

February 8, 2010

**FINAL CAMPUS HEALTH CARE FEE LEVEL  
RECOMMENDATION FOR 2010-2011**

**INDEPENDENT ANALYSIS BY  
HEALTH FEE ADVISORY BOARD (HFAB)**

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*Submitted to:*

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## **EXECUTIVE SUMMARY**

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The Health Fee Advisory Board (HFAB) is a student-led advisory committee that oversees the use of the Campus Health Care (CHC)[\[1\]](#) fee and makes recommendations regarding the fee level and allocation for subsequent academic years. This report will focus on the recommended fee for 2010-2011.

During the past six months, HFAB carefully analyzed University Health Services (UHS) data, reviewed student surveys and other student fees, interviewed UHS officials from the various departments and consulted with other student groups (Graduate Assembly, Associated Students of the University of California, and the Committee on Student Fees) to make a well-educated decision about what the student fee level should be.

HFAB assessed the ability of the Campus Health Care fee to improve the access, efficiency, and quality of care delivered at UHS, also known as the Tang Center. HFAB determined that the CHC fee revenue was generally utilized appropriately in response to students' demands and needs although there has been recent severe budget cuts that have affected both the student population and staff. This includes a 32% increase of student fees for Fall 2010 and a new requirement for departments to pay 4% of payroll costs into the employee pension fund due to UC system wide change in salary compensation.

In light of this development, this year's advisory board was particularly sensitive to the overall climate of increasing fees and was particularly concerned about the effect of the current financial crisis on students. HFAB hopes to highlight on behalf of its constituents, through its ongoing support of CHC, that we as a student population are

committed to and highly value working with UHS to continuously improve access to high quality care.

Last year's fee recommendation in Spring 2009 focused on the following improvements to the Tang Center:

- Medical Care Technology and Equipment
- Primary Care and Urgent Care
- Mental Health
- Health Promotion

In light of future budget cuts, HFAB has reverted from a focus on improvement to a focus on sustaining health services.

Since the announcement of the new required department contribution to pension funds in early January, HFAB was informed that even a maximum fee increase (4.6%) would place UHS in a situation of deficit. After considering the potential fee levels, HFAB recommends an increase of 2.0% to the existing CHC fee for the fall and spring semesters and 1.4% for the summer sessions of the 2010-2011 academic year. This amounts to an increase of \$1.00 per student for the fall and spring semesters, bringing the new CHC fee to \$52.00 per student per fall and spring semesters, and an increase of \$1.00 per UC Berkeley summer session enrollee, bringing the new CHC fee to \$37.00 for summer session students. Last year's recommendation requested a \$0.50 increase to summer sessions, placing the total fee at \$36.50. However, administration notified HFAB

that the computer system responsible for distributing aid for summer sessions can not handle \$0.50 increments, thereby limiting our increase/decrease options to \$1.00 increments. In the spirit of HFAB, we decided to amend our decision of \$36.50 to \$36.00 for the 2009-2010 summer school year; however, for the 2010-2011 summer session, we increased the fee to \$37.00. Our reasoning to select this fee served as a compromise to try to protect the services for students while showing solidarity with students to try to keep student fees from increasing. Since there is no funding left over for special projects, a list of projects that HFAB would like to have funded can be found in the "Special Projects" portion of the report.

[1] The official name of the fee passed in the Safeguard Student Health Care Referendum.

## CONTEXT

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In addition to addressing increasingly severe student health needs (particularly the 2009 H1N1 flu pandemic), the University Health Services (UHS) faced more prominent financial issues than the previous academic year. Such financial concerns include rising health care costs, budget cuts and a new employer contribution requirement to fund employee pensions.

As national health care costs are increasing at a faster rate than inflation, California is undergoing a fiscal crisis that largely impacts the whole UC system. The state fiscal crisis and the UC budget crisis have affected UHS in two ways: (1) reduce UHS budget by 23% (which equals to \$2 million in cuts) and (2) require UHS to provide a 4% employer contribution for employee pension funds through non-central funds (including the Campus Health Care Fee) starting April 2010.

With increasing health care costs, budget cuts and a new responsibility to contribute to employee pension, the UHS faces a dilemma in funding its health services for the UC Berkeley campus. UHS primarily receives funding from three sources: (1) registration fees, (2) Campus Health Care Fee (CHCF) and (3) fees charged for each service (e.g. fee-for-service). Because UHS's usual funding from UC registration fees has been cut, UHS needs to increase the latter two sources of revenue to maintain quality student health services.

Currently, the CHCF requires students to pay \$51.00 for the fall/spring term and \$36.00 for the summer term. Because of the current financial and budgetary situation, even choosing the maximum allowed increase in the CHCF would translate to a \$9,000 service cut. While other registration fees are anticipated to increase, the increase in the

CHCF will impose an additional monetary burden on students. To increase its third source of revenue (fees charged for each service), the UHS introduced co-payments and modest fees increases for some ancillary, specialty and procedural services (e.g. \$10 fee increase for psychiatry and dermatology services). Furthermore, UHS has reduced staff by about 14% (about 28 positions) and increased business and operational efficiencies through technologies (including the implementation of online appointment scheduling and electronic medical records).

