

Proposed

State of Kansas

Kansas Board of Regents

Notice of Hearing on Proposed Amendments to Administrative Regulations

The Kansas Board of Regents will conduct a public hearing to consider the amendment of K.A.R. 88-30-1, and K.A.R. 88-30-2. The hearing will be held at 1:00 p.m. on August 18, 2020, in the Kansas Board of Regents Boardroom, 1000 SW Jackson St., Suite 520, Topeka, KS 66612.

This 60-day notice of the public hearing shall constitute a public comment period for receiving written public comments on the proposed amendments to the regulations. All interested parties may submit comments prior to the hearing to Renee Burlingham at the Kansas Board of Regents' above address at (785) 430-4239 or via email to rburlingham@ksbor.org. All interested parties will be given a reasonable opportunity to present their views orally on the proposed amendments to the regulations during the hearing. To provide all parties with an opportunity to present their views, it may be necessary to request each participant limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Renee Burlingham through the contact information listed above. Individuals with hearing and/or speech disabilities may contact the Kansas Relay Center at 800-766-3777 for communication accommodations.

Copies of the proposed regulations and the economic impact statement may be found at <http://www.kansasregents.org/about/rules-regulations> or by contacting Renee Burlingham.

A summary of the proposed regulations and the economic impact statements for the regulations follows: K.A.R. 88-30-1 defines terms that are used in the Board's student health insurance regulations and currently defines a "student" who would be eligible for coverage under the Board's plans to exclude any student who is enrolled in only online/distance education courses. With the COVID-19 stay-at-home orders and the need to avoid group activities, the six state universities have suspended in-person classes and at this time there is no certainty as to when those in-person classes might resume or what they might look like. The Board is therefore seeking to amend the definition to allow continued coverage for students who wish to take advantage of the Board's plans. The proposed amendment to K.A.R. 88-30-1 would suspend the eligibility requirement that students not be entirely online or receive instruction by distance education only, beginning with the upcoming plan year, August 1, 2020, during any semester when the institution at which the student is enrolled has eliminated or substantially restricted in-person class options. The amendment has been limited to apply only during such times, thus minimizing the cost and impact of the amendment. There will be no economic impact on other public agencies or private businesses as a result of this regulation and the regulation will neither enhance or restrict business activities and growth.

A temporary version of this amendment is also being sought to cover the period between August 1 and the effective date of this permanent amendment.

RECEIVED

JUN 08 2020

**SCOTT SCHWAB
SECRETARY OF STATE**

K.A.R. 88-30-2 currently allows students to elect coverage for student only, student/spouse, student/dependents, or student/spouse/dependents. The proposed amendment would allow the Board of Regents the flexibility to determine for any plan year whether to offer dependent coverage or not, based on what makes the most sense for the continued viability of the plan. If such coverage is offered, students would be able to elect it; if such coverage is not offered, students would not be able to elect it. The only businesses, sectors, public utility ratepayers, individual, or local governments that would be affected by the proposed rule and regulation are the student health insurance provider and possibly other providers that might pick up the dependent coverage, students (and their dependents) who choose to elect coverage under the plan, and the state universities, which pay a percentage of the student-only coverage for eligible graduate students. The impact could be positive or negative, depending on a variety of variables. There will be no economic impact on other public agencies or private businesses as a result of this regulation and the regulation will neither enhance or restrict business activities and growth other than as discussed previously.

RECEIVED

JUN 08 2020

**SCOTT SCHWAB
SECRETARY OF STATE**

Proposed

88-30-1. Definitions. Each of the following terms, wherever used in this article of the board of regents' regulations, shall have the ~~meanings~~ meaning specified in this regulation:

(a) "Degree-seeking undergraduate student" means a student who has formally indicated to the state educational institution the intent to complete a program of study that is designated by the United States department of education as a program that is eligible for federal financial aid.

(b) "Dependent" means a student's unmarried child under the age of 19 who is not self-supporting.

(c) "Employer contribution" means the amount paid by a state educational institution for the coverage of a student employee that equals ~~75%~~ 75 percent of the cost of student-only coverage.

