

Board Meeting
March 13, 2007

STUDENT HEALTH INSURANCE FEES FOR CHICAGO, SPRINGFIELD, AND
URBANA CAMPUSES, FISCAL YEAR 2008

Action: Approval of Student Health Insurance Fees for Chicago, Springfield, and Urbana Campuses, Fiscal Year 2008

Funding: No Funding Required

The Chancellors at Chicago, Springfield, and Urbana recommend approval of student health insurance fees for Fiscal Year 2008. 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.

Beginning in 2004 the Chicago campus proposed the adoption of a self-funded plan to increase student benefits and contain costs. All care, with the exception of emergencies, is provided at the UIC Medical Center. All students receive the same benefit package and have the added feature of services for well child care for covered dependents under age six. Higher than anticipated costs for prescription drugs, medical

inflation, as well as increased costs for ambulance services, necessitates a 6 percent increase for FY 2008.

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. The Mega Life 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. Based on better than expected claims experience, which offsets inflationary costs, there will be no price increase necessary for either the graduate or undergraduate plans for FY 2008. Renewal options exist through 2015.

For 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. Therefore, the Springfield campus recently issued a RFP for the purchase of student health insurance, which will be brought forward at the May 2007 Board meeting. While negotiations are continuing, indications are that FY 2008 pricing will not exceed the current FY 2007 pricing.* However, Board of Trustees approval will be solicited in May should the fee be greater than shown below.

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

LOCATION	PROPOSED PREMIUM, FALL 2007	PERCENT INCREASE
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<i>Chicago</i>	All students--\$401	+6.0%
<i>Springfield</i>	All students--\$291*	0%
<i>Urbana</i>	Undergraduate--\$180	0%
	Graduate--\$256	0%

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 the Vice President for Planning and Administration concur in these recommendations.

The President of the University recommends approval.