

## Case 12

In response to growing concern about undergraduates without adequate health insurance and alarming medical related drop-out rates, the University of California Board of Regents will require undergraduates, beginning Fall 2001, to have health insurance.

An estimated 40 percent of UC undergraduates are currently uninsured or underinsured, according to a report on student health presented at the July Regents' meeting. System wide, an estimated 25 percent of students who leave school do so for medical reasons, a significant portion of which are linked to inadequate or no insurance, noted the report prepared by the UC advisory committee on student health. One explanation for the high drop-out rate is that many students who are insured through their parents are insured through HMOs which provide very limited out-of-area coverage. As a result, students beset by serious injury or illness and whose parents live some distance from campus have little choice but to drop out of school and return home to receive health care.

Health insurance packages will be determined by each campus, with an estimated cost to students of \$400-\$500 for year-round coverage. Costs will be factored into grants, loans, and work-study programs offered to students who receive financial assistance. Students already covered by adequate health insurance can waive the requirement.

The new campus-based insurance plans will not replace the primary medical care, mental health, and referral services provided by the student health services. However the health service is facing increasing difficulties meeting students' health needs. In addition to addressing typical health problems - upper respiratory tract infections, musculoskeletal injuries, routine or non-routine gynecological care, and dermatological conditions, clinicians are also treating an increasing number of students with chronic and complex medical and mental health conditions, and conditions affecting older adults. Further, campus health services are treating increasingly diverse students with diverse and complex health care needs, e.g. physically challenged or older students with special chronic health needs. If students' needs exceed health service capacities for care, clinicians recommend referral to outside specialists. Students often refuse, however, saying they cannot afford outside care. As a result, students fail to get proper evaluations and appropriate care.

Opponents of the plan note that a UC education is already prohibitively expensive for many. The average annual cost of \$4300 impedes matriculation by many otherwise qualified students; that number will rise, the opponents point out, if another \$400-\$500 is added to the cost. They also note that to make the insurance affordable will likely require a deductible of \$300-\$500 that is itself beyond the means of many students. Moreover, if the plan assumes an HMO or PPO approach, it may not be able to insure easy of sufficient access to off-campus providers.