



# Health Insurance Bulletin

## 2010-2

### **Minimum Coverage, Loss Ratio, and Disclosure Requirements for Student Health Benefit Plans**

The Office of the Health Insurance Commissioner, after a review of student health benefits coverage generally available in the state, has determined that all Student Health Benefit contracts, plans or policies delivered, issued for delivery or renewed in this state on or after September 1, 2010 must meet certain requirements in order to facilitate public understanding of such policies and ensure that the benefits provided by such policies are reasonable in relation to the premium charged. See Adopted DBR Reg. 23, Part I and Part XI, Section 3.

A Student Health Benefit contract, plan or policy shall mean any Blanket Health Benefit Contract, as described in Adopted DBR Reg. 23, Part III, that is issued or intended to be issued to:

- a college, school, or other institution of learning;
- a school district or districts;
- a school jurisdictional unit; or
- the head, principal or governing board of any college, school, or other educational unit

(hereinafter referred to as the policyholder) for the purposes of providing coverage to students or other enrollees (hereinafter referred to as the certificate holders).

#### ***Minimum Coverage:***

All Student Health Benefit contracts, plans or policies must meet the minimum coverage level of fifty thousand dollars (\$50,000.00) per student per accident or occurrence and may not impose annual or lifetime caps.

#### ***Minimum Loss Ratio:***

All Student Health Benefit contracts, plans or policies shall not be delivered or issued for delivery unless the contract, plan, or policy form or certificate form can be expected, as

estimated for the entire period for which rates are computed to provide coverage, to return to policyholders and certificate holders in the form of aggregate benefits provided under the contract, plan, or policy form or certificate form at least eighty percent (80%) of the aggregate amount of premiums earned.

***Disclosure:***

All carriers providing Student Health Benefit contracts, plans or policies delivered, issued for delivery or renewed in this state on or after September 1, 2010 shall prominently disclose in the certificate form or in some other document that will be provided to certificate holders, in no less than 12 point type, any and all payments, charges, fees, or any other amounts that are paid to or retained by the policyholder (on a per capita basis) in conjunction with the issuance of the Student Health Benefit contract, plan, or policy. This amount includes any percentages or portions of the premium collected from certificate holders and withheld by the policyholder.

Christopher F. Koller  
Health Insurance Commissioner  
May 18, 2010