

Contact: Kristin Bauer

**HEALTH AND DENTAL INSURANCE RATES**

**Actions requested:**

- Approve the University of Iowa, Iowa State University and the University of Northern Iowa Plan Year 2024 employee medical and dental premium rates for insurance with an effective date of January 1, 2024.
- Approve Iowa State University and the University of Northern Iowa Academic Year 2023-24 student health and dental premium rates for insurance with an effective date of August 1, 2023.

**Executive Summary:** Board Policy Manual section 2.1.2.B requires Board approval for changes in benefits, contributions and providers for all insurance benefits. Detailed in this memorandum are the employee health and dental insurance premium rates for each University and the student health and dental insurance premium rates for Iowa State University and the University of Northern Iowa.

**University of Iowa**

➤ **UI Health Premiums:**

The University of Iowa recommends a 5.75% increase to UIChoice and a 1.70% increase to UISelect.

UIChoice is a high-quality plan with extensive coverage inside and outside of Iowa. The plan has three provider tiers. Monthly premiums for UIChoice are higher than UISelect, and the out-of-pocket costs for medical services are lower.

UISelect is designed for employees who value high-quality coverage. The plan has two provider tiers and the ability to have a guest membership for covered individuals who reside outside the state of Iowa. Members will pay lower monthly premiums than UIChoice and as they use their coverage, they would pay a higher out-of-pocket cost for medical services.

	2024 Total Cost	2023 Total Cost	\$ Change	% Change		2024 Employee Cost	2023 Employee Cost	\$ Change	% Change
<b><u>UIChoice</u></b>									
Single	\$861	\$814	\$47	5.75%		\$86	\$81	\$5	5.75%
Employee/Spouse	\$2,055	\$1,943	\$112	5.75%		\$411	\$389	\$22	5.75%
Employee/Children	\$1,676	\$1,585	\$91	5.75%		\$335	\$317	\$18	5.75%
Family	\$2,201	\$2,081	\$120	5.75%		\$440	\$416	\$24	5.75%
Double Spouse Family	\$2,201	\$2,081	\$120	5.75%		\$220	\$208	\$12	5.75%
<b><u>UISelect</u></b>									
Single	\$662	\$651	\$11	1.70%		\$0	\$0	\$0	0.00%
Employee/Spouse	\$1,580	\$1,554	\$26	1.70%		\$316	\$311	\$5	1.70%

Employee/Dependent	\$1,290	\$1,268	\$22	1.70%		\$258	\$254	\$4	1.70%
Family	\$1,693	\$1,665	\$28	1.70%		\$339	\$333	\$6	1.70%
Double Spouse Family	\$1,693	\$1,665	\$28	1.70%		\$0	\$0	\$0	0.00%

➤ **UI Dental Premiums:**

The University of Iowa recommends a 3% increase across all family status for 2024.

Type of Contract	Total Monthly Cost CY2024	UI Contribution CY2024	Employee Cost CY2024	Employee Cost CY2023	Monthly Change CY23 to CY24
Employee Only	\$48.00	\$48.00	\$0	\$0	\$0
Employee + Spouse	\$100.50	\$80.40	\$20.10	\$19.50	\$0.60
Employee + Child(ren)	\$106.00	\$84.80	\$21.20	\$20.50	\$0.70
Family	\$142.00	\$113.60	\$28.40	\$27.50	\$0.90
Double Spouse Family	\$142.00	\$142.00	\$0	\$0	\$0

➤ **UI Retiree Health Premiums:**

The University of Iowa recommends a 1.0% increase to the Retiree Health Insurance Premium.

- UIChoice Single - \$1018 per month (\$288 subsidy for eligible retirees)
- UISelect Single - \$916 per month (\$288 subsidy for eligible retirees)

**Iowa State University**

Each spring, ISU completes an analysis using utilization, expected medical and dental trend, and administrative fees to determine rates for the faculty and staff medical and dental insurance plans.

In the spring of 2023, the Employee Benefits Advisory Committee comprised of key stakeholders from across the University, was again charged with working with Iowa State’s benefit consultant to conduct a comprehensive review of the employee health and dental plans and provide recommendations for change.

The analysis included reviewing and benchmarked other comparable health plans, reviewing compliance requirements, and exploring plan design. Important to the analysis was maintaining a quality health plan for faculty and staff while balancing the cost of the self-funded health plan with consideration given to the findings of the 2022 ISU benefit survey results. Through continued discussion, review of all relevant information, and the use of guiding principles, the committee

developed the recommendation for modified plans and an increase in premium effective January 1, 2024.

