



Student Health Insurance Program Update

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Today's Discussion



Today we will be presenting to the Board this year's Health Connector-facilitated renewal of public Student Health Insurance Programs (SHIP) and the launch of the SHIP MassHealth Premium Assistance pilot program.

- For Academic Year (AY) 2016/2017, the Health Connector facilitated securing modest and lower-than-forecasted renewal increases 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, the Health Connector has been working with MassHealth and the Executive Office of Health and Human Services (EHS) to launch a pilot program with the public institutions of higher education to facilitate access to SHIP health plans for MassHealth enrollees that will provide students with access to broader commercial networks and benefits at a savings to the Commonwealth



**Academic Year 2016/2017
Renewal Negotiations**

Student Health Insurance in Massachusetts



- 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
- All full- and part-time students must participate in their school’s SHIP or else waive participation by demonstrating “comparable coverage,” as defined by the regulations
- Colleges and universities are required to allow students to waive SHIP if they are enrolled in MassHealth or in subsidized coverage through the Health Connector
- Since access to financial assistance under the Affordable Care Act (ACA) expanded, enrollment in SHIPs has been decreasing

Academic Year 2016/2017 Negotiations



- Last year, the Health Connector completed a procurement for AY 2015/2016, resulting in most schools realizing a premium rate decrease for the same or similar level of benefits
 - All schools selected Blue Cross Blue Shield of MA (BCBSMA) as their carrier under this procurement
- For the 2016/2017 year renewal period, the Health Connector worked with Oliver Wyman to benchmark and review renewals and forecast the potential renewal ranges expected from BCBSMA based on each segment’s claims experience and loss ratios
 - This analysis predicted premium increases ranging from approximately 10 – 50%
 - Final renewal negotiations resulted in rate increases for each school, but at lower-than-predicted levels, ranging from 4 – 10%

	UMW*	UMD	UML	UMB	MASU	MACC
Current AY 15-16 Annual Premium	\$3,702	\$2,061	\$1,290	\$1,920	\$2,292	\$1,536
Oliver Wyman Predicted % Increase	21.90%	9.60%	13.80%	16.80%	50.60%	18.10%
Actual % Change Compared to Current	4.00%	3.98%	9.69%	5.99%	9.55%	6.05%
Actual \$ Change Compared to Current	\$148	\$82	\$125	\$115	\$219	\$93
Final Annual Premium AY 16-17	\$3,850	\$2,143	\$1,415	\$2,035	\$2,511	\$1,629

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

- BCBSMA has expressed uncertainty regarding future favorable renewals as the SHIPs are experiencing steep declines in enrollment

A large, stylized white cross is centered on a light green background. The cross is composed of four thick, rounded arms that meet at the center. The background is a solid light green color.

MassHealth Premium Assistance for SHIPs

Medicaid Expansion and SHIPs



Since the implementation of the ACA in 2014, fewer students have been enrolling in SHIPs, likely due to the availability of low- or no-cost insurance through MassHealth and the Health Connector.

- Prior to 2014, students aged out of MassHealth at age 19 and were not eligible for the Health Connector's Commonwealth Care program if they were eligible to enroll in a SHIP
 - Commonwealth Care was the Health Connector's subsidized health insurance program prior to the ACA; the Health Connector's current comparable program is ConnectorCare
- There has been a significant decline in SHIP enrollments since enactment of the ACA; many students have enrolled in coverage offered by MassHealth or the Health Connector

	AY 2013/2014 SHIP Student Enrollment	AY 2014/2015 SHIP Student Enrollment	% Change
UMass (4/5 Campuses)	10,069	7,889	-21.65%
Community Colleges	8,234	4,634	-43.72%
State Universities	4,476	3,061	-31.61%

New Tool to Support SHIP Market: Premium Assistance



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.

- 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 Premium Assistance 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
- Under the pilot program led by the Health Connector, MassHealth and EHS, Massachusetts students will newly be able to access Medicaid benefits while enrolling in their schools’ SHIP health plans
- Students enrolled in the pilot will maintain their MassHealth premium and benefits/cost sharing for MassHealth participating services/providers, while also being able to access broader networks and services at the SHIP health plan’s cost sharing levels

Premium Assistance Pilot: Target Population

- The public institutions of higher education (the nine State Universities, 15 Community Colleges and Quincy College, and the entire UMass system) will be targeted in the pilot year because of the high number of students accessing MassHealth
- In the 2015/2016 school year, there are approximately 21,000 students from public institutions who “waived” out of the SHIP requirement due to their MassHealth enrollment
 - This population is potentially larger as there are some students who did not identify as MassHealth enrollees but simply waived out for being enrolled in a MassHealth Managed Care Organization
 - 68% of this population is age 18-25
- The pilot program launched June 1 for the Community Colleges and students are actively enrolling, thus far, at a rate of approximately 35%
- Students enrolled at private institutions could take advantage of this program in subsequent years



Premium Assistance Pilot: Program Value and Benefits



- Benefits to Students
 - Access to private insurance affords students a wider network of providers at a Platinum or Gold cost-sharing level (e.g., additional mental health coverage through the Blue Cross PPO network and out-of-state and out-of-country coverage)
 - Students in the Premium Assistance program will maintain their MassHealth premium and will maintain MassHealth benefits at MassHealth cost sharing levels when they visit a provider participating in the MassHealth and SHIP carrier networks
- Benefits to Schools
 - SHIP enrollment will increase, stabilizing premiums over time
 - The overall cost to attend a public college or university will be kept affordable
 - Enrollment/waiver processes will be streamlined if all schools use the Third Party Administrators' (TPA) online systems
- Benefits to Commonwealth
 - MassHealth financial modeling team projects a savings of \$164 per month, or \$1,969 per year, for each student enrolled in the SHIP

How will the Premium Assistance pilot program work?



