



Proposed Final Student Health Insurance Program Regulations (VOTE)

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Summary of Proposed Amendments



- On October 10, 2013, this Board voted to issue draft amendments to the Student Health Insurance Program (SHIP) Regulations at 956 CMR 8.00
- Proposed amendments were generally motivated by
 - Changes to the insurance market related to the Affordable Care Act (ACA)
 - General considerations to improve student health insurance
- Proposed amendments fell into the following categories:
 - Align with the ACA, which extends requirements to self-funded SHIPs
 - Refine certain plan design requirements
 - Modify enrollment and refund rules to facilitate access to subsidized coverage
 - Change rules related to valid SHIP waivers
 - Streamline reporting requirements

Policies Underlying Proposed Amendments



- Our proposed amendments were motivated by several underlying policy goals, including
 - Maintaining parity between self-funded and fully-insured SHIPs
 - Increasing student access to affordable insurance options
 - Improving the quality of benefits covered by SHIPs
 - Keeping SHIP affordable for students
 - Easing the administrative burden on schools of operating a SHIP
- These general policy goals motivated our responses to public comments and testimony that we received regarding the proposed amendments, addressed in the following slides

Public Comments and Testimony



- The Health Connector received written comments on the proposed amendments from October 15, 2013 to November 15, 2013
- On November 19, 2013, the Health Connector held a public hearing and received oral and written testimony
- Input came from a wide variety of stakeholders
 - Schools
 - Carriers
 - Advocates
 - Brokers
 - A state Representative

Public Comments and Testimony (cont'd)



- Comments were generally positive and praised many of the amendments
 - Increased access to subsidized coverage through the Health Connector and MassHealth
 - Aligning the cost-sharing requirements of SHIPs to the Health Connector’s Minimum Creditable Coverage standard
 - Incorporating required benefits and other protections contained within the Affordable Care Act
 - Other changes which worked to ensure that the cost of health insurance does not prevent students from accessing higher education
- Other comments suggested removing or changing the proposed amendments, or other changes to the regulations
- The following slides address comments received that either prompted the Health Connector to alter the regulations or otherwise carefully consider the commenter’s recommendation, even if we did not ultimately adopt the recommendation

Public Comments and Testimony (cont'd)



<u>Public Comments</u>	<u>CCA Response</u>	<u>Reason(s)</u>
Clarify the scope of required benefits SHIPs must offer	New definitions added for “Essential Health Benefits Benchmark Plan”; new amendments made to Required Benefits provision	The scope of required benefits needed to more clearly reflect that all SHIPs must cover Essential Health Benefits in a manner consistent with federal law
Clarify services that may be covered by Student Health Services (SHS) as in-network	No action taken	SHS varies widely by school and therefore by SHIP; important to maintain flexibility in plan design
Do not increase period after losing coverage, and thereby becoming eligible for SHIP, from 30 to 60 days	No action taken	This is consistent with Marketplace rules; it will decrease gaps in coverage by giving students more time to enroll in a SHIP before the period ends

Public Comments and Testimony (cont'd)