(d) "State board" means the state board of regents.

(e) "State educational institution" has the meaning specified in K.S.A. 76-711, and amendments thereto, except that for purposes of this article of the board of regents' regulations, the university of Kansas medical center shall be considered a state educational institution separate from the university of Kansas, Lawrence, and its campuses.

(f)(1) "Student" means any individual who meets ~~each of~~ the following conditions:

(A) Is enrolled at a state educational institution, except as provided in paragraph

(f)(1)(C)(iv);

(B) is not eligible for coverage under K.A.R. 108-1-1; and

(C) meets one of the following conditions:

APPROVED

MAY 07 2020

DIVISION OF THE BUDGET

APPROVED

MAY 07 2020

DEPT. OF ADMINISTRATION

APPROVED

JUN 02 2020

ATTORNEY GENERAL

RECEIVED

JUN 08 2020

SCOTT SCHWAB
SECRETARY OF STATE

(i) Is a degree-seeking undergraduate student who is enrolled in at least six hours in the fall or spring semesters or at least three hours in the summer semester or is participating in an internship approved or sponsored by the state educational institution;

(ii) is a master's degree student who is enrolled in at least three hours each semester;

(iii) is an individual with J-1 or other nonimmigrant status;

(iv) is an individual with nonimmigrant status who is engaged in optional practical training or academic training, even though the individual is not enrolled:

(v) is a doctoral student;

(vi) is a master's or doctoral student who is participating in an internship approved or sponsored by the state educational institution; or

(vii) has been appointed as a postdoctoral fellow.

(2) "Student" shall not include either of the following:

(A) Except as provided in paragraph (f)(3), any individual who is enrolled exclusively in any of the following:

(i) One or more semester-based internet courses;

(ii) one or more semester-based television courses;

(iii) one or more home study courses; or

(iv) one or more correspondence courses; or

(B) a concurrent enrollment pupil, as defined in K.S.A. 72-11a03, and amendments thereto.

(3) The limitations of paragraph (f)(2)(A) shall not apply to any student employee

APPROVED

MAY 13 2020

DIVISION OF THE BUDGET DEPT. OF ADMINISTRATION

APPROVED

MAY 14 2020

APPROVED

JUN 02 2020

ATTORNEY GENERAL

RECEIVED

JUN 08 2020

SCOTT SCHWAB
SECRETARY OF STATE

Proposed

whose official workstation is on the main campus of a state educational institution. On and after August 1, 2020, the limitations of paragraph (f)(2)(A) shall not apply during any semester for which a state educational institution suspends or substantially modifies its in-person attendance requirements.

(4) Each individual who meets the criteria for being a "student," as specified in this subsection, at the time of application for coverage under the student health insurance program shall remain eligible for coverage throughout the coverage period.

(g) "Student employee" means a student who meets one of the following conditions:

(1) Is appointed for the current semester to a graduate assistant, graduate teaching assistant, or graduate research assistant position that is at least a 50% 50 percent appointment; or

(2) holds concurrent appointments to more than one graduate assistant, graduate teaching assistant, or graduate research assistant position that total at least a 50% 50 percent appointment.

(h) "Student health insurance program" means the health and accident insurance coverage or health care services of a health maintenance organization for which the state board has contracted pursuant to K.S.A. 75-4101, and amendments thereto.

~~This regulation shall be effective on and after August 1, 2011.~~ (Authorized by and implementing K.S.A. 2009 Supp. 75-4101; effective, T-88-6-14-07, June 14, 2007; effective Oct. 12, 2007; amended Aug. 1, 2011; amended, T-_____, _____; amended P-_____.)

APPROVED

MAY 13 2020

DIVISION OF THE BUDGET

APPROVED

MAY 14 2020

DEPT. OF ADMINISTRATION

APPROVED

JUN 02 2020

ATTORNEY GENERAL

RECEIVED

JUN 08 2020

SCOTT SCHWAB
SECRETARY OF STATE

Proposed

88-30-2. Election of coverage. Any student may elect coverage under the student health insurance program for any of the following sets of people, to the extent that the coverage is offered by the state board:

- (a) The student;
- (b) the student and the student's spouse;
- (c) the student and the student's any dependents; or
- (d) the student, the student's spouse, and the student's any dependents.

