

International Students Health Insurance Concerns

Authorization

AP 5012 International Student Admission and Enrollment Requirements

*A. Mt. San Antonio College may issue a Certificate of Eligibility for Nonimmigrant Student Status I-20 to an international student to obtain a Student Academic Visa (F-1) after the student has: ...
provided proof of current medical insurance from an approved company*

Federal Requirements

Federal Regulations (Immigration Law and Procedure) indicate that a “student seeking admissions to the United States present the I-20 certificate to the consul. The I-20 certificate specifies that the proof of support must include tuition and fees, living expenses, and other designated expenses.” Common interpretation of “other designated expenses” includes mandatory health insurance. Additionally, the new U.S. Law Affordable Care Act (ACA) not only affects all U.S. citizens but international students as well. College students must now buy minimum essential health coverage.

Rationale and History

The International Students Program has conducted research over the years as to how to provide better health care coverage for international students. We have experienced a few catastrophic situations in which non-domestic health insurance was insufficient. In assessing what other community colleges do, we determined that requiring students to utilize a district-approved vendor would be the prudent thing to do – both in terms of providing adequate coverage and in assuring that students complied with this requirement.

Therefore, in 2013, the International Students Program negotiated a contract with Student Insurance Company. Student Insurance is already established as a student insurance provider for the college so the college has history with this company. Additionally, research showed that this company had similar/identical plans in place with the same rates at other community colleges.

Three board agenda items were approved (2013, 2014, 2015) to contract with Student Insurance as the company to provide health insurance for international students. The following statement was included in the agenda background for 2013 and 2014: *“With approval of this agreement, all F-1 international students would be required to purchase their health insurance through Student Insurance to be eligible for admission to Mt. San Antonio College.”* This statement was amended for the 2015 board agenda item to add *“unless other exceptions for coverage have been approved.”*

Student Insurance History

	2013-14	2014-15	2015-16	2016-17
Coverage dates	8/4/13 – 8/3/14	8/1/14 – 7/31/15	8/1/15 -- 7/31/16	6/1/16 – 7/31/16 summer
Number enrolled	266	85*	523	30

*rates jumped by \$698 in one year – 48% increase!

Cost of Coverage

	2013-14	2014-15	2015-16	2016-17
Annual premium	\$1,434	\$2,132	\$1,585	\$1,351
Semiannual premium	\$670	\$1,066	\$793	\$675.50
Summer (2 months)				\$268,00 (new)
Maximum benefit	\$500,000	Unlimited	Unlimited	\$500,000*
Deductible	\$75 (waived with health center referral)	\$0	\$100 (per policy year)	\$0
Co-pay	\$25	\$15	\$15	\$20

*by paying \$10/month additionally, maximum benefit increases to \$1,000,000

Policy costs in 2014-15 rose dramatically as Student Insurance anticipated the implementation of the Affordable Care Act. The amount of the increase appeared to be unjustified, or at least miscalculated, as rebates were later attempted to be provided to students. The 2016-17 proposed rates are lower for the annual premium than the origination year of 2013-14 and only \$5.50 more for the semiannual premium.

Claim Information – Student Insurance History

	# Claims	Paid Claims	# students utilizing plan	3 or more visits
2014-15	148	\$36,666	20 out of 85 23% usage	13
2015-16	248	\$258,292	48 out of 523 9% usage	30

Comparative Research

Research was conducted in March of 2013 with colleges who responded to our query. In addition to the rate comparison, International Students Program staff queried other colleges about their experience working with Student Insurance in 2013. All comments were very positive about their follow through and customer service.

The following colleges used Student Insurance with the same annual cost of \$1,434:

Cerritos

Coastline

College of the Desert

Fresno

Las Positas

Merced

Moorpark

Santa Ana

Updated comparative research was conducted for 2015-16 rates (as shown below).

International Student Insurance Options

<u>College</u>	<u>Insurance Provider</u> [2013-14]	<u>Insurance Provider</u> [2015-16]	<u>COST</u> [2015-16]	<u>Coverage</u> <u>rate</u>
Mt. San Antonio College	Student Insurance	Student Insurance	\$1,585 per year <i>[\$1,351 per year 2016-17]</i>	Full Coverage
Cerritos College	Student Insurance	Student Insurance	\$7,630 per year	
Chaffey College		Ascension Benefits & Insurance Solutions	\$1,260 per year	Full Coverage
Citrus College		Anthem Blue Cross Ascension	\$1,224 per year	Full Coverage
Coastline	Student Insurance	Ascension	\$660 semi annual \$1,320 per year	
College of the Desert	Student Insurance	Ascension		
Cypress College		Ascension Collegiate Solutions	\$1,320 per year	Full Coverage
Fresno	Student Insurance	Student Insurance		
Fullerton College		Anthem Blue Cross Ascension	\$1,320 per year	Full Coverage
Merced	Student Insurance	Student Insurance	\$1,605 per year	
Moorpark	Student Insurance	No contract		
Pasadena City College		Blue Cross of California	\$1,080 per year	

		Ascension		
Santa Ana College	Student Insurance	Ascension	\$1,488 per year	
Santa Barbara City College		Ascension	\$1,250 per year	
Santa Monica College		Ascension	\$1,200 per year + \$200 for first time use.	

