Student Health Insurance Program Update

MARIA JOY DAWLEY
Senior Product Manager, Health and Dental Plans, Massachusetts Health Connector

DAVID GRECO
Director of Third Party Liability and Premium Assistance, MassHealth

COLLEEN MURPHY
MassHealth Premium Assistance Project Lead, UMass Medical School Center for Health Care Financing

Board of Directors Meeting, July 12, 2018
Today’s Discussion

Today we will present to the Board this year’s renewal of public Student Health Insurance Plans (SHIP) and an update on the SHIP MassHealth Premium Assistance program.

- For Academic Year (AY) 2018/19, the Health Connector negotiated renewals with premium increases below forecast for the Commonwealth’s public institutions of higher education: 16 Community Colleges, nine State Universities and four (out of five) University of Massachusetts (UMass) campuses.

- In addition, we will provide an update on the SHIP MassHealth Premium Assistance (PA) program, a joint Health Connector and MassHealth effort:
  - The PA program established a partnership with institutions of higher education to facilitate enrollment in SHIPs for MassHealth enrollees that provides students with access to broader commercial networks and benefits at a savings to the Commonwealth.
  - At the close of AY 2017/18, approximately 31,800 students were enrolled in the SHIP PA program.
Background and Academic Year 2018/19 Renewal Negotiations
Massachusetts has required students enrolled in higher education programs to be covered by health insurance since 1989 – one of the country’s first individual mandates.

Under this requirement, every school (both public and private, fully insured and self-funded) in Massachusetts must offer a SHIP which is only available to the school’s students and is outside of the Commonwealth’s merged individual and small group market.

Since the implementation of the Affordable Care Act (ACA) in 2014, fewer students were enrolling in SHIPs, likely due to the availability of insurance options through MassHealth and the Health Connector.

Colleges and universities are required to allow students to waive SHIP if they are enrolled in subsidized coverage through the Health Connector, or in MassHealth if the school does not participate in the PA program.

The SHIP MassHealth PA program was introduced in Fall 2016 as a way to allow MassHealth-eligible students to remain with their peers in SHIPs while accessing Medicaid benefits.

Since the introduction of the SHIP MassHealth PA program, the public colleges and universities’ SHIP enrollment has increased significantly.
Public college and university premium changes for Academic Year 2018/19 range from zero to ten percent.

- For the 2018/19 renewal period, the Health Connector’s actuary forecasted potential renewal ranges expected from Blue Cross Blue Shield of Massachusetts (BCBSMA) based on each segment’s claims experience and loss ratios
  - This analysis predicted premium increases of up to 15%
- Final renewal negotiations resulted in most schools receiving renewals below the forecasted increases
  - There were no renewals greater than 10%
  - No schools elected to make modifications to their plan designs for AY 2018/19

<table>
<thead>
<tr>
<th></th>
<th>UMW*</th>
<th>UMD</th>
<th>UML</th>
<th>UMB</th>
<th>MASU</th>
<th>MACC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current AY 17/18 Annual Premium**</td>
<td>$4,207</td>
<td>$2,168</td>
<td>$1,568</td>
<td>$2,075</td>
<td>$2,755</td>
<td>$1,712</td>
</tr>
<tr>
<td>Chief Actuary Predicted % Increase</td>
<td>7.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>7.9%</td>
<td>8.4%</td>
<td>14.9%</td>
</tr>
<tr>
<td>Actual % Change Compared to Current</td>
<td>3.6%</td>
<td>0.0%</td>
<td>2.9%</td>
<td>5.0%</td>
<td>8.3%</td>
<td>9.8%</td>
</tr>
<tr>
<td>Actual $ Change Compared to Current</td>
<td>$151</td>
<td>$0</td>
<td>$46</td>
<td>$103</td>
<td>$230</td>
<td>$167</td>
</tr>
<tr>
<td>Final Annual Premium AY 18/19**</td>
<td>$4,358</td>
<td>$2,168</td>
<td>$1,614</td>
<td>$2,178</td>
<td>$2,985</td>
<td>$1,879</td>
</tr>
</tbody>
</table>

*UMass Worcester (UMW), UMass Dartmouth (UMD), UMass Lowell (UML), UMass Boston (UMB), State Universities (MASU), Community Colleges (MACC)

**Premiums shown are inclusive of all fees (broker, Health Connector, travel assistance, and UMD and UML’s school-specific fees)
MassHealth Premium Assistance for SHIPs
Premium Assistance is a MassHealth program designed to provide a cost-effective way of delivering benefits to MassHealth members who have access to private insurance by assisting with payments for their private coverage.

