

## **UC SHIP Meeting Minutes Feb/19/2025 9-10 am**

**Attendees-** Jill Battikha, Dr. Oluwatosin Jegede, Dr. Stacie San Miguel, Dr. Ed Junkins, Kristin Lips, Vasvi Gupta, Ashley Malik, and Mason Ek

**Minutes approved-** motion raised by Ms. Kristin, seconded by Dr. Jegede.

**Introduced-** Ashley Malik is a graduate student is pre-med in the global health master's program.

### **Tiered program discussion-**

- Dr. Jegede explained the program-wide changes that were discussed at the EOB the previous day. He explained how Alliant clarified the difference between a tiered and a non-tiered plan. He also mentioned that other students believed a tiered plan would not work; rather, they advocated for a singular gold plan, which must be discussed with SHAC/SHIAC at campuses before being presented at the next EOB. Dr. Jegede further explained that if we change from a platinum plan to a gold plan, benefits do not necessarily change, but the cost in terms of co-pays and co-insurance will increase. Currently, UC SHIP covers 90% of the cost of the platinum plan. The problem is that as medical costs increase, the premiums continue to rise each year.
- He explains that the two-plan system will not work because the population in the higher plan will shrink, which increases the risk pooling and, consequently, raises the premiums. Eventually, as the premiums for the higher plan continue to increase, people will shift to the lower plan, eliminating the higher plan altogether. As a result, students suggest lowering the plan to a gold plan, but this increases the co-pays and co-insurance burden on students.
- Dr. Junkins further explains the situation using the example presented by Alliant. He explains how low utilizers will prefer the lower plan, while high utilizers will choose the higher plan. He adds that the premiums of the higher plan will keep increasing, leading to a death spiral. He further mentions that discussions arose about whether all students should be placed in a gold plan or if the plans should be divided between undergraduate and graduate students. Dr. Junkins advocates for discussing a gold plan for everyone.
- Dr. San Miguel agrees that it is not feasible for UCSHIP to have separate plans for higher and lower utilizers. She further explains that cancer and accidents are the primary claims for the population we work with, which can create a significant financial burden on students if they are on the lower plan since such situations are unpredictable. She suggests that everyone should be on the same plan, even if it is a gold plan.

- Having everyone on the same plan allows students to subsidize healthcare for one another, helping them get through college. However, she acknowledges that for students who do not utilize the plan, a gold plan may seem fairer and more realistic.
- Ms. Gupta added to the conversation, explaining that changing from an opt-out plan to an opt-in plan will affect the administration. According to the annual SHIP survey last year, 9% of the population forgot to opt out of the plan, so changing the administration model would likely reduce enrollment. Jill adds that we would then have to hope that students opt-in and do so promptly. Ms. Gupta argued that we should not lower the plan to gold because, even though financial aid does not cover the entire premium cost, it covers a significant portion of it. She emphasized that co-pays and co-insurance burdens fall entirely on students. She explained that students working minimum-wage jobs cannot afford to pay three to four hours' worth of wages for a doctor's appointment and will simply avoid seeking care.

### **Voluntary Enrollment Discussion**

- Ms. Gupta discussed the removal of the voluntary versus involuntary health insurance plan after graduation. She further suggested increasing the out-of-pocket maximums, as they are currently so high that only a small fraction of people reach them. Increasing these maximums further would not affect many students but would significantly reduce premiums while still maintaining the co-pays and co-insurance structure of the current plan. She also proposed slightly increasing co-pays at the campus level rather than system-wide. At the end, she mentions that the deadline to change from platinum to a gold plan has passed, so it may be too late to implement that change.
- Dr. Jegede explained that we would wait for all campus representatives to reach a consensus before he presented the suggested changes to the EOB. He agreed with Ms. Gupta but emphasized the need to consider students who are not using the plan and why they should be paying increased costs if they are not utilizing it.
- Ms. Gupta shares data from Alliant on how much voluntary enrollment claims cost the plan after graduation. She explains that once a student graduates from UCSD, they are currently allowed to enroll in UCSHIP for two terms to bridge the gap between being a student and securing employment. However, voluntary enrollees contribute significantly to large claims, driving up the program's costs. She suggests reducing the number of terms students can enroll post-graduation or eliminating the option entirely. She recalls that voluntary enrollment was previously allowed for six months (two quarters at UCSD). Ms. Gupta notes that enrollment policies vary by campus.
- Dr. San Miguel highlights how UC SHIP serves many students with mental health conditions, and removing their coverage immediately after graduation could put them in a difficult situation. She argued that this program provides a safety net for these students.

