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Comments to the Division of Health Care Finance and Policy on proposed changes to Qualifying Student Health Insurance Program regulations

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We are writing regarding the proposed changes to the regulations regarding the Massachusetts Qualifying Student Health Insurance Program (QSHIP). Based on research we have conducted and work with clients with medical debt, we have identified serious problems with existing QSHIP plans. Most of the proposed technical corrections proposed do not address the most pressing concerns with these plans.

In 2007, The Access Project released a report on QSHIP titled, *Not Making the Grade: Lessons from the Massachusetts Student Health Insurance Mandate*. This report asked the question: Are QSHIP plans affordable? Our findings showed that while premiums and deductibles for these plans offer an appearance of affordability, the actual coverage provided under most QSHIP plans is woefully inadequate.

The affordability of insurance plans cannot be assessed based on the prices of premiums and deductibles alone. One must also consider the out-of-pocket exposure that individuals will experience when they seek care under an insurance plan. The vast majority of QSHIP plans do not pass this affordability test when considering the extent of coverage for people when they actually seek care.

There are three main reasons why the majority of QSHIP plans provide inadequate coverage for students:

- 1) Low annual coverage caps and individual service caps
- 2) Co-insurance costs that are implemented without out-of-pocket maximums, or with high out-of-pocket maximums, as well as other complex cost-sharing arrangements
- 3) Carriers that provide poor service, for example by inappropriately denying medical claims or failing to process claims in a timely or consistent manner

For in-depth information, please refer to our report, which is attached to this letter.

We also have concerns that this program, which requires students to purchase health insurance, does not allow waivers for students who find the cost of the insurance

unaffordable. Under state health reform, we have established the principle that if we are requiring people to purchase coverage, they must have access to affordable coverage. For students who cannot afford the offered health plans when all costs are taken into account, the mandate to purchase insurance can actually serve as a barrier to higher education.

In short, the serious deficiencies of existing QSHIP plans need to be addressed. Furthermore, the entire QSHIP system and the student insurance mandate need to be reevaluated in the context of state health reform, particularly the state-wide individual insurance mandate. The present student health insurance system creates barriers to university education for lower-income populations who cannot afford to pay for coverage on top of tuition costs, and leaves large numbers of underinsured students at risk of medical debt and health access problems if they fall ill.

Thank you for the opportunity to submit these comments.