits on essential health benefits and annual limits increase to \$500,000.

The Urbana-Champaign and Springfield campuses have taken steps to obtain competitive pricing and coverage meeting ACA requirements by re-bidding the student health insurance contracts.

For the Urbana-Champaign campus the Fall Semester 2013 plan will be ACA-compliant necessitating a 16 ~~21~~ percent increase for undergraduate students and a 6 ~~12~~ percent increase for graduate students. For the Springfield campus the Fall Semester 2013 plan will be ACA-compliant necessitating an 18 percent increase for undergraduate and graduate students.

The recommended student health insurance rates are as follows:

<b>LOCATION</b>	<b>ACTUAL RATE, FALL SEMESTER 2013</b>	<b>INCREASE OVER FALL SEMESTER 2012</b>
<i>Urbana</i>	Undergraduate-- <del>\$254265</del>	<u>\$3546</u> ( <u>16</u> <del>21</del> %)
	Graduate-- <del>\$328347</del>	<u>\$1837</u> ( <u>6</u> <del>12</del> %)
<i>Springfield</i>	All students--\$318	\$48 (18%)

Rates may vary for the summer session. Students needing coverage for their spouse and dependents voluntarily pay a separate charge.

The selection of the insurance carriers and final rates are subject to approval by the State Procurement Officer, the Chief Procurement Officer for Higher Education, and the Procurement Policy Board.

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.