(Authorized by and implementing K.S.A. 2006-Supp 75-4101; effective, T-88-6-14-7, June 14, 2007; effective Oct. 12, 2007; amended P-

_____.)

APPROVED

MAY 04 2020

DIVISION OF THE BUDGET

APPROVED

MAY 05 2020

DEPT. OF ADMINISTRATION

APPROVED

JUN 02 2020

ATTORNEY GENERAL

RECEIVED

JUN 08 2020

SCOTT SCHWAB
SECRETARY OF STATE

**Kansas Administrative Regulations
Economic Impact Statement
For the Kansas Division of the Budget**

RECEIVED
MAY 05 2020
Division of the Budget
785-430-4291
Contact Phone Number

Kansas Board of Regents

Agency

Julene Miller

Agency Contact

K.A.R. 88-30-1, permanent.

K.A.R. Number(s)

Proposed

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to:

Division of the Budget
900 SW Jackson, Room 504-N
Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

K.A.R. 88-30-1 is one of three regulations that implement the Board of Regents authority under K.S.A. 75-4101(e)(1) to "enter into one or more group insurance contracts to provide health and accident insurance coverage . . . for all students attending a state educational institution . . . and such students' dependents" K.S.A. 75-4101(e)(4) authorizes the Board to "adopt rules and regulations necessary to administer and implement the provisions of this section."

K.A.R. 88-30-1 defines terms that are used in the Board's student health insurance regulations and currently defines a "student" who would be eligible for coverage under the Board's plans to exclude any student who is enrolled in only online/distance education courses. This limitation was required to allow the insurance provider to eliminate the possibility of covering students who might be anywhere in the world and never physically present on campus in order to moderate the plans' costs so that the Board could keep the premium as low as possible. Because one of the primary reasons the Board offers student health insurance is to keep the campus community healthy, and because the insurance provider works closely with our campus health clinics to contain costs, it is normally appropriate to limit eligibility in this manner. However, with the COVID-19 stay-at-home orders and the need to avoid group activities, the six state universities have suspended in-person classes and at this time there is no certainty as to when those in-person classes might resume. The Board is therefore seeking to amend the definition, both on a temporary and permanent basis, to allow continued coverage for students who wish to take advantage of the Board's plans.

The proposed amendment to K.A.R. 88-30-1 would suspend the eligibility requirement that students not be entirely online or receive instruction by distance education only, beginning with the upcoming plan year, August 1, 2020, during any semester when the institution at which the student is enrolled has eliminated or substantially restricted in-person class options.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

The Board of Regents' student health insurance regulations and the proposed amendments to K.A.R. 88-30-1 are not mandated by federal law. The federal

RECEIVED
JUN 08 2020
SCOTT SCHWAB
SECRETARY OF STATE

DOB APPROVAL STAMP

APPROVED
MAY 07 2020
DIVISION OF THE BUDGET

Affordable Care Act and other federal statutes related to certain visa holders do impact the student health insurance plan in terms of benefits that are required to be included, but those statutes do not require the Board of Regents or the State of Kansas to offer student health insurance coverage. Likewise, while the federal Families First Coronavirus Response Act and the CARES Act have provisions related to higher education institutions and their students, those Acts do not mandate the provision of student health insurance or require the specific amendments the Board is seeking at this time. According to UnitedHealthcare, Student Resources (UHC-SR), which is one of only a few entities in the student health insurance business, the Board's student health insurance plan is comparable to other states' student health insurance plans. UHC-SR is in the process of allowing similar amendments to their other states' higher education institution plans.

