

Board Meeting  
May 29, 2013

APPROVE STUDENT HEALTH INSURANCE RATE FOR  
CHICAGO CAMPUS, ACADEMIC YEAR 2013-14

**Action:** Approve Student Health Insurance Rate for Chicago Campus, Academic Year 2013-14

**Funding:** No New Funding Required

The Chancellor, University of Illinois at Chicago, and the Vice President, University of Illinois and the Vice President for Health Affairs recommend approval of the student health insurance rate 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 campus. The campus consults 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.

Beginning in 2004, the Chicago campus proposed and initiated a self-funded student health benefit plan, *CampusCare*, to help increase student health benefits and contain costs. All medical care is provided at the University of Illinois Hospital and Health Science System and/or approved regional facilities; except for emergency care which is covered when necessary at other medical facilities. All enrolled students are eligible for the same benefit package.

On February 1, 2013, the U.S. Department of Health and Human Services (DHHS) published final rules related to the applicability of the Affordable Care Act (ACA) to self-funded student health insurance plans, declaring that such plans are exempted from the ACA requirements. Prior to this ruling, the student health program coverage was expanded from a \$500,000 lifetime limit to \$2.0 million per year maximum so that the health plan coverage was consistent with the ACA requirements. With the publication of the DHHS final rules indicating the self-funded student plan exemption, the *CampusCare* plan coverage limit will be reduced from \$2.0 million per year to the former \$500,000 lifetime limit.

For AY 2014 the cost will increase \$60 (14.96%) for all students. This increase will cover the costs associated with benefit plan changes endorsed by students. It was determined that the addition of the out-of-network emergency care benefit and a change in the coverage limits added in AY 2013 without a rate increase added significant costs to the program. Students desire to continue the out-of-network benefit necessitating an increase in the AY 2014 rate. In addition, a new benefit that will cover gender reassignment surgical costs as an out-of-network benefit will be introduced in AY 2014.

The recommended student health insurance rate is as follows:

<b>LOCATION</b>	<b>ACTUAL RATE, FALL SEMESTER 2013</b>	<b>INCREASE OVER FALL SEMESTER 2012</b>
<i>Chicago</i>	All students--\$461	\$60 (14.96%)

Rates vary for the summer session. 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.