



# Your College's Health Claims Report Arrived—Now What?

## 4 Ways to Understand and Optimize Your Student Health Insurance Plan

Claims data can provide a wealth of knowledge—if you know where to look. To start, be sure to keep your eye on these four data points that can help identify costly problems or student trends that need addressing.

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### **Determine whether atypical large claims are derailing your plan.**

Review the section of your claims reports that shows the large-dollar claims (i.e., the large-dollar claim diagnosis); then delve deeper to see if those claims are being considered as part of a normal trend or if they are unusual. Trends, and any large claims resulting from them, will typically be factored into your insurance rate going forward, but atypical, nonrecurring large insurance charges—such as an acute condition resulting in a lengthy inpatient stay or a complex surgery—should be separated and pooled with your carrier’s portfolio of other large claims.

If you discover a large atypical claim, be sure you understand how this event is affecting your claims experience. Ask your broker or carrier if that charge is being removed from the completion factor or how it is being discounted from the experience. Large claims can and do happen, but they shouldn’t upset an otherwise stable insurance plan.

### **Are students seeking care where you want them to?**

Because network providers are typically more cost-effective for both the insured student and the plan, in-network care, as opposed to out-of-network care, is the preferred option. A close analysis of your claims report can reveal how many student health care services are being provided in network.

Find the section of your claims reports that identifies the total allocation for in-network versus out-of-network services. Because large claims amounts can have an outsized effect, allocation data alone doesn’t tell the whole story. To get a more complete picture, you can examine allocation amounts in conjunction with the specific numbers of in-network and out-of-network claims.

Perhaps you will find that 85 percent of payment allocations are in network, but only 50 percent of all total claims are filed in network—revealing that many students are accessing out-of-network care. Armed with this data, you can compare current student activity to your school’s goals and can evaluate whether or not there is a need for marketing-communications campaigns to help drive student behavior. Messages to students about the value of seeking care with network providers—in both digital and real-world locations where they typically look for information—can be very effective.



## Is the student health center being accessed enough?

A health care center can be a vital part of your student health plan and have a significant effect on costs, so you'll likely want to try to optimize usage and leverage your student health center as a cost-effective care provider.

Claims data can help you as you seek to answer questions, such as the following:

- ▶ How many students are going to the student health center for care?
- ▶ How often are they going?
- ▶ What services are they seeking most frequently?
- ▶ Because students are filing claims for similar services with other providers, are there certain services offered by the student health center that are being underutilized?

Your campus may have other specific questions about student health center usage that an in-depth claims data analysis can help you understand. To increase awareness of health care options on campus, you might consider developing a marketing campaign geared towards students that evaluates how and where students access information about the student health center (especially online), conducting information sessions in collaboration with residence halls, and/or using targeted messaging to address a specific problem revealed by your claims data analysis.

## Identify excessive emergency room use.

Your claims report can also reveal if your students are making too many trips to the emergency room—a common problem, especially within international student populations who are unfamiliar with alternative health care options. An average ER visit can often lead to claims exceeding \$2,000, proving costly for both students and health plans.

Consult with your broker or carrier to determine how your school's emergency room claim amounts compare to claims from other providers during the same period. Emergency room claims data from previous years or, if available, other schools, can also provide a valuable frame of reference. Check to ensure you understand what practices your plan's claims administrator has in place to obtain proper discounts, adjudicate claims that may arise from nonemergency care, and remove unreasonable charges (whether or not they are emergency room claims).

One way to address high emergency room usage is to implement an effective training program to educate students on how, when, and where they should access care. It may be useful to emphasize to students their potential cost savings (e.g., reduced coinsurance payments and/or no balance billing) if they access care at the student health center or, if treatment is needed before they can see their primary care provider, at an urgent care center.

Understanding how your school's student health plan is being accessed throughout the policy year can provide valuable insight about the health of your student health plan and your campus. These tips will help you get started, but they also only scratch the surface of what can be learned from claims data—there are a myriad of possible factors to consider once a claims report hits your desk.

A regular claims data review can serve as a student health plan barometer, helping identify any trouble areas that must be addressed. Also, while insurance carrier underwriters use many different analysis tools to project your insurance program's cost, claims data review can be used to help you anticipate and prepare for any potential plan increases that may result the following year. Additionally, consistent review before your annual policy renewal date can help pinpoint activities, utilization behaviors, or trends that will influence important decisions about your plan, such as the changing of a benefit offering or the incorporation of a different network.

You may also be able to use claims data to help diagnose specific campus needs, such as an increased emphasis on wellness, greater mental health assistance, or more education on how

students can consider cost when obtaining care. Uncovering behaviors that drive up plan costs is key to making the data-informed decisions that can help you better manage your student health plan and better focus on the well-being of your students. Whether you review your claims activity monthly, quarterly, or by semester, the process can allow you to see how the year is progressing and consider year-over-year performance.

Diving into data analysis may seem daunting, but there is good news—you are not alone. Your broker, consultant, or health plan provider can be a valuable partner in the process by regularly reviewing claims data with you and providing analysis on what that data means for your program. Scheduling a claims data review will help you more fully evaluate the intricacies of your institution's student health care plan and feel more confident that you are managing your plan strategically and sustainably.

/ About the Authors



**Michael Babore**

**Executive Vice President of Consulting Services, Education Solutions**

Michael has worked with colleges and universities since 2000, developing roadmaps for successful student health insurance programs. His goal is to deliver the service each and every client requires.

☎ (310) 566-2061  
✉ [michael.babore@relationinsurance.com](mailto:michael.babore@relationinsurance.com)



**Neil Majors**

**President, Education Solutions**

Neil leads his team in providing consulting and administrative services to institutions of higher education; clients are colleges and universities nationwide, varying in size from small private schools to large public institutions.

☎ (310) 566-2051  
✉ [neil.majors@relationinsurance.com](mailto:neil.majors@relationinsurance.com)

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