III. Agency analysis specifically addressing following:

A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

There is no expectation that this rule and regulation, or the amendments thereto, will either enhance or restrict business activities and growth in any significant way.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

The only businesses, sectors, public utility ratepayers, individual, or local governments that would be affected by the proposed rule and regulation are the student health insurance provider, students (and their dependents) who choose to elect coverage under the plan, and the state universities, which pay a percentage of the student-only coverage for eligible graduate students. The proposed amendment would create the potential for students who are not currently eligible for coverage to access the Board of Regents' plan, and it would enable students who are already in the plan but who are no longer allowed to attend in-person classed due to the effects of the COVID-19 pandemic to continue their coverage. This regulation and the proposed amendments to it, could have a positivebeneficial economic impact on students who choose to participate in the Board's plan and the universities because alternative insurance options for these students would likely mean higher premiums and reduced benefits.

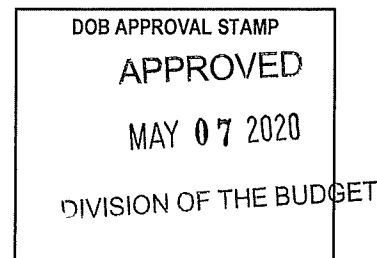
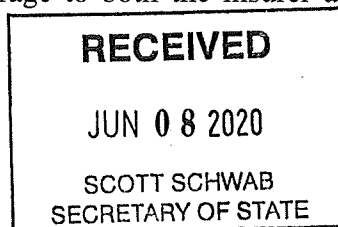
There will be no economic impact on other public agencies or private businesses as a result of this regulation and the regulation will neither enhance or restrict business activities and growth.

C. Businesses that would be directly affected by the proposed rule and regulation;

The only businesses that might be affected by the proposed rule and regulation amendments are the student health insurance provider and possibly other health insurance providers that might pick up the coverage.

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

This proposed regulation amendment would be used to extend and continue coverage for students who would otherwise be eligible but-for the COVID-related university actions to discontinue in-person instruction and, because it is only operational in those instances, would minimize the costs of coverage to both the insurer and the insureds, as well as the state universities.



- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;**

Amendment of this regulation is necessary for the Board to continue providing a student health insurance option during the pendency of any campus limiting in-person instruction as is currently being experienced with the COVID-19 pandemic. The amendment has been limited to apply only during such times, thus minimizing the cost and impact of the amendment.

- F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

No annual implementation or compliance costs are reasonably expected to be incurred or passed along to others as a result of enacting these changes.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES ☐ NO ☒

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

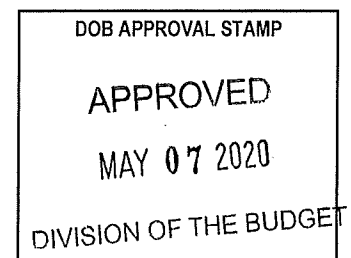
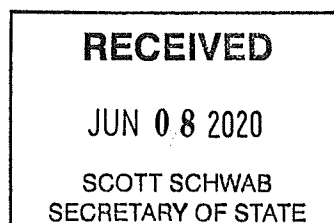
The Board Office simply relates the information above and has no data upon which to rely beyond our knowledge of how the student health insurance plan is administered.

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES ☐ NO ☒

- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.**

The proposed amendments to this regulation will not increase or decrease revenues of cities, counties or school districts, or impose functions or responsibilities on those entities.

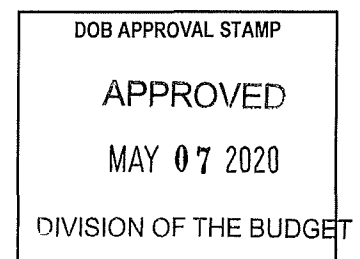
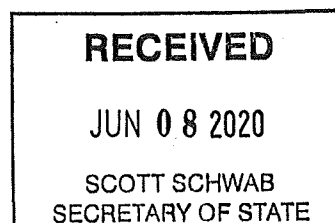