While overall coverage by the plans is not changing, the modified plans (and premiums) will continue to be competitive to market, but with slightly higher out of pocket costs. The plans will now have the following features:

- Preventative services are covered at \$0 cost to the member,
- Employee shares will be going up but less than if no plan design changes were made
- Deductibles for both the ISU BlueHMO and BluePPO will be increasing
- The BluePPO coinsurance will be increasing from 10% to 20%
- The BlueHMO coinsurance will be increasing from 0% to 10%
- No changes will be made to the prescription benefit this year

➤ **ISU Health Premiums:**

The following tables show the health premiums for the ISU Blue PPO and Blue HMO plans for both the current plan year as well as for plan year 2024.

PY 2023	ISU HMO Option			ISU PPO Option		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$29	\$571	\$600	\$49	\$571	\$620
Employee + Spouse	\$152	\$1,226	\$1,378	\$298	\$1,119	\$1,417
Employee+Child(ren)	\$100	\$977	\$1,077	\$221	\$885	\$1,106
Employee+Family	\$193	\$1,560	\$1,753	\$382	\$1,435	\$1,817
Double Spouse	\$129	\$1,624	\$1,753	\$270	\$1,547	\$1,817

PY 2024	ISU HMO Option			ISU PPO Option		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$33	\$635	\$668	\$55	\$636	\$691
Employee + Spouse	\$184	\$1,351	\$1,535	\$332	\$1,247	\$1,579
Employee+Child(ren)	\$120	\$1,080	\$1,200	\$246	\$986	\$1,232
Employee+Family	\$234	\$1,719	\$1,953	\$425	\$1,599	\$2,024
Double Spouse	\$154	\$1,799	\$1,953	\$302	\$1,722	\$2,024

➤ **ISU Dental Premiums:**

Iowa State University is not recommending any plan design changes to the Dental Plans, but is recommending a slight premium increase of 4.8%.

PY 2023	Basic			Comprehensive		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$0	\$23	\$23	\$17	\$23	\$40
Employee + Spouse	\$32	\$23	\$55	\$81	\$23	\$104
Employee+Child(ren)	\$39	\$23	\$62	\$87	\$23	\$110

Employee+Family	\$48	\$23	\$71	\$101	\$23	\$124
Double Spouse	\$25	\$46	\$71	\$78	\$46	\$124

PY 2024	Basic			Comprehensive		
	EE Share	ER Share	Total	EE Share	ER Share	Total
Employee Only	\$0	\$24	\$24	\$18	\$24	\$42
Employee + Spouse	\$34	\$24	\$58	\$85	\$24	\$109
Employee+Child(ren)	\$41	\$24	\$65	\$91	\$24	\$115
Employee+Family	\$50	\$24	\$74	\$106	\$24	\$130
Double Spouse	\$26	\$48	\$74	\$82	\$48	\$130

➤ **ISU Student Health and Dental Premiums<sup>1</sup>**

Each spring, ISU completes an analysis using current utilization, expected medical and dental trend, and administrative fees to determine rates for the student and dental insurance plans. The results of this analysis are provided in the tables below. These rates went into effect on August 1, 2023 as ISU's SSHIP open enrollment begins on July 1 and runs through the end of September.

In the winter/early spring of 2023, ISU conducted a comprehensive review of SSHIP. The study benchmarked peer student health plans, reviewed compliance requirements, and explored plan design and other plan and financial features. Important to the review was maintaining a quality health plan for students while balancing the cost of the self-funded health plan with consideration given to ISU's academic mission. While the study provided some actionable recommendations and future considerations it was found that the overall SSHIP plan was a very good plan compared to market and priced appropriately. Given this, ISU did not incorporate any plan changes or significant premium changes for the 2023-24 academic year.

All undergraduate students, and graduate students without an assistantship, who are registered for 5 credit hours or more at Iowa State University, are eligible to enroll in the ISU Student & Scholar Insurance Plans. Eligible students may also enroll their spouse/domestic partner and dependent children. All international students who are registered for at least 1 credit hour at Iowa State University (except for those only in audited courses or distance ed) are automatically enrolled in the ISU Student & Scholar Health Insurance Plan. ISU requires nonimmigrant international students and their dependents to purchase and maintain coverage through the ISU health insurance plan for the duration of their tenure at the university. There are select situations where a waiver is allowed.