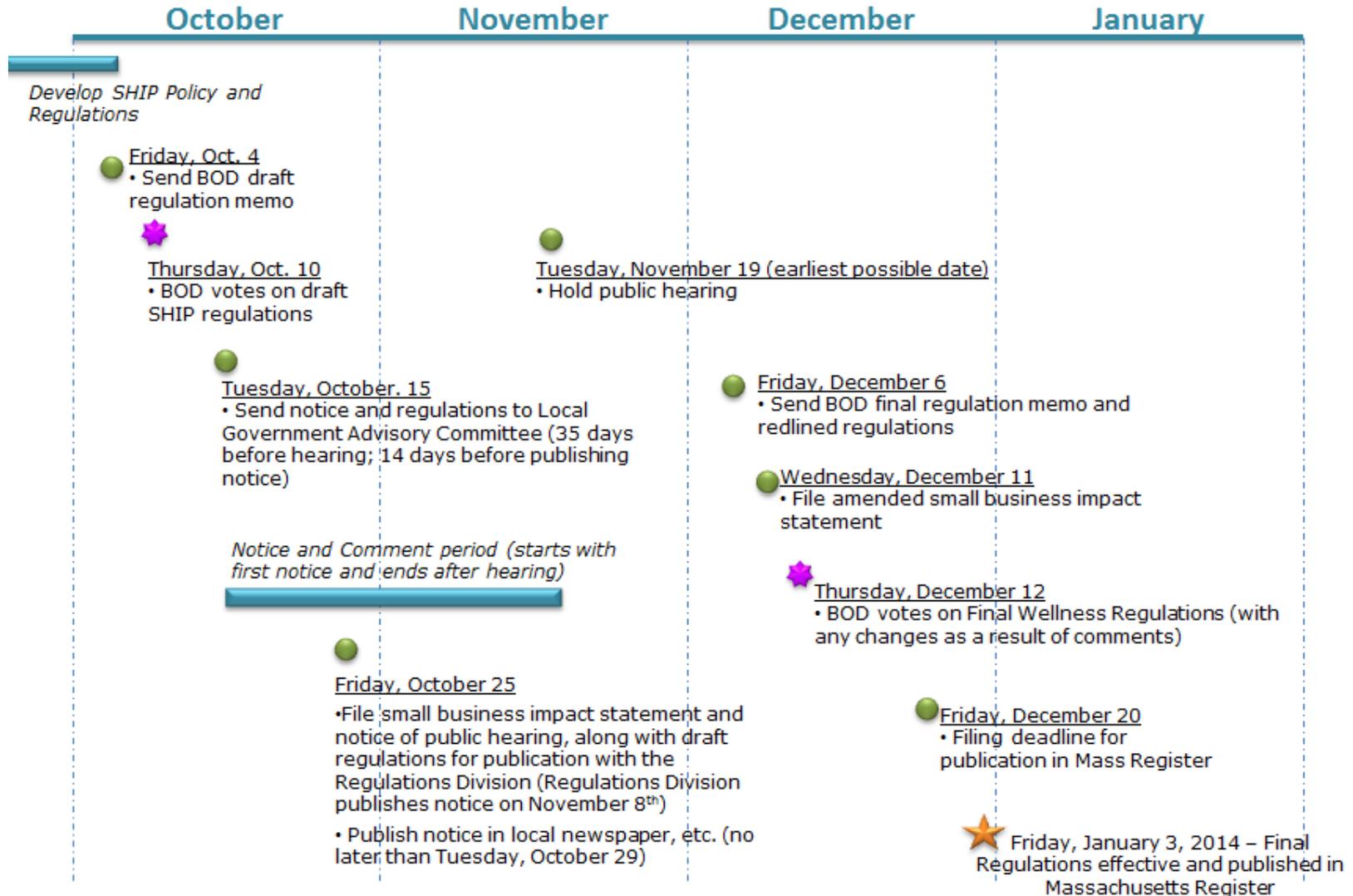
<u>Public Comments</u>	<u>CCA Response</u>	<u>Reason(s)</u>
Require prorated premium refunds where student newly eligible for subsidized insurance or MassHealth	Added by-term premium refund for students eligible for subsidized insurance or MassHealth	Fair to students with changing circumstances; facilitates access to subsidized coverage; makes access to higher education more affordable
Do not require prorated premium refunds	No action taken	Premium refunds only available in limited circumstances; fair to students with changing circumstances
Require SHIPs to offer dependent coverage	No action taken	SHIP market uniquely tailored and rated for students; preserve flexibility for schools to allow dependent coverage, but not require it; consistent with federal treatment of issue
Add cost-sharing limit matching MCC cost-sharing to comparable coverage standard	No action taken	Comparable coverage standard seeks to balance student choice and flexibility with the need for minimum quality coverage; current text strikes the best balance by requiring coverage of certain services, but not being overly prescriptive in plan design

Public Comments and Testimony (cont'd)



<u>Public Comments</u>	<u>CCA Response</u>	<u>Reason(s)</u>
Do not permit schools to group SHS fees in with insurance premiums	No action taken	How schools bill for SHS and insurance is an issue best resolved by schools, carriers and brokers
Require schools to disclose insurance information separately and 45 days prior to registration	No action taken	Current regulations grant sufficient time (at least 30 days) for students to assess their coverage options; do not want to increase administrative burden on schools with separate mailing requirement
Designate health sharing ministries as comparable coverage	No action taken	Where such arrangements satisfy the comparable coverage standard, students and schools may use them to waive SHIP; otherwise, waiver is not appropriate
Allow electronic waivers and designated representatives to conduct waiver process	Regulations amended to allow each	These changes clarify that, while not previously prohibited, schools may utilize technology and designated representatives, easing any administrative burden posed by conducting a waiver process

SHIP Regulations Timeline



Proposed Board Motion



Health Connector staff recommend that the Board issue the amended Student Health Insurance Program regulations: 956 CMR 8.00 as proposed.