- H. **Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).**

In the interest of time and because of all of the changes that are occurring on a daily basis both on campuses and elsewhere, the Board's Student Insurance Advisory Committee (SIAC), made up of university health center directors, international student advisors, a university CFO, and student representatives across the six campuses, has been apprised of this proposed amendment but has not had an opportunity to discuss it as yet. The Committee is scheduled to meet May 5 and this regulation amendment will be on the agenda for that meeting. This Committee is advised by both the health insurance provider and the Midwest Higher Education Commission (MHEC) and seeks feedback from each campus's student health advisory committee. The SIAC is advisory to the Council of Business Officers (COBO), made up of each state university CFO, and COBO weighs in on the annual SIAC recommendation before taking decision items to the Council of Presidents (COPs), made up of the five state university Presidents and the Chancellor. Additionally, while the Insurance Department of is not impacted by the proposed amendments to this regulation, Board staff will send copies of the proposed regulations and a summary of them to the Department. As noted previously, these regulation amendments are anticipated to have no noticeable effect on other businesses, cities, counties, or state agencies.

- I. **For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).**

Not applicable.



**Kansas Administrative Regulations
Economic Impact Statement
For the Kansas Division of the Budget**

Proposed

Kansas Board of Regents
Agency

Julene Miller
Agency Contact

785-430-4291
Contact Phone Number

K.A.R. 88-30-2.

K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to:

Division of the Budget
900 SW Jackson, Room 504-N
Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

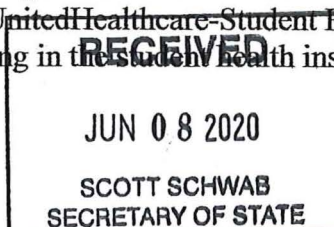
K.A.R. 88-30-2 is one of three regulations that implement the Board of Regents authority under K.S.A. 75-4101(e)(1) to "enter into one or more group insurance contracts to provide health and accident insurance coverage . . . for all students attending a state educational institution . . . and such students' dependents" The statute requires student participation in such coverage to be voluntary. K.A.R. 88-30-2 currently allows students to elect coverage for student only, student/spouse, student/dependents, or student/spouse/dependents.

For the past four years, with the roll-out of the Affordable Care Act requirements, the Board's student health insurance plan has experienced a sharp increase in the number of claims made combined with a significant rise in the dollar amounts of the claims that are made. This is particularly true with dependents for whom students are choosing to elect coverage (spouses and children); 100% of dependents on our plan had claims in the most recent plan year for which complete data is available and most of those claims were very high with the dependents-only loss ratio hitting 432.11% and an overall loss ratio of 107%. The result is that premiums across the plan are increasing significantly and students are increasingly subsidizing dependents.

The proposed amendment to K.A.R. 88-30-2 would allow the Board of Regents the flexibility to determine for any plan year whether to offer dependent coverage or not, based on what makes the most sense for the continued viability of the plan. If such coverage is offered, students would be able to elect it; if such coverage is not offered, students would not be able to elect it.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

The Board of Regents' student health insurance regulations and the proposed amendments to K.A.R. 88-30-2 are not mandated by federal law. The federal Affordable Care Act and other federal statutes related to certain visa holders do impact the student health insurance plan in terms of benefits that are required to be included, but those statutes do not require the Board of Regents or the State to offer student health insurance coverage. According to UnitedHealthcare-Student Resources, which is one of only a few entities remaining in the student health insurance



business, the Board's student health insurance plan is comparable to other state or university student health insurance plans.

Proposed

III. Agency analysis specifically addressing following:

A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

There is no expectation that this rule and regulation, or the amendments thereto, will either enhance or restrict business activities and growth in any significant way.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

