



Admissions & Records  
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## MEMORANDUM

Date: May 20, 2015

To: Audrey Yamagata- Noji

From: Patricia Montoya, Assistant Director, Admissions & Records

Subject: Student Insurance

We first contracted with Student Insurance, for International Students, in 2013-2014, effective for Fall 2013. Student Insurance was chosen, because the college already contracted with Student Insurance for Accident Insurance, Student Athletes, and various other groups on campus. (We basically did not review any other company. The discussion had already occurred between Karen Saldana and Sandy Samples).

At that time, I conducted a brief survey at your request which I have attached. The survey indicated that colleges which colleges required students to directly pay Student Insurance. At those colleges, students who failed to pay had holds placed on their records.

It was decided that we would have Mt. SAC student pay directly to Student Insurance and not included it in their fees.

The rates for Student Insurance were as follows:

<b>2013-2014</b>	\$1,434	Annual Premiums
	670	Semi Annual

A representative came to orientation and assisted students with sign-ups and collected their enrollment forms. Students who did not enroll at orientation were sent 1-2 follow up letters reminding them to enroll. Students who had already purchased insurance or had domestic coverage were told to provide proof of coverage. If proof was provided they were exempt. This exemption was based on an email dated 02/20/2013 students would be exempt on a case by case basis. For example, students who are on a scholarship from the Royal Embassy of Saudi Arabia (SACM) provide students with a full and comprehensive health insurance (medical and dental) with no deductible to students and families. As per the Financial Guarantee, SACM expects a waiver for any imposed additional school sponsored health insurance charge.

For 2014-2015, I was notified by Student Insurance that the premiums would raise substantially. The following are the current year rates:

**2014-2015**                      \$2,132    Annual Premiums  
    1,066    Semi-Annual

The rise was due to the Affordable Care Act (ACA). Student Insurance is the only company that offers medical coverage for International Students that is ACA compliant and is endorsed by the Community College League of California (CCLC),

Student Insurance attended the orientation for Spring semester 2015 however enrollment at orientation was down. Students complained about the cost and how the coverage at their other campuses was cheaper. A common carrier is ISO Student Health Insurance, a common company used by local campuses such as Citrus and Chaffey College. Students again were told that Student Insurance is mandatory and they must enroll.

Due to the increase in student enrollment, the demands of Admissions and Records, and the implementation of ISSM are follow through was limited.

Estimated rates for **2015-2016** are as follows:

\$ 1,625    Annual Premiums  
                  816    Semi Annual

Concern for Fall 2015 is that tuition is being increased from \$217 to \$227. If the cost of insurance is included in their fees, students will be expected to pay approximately \$8,358 to \$9,983 a year. We are concerned that we might lose students due to the rising cost of fees.

I would like to recommend that an updated evaluation plan of medical plan costs for international students be conducted as well as an "exemption" process. Additionally, I recommend that Admissions works closely with Risk Management and Health Services to develop a process that ensures all students are covered by the college's contracted Health Insurance.

### Comparison Rates

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16 proposed</b>
Annual	1,434	2,132	1,625
Semi-Annual	670	1,066	816
<i>Difference</i>		+ \$698 annual (48%) + \$396 semi-annual (59%)	+ \$191 over 2013-14 annual -\$507 from 2014-15 annual + \$146 over 2013-14 semi-annual -\$250 from 2014-15 semi-annual;