

AMS/GSS Extended Health and Dental Plan Committee Meeting with Studentcare

Date: April 1, 2020

Time: 12:06 – 12:53 pm

Venue: Virtual meeting

Present:

Voting Members: Lucia Liang (Chair, AMS VP Finance), Nicolas Romualdi (GSS President), Nevena Rebic (GSS, arrived 12:15), Wendy Song (AMS)

Non-voting member: Ahmed Mtiraoui (Health Plan Coordinator)

Guests: Keith Hester (AMS Managing Director), Vivian Tan (GSS), Natasha Norbjerg (TRG-Hub), Sheldon Goldfarb (AMS Clerk of Council)

Regrets: Chris Hakim (AMS President),

Recording Secretary: Sheldon Goldfarb

1. Call to Order

The meeting was called to order at 12:06 pm.

2. Agenda

The agenda was approved (Wendy, Nicolas).

3. Student opting-in

Lucia:

- An Education student is wanting to opt in after previously having opted out permanently as an undergraduate.
- She reached out to the Ombudsperson.
- She missed the deadlines for enrolling.
- She thought she'd be enrolled automatically.
- She's okay with paying the full amount.
- Bahareh (from Studentcare) and I feel comfortable with her paying, but we need a formal motion.

Nicolas:

- What is the normal situation if a person opts out as an undergraduate?

Ahmed:

- Usually with a permanent opt-out, you're out for your whole time at UBC: undergraduate, graduate.
- Sometimes we allow students in: they have to pay the fee, plus an administration fee.

Lucia:

- When students opt out permanently early in their undergraduate career, most don't really understand what it means.

- There's a blurb saying it's permanent.
- She says she didn't receive an email explaining the process.
- I've asked Bahareh for a list from the University of those who have not enrolled.

Ahmed:

- It happens a lot.
- If you opt out permanently, there has to be a manual reinstatement.

Nicolas:

- Do we want to change that?
- It's not a robust system if it's happened before.

Wendy:

- Were students told they have to wait till next year?

Lucia:

- No, they usually call Studentcare.
- There are lots of extenuating circumstances.
- They can make an exception.
- This student did not get in touch until much later.

Wendy:

- She would have to pay for a full year?

Lucia:

- Yes, but she can opt in at a pro-rated rate, in second term.

Wendy:

- I'm confused.
- In her email she said she'd have to wait a whole year.

Ahmed:

- She wants to enroll now.

Lucia:

- This student would be a few thousand dollars in debt.

Nicolas:

- Every September and January we should send a reminder, telling people: You're out of the program, you need to opt in.
- Send it to all opted-out students.

Lucia:

- Don't they send an email?

Ahmed:

- We do send an email through UBC.
- The student should know the breakdown of her fees.

Lucia:

- Bahareh said this was a special case.
- The student was under stress.
- It would not be a big loss on the AMS's end.
- Bahareh didn't have a problem with reinstating the student.

MOVED NICOLAS, SECONDED WENDY:

"BIRT the Health and Dental Committee approve Kathryn Ney's opting in to the AMS Health and Dental Fee late given her special circumstance."

... Carried

4. 5% Fee Increase

Lucia:

- We heard from Pacific Blue Cross that the premium would be going up 3.1%.
- There had been talk of 4.88%, but now 3.1.
- Both boards have to pass it after a formal recommendation from this committee.

Natasha:

- Projection was for 3.01%.
- Pacific Blue Cross proposed 4.42%.
- We negotiated back down to 3% (not 3.1), so it's back to what was projected.

Keith:

- We can make the motion read 3%.

Nicolas:

- I've been thinking 5% to cover the unexpected in the COVID situation.
- But we can do 3% now and add 2% later.

Lucia:

- If we did that, there'd be backlash.

Nicolas:

- With that in mind, do we want to go with 3 or play safe with 5?

Natasha:

- Even at 3% we'd still be collecting over and above the true cost of the premium, and providing a buffer.
- But given the COVID environment, it might make sense to make an increase of as much as 4.5%.

Nicolas:

- I'm concerned the true cost could go up.

Keith:

- That means next year applying for the 5% or going to referendum.

Nicolas:

- I want to avoid a referendum.

Wendy:

- What do we need an additional buffer for?