- Enrollment in MassHealth Premium Assistance is mandatory for those eligible for the program.
- MassHealth’s purchasing of private insurance helps ensure that MassHealth is the payor of last resort, as required by federal law, as the private insurance becomes the primary payor of services.
- Eligibility for MassHealth PA is determined based on the individual’s MassHealth coverage type and the type of private health insurance that the individual is enrolled in or has access to, including whether it is cost effective to purchase.
- Under the SHIP PA program led by MassHealth, the Health Connector, and EHS, Massachusetts students are able to maintain their Medicaid benefits while enrolling in their schools’ SHIP health plans.
- Students enrolled in the SHIP PA program maintain their MassHealth premium and benefits/cost sharing for MassHealth covered services, while also being able to access broader networks and services at the SHIP health plan’s cost sharing levels.
The SHIP PA program launched for Fall 2016 in collaboration with MassHealth, the Health Connector and the public colleges and universities.

- The public institutions of higher education were targeted in the pilot year because of the high number of students accessing MassHealth

- The program began in June 2016 for AY 2016/17 enrollment, with approximately 5,000 public college and university students enrolled in the first year

- The SHIP PA launch included a number of operational efforts:
  - Business process and system development for colleges and universities and the three third-party administrators (TPAs) (Gallagher Student Health, University Health Plans and Consolidated Health Plans)
  - College and university communication, outreach, and education, and establishment of a toll-free customer service MassHealth SHIP PA line dedicated to helping students in the MassHealth SHIP PA program

- Student and school administrator feedback in the first year of the program was largely positive but highlighted the need for increased communication and education, particularly regarding coordination of benefits
Beginning in AY 2017/18, enrollment in the SHIP PA program was mandatory for eligible students, significantly increasing the number of enrollees in the program.

- In the first year, enrollment in the SHIP PA program was optional for eligible students with MassHealth.
- Beginning in AY 2017/18, enrollment in the SHIP PA program was mandatory for MassHealth members at participating schools.
- Systems updates were implemented to address mandatory enrollment and enhanced reporting and matching capabilities.
- Marketing and educational materials were developed, with a focus on coordination of benefits to support students in using both their MassHealth coverage and their school’s SHIP.
Forty-eight private colleges and universities joined the MassHealth SHIP PA program in AY 2017/18.

- The three TPAs (Gallagher Student Health, University Health Plans and Consolidated Health Plans) serving the public colleges and universities were key partners in the launch of the MassHealth SHIP PA program.
- A fourth TPA, UnitedHealth StudentServices, joined the SHIP PA program for AY 2017/18.
- With the support of these TPAs, the SHIP PA program expanded beyond the 30 public schools to 48 private schools, for a total of 78 participating colleges and universities for Fall 2017.
- At the close of AY 2017/18, approximately 31,800 students were enrolled in the SHIP PA program, about 10,000 higher than initially projected.
The SHIP MassHealth Premium Assistance program enrollment grew significantly in its expansion under mandatory enrollment and with additional participating private schools.

- Enrollment in the PA program grew to approximately 31,800 students
  - 90% were full-year enrollees and 10% were spring semester-only
  - 41% were Community College students
  - 43% were State University and UMass students
  - 16% were private school students
- Approximately 84% of enrollees were public school students
- There were 30 public and 48 private participating schools for AY 2017/18. Private school participation is increasing to 51 for AY 2018/19
SHIP Premium Assistance: AY 2018/19

**Premium Assistance activities in Spring 2018 include improvements through systems upgrades, outreach and education to schools, and preparation for Fall 2018 enrollment.**

- Continued focus on enhanced communications and coordination of benefits education to improve students’ and schools’ understanding of PA program
- Continued availability of cost-share wrap for in-network BCBS providers not in MassHealth network
- Streamlining and simplifying eligibility checks to alleviate administrative burden on participating schools’ administrative processes
  - Trigger continuous MassHealth eligibility protection by a single check performed not more than 30 days prior to policy effective date, without need for second check when SHIP policy starts
  - Web Service System upgrade for smoother and faster data interface with third party administrators
- Data analysis of first full year as mandatory program to determine impacts on SHIP and MassHealth programs
Appendix
# AY 2018/19 Plan Design Summary

**In-Network**

<table>
<thead>
<tr>
<th>Service</th>
<th>UMW*</th>
<th>UMD</th>
<th>UML</th>
<th>UMB</th>
<th>MASU</th>
<th>MACC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deductible</td>
<td>$0/$250 OON</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$0</td>
<td>$250</td>
</tr>
<tr>
<td>Co-insurance</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>OOPM</td>
<td>$4,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>ER</td>
<td>$25</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$25</td>
<td>$150</td>
</tr>
<tr>
<td>Inpatient Hospital</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Primary Care</td>
<td>$10</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$15</td>
<td>$30</td>
</tr>
<tr>
<td>Specialist</td>
<td>$10</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$15</td>
<td>$30</td>
</tr>
<tr>
<td>MH/SA Outpatient</td>
<td>$10</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$15</td>
<td>$30</td>
</tr>
<tr>
<td>Imaging</td>
<td>100%</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>Rehab ST/OT/PT</td>
<td>$10</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$15</td>
<td>$30</td>
</tr>
<tr>
<td>Lab Outpatient</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>X-Rays</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Outpatient Facility</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Outpatient Surgery</td>
<td>100%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Rx-Retail-30 Days</td>
<td>$10/$20/$35</td>
<td>$15/$30/$50</td>
<td>$15/$30/$50</td>
<td>$15/$30/$50</td>
<td>$10/$20/$30</td>
<td>$20/$40/$60</td>
</tr>
</tbody>
</table>