Implementation

The “mandated” requirement to purchase from Student Insurance has been somewhat phased in. For example in 2013-14, the requirement was for all new students and other interested students to purchase from Student Insurance as some continuing students already had an insurance vendor. In 2014-15, because of the steep rate increase (48%) many students did not purchase the health insurance and the college did not take any actions against students. This disproportionate rate increase was not shared with us in advance by Student Insurance. However, many months after, Student Insurance rebated a portion of this steep increase back to students. This demonstrates that Student Insurance over-charged our students.

By 2015-16, communication with students has been much clearer regarding the requirement to either purchase directly from Student Insurance or provide proof of another domestic insurance carrier. Students were allowed to register without proof of insurance as we did not want to jeopardize their enrollment.

Payments

Students pay after enrolling. Students were allowed to register for classes first. Student Insurance attends the orientation and does a presentation about coverage/benefits. They also take sign ups during orientation. For students who don't sign up, they received 3-4 notifications reminding them to purchase Student Insurance before the deadline.

Beginning in Spring 2016, students who failed to enroll with Student Insurance or provide proof that they had domestic coverage were told that a “hold” would be placed on their records. Student Insurance established a deadline of March 1, 2016, to purchase semi-annual (6 months) coverage. Confusion emanated from the fact that Student Insurance did not hold to the March 1, 2016 deadline. Rather, they continued to accept insurance payment (semi-annual) through May 20, 2016. Student Insurance accepted late enrollments because 1) students hadn't signed up before the deadline, 2) students finally had the money to pay for coverage, 3) the college didn't accept what the student provided as proof of insurance.

Once students provided proof, the hold was released. Students who transferred at the end of spring 2016 had their holds removed so that they could send transcripts and their SEVIS records could be transferred.

Students have been reminded that they must purchase insurance for fall 2016. Student Insurance offers coverage for the summer only to new incoming students.

Exceptions

Students who have domestic insurance and provide proof are granted an exception. Waivers may also be granted for those individuals who are insured through government or embassy-sponsored plans.

Difficulties with Student Insurance 2015-16

This semester there were issues with the Student Insurance website. Students weren't able to sign up online because their website had technical issues. It took over a month before their website was fixed. While this was going on, students had to call or fax their enrollment information to Student Insurance. Students also complained that they can only purchase the annual or semi annual plan. In other words they don't have the option to pay monthly or make payments. The lump some of \$1,585.00 or \$793.00 is due at the time of signing up. This makes the upfront costs difficult for students who must pay for tuition, enrollment fees, books and housing deposits simultaneously. Students have requested health plans with a monthly payment schedule or the option to choose a plan that would be acceptable by the college.

Recommendation

After an analysis of the participation rates, claim rates, and premium costs, it is recommended that the college seriously consider an insurance plan other than with Student Insurance. Out of 523 students who paid Student Insurance premiums, only 9% (48) filed a claim for service. Based on the age of our student population and their overall health records and their access to health clinics on campus, we believe that the Student Insurance plan is no longer advisable.

The majority of local colleges have switched to Ascension. We are awaiting a proposal from Ascension. We have received quotes and rates from ISO and IPO.

Other Vendors

Quotes were received from two other vendors. Ascension would not provide a quote as they required more extensive information than we were able to provide.

	Student Insurance				ISO			
	ISP Basic	ISP Plus	ISP Preferred	Basic Plan	Enhanced Plan	ISO Care	ISO Share	
Rates	\$54.90 Under 25 \$83.70 (25-30)	\$79.20 Under 25 \$111(25-30)	\$90.30 under 25 \$111 (25-30)	\$39/mo	\$48/mo	\$68 under 25 \$98 under 30	\$58 under 25 \$89 under 30	
\$1,351 annual \$675.50/semi annual	\$658.80 - \$1,004.40 annual	\$950.40 - \$1,332 annual	\$1,083.60 - \$1,332 annual	\$468 annual	\$576 annual	\$816 - \$1,176 annual	\$696 - \$1,068 annual	
Maximum Benefits	\$500,000	Unlimited	unlimited	\$125,000	\$500,000	Unlimited	unlimited	
Deductible	\$0	\$100/year	\$50/year	\$400	\$250	\$500 annual	\$1250 annual	
Co-pay	\$20	\$30/physician \$100/emerg	\$20/physician \$150 emerg	25%	20%	20%	20%	