The only businesses, sectors, public utility ratepayers, individual, or local governments that would be affected by the proposed rule and regulation are the student health insurance provider and possibly other providers that might pick up the dependent coverage, students (and their dependents) who choose to elect coverage under the plan, and the state universities, which pay a percentage of the student-only coverage for eligible graduate students. The proposed amendment would create the potential for students' dependents to not be able to access the Board of Regents' plan and instead purchase insurance, if at all, from some other source. There are other available plans, the Midwest Higher Education Compact (MHEC) provides for one through the MHECare Student Private Health Insurance Exchange, as well as the federal exchange. We are unable to provide rate comparisons because rates are constantly fluctuating and will depend in large part on the benefits provided to make an accurate comparison. Students could incur increased costs for dependent coverage, which could be offset by lower premiums for student-only coverage offered at the universities, but we have no data upon which to provide a precise estimate. Because of the past loss ratio experience and the changes that have been made to the plan to address that past experience, the universities have seen an increase in their share of the graduate students' premiums. This regulation and the proposed amendments, if the decision is made to discontinue dependent coverage, could have a positive economic impact on students who choose to participate in the plan and the universities because decreasing the loss ratio should result in lower premiums to the students and lower cost to the universities for their share of the graduate student-only premiums. A decision to discontinue dependent coverage may also result in higher plan participation if the premiums decrease in a significant way. See attached data charts.

There will be no economic impact on other public agencies or private businesses as a result of this regulation and the regulation will neither enhance or restrict business activities and growth other than as discussed previously in this section.

C. Businesses that would be directly affected by the proposed rule and regulation;

The only businesses that might be affected by the proposed rule and regulation amendments are the student health insurance provider (loss ratio should be reduced, number of participants may increase if rates go down, or decrease if dependents can no longer participate and there is not a resulting increase in student participation) and possibly other health insurance providers that might pick up the dependent coverage (and thus additional premiums).

RECEIVED

JUN 08 2020

SCOTT SCHWAB
SECRETARY OF STATE

DOB APPROVAL STAMP

APPROVED

MAY 04 2020

DIVISION OF THE BUDGET

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

Proposed

This proposed regulation amendment would be used to bring the costs of coverage down to both the insurer and the insureds, as well as the universities.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The Board carefully considered and weighed the projected impact of several alternatives to keep premiums as low as possible for students and their dependents, as well as the universities, while still maintaining a quality plan. Steps we have taken in the past include creating separate risk pools and associating premium increases with participants in the high loss ratio pool, adjusting benefits, and acquiring the student insurance through MHEC for discounted rate opportunities.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

No annual implementation or compliance costs are reasonably expected to be incurred or passed along to others as a result of enacting these changes. For potential economic impact on students and their dependents, see agency response to Section III.B.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES ☐ NO ☒

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

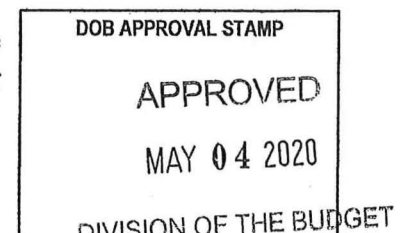
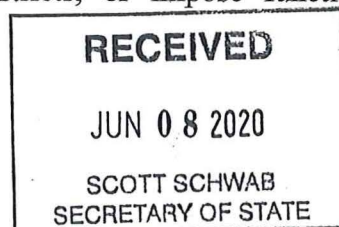
The Board Office simply relates the information above and has no data upon which to rely beyond our knowledge of how the student health insurance plan is administered.

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES ☐ NO ☒

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

The proposed amendments to this regulation will not increase or decrease revenues of cities, counties or school districts, or impose functions or responsibilities on those entities.

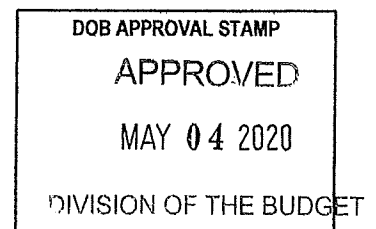
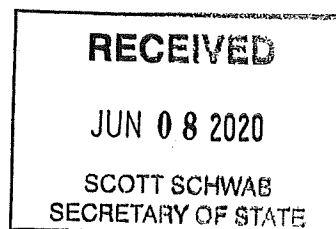