The ISU Student and Scholar Medical coverage is a Wellmark Blue Cross Blue Shield plan that offers office visits and outpatient services, Well-child care, in-network preventive care, in-network routine vision exams, in network prosthetic limbs and in-network services for mental health/substance abuse independent labs, office visits and outpatient services and services subject to health and drug card copayments.

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<sup>1</sup> Effective January 1, 2023, Iowa State University manages student health and dental insurance for eligible UNI students. UNI's tables for medical and dental premiums can be found on page 7.

The first table shows medical premiums for Visiting Scholars. ISU did not incorporate any coverage or plan changes or significant premium changes for the 2023-24 academic year. Premium increases for Visiting Scholars went up on average between 3.52% and 3.95%. Premiums are shown on a monthly basis.

		22-23 Scholar – Medical			23-24 Scholar – Medical		
Classification	Coverage Level	ISU	Scholar	Total	ISU	Scholar	Total
Visiting Scholars	Scholar Only	\$0.00	\$227.00	\$227.00	\$0.00	\$235.00	\$235.00
	Scholar and Spouse/Partner	\$0.00	\$478.00	\$478.00	\$0.00	\$496.00	\$496.00
	Scholar and Children	\$0.00	\$432.00	\$432.00	\$0.00	\$449.00	\$449.00
	Scholar and Family	\$0.00	\$683.00	\$683.00	\$0.00	\$710.00	\$710.00

The second table shows medical premiums for students. ISU did not incorporate any plan changes or significant premium changes for the 2023-24 academic year. Premium increases for students went up on average between 3.52% and 3.99%. Premiums are shown on a monthly basis.

		22-23 Student – Medical			23-24 Student – Medical		
Classification	Coverage Level	ISU	Student	Total	ISU	Student	Total
Undergraduates/ Grad Students	Student Only	\$0.00	\$187.00	\$187.00	\$0.00	\$194.00	\$194.00
	Student and Spouse/Partner	\$0.00	\$390.00	\$390.00	\$0.00	\$405.00	\$405.00
	Student and Children	\$0.00	\$351.00	\$351.00	\$0.00	\$365.00	\$365.00
	Student and Family	\$0.00	\$556.00	\$556.00	\$0.00	\$578.00	\$578.00
Grad Assistants	Student Only	\$227.00	\$0.00	\$227.00	\$235.00	\$0.00	\$235.00
	Student and Spouse/Partner	\$272.00	\$206.00	\$478.00	\$283.00	\$213.00	\$496.00
	Student and Children	\$260.00	\$172.00	\$432.00	\$270.00	\$179.00	\$449.00
	Student and Family	\$300.00	\$383.00	\$683.00	\$312.00	\$398.00	\$710.00

ISU Student Dental coverage is a Delta Dental plan that offers two cleanings per year, and diagnostic and preventative services at 0% coinsurance with no deductible. This plan does not cover orthodontics or wisdom tooth removal.

The third table shows dental premiums for students (dental is not offered to visiting scholars). ISU did not incorporate any plan changes and premiums were not increased for the 23-24 academic year. Premiums are shown on a monthly basis.

		22-23 SSHIP – Dental			23-24 SSHIP – Dental		
Classification	Coverage Level	ISU	Student	Total	ISU	Student	Total
Undergraduates/ Grad Students	Student Only	\$0.00	\$23.50	\$23.50	\$0.00	\$23.50	\$23.50
	Student and Spouse/Partner	\$0.00	\$46.50	\$46.50	\$0.00	\$46.50	\$46.50
	Student and Children	\$0.00	\$45.00	\$45.00	\$0.00	\$45.00	\$45.00
	Student and Family	\$0.00	\$75.00	\$75.00	\$0.00	\$75.00	\$75.00
Grad Assistants	Student Only	\$13.00	\$10.50	\$23.50	\$13.00	\$10.50	\$23.50
	Student and Spouse/Partner	\$13.00	\$33.50	\$46.50	\$13.00	\$33.50	\$46.50
	Student and Children	\$13.00	\$32.00	\$45.00	\$13.00	\$32.00	\$45.00
	Student and Family	\$13.00	\$62.00	\$75.00	\$13.00	\$62.00	\$75.00

**University of Northern Iowa**

Each year UNI completes an analysis using actual claims data, expected medical and dental trends, and administrative fee costs to determine employee and employer contribution rates for the health and dental insurance plans.