However, she acknowledged the need to limit the number of quarters they are allowed to enroll, as some students have abused the program.

- Ms. Gupta explains that Alliant noted this program was initially implemented when enrolling in other health insurance plans was more difficult. However, under the Affordable Care Act, there are now other options for students.
- Ms. Jill inquires about dependents on the voluntary plan, but no data is available.
- Dr. San Miguel mentions that the data (voluntary enrollees were responsible more than 400% indicates a significant impact on the plan's costs. Ms. Gupta adds that this could be because individuals only enroll in the voluntary program if they intend to use it. Jill notes that many graduate students use the program for maternity coverage, further increasing costs. Dr. Jegede adds that if the voluntary program is too costly, it should be removed.
- Ms. Ashley explains that many students rely on UCSHIP post-graduation and suggests capping the number of terms students can enroll in the program. Dr. Jegede clarifies that enrollment is currently limited to one quarter. He suggests exploring an increase in premiums for students who choose to enroll post-graduation.
- Dr. San Miguel asks for clarification on the number of quarters students are allowed to enroll post-graduation. Ms. Gupta confirms that it is two quarters for both undergraduate and graduate students.
- Dr. San Miguel pointed out that students who graduate in the spring quarter receive coverage until the end of the summer, serving as a built-in buffer.
- Ms. Jill explained that this option is only available for graduate students, not undergraduates. However, in the chat, Dr. San Miguel notes that, based on the website link provided, it appears that both undergraduate and graduate students have the option.

### **Out-of-Pocket Maximum Discussion**

- Dr. Jegede suggested an increase in out-of-pocket maximums, co-pays, and specialty medication costs. Ms. Gupta shares data from Alliant on the percentage of students who reached the OOP max based on 2022-23 system-wide claims. Dr. Jegede explained that increasing the OOP max would not affect many students.

### **Over-the-Counter Medication Discussion**

- Dr. Jegede introduced a discussion on over-the-counter medications. Dr. San Miguel explains that it is cheaper for students to obtain over-the-counter medications with a \$5 co-pay than to buy them elsewhere at full price. As a result, some doctors write prescriptions instead of advising students to purchase them over the counter. However, this policy is more costly for the program. Dr. Jegede noted that changing the policy would benefit the plan more than it would help students.

- Ms. Gupta explained that at the EOB, there was a discussion about increasing pharmacy co-pays to encourage students to buy over-the-counter medications elsewhere, thereby reducing utilization. Dr. San Miguel notes that SHS services rely on pharmacy revenue for funding, so a reduction in usage could create additional challenges.
- Dr. San Miguel further explained that other plans do not offer this coverage, making UCSHIP's plan particularly comprehensive.
- Ms. Gupta inquires whether physicians prioritize prescribing generic medications over brand-name medications. Dr. San Miguel confirms that 99% of prescriptions are for generic medications. She added that costly biologics could become more affordable as their patents expire, increasing competition.

### **Medical Assistance Fund Discussion**

- Dr. Jegede inquired about the medical assistance fund. Ms. Jill confirms that they have \$75,000 remaining for students.
- Ms. Jill explains how UCOP in 2020 provided each campus with money to assist students with out-of-pocket costs; it had to be a minimum of \$500, up to their out-of-pocket maximum, which at that time was \$2,500. The students have to fill out an application with proof, and then financial aid awards that money to the student. This is only for medical funds, not vision and dental. In the past year, we had large reserves, but after COVID and increased costs, the amount is going very fast. They suspect it will run out by the end of the year.
- Dr. Jegede inquired if we would get more money, and Ms. Jill confirmed that we will not.
- Dr. Junkins provided an example from another university that we could create funds on our own through fundraising events to help with medically assisting students.

Dr. Jegede thanked everyone for attending. The meeting will reconvene in March, as noted by Dr. Jegede.