H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

Board staff employed an inclusive process to ensure that the proposed changes were viewed through the lens of the state universities and students. First, the Board's Student Insurance Advisory Committee (SIAC), made up of university health center directors, international student advisors, a university CFO, and student representatives across the six campuses, has discussed the possibility of discontinuing dependent coverage over the past several years. This Committee is advised by both the health insurance provider and MHEC and seeks feedback from each campus's student health advisory committees. The SIAC is advisory to the Council of Business Officers (COBO), made up of each state university CFO, and COBO weighs in on the annual SIAC recommendation before taking decision items to the Council of Presidents (COPs), made up of the five state university Presidents and the Chancellor. After all this review by students and university administrators each year, a final recommendation is forwarded to first the Board of Regents' Governance Committee and then the Board of Regents. Lastly, while the Department of Insurance is not impacted by the proposed amendments to this regulation, KBOR staff sent copies of the proposed regulations and a summary to the Department. Finally, the Board Office has specifically requested the six state universities submit feedback as to the fiscal impact the changes might have; the feedback we received has been incorporated into the regulations and/or this statement. As noted previously, these regulation amendments are anticipated to have no significant effect on other businesses, cities, counties, or state agencies.

I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

Not applicable.





MHECare's Student Private Health Insurance Exchange

Since 2014 MHEC has collaborated with IXSolutions to provide institutions coverage options through a private health insurance exchange. This is made available to institutions, who are within the MHEC region and are unable to offer a school-sponsored plan.

Through this private health insurance exchange, institutions are able to offer dependents multiple coverage options, provide support from a team of insurance experts, and save valuable administrative time.

Here is a list of the institutions presently leveraging MHECare's Student Private Health Insurance Exchange:

- Allen College Unity Point Health
- Bryan College of Health Sciences
- Calvin Theological Seminary
- Grand Valley State University
- Trinity Christian College
- Western Michigan University Homer Stryker M.D. School of Medicine

Here is an example of one of the active institution's website: www.ixshealth.com/trnty. Note that the above sites are made for student populations when institutions do not offer a school-sponsored plan. The proposed KBOR option would be branded strictly for dependents and would redirect students to the KBOR plan information.

The exchange websites are branded to each institution and serve as a place where dependents can enroll in a health insurance plan, see if they're eligible for financial assistance, and learn more about the products available to them.

Dependents can get immediate assistance from licensed agents via live chat and phone support. IXSolutions is available to assist with enrollments and answer any questions dependents may have about the plan options available.

Health insurance carrier options available in the state of Kansas are Medica and Cigna.

Both Medica and Cigna offer plans with an EPO network option with several plan options total.

EPO stands for "Exclusive Provider Organization" plan. As a member of an EPO, dependents can use the doctors and hospitals within the EPO network but cannot go outside the network for care. Essentially an EPO is a hybrid

APPROVED

MAY 04 2020



between HMO and PPO. Dependents do not need referrals to see specialists like a PPO, however, like an HMO there are no out-of-network benefits.

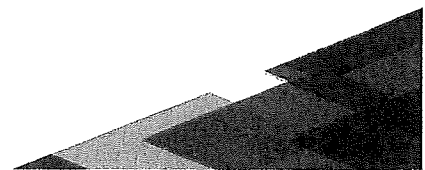
The dependents will also have the option to supplement their health insurance with additional coverage options such as dental and vision insurance.