UNI seeks to retain competitive health and dental insurance plans, both in terms of coverage and cost. Gradually decreasing employee cost share combined with more rapidly increasing employer cost share, along with expected medical trend contributed to the recommendation to incorporate the following changes for plan year 2024:

- Increase deductible for UNI Blue HMO from \$100 to \$150 for single and from \$200 to \$300 for family
- Increase out-of-pocket maximum for UNI Blue HMO from \$750 to \$1000 for single and \$1500 to \$2000 for family
- Increase out-of-pocket maximum for UNI Alliance Select PPO from \$1750 to \$2000 for single and from \$3500 to \$4000 for family
- Adjusting prescription formulary drug plan from Blue Rx Complete to Blue Rx Value Plus and specialty drugs will need to be filled by CVS Caremark through a new PrudentRx program
- Employee and employer contribution costs will be increased, but less so than if no plan design changes were made

These employee insurance plan changes, along with the below contributions rates for 2024, were reviewed and discussed with the Benefits Advisory Committee.

Below are the health insurance monthly contribution rates for the UNI Blue HMO and the UNI Alliance Select PPO plans for both the current plan year and for plan year 2024.

➤ **UNI Health Premiums**

PY23	UNI Blue HMO					UNI Alliance Select PPO				
	EE Share	%	ER Share	%	Total	EE Share	%	ER Share	%	Total
Single (EE only)	\$0.00	0.00%	\$788.39	100.00%	\$788.39	\$24.30	2.99%	\$788.39	97.01%	\$812.69
Family (EE+family)	\$200.40	11.66%	\$1,517.71	88.34%	\$1,718.11	\$379.50	20.00%	\$1,517.71	80.00%	\$1,897.21
Dual Spouse	\$28.65	1.67%	\$1,689.52	98.33%	\$1,718.17	\$189.75	10.00%	\$1,707.43	90.00%	\$1,897.18

PY24	UNI Blue HMO					UNI Alliance Select PPO				
	EE Share	%	ER Share	%	Total	EE Share	%	ER Share	%	Total
Single (EE only)	\$20.10	2.22%	\$886.55	97.78%	\$906.65	\$45.00	4.73%	\$906.65	95.27%	\$951.65
Family (EE+family)	\$230.40	11.66%	\$1,745.37	88.34%	\$1,975.77	\$436.35	20.00%	\$1,745.37	80.00%	\$2,181.72
Dual Spouse	\$80.55	4.08%	\$1,895.22	95.92%	\$1,975.77	\$218.10	10.00%	\$1,963.62	90.00%	\$2,181.72

➤ **UNI Dental Premiums**

The University of Northern Iowa is not recommending any plan design or premium changes to its dental plan. Below are the dental insurance monthly contribution rates for both the current year and for plan year 2024.

PY23 & PY24	UNI Dental Plan				
	EE Share	%	ER Share	%	Total
Single (EE only)	\$6.00	19.05%	\$25.50	80.95%	\$31.50
Family (EE+family)	\$54.75	50.00%	\$54.75	50.00%	\$109.50
Dual Spouse	\$46.50	42.47%	\$63.00	57.53%	\$109.50

➤ **UNI Student and Dental Health Premiums<sup>2</sup>**

All undergraduate and graduate students registered for 5 credit hours or more at UNI are eligible to enroll in the UNI SHIP. Eligible students may also enroll their spouse/domestic partner and dependent children. All international students who are registered for at least 1 credit hour at UNI (except for those only in audited courses or distance ed) are automatically enrolled in the UNI SHIP. UNI requires nonimmigrant international students to purchase and maintain coverage through the UNI health insurance plan for the duration of their tenure at the university.

Medical	Spring 2023	AY 2023-2024
Student Only	\$ 187.00	\$ 194.00
Student & Spouse/Partner	\$ 390.00	\$ 405.00
Student & Children	\$ 351.00	\$ 365.00
Student & Family	\$ 556.00	\$ 578.00

Dental	Spring 2023	AY 2023-2024
Student Only	\$ 23.50	\$ 23.50
Student & Spouse/Partner	\$ 46.50	\$ 46.50
Student & Children	\$ 45.00	\$ 45.00
Student & Family	\$ 75.00	\$ 75.00

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<sup>2</sup> Effective January 1, 2023, Iowa State University manages student health and dental insurance for eligible UNI students. Information related to ISU’s analysis and premium rate determination process is described on page 4 of this memorandum.