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Press Release

Enrollment in High Quality Student Health Insurance Plans Remains Stable

Fort Collins, Colorado, January 11, 2013: Hodgkins Beckley Consulting (HBC) released its annual survey for the cost of college student health insurance plans complying with the [benefit standards](#) endorsed by the American College Health Association (www.ACHA.org). The average 12-month cost of coverage for an undergraduate student, age 25 or under, is \$2,031 for public colleges/universities and \$2,229 for private colleges/universities. Monthly costs are \$169 and \$186, respectively.

The average cost increase over the 2011-12 plan year was 9.0 percent for public and 7.8 percent for private colleges/universities. Of the 40 institutions in the survey, three public universities had increases in excess of 25 percent, one with an increase of 54 percent. Only one private institution had this level of increase (27.6 percent). Removing the three public institutions with increases in excess of 20 percent results in an average annual cost of \$1,846, or a monthly cost of \$154. Stephen Beckley, a partner with HBC, noted, "The 2012-13 cost of coverage for these comprehensive coverage plans remains well below the cost of comparable individual health insurance coverage and increasingly well below the cost of dependent coverage under many employer-sponsored health plans."

Most of the colleges and universities in the survey reported that enrollment in their student insurance plans remained stable or increased for the second consecutive year. Although the mandate in the Affordable Care Act for children to be covered up to age 26 has now been in place for two years, student health insurance plans remain an outstanding value for many parents because of continuing substantial increases in the employee costs for dependent coverage. This is particularly true when reductions in scope of coverage are taken into consideration, especially the [trend for employers to adopt high deductible health plans](#).

For Release 9 a.m. MST, January 11, 2013

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Many of the 40 student insurance programs tracked in HBC's survey provide a plan maximum of at least one million dollars , have no pre-existing condition exclusion, provide expansive prescription drug coverage, contain outstanding mental health care benefits, and have policy provisions that are consistent with the best practices for employer-sponsored group health insurance.

HBC's survey is based on annual tracking of 20 private and 20 public colleges and universities. Institutions selected for tracking were based on geographic diversity and size of student population. Public universities tracked include the University of Idaho, the University of Minnesota, the University of California-Berkeley, the University of Illinois, and the University of Virginia. Private colleges and universities tracked include Case Western Reserve University, Dartmouth College, Duke University, the University of Southern California, the University of Pennsylvania, and Northwestern University.

Additional highlights for the survey include the following trends and activities:

- increasing use of not-for-profit, self-funding arrangements (refer to HBC's [primer for self-funding of college student health plans](#)), similar to funding systems used by many medium- and large-sized employers;
- continuing movement toward separation of the cost for health insurance for graduate student teaching assistants and researchers (this cost is often paid in whole or in part by graduate schools) or adoption of age-rating cost systems;
- directly contracting with local hospitals and physician networks; and
- negotiating for use of Medicaid and other low income health insurance assistance funds to pay for the cost of student health insurance plans.