*UMass Worcester (UMW), UMass Dartmouth (UMD), UMass Lowell (UML), UMass Boston (UMB), State Universities (MASU), Community Colleges (MACC)

Copayment amounts show student cost-sharing, while coinsurance amounts show the amount paid by the plan.
Sample Communications

Do you have MassHealth coverage?
If so, you will be required to enroll in your school’s Student Health Insurance Plan (SHIP) at no additional cost to you.

As part of your school’s insurance waiver process, your MassHealth will be reviewed to see if you qualify for participation in the MassHealth Premium Assistance Program. If you qualify, you will be automatically enrolled into your school’s SHIP, and MassHealth will pay for your SHIP premium.

You’ll get more benefits, without paying more
Through the MassHealth Premium Assistance program, you’ll pay the same amount that you do now, but you’ll also get:
- A greater choice of providers when you need healthcare services. You can use any of the providers in your school’s SHIP plan network, with no referrals necessary.
- Pay the same MassHealth fee or co-pay when you see an in-network SHIP plan provider.
- Be covered when you’re in other states or anywhere around the world if you’re traveling.

How to get started
- Make sure you enter your 12-digit MassHealth ID number when you fill out information on your school’s waiver form.
- You can find your MassHealth ID number on your MassHealth ID card.

What’s next?
After you submit your information through your school’s waiver process, you will be emailed updates about the status of your submission. If you are eligible, MassHealth will mail you a letter to verify that you have been enrolled in the MassHealth Premium Assistance program.

Questions?
If you have questions about your eligibility for the Premium Assistance program, call MassHealth Premium Assistance at 1-855-273-5903.

Frequently Asked Questions

What are the benefits of this program?
Being covered by both a SHIP plan and MassHealth will give you access to a larger network of providers than just MassHealth providers. You will also have coverage for services out of state and out of country.

Will I lose my MassHealth coverage or access to other MassHealth covered services?
No, you will not lose your MassHealth coverage. In fact, if enrolled in Premium Assistance, you will maintain continuous MassHealth coverage for the duration of the SHIP policy. Premium Assistance is to pay for your SHIP premium. MassHealth covered services are not affected.

Will there be any changes to my MassHealth coverage when I enroll?
The same MassHealth covered services will continue, but you may get them at a lower cost. For example, if you’re enrolled in a MassHealth managed care plan (like BMC Health Net, Tufts Health Plan, or a new MassHealth ACO), your school’s SHIP plan will pay your primary plan. This means the SHIP plan will pay your bill, but all covered by MassHealth, you no longer be covered by MassHealth managed care plan. MassHealth will still pay for those covered services not covered by the SHIP plan and for the out-of-pocket costs you incur while on the SHIP plan up to what you would be responsible for under MassHealth.

What do I need to tell a provider when I get services?
Tell them you have both SHIP and MassHealth. You need to show both ID cards to providers to coordinate benefits and submit both to SHIP and MassHealth.

What IF I am a provider who is not covered through MassHealth?
If you are a provider who is not covered through MassHealth, you may not bill MassHealth for services. However, if you do bill MassHealth, your payment will be reduced based on the MassHealth allowed fee. You may need to check with MassHealth to see if the provider is in-network.

Is the program going to cost me more money?
No, you should not pay anymore than you currently pay under MassHealth when receiving MassHealth covered services.

How long will Premium Assistance be in student health plan last?
MassHealth Premium Assistance will pay for your entire annual SHIP premium if you enroll in the fall, or for the entire spring semester premium if you’re newly enrolled at your school in the spring.

When will my MassHealth coverage change if I don’t enroll in this program?
If you do not enroll in a MassHealth plan, you will not be covered for the duration of the SHIP policy. If you are required to test but do not test for the SHIP plan, you will have your MassHealth coverage.

Can I get a family health plan through this program?
Yes, you can get a family health plan through this program. If you have other family members who also have MassHealth, your enrollment in the SHIP plan will not affect your family members’ MassHealth coverage.

What if my income goes up because of an internship or a part-time job, so how many MassHealth?
If your income changes, you may need to recertify your income. You will be notified if you need to recertify your income.

How will I enroll in the Premium Assistance Program?
Just follow the waiver process for your school’s health insurance, provide your MassHealth information on the waiver form, and your information will be reviewed for program eligibility and enrollment.

What if I have more questions?
Please contact MassHealth Premium Assistance at 1-855-273-5903 if you have more questions.