APPROVED

MAY 04 2020

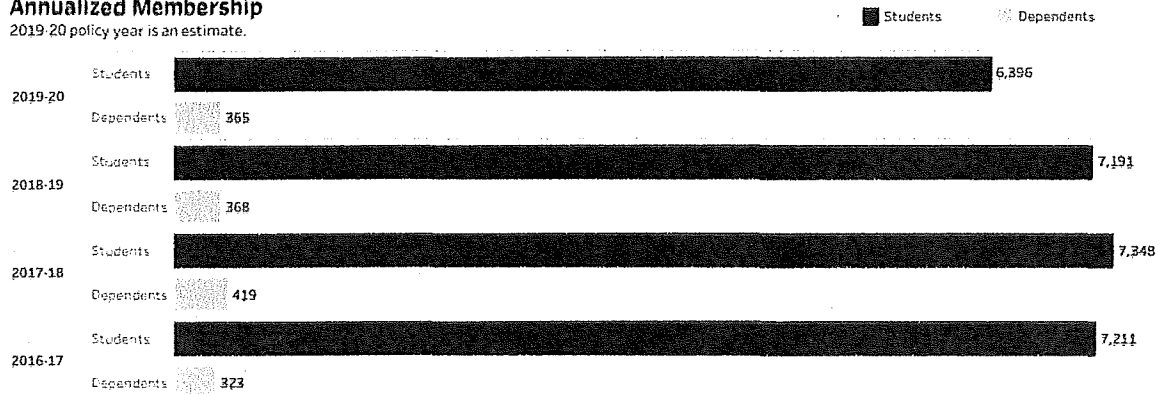
DIVISION OF THE BUDGET

105 Fifth Avenue South, Suite 450 Minneapolis, MN 55401



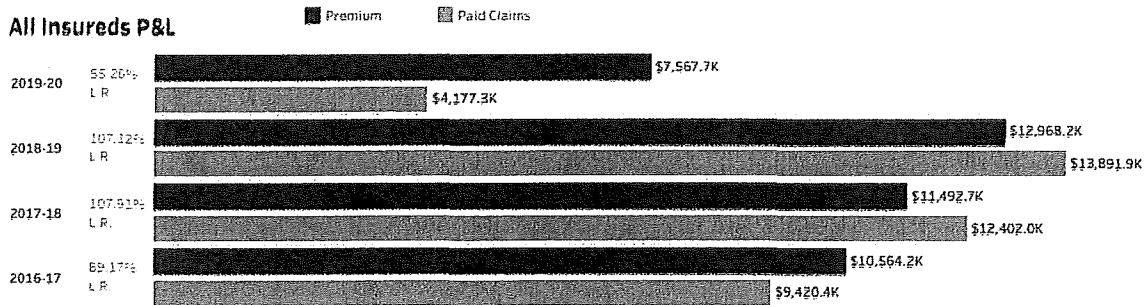
Annualized Membership

2019-20 policy year is an estimate.



Plan Experience Overview

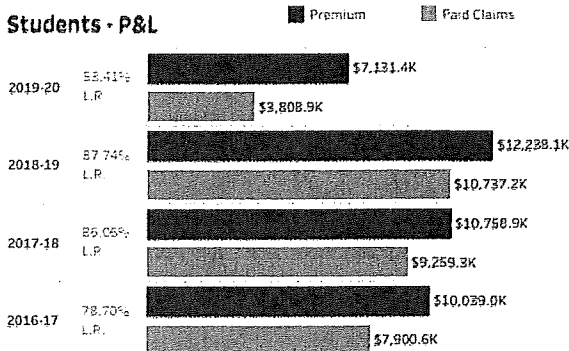
All Insureds P&L



Values are displayed in thousands

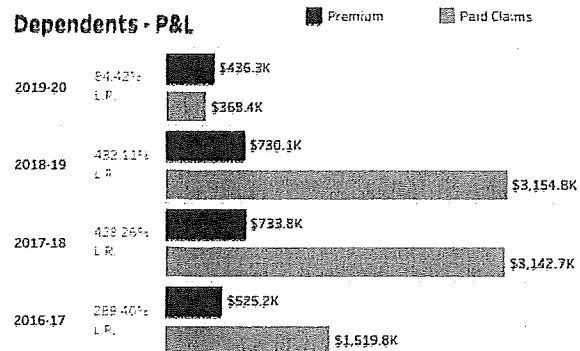
The premium reported includes all of the following taxes and fees: Premium tax, PPACA Patient-centered Outcomes Research Institute (PCORI) fee, PPACA reinsurance fee and the PPACA health insurance tax (HIT). Also included in the premium is all outside broker commissions (if applicable.)

Students - P&L



Values are displayed in thousands

Dependents - P&L



Values are displayed in thousands

Kansas State System (200116) - Utilization as of January 01, 2020

Confidential Property of UnitedHealth Group. Recipient shall be liable for using and protecting from further disclosure or misuse, consistent with applicable law.

APPROVED

MAY 04 2020

DIVISION OF THE BUDGET