Good morning Chair Tyson and Members of the Committee. Thank you for this opportunity to provide background information and a brief summary of the Board of Regents’ proposed amendments to two of the three regulations in place to implement the Board’s 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 first of these two amendments will expand the definition of “student” in K.A.R. 88-30-1(f) to include those enrolled in only online/distance education courses during times when that is largely what the institution is offering, and thereby ensure that state university students are eligible to participate in the Board’s health insurance plans should applicable health orders, spread, or resurgence of COVID-19 require the state universities to continue or return to an online instruction format. The second amendment, to K.A.R. 88-30-2, is to clarify that students may only select dependent coverage for coverage periods within which dependent coverage is offered by the Board. This would ensure flexibility in the plan offerings should the Board determine that dependent claims are driving student-only premium rates too high.

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 premiums 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 had to suspend in-person classes. While the universities are working toward having students on campus for the Fall semester, it is important to prepare for all possibilities, including that in-person classes might not resume or may again be suspended. 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 temporary version of this regulation was approved by the State Board of Rules and Regulations on June 26 and became effective the same day.

The proposed permanent amendment to K.A.R. 88-30-1 would eliminate 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 proposed amendment would create the potential for students who are not currently eligible for coverage (solely because only online courses are available to them due to the effects of the COVID-19 pandemic) to access the Board of Regents’ plan, and it would enable students who are already in the plan but who would otherwise lose their eligibility (solely because they are no longer allowed to attend in-person classes due to the effects of the COVID-19 pandemic) to continue their coverage. This regulation and the proposed amendments to it, could have a positive beneficial 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.

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.

Thank you for your consideration and comments on these two proposed amendments.