

COMMENTARY

COMPLICATIONS WITH STUDENT HEALTH INSURANCE

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In 1988, under the Dukakis administration, the Commonwealth of Massachusetts was set to take on healthcare reform by creating a universal health care law.¹ Unfortunately, the law was never fully realized. Only one aspect of this health reform, the Qualified Student Health Insurance Program (QSHIP), was preserved.¹ This will be the 19th year that Massachusetts requires every full-time and part-time (enrolled in $\frac{3}{4}$ of a full curriculum) student to be covered under some form of health insurance.² This mandate stipulates that a student may obtain health coverage as a dependant on his or her parents' plan, through an employer, or as an individual consumer on the private market. However, as many students are unable to find health coverage via these avenues, each university in Massachusetts must provide a student health plan (herein referred to as a "QSHIP plan") in which students may enroll.³

The website of the Division of Health Care Finance and Policy states, "One of the primary reasons for a mandatory student health insurance program in Massachusetts is to promote students' access to quality and comprehensive health insurance."³ I believe the two words "quality" and "comprehensive" are perhaps the most comforting words you can say to an individual regarding his/her insurance; unfortunately the reality of QSHIP plans is that these two words are very poor descriptors of the current state of student health plans.

There are many problems with QSHIP plans, ranging from the customer service and underinsurance aspects that are features characteristic of the dysfunctional U.S. health care system to the annual benefit cap and per-service caps that are rather unique to QSHIP plans. Annual benefit caps are a rather straightforward feature of QSHIP plans; essentially, an annual benefit cap is the maximum amount that your health insurance will pay out in a given year, irrespective of the actual costs you incur. The current state law requires that QSHIP plans must place their annual benefit cap at \$50,000 at a minimum.³ If you are unfamiliar with the average cost of health procedures, surgeries, and other forms of health care, let me assure you that this cap is frighteningly low.

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Per-service caps, often called internal caps, are the maximum payout for certain procedures covered by the plan. For instance, all community colleges in Massachusetts are under the same plan which implements a \$50,000 annual cap.⁴ Additionally, the plan includes a \$1,500 cap on all outpatient services.⁴ An outpatient service is a medical procedure, surgery, or test that does not require an overnight stay. Examples of these outpatient services, as described by the Bunker Hill Community College benefit plan, include medical emergency expenses, x-rays, injections, emergency ambulance services, tests, procedures, radiation therapy and chemotherapy for cancer, physiotherapy, and braces.⁴ With this myriad of expensive procedures all limited to such a startlingly low benefit cap, it is easy to see how a purportedly "quality" and "comprehensive" QSHIP plan can provide students with little actual coverage, leaving him/her at great risk for accruing medical debt.

Sadly, the aforementioned shortcomings merely scratch the surface of the problems associated with student health plans. All health insurance providers are allowed by law to exclude coverage for certain procedures, and QSHIP plans are no exception. For the sake of continuity, I will continue with the community college health plan to illustrate two noteworthy exclusions (although there are many). First, the community college QSHIP plan offers no coverage for prescription medications. Consequently, a student must bear the entire financial burden of filling a prescription without any assistance from his/her insurer. This includes necessary antibiotics, birth control, medication for mental illness, medication for chronic illness, and any other substance that a physician deems necessary for the student. Given the high cost of drugs in our society, students may therefore be forced to choose between necessary prescriptions if they cannot afford to fill more than one at any given time.

Second, although preventative care is technically mandated by the QSHIP regulations, it is absent in many of the plans. For example, exclusion eight in the community college plans states that, "Immunizations, services and supplies related to immunizations, [and] preventative medicines or vaccines..." will not be considered covered expenses.⁴ Furthermore, exclusion sixteen deems unnecessary, "routine physical examinations and routine testing;

screening exams or testing...”⁴ This lack of preventative coverage highlights another major problem with student health insurance plans. Procedures which have been proven to detect diseases, syndromes, and conditions early, thus resulting in much more favorable medical and financial outcomes, are not available to students. The importance of prevention cannot be overstated, as it is responsible for considerable benefits to both individuals and the healthcare system in terms of improved quality of life and productivity and lower medical expenses.

The final problem I wish to highlight is that of poor customer service. This is a nearly universal problem at universities across the state resulting from a complex mix of students' lack of knowledge of the health insurance system, a certain level of unawareness at the university level, and the complicated language in which student health insurance plans are written. Often students are left on their own when filing claims to their insurer, interpreting the explanation of their benefits, and fighting (or reluctantly accepting) denied claims. In my limited outreach to students in Massachusetts, I have met dozens of individuals from Tufts University and beyond who do not know what benefits are covered by their plans, do not know how to fight a denied claim, or do not know how to prevent/resolve medical debt.

Students should not be expected to fully understand complex health insurance plans on their own. In fact, it should be fairly well understood that unless they have studied the system extensively they are likely to experience considerable difficulty navigating it. Despite the time that I have devoted to this issue, I still find it difficult to read through and fully comprehend the thirty-eight-page Tufts student health insurance brochure as it describes every type of health benefits offered and their associated maximums, co-insurance, co-pays, and deductibles.

In general, universities have fallen far short in their responsibility to educate students about their health plans and ensure that students have the skills and resources to deal with issues as they arise. Hardly any seminars, trainings sessions, or even optional lectures are presented by Tufts University (and many other universities) on their student health insurance plan. Nevertheless, Tufts University has resourceful, intelligent, and helpful individuals who work at their health clinic, and can help students with health insurance problems. However, most students have not been made aware of these options. Universities must inject themselves into students' health insurance education.

So what do the lack of preventative care, the woefully inadequate coverage of benefits, and the insured's

lack of comprehension add up to? The most detrimental consequence of these insurance failures is medical debt, or debt that is incurred as a result of unpaid medical bills, which can lead students to bankruptcy and poor credit.

This insurance also encourages students to avoid care that they often need. Youth and the perception of invincibility already provide substantial barriers for many young adults to seek regular medical care. Applying a cost incentive to not get care, even when deemed necessary, has caused and will no doubt continue to cause students to avoid check-ups, screenings and medically-necessary procedures, as well as contribute to noncompliance with prescribed drug regimens.⁵ Aside from the burden of suffering experienced by students who avoid care, delayed medical care will often result in costlier treatments (often coming from the student's pocket), intrusive medical treatments, and worse prognoses.

There are several potential avenues through which student health insurance plans could be improved. Presently, all but a few universities negotiate with insurance companies. Pooling students from across Massachusetts to create a large and relatively healthy pool of individuals could allow universities to bargain collectively for more comprehensive benefits at lower prices. Another solution may involve raising the mandated standards of QSHIP plans to ensure that the benefits students receive truly provide comprehensive and quality coverage. Finally, students could be made eligible for the newly formed state-subsidized Commonwealth Care plans. These plans are required to cover prescriptions plans and are banned from imposing any type of caps.

References

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