Workflow Overview

1. Student is accepted to and enrolls in school for the fall semester
2. Student receives tuition bill inclusive of SHIP premium with instructions on how to enroll or waive the SHIP plan
3. Student logs on to TPA online enrollment system. MassHealth-enrolled students are prompted and educated about benefits of the Premium Assistance (PA) program if they enroll in SHIP
4. MassHealth student elects SHIP plan
5. TPA transmits student elections to MassHealth
6. MassHealth verifies student's MassHealth eligibility

MassHealth Verifies PA Eligibility

- MassHealth notifies TPA of eligibility
- TPA enrolls student in SHIP
- MassHealth makes premium payment to TPA or school
- Carrier is paid directly by TPA or school
- Student is sent approval notice and educational materials about Premium Assistance program and SHIP

7. MassHealth, carriers, TPAs/Schools perform reconciliations at agreed-upon intervals





MassHealth Cannot Verify PA Eligibility

- MassHealth notifies TPA that student is not eligible for premium assistance
- TPA outreaches student advising student she must log back in to the system and either enroll in SHIP or prove coverage elsewhere

Next Steps

- Student outreach and education
 - Educational information is embedded in the waiver/enrollment experience and shared with schools for wider student distribution
- 1115 Demonstration Waiver
 - Minor modifications to marketing materials and online platforms will be required when 1115 waiver is granted
- Private Colleges and Universities
 - Potential to expand program to private colleges and universities in future years



Do you have MassHealth coverage?

You may be able to get free or low-cost student health insurance

If you currently have MassHealth coverage, you may be able to sign up for your school's health insurance plan without paying any more than you currently do. MassHealth will pay for your student health insurance plan, if you qualify. **Just make sure to enter your MassHealth member ID when you fill out your school's plan waiver information.**

You'll get more benefits, without paying more

Through this program, you'll pay the same amount that you do now, but you'll be able to:

- Use any of the doctors or other providers in your school's Blue Cross Blue Shield of MA network. This means you will have more choices in doctors if you need health care.
- Pay the same low (or \$0) co-pay that you already do when you see a doctor, if they are covered by MassHealth. If you see a provider who isn't covered by MassHealth, you'll only need to pay the Blue Cross Blue Shield of MA plan's usual out-of-pocket cost. This could include the regular co-payment, co-insurance, or deductible costs.
- Get coverage in other states and countries if you are traveling and need health care.

How to get started


Enter your 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 get updates about the status of your submission. MassHealth will send you a letter to let you know if you qualify for this program.

Questions?

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



Above: Sample MassHealth Member ID number, circled in red

Evolution of SHIP Enrollment

Pre-ACA Implementation

- Students with access to SHIP were not eligible for Commonwealth Care and many students aged out of MassHealth at age 19
- Students who did not have commercial insurance through an employer or parent enrolled in their schools' SHIP

Post-ACA Implementation

- Many low-income students are able to access affordable coverage through MassHealth and the Health Connector
- Public colleges and universities are experiencing substantial declines in SHIP enrollment

Now

- MassHealth-enrolled students can enroll in their schools' SHIP through the Premium Assistance program, increasing the number of students enrolled SHIPs



Appendix

AY 2016/2017 Plan Design Summary



In-Network	UMW*	UMD	UML	UMB	MASU	MACC
Deductible	\$0/\$250 OON	\$250	\$250	\$250	\$0	\$250
Co-insurance	100%	80%	80%	80%	80%	90%
OOPM	\$4,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
ER	\$25	\$150	\$150	\$150	\$25	\$150
Inpatient Hospital	100%	80%	80%	80%	80%	90%
Primary Care	\$10	\$30	\$30	\$30	\$15	\$30
Specialist	\$10	\$30	\$30	\$30	\$15	\$30
MH/SA Outpatient	\$10	\$30	\$30	\$30	\$15	\$30
Imaging	100%	\$100	\$100	\$100	\$100	\$100
Rehab ST/OT/PT	\$10	\$30	\$30	\$30	\$15	\$30
Lab Outpatient	100%	80%	80%	80%	80%	\$50
X-Rays	100%	80%	80%	80%	80%	\$50
Outpatient Facility	100%	80%	80%	80%	80%	90%
Outpatient Surgery	100%	80%	80%	80%	80%	90%
Rx-Retail-30 Days	\$10/\$20/\$35	\$15/\$30/\$50	\$15/\$30/\$50	\$15/\$30/\$50	\$10/\$20/\$30	\$15/\$30/\$50

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**Benefit and cost-sharing design were unchanged from AY 2015/16 to AY 2016/17