To: Graduate Students, Deans and Department Chairs

From: Patrick Farrell

Subject: Injury and Sickness Insurance Subsidy Update

Access to good insurance is essential for the health of our students. To this end, the University established a subsidy program to help eligible graduate students pay for sickness and injury insurance and a payroll deduction option to help students who wish to avoid one large payment (see below for deadlines). Since the establishment of the subsidy program in spring 2003, more and more graduate students have received the subsidy and enrolled in the insurance program.

There has been much in the news over the past few years regarding Health Care Reform and The Patient Protection and Affordable Care Act (PPACA). The Department of Health and Human Services (HHS) issued some rules to establish requirements for student health insurance coverage under PPACA. The ruling required the Lehigh University Student Accident and Sickness Plan to implement the following benefit changes/enhancements starting with the 2013/2014 Academic Year:

- Increase Plan maximum per policy year benefit from $100,000 to $500,000
- Increase prescription drug maximum from $100,000 per policy year to $500,000 per policy year (included in aggregate maximum)

In addition, during the 2012/2013 academic year the following changes/enhancements were implemented and will continue in accordance with PPACA rules:

- Include 100% coverage for preventative care, including annual physicals and certain immunizations;
- Include 100% coverage for prescription contraceptives and devices;
- Change physical therapy maximum from $1,000 to 30 days inpatient and 15 visits outpatient;
- Remove ambulance maximum of $500; and
- Change mental/nervous disorder maximum from $1,000 ($65 maximum per day) to:
  - Biologically-based inpatient paid as any other sickness;
  - Non-biologically based inpatient limited to 60 days; and
  - Outpatient limited to 15 visits.

These benefit enhancements are great for the students covered under this plan, and are very much needed by some. We understand that fluctuations in premiums may cause a hardship for many of the Lehigh University students, but we also believe the new benefits are important for the insured population. Despite the new regulatory requirements and increased benefits we were able to negotiate a $146.00 decrease in the annual premium for the next academic year.

For 2013-2014, the annual premium for student-only coverage will be $1,970.00. To help eligible students (see criteria below) afford individual coverage, the University will provide a subsidy of $980.00 for the 2013-2014 academic year. The out-of-pocket cost for individual coverage will then be $990. Eligible students will receive a subsidy payment of $490.00, minus the appropriate taxes for each semester during which they qualify (thus totaling $980.00 per year, if student qualifies). The subsidy will be paid at the end of each semester (with the December 13th and May 15th paychecks). NOTE: If your paychecks stop before these dates, you will not be eligible to receive the subsidy.
The subsidy program is an integral part of the University’s commitment to providing our graduate students with a quality insurance program. Due to the drastic changes that have been occurring in the insurance industry and in an attempt to provide affordable insurance coverage to our graduate students, the University no longer offers coverage for dependents. In order to help those students that require dependent coverage explore the dependent coverage available, University Health Plans, the University’s insurance broker, will maintain a website that will list insurance companies that may provide coverage for dependents.

Criteria for Sickness/Injury Insurance Subsidy Program

The subsidy program is offered to students who meet all criteria listed below on the payment subsidy date:

1. Full time or certified full time graduate student.
2. Receiving assistantship or fellowship payments through the university payroll system
3. Have paid their Lehigh injury and sickness insurance premium in full or are signed up for payroll deduction of premiums.

Enroll in the insurance program by submitting to the Bursar (1) a completed application for the insurance plan AND (2) payment (check, cash, MasterCard, VISA, AMEX, proof of an approved pending loan, or payroll deduction form) before September 9, 2013 (annual 2013/2014 coverage, or coverage for only the fall 2012 semester) and January 24, 2014 (coverage only for spring 2014 semester). Students who are eligible to enroll for the fall semester and choose not to enroll are still eligible to enroll for the spring semester if the student has a “qualifying event” as described in the Injury and Sickness Brochure. Subsidy payments are automatically paid to all eligible, enrolled students each semester and require no application forms.

All relevant forms are available at the Bursar’s Office. Enrollment applications can also be found at www.universityhealthplans.com, then click on the Lehigh University link. Payroll deduction forms may be found on the Lehigh University Controller’s Office website www.lehigh.edu/~inctr/forms_payroll.shtml, under Payroll forms.

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