

Board Meeting
March 14, 2019

APPROVE STUDENT HEALTH INSURANCE RATES FOR URBANA, CHICAGO,
AND SPRINGFIELD UNIVERSITIES, ACADEMIC YEAR 2019-2020

Action: Approve Student Health Insurance Rates for Urbana, Chicago, and
Springfield Universities, Academic Year 2019-2020

Funding: No New Funding Required

The Chancellors/Vice Presidents at Urbana, Chicago, and Springfield,
recommend approval of student health insurance rates for Academic Year 2019-2020.

The student health insurance rate, combined with the student health service fee, provide financial support for the health care programs that are tailored to meet the needs of the students at the universities. The universities make every effort to 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.

The Urbana and Springfield universities sought competitive proposals from commercial insurers as recently as 2015 and 2017, respectively, to underwrite their student plans. Beginning in 2004, the Chicago university initiated a self-funded student health benefit plan, *CampusCare*, to provide benefits and contain costs.

For Fall Semester 2019, the Urbana university continues to be underwritten by United Healthcare. The cost will increase by \$89 per semester (+20 percent) for undergraduate students and \$114 per semester (+20 percent) for graduate/professional students. Greater utilization of the insurance in the areas of digestive health care, prescription drug usage, and mental health claims has increased insurer costs.

For Fall Semester 2019, the Springfield university plan will again be underwritten by Academic Health/Blue Cross Blue Shield. The cost will increase by \$336 per semester (+63 percent) for both undergraduate and graduate students. The increase is attributable to a decline in enrollment in the plan without the equivalent decline in claim costs as well as an increase in mental health claims.

For Fall Semester 2019, the Chicago university proposes an increase of \$103 per semester (+18 percent) for undergraduate and graduate/professional students. The self-funded student plan has experienced losses for the past two years, driven in part by medical expenses, transgender benefits, and catastrophic cases. The current proposal represents the first increase in five years.

The student health insurance rates for 2019 and the proposed rates for 2020 are displayed below. It should be noted that despite the increases, our student health insurance rates are very competitive compared to our peer institutions, especially given the scope and breadth of the benefits provided.

LOCATION	ACTUAL RATE, FALL SEMESTER 2019	ACTUAL RATE, FALL SEMESTER 2018
<i>Urbana</i>	Undergraduate--\$544	Undergraduate--\$455
	Graduate--\$696	Graduate--\$582
<i>Chicago</i>	All students--\$673	All students--\$570
<i>Springfield</i>	All students--\$866	All students--\$530

The rates displayed are for the typical undergraduate, graduate and professional student. Rates may vary for the summer session. Students needing coverage for their spouse and/or 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 Executive Vice President and Vice President for Academic Affairs as well as the Vice President/Chief Financial Officer and Comptroller concur in these recommendations.

The President of the University recommends approval.