MSU International Student Health Insurance Waiver Changes for 2014

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Overview

- Review of current insurance waiver policy
- Explanation of why current policy was ineffective
- Reasons for change
- Description of changes effective Fall 2014
- Options and next steps
Insurance Requirement as of the 2013-2014 Academic Year

Course Registration

Health Insurance Premium (cost) billed to MSU Student Account

Student is enrolled in MSU’s Aetna Student Health insurance coverage
Waiver Procedure as of the 2013-2014 Academic Year

1. Student purchases alternative health insurance policy
2. Student applies for insurance waiver through StuInfo
3. Student sends proof of insurance policies to MSU Human Resources
4. If alternative policy meets the waiver criteria, the waiver is approved and Aetna premium is refunded
OLD - 2013-2014 Insurance Waiver Criteria - OLD

- Lifetime minimum of $250,000 coverage for accidents and sickness
- Deductible: $500 or less per individual per policy year
- Coverage for inpatient and outpatient medical services (including labs and x-rays)
- Coverage for inpatient and outpatient mental health services
- Coverage for prescriptions
- Worldwide coverage
- Medical evacuation to an international student's home country: $10,000 or more
- Repatriation (removal of remains after death) to an international student's home country: $7,500 or more
- Coverage for the waiver period requested
So what’s wrong with that?
Why change the criteria?

Insurance companies were taking advantage of MSU international students.

• Companies would sell low-priced insurance to MSU international students.
• The low-priced insurance would *appear* to offer equivalent coverage to the MSU Aetna Policy.
• However, if you read the fine print, these policies offered **very low coverage**.
Real Life Case Study: MSU Student

- MSU Undergraduate student – Junior standing, in good health
- Received MSU waiver with low-cost insurance policy
- Experienced unexpected medical problems
- Medical bills reached $100,000.
- Low-cost insurance paid only $20,000
- The student was expected to pay $80,000

What happened next?
His dream of an MSU education is now over.
Many students experienced this problem on a smaller scale.

- With low-cost insurance, many students paid:
  - $5,000 - $6,000 for an appendectomy
  - $1,000 - $2,000 (or more!) for a visit to the Emergency Room
  - $300-$800 for X-rays or lab tests
  - $500 for an ambulance ride
MSU Decision:
International Students need better protection!
Effective Fall 2014: **New** Insurance Waiver Criteria

- A minimum of $500,000 per condition without time limitation
- A deductible of $500 or less per individual
- Coverage for inpatient and outpatient medical services (including labs and x-rays)
- Coverage for inpatient and outpatient mental health services
- Coverage for prescriptions with at least a minimum of $500,000
- A maximum out of pocket limit of $2000 per individual and $4000 per family
- Worldwide coverage
- At least $50,000 for medical evacuation to the international student’s home country
- At least $25,000 for repatriation (removal of remains after death) to the international student’s home country
- Coverage for the waiver period requested

One-year exemption for sponsored students and exchange students
Old Waiver Criteria vs. New Waiver Criteria
Most health insurance policies in the US private market will NOT meet the new MSU criteria.

Most health insurance policies issued from students’ home countries will also NOT meet the new MSU criteria.

If you want to waive, what can you do??
OISS TO THE RESCUE!
OISS will provide you with **THREE** alternative choices.

- **Insurance Company A**
  - Health Insurance Policy Choice A

- **Insurance Company B**
  - Health Insurance Policy Choice B

- **Insurance Company C**
  - Health Insurance Policy Choice C
OISS Alternative Insurance Choices

- All three choices will meet the new 2014-2015 waiver criteria.
- For the majority of students, all three choices will cost less than the MSU Aetna policy.
The alternative insurance policies are not finalized at the moment.

The three choices will be announced during SUMMER 2014.

OISS will announce the alternative choices through the following communication channels:

- Email
- Web Updates
- Facebook
- Twitter

The alternative policies will cost less than the MSU Aetna Student Health policy.
Alternative Policy Drawbacks

- **NO IMMEDIATE COVERAGE FOR PRE-EXISTING CONDITIONS**
  - If you have an on-going medical condition or had any medical condition in the past 6 months, you should stay with Aetna Student Health.

- **You will pay for preventative care**
  - Checkups and vaccines are FREE under the Aetna plan, but will cost you something under an alternative policy.
Alternative Policy Drawbacks

- Your medical costs will be somewhat higher
  - Under an alternative plan, you will probably pay 10-20% more for your medical bills
- Fewer doctors, fewer hospitals
  - Most alternative policies will have fewer choices for in-network doctors and hospitals
  - Some alternative policies may not list Sparrow Hospital as an in-network provider
Alternative Policy Drawbacks

• No help from MSU Human Resources with claims problems
  ▫ If you have a dispute with your alternative health insurance company, MSU Human Resources cannot help you solve it.
  ▫ OISS can provide some limited support, but will not have authority to change a company’s decision.
Aetna vs. Alternative policies

You

MSU Human Resources

Aetna Student Health

You

Alternative Company
Hey, wait a minute. Is OISS getting paid by these companies? 

**NO**

- OISS is supporting these changes because we want MSU to better protect international students.
- OISS gets no money from Aetna or from any alternative insurance company.
- No MSU office gets any money from Aetna or from any alternative insurance company.

The changes are not about money. The changes are about **YOUR** health and **YOUR** safety!
Let’s review. What are my choices?

- Keep MSU Aetna Student Health
- Choose an Alternative Policy from the OISS recommendation list
- Shop for another policy which meets The new waiver criteria
I want to keep MSU Aetna Student Health. What’s next?

• Enroll for classes
• Print your card online during your 2\textsuperscript{nd} week of classes.

That’s it!
I want to buy an alternative policy. What’s next?

- If you have a non-MSU health insurance policy now, don’t renew it.
- OISS will post information about all three alternative policies in SUMMER 2014.
- Choose a policy and buy it online.
- Apply for a waiver through MSU StuInfo.
- Send your policy documents to MSU Human Resources
I want to shop for another health insurance policy that meets the new waiver criteria. What’s next?

- Choose a company.
- Before you buy a policy, **send the company MSU’s 2014-2015 waiver criteria**.
- If the company assures you that their policy that meets the criteria, then...
- Buy the policy.
- Apply for a waiver through MSU StuInfo.
- Send your policy documents to MSU Human Resources.
Bookmark this page!

- http://oiss.msu.edu/students/health

All health insurance updates will be posted here!
Thank you for your time and attention!

Please send questions and concerns to ihealth@msu.edu