

# Student Health Insurance

Laura Corlin

While health insurance has been required for all students in Massachusetts since 1989, thousands of students are not offered plans that provide enough coverage at fair prices compared to other groups of people in Massachusetts. Several years ago, a group of Tufts students who would later form Student Health Organizing Coalition (SHOC) heard about several situations where students became sick and their insurance coverage was inadequate to cover the costs. After collecting and presenting this student testimony to the Massachusetts State Division of Health Care Finance & Policy (DHCFP), SHOC requested a baseline report. This 2009 report was the first evaluation of health insurance plans offered to college students since the 1989 student health insurance law went into effect and the first time students were at the decision table.

The report revealed that plans did not meet established minimal credible coverage standards - many did not cover routine doctors' visits, gave inadequate coverage for prescription drugs, and forced students to pay much out-of-pocket. Moreover, there was a 69% medical loss ratio average for Massachusetts schools, meaning that only 69 cents out of every dollar spent by insurance companies actually went to cover medical expenses<sup>1</sup>. The results of the baseline report led to increased visibility in the press. At this point, Governor Deval Patrick pressured DHCFP to take immediate action. SHOC was able to help draft revisions to Massachusetts State Senate Bill 609 to improve student health insurance practices. SHOC members have since met with several dozen legislators including the majority of the members of DHCFP and local representatives Carl Sciortino and Pat Jehlen regarding the proposed bill.

DHCFP put together a steering committee that pooled community and state college students into one tiered plan that has fairer profit margins. One of the key features of the plan is that the different tiers—community college students, state college students, and University of Massachusetts students—are offered quite different plans. The tiers were designed to ensure that students would not have to pay more than they could afford and as such made assumptions about what kinds of health care needs different students would need based on past records from schools' insurance plans. In the future, it would be beneficial to many students if they had the option to buy into a higher tier of the plan to provide more comprehensive coverage.

A major benefit of the new plan is that it enables the costs to be spread over a larger population of students, lowering the costs for any individual student and allowing insurers to know they have the funds to cover necessary expenses. Under this insurance system, state college students will be able to buy all of the prescription drugs they need and these expenses will be covered. There is also a set limit on the maximum amount

any student at a state college will have to pay in a given calendar year on medical expenses. UMass students will be in the highest tier with the best coverage when they join the plan this year. However, students enrolled in community college are in the lowest tier and still do not have any prescription drug coverage. The price of health insurance went up only marginally (\$40 for community college students) despite officials' fear that an adequate plan would be too expensive for students to afford. The price of health insurance for UMass students is still half of what Tufts students pay yearly and contains better benefits.

Currently, SHOC is trying to enable private colleges to join the public schools' health plan to provide the remaining 70,000 Massachusetts college students with cheaper and more comprehensive coverage by working with key stakeholders across the state. From conversations with private school administrators around Massachusetts, there is concern that prices will increase disproportionately when they are renegotiated in following years. SHOC is still working on getting prescription drug coverage for community college students. Additionally, SHOC would like to work with the Steering Committee that ultimately shapes the state connector plans and other key decision-makers. At Tufts, SHOC continues to work closely with Michelle Bowdler and other administrators on the undergraduate health insurance plan. Based on SHOC's work last year, the maximum benefit that can be paid increased to \$250K from \$100K and prescription drug coverage increased from \$1500 to \$2000.

If you are interested in participating in SHOC's efforts to create more comprehensive and fair insurance policies for Massachusetts's college students or have a story about difficulty with student health insurance to share, please contact Laura Corlin at [laura.corlin@tufts.edu](mailto:laura.corlin@tufts.edu).

## References

1. *Student Health Program: Academic Years 2005-2006 through 2007-2008 Baseline Report*. Massachusetts: Massachusetts State Division of Health Care Finance & Policy, 2009.

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## Tufts University Student Health Insurance

Tufts uses a student plan offered by AETNA insurance which can be waived annually.

To learn more about health insurance at Tufts University visit [tufts.edu/healthservice/insurance](http://tufts.edu/healthservice/insurance).