Keith:

- It goes into the Health and Dental reserve and could be used for either an increase in benefits or increased mental health benefits.
- There's \$3.8 million in the reserve now.
- Plus \$1.5 million.

[Nevena arrives]

Nicolas:

- The general strategy is to go to 5% to avoid going to a referendum.
- 5% equals \$5 more instead of \$3.
- Students would end up paying \$5 more into the plan.
- If it not all needed, next year's increase could be 2 or 3%.

Nevena:

- What kinds of things are we thinking we'll need to cover?

Nicolas:

- We increased the cap for psychological coverage to \$500, but most won't max out.
- More medication costs?

Natasha:

- No, that will probably be pretty normal.
- After return to normal, would see a spike.

Nevena:

- Psychological coverage. Might be a service.
- But pushing Empower Me: how much does that publicity weigh on us?

Natasha:

- Working on renewal.
- Right now looking at paramedical (including psychology, chiropractic, acupuncture, etc.) as second largest claim.

Nicolas:

- Another strategy: increase 3%, go into reserve if needed, reduce coverage.

Natasha:

- Within paramedical, psychology was the Number 1 claim.

Nevena:

- Is it maxed out?
- By how many students?

Natasha:

- To figure that out would take more analysis.
- For September 2019 – January 2020: \$213,715: 49.2% of paramedical claims went to psychological counselling.

Nicolas:

- That's 700 students, which is relatively small.

Lucia:

- So is the consensus that we won't go with 5%?
- We're okay with 3%?
- Between 3 and 5?

Wendy:

- If we stick with 3%, how much goes into the reserve?

Lucia:

- Depends on the claims.
- The unclaimed.

Wendy:

- How much are we projecting to receive?

Lucia:

- It's at \$256.92 now.
- A 3% increase would be \$7.71.

Keith:

- There are 44,000 members in the plan.

Lucia:

- Then \$11,643,720 would be the total taken in.

Keith:

- Minus the premium.
- So approximately \$200,000 or \$300,000 to the reserve, depending on the volume.

Wendy:

- Still leaning towards 3%.

Nicolas:

- If \$300,000, divide by \$500, and thus serving 600 students.

Lucia:

- How much of an increase is there normally?

Natasha:

- Last year the premium was up 2.5% and the committee still voted to increase the student fee the full 5%.

Lucia:

- That was to account for the increase in psychology use.

Natasha:

- The anticipated increase.
- In five months \$213,000 was spent on psychology, or \$42,000 a month.
- For the full year before, it was \$240,535, or \$20,000 a month.
- Usage has definitely gone up, which was the intent.

Lucia:

- Do you have the numbers for two years ago?

Natasha:

- September 2017: Premium fee \$233.04. Student fee: \$232.49.
- 2018: Premium fee \$242.04. Student fee: \$244.69.
- 2019: Premium fee \$247.50. Student fee \$256.92.

Lucia:

- The premium doesn't change too much?
- We don't foresee the premium going up too much?

Natasha:

- No, with such a large group risk is spread out.
- There was a spike in psychology, but we added more coverage, so that's natural.
- It would be unusual to have a 10% increase.
- It's been pretty steady in recent years.

Wendy:

- 4 is a decent number.

Nevena:

- Do we expect the number for paramedical costs to be above what we paid into it?

Natasha:

- Psychology doesn't stand alone.
- It's one piece.
- It's not going to make or break the program.
- The plan has been performing really well over the years. There is some room.

Nicolas:

- What is your recommendation for the increase?

Natasha:

- Has been a standard 5% every year in recent years.
- Given the economic environment, you're still going to have wiggle room at 3%.

Nicolas:

- Has the cost ever gone up more than 5%?

Natasha:

- Have to look.

Nicolas:

- 3% is enough for the foreseeable future, if there are no new benefits, so I'm comfortable with 3%.

Lucia:

- If we go over, can we tap into the reserve?

Keith:

- Yes.

Nicolas:

- I'm guessing that's what it's there for.

Lucia:

- I'm comfortable with 3%.
- What is the effective date?

Keith:

- Fees are due in September.
- That's the next fee collection.

MOVED WENDY, SECONDED NEVENA:

"BIRT the Health and Dental Committee approves the Health and Dental fee increase, collected by UBC, of 5%, effective September 2020."

... Carried unanimously

The meeting adjourned at 12:53 pm.