While there is an array of implemented approaches to absorb the multi-million dollar budget cuts, how do such financial decisions affect the quality and access of health care for students? The answer to this question remains unknown until more extensive data is collected. Nevertheless, despite the financial hardships, UHS has asserted its priorities as “providing high quality care and affordable, convenient services while remaining one of the most comprehensive student health centers in the nation.” In upholding its commitment in providing accessible health care to students, the UHS maintains the same hours of service and the same Student Health Insurance Plan (SHIP) benefits including new coverage for vision, pharmacy, physical therapy and ambulatory care.

## **METHODS**

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This year, HFAB continued the methods of the previous year's HFAB. Data sources consisted of various financial, utilization, and survey data. Interviews with key staff members of various UHS departments at each meeting (see Appendix) were also discussed and analyzed. During these meetings, HFAB reviewed key themes central to the CHC mission of increasing UHS access and ease of use for UC Berkeley students. These themes included IT and Ease of Use, Health Prevention and Communication, Mental Health, and Medical Care (which includes primary care, urgent care, and the advice nurse). After HFAB met with representatives of these departments, they then discussed the departments' needs relative to the students' needs. This discussion section and the final decision-making process was kept inclusive to the student members of HFAB to enhance analysis and limit bias from UHS.

Meetings were chaired by the HFAB co-chairs (two undergraduates) and attended by seven other student members of diverse backgrounds and disciplines. This year's HFAB was composed of eight undergraduates and one graduate student. There was representation from the overall student body, ASUC, Student Health Advisory Committee (SHAC), and the Committee on Student Fees. Each meeting was also attended by guest UHS representatives from each theme of interest, Claudia Covello, Executive Director of UHS, and Bene Gatzert, UHS Management Analyst.

In weighing the many factors impacting the CHC fee, HFAB considered the desired improvements voted on by students in the original CHC fee referendum and reviewed impacts of the first few years of CHC funding, new trends and student feedback as communicated through surveys, access data, and the voices of the student

representatives. HFAB members also consulted with campus partners including SHAC, the Graduate Assembly, ASUC, and the Committee on Student Fees. Furthermore, we also sought input on future trends and the current impact of the budget cuts and gaps in services from Claudia Covello, Executive Director of UHS.

HFAB reached its recommendation with three goals in mind: 1) to equitably represent the needs and desires of the majority of UC Berkeley students; 2) to provide UHS with sufficient revenue to continue providing high quality care and access to all UC Berkeley students; and 3) to increase transparency and accountability of where CHC monies are used.

## **ANALYSIS OF LAST YEAR'S RECOMMENDATION**

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In order to determine the effectiveness of HFAB and its contribution to UHS, each year's HFAB analyzes the impact of the previous year's recommendations. Each area of interest from the previous report is thoroughly discussed and scrutinized by the current board. This past year, we took into account the previous year's recommendation along with the current budget crisis, which has impacted UHS such that they lost 23% of their central funds budget and have cut 14% of their employees. Based upon last year's recommendations, we have assessed the following:

1. **Improving Medical Care Technology and Equipment.** With HFAB's funds, Medical Services was actually able to acquire two new microscopes to replace existing microscopes in the labs. Updating these pieces of equipment have benefited the center since the existing microscopes were outdated by several years.
2. **Primary Care and Urgent Care.** Both primary care and urgent care departments have suffered significant cuts in funding, and thus have implemented a \$15 and \$30 co-pay for each visit, respectively. However, even with co-pays, these departments have had to reduce their staffing numbers, including practitioners. As a result, longer wait times have been remedied by using assessment nurses in urgent care, a more affordable way of routing patients. Despite these new co-pays and wait times, trends show that numbers of visits to urgent care are slowly rising back to numbers seen before staff cuts and out-of-pocket fees.

3. **Mental Health.** The mental health hotline has proved to be both helpful to students and UHS because it is generally used for weekends and evenings when no one is on-call in the clinic. This hotline has enabled UHS to avoid paying as much for an on-call clinician. Counseling services have increased their session limits from six to ten, and have increased their free visits from three to five, even with cuts in funding. Additionally, as the numbers of visits to counseling services are increasing, average wait-time for an initial evaluation has decreased remarkably, showing that mental health services are being adequately provided to the student population. However, HFAB has discovered that decreases in funding have been affecting the department and they may need to seek additional funding to maintain the quality and accessibility of their services.

4. **Health Promotion Services.** Health Promotion has listed a set of priorities for the following years to come in order to educate students in health leadership, responsive health care, and organizational innovation. Outreach campaigns have been conducted to reach these goals this past year and have been increasing their presence throughout campus. Accompanied by collaboration with the communications department and HFAB funds, posters have been designed and posted throughout campus to promote the Tang Center and health awareness. Water bottles from their "I <3 Tap" Water Campaign have been seen throughout the campus since their introduction, indicating a stronger effort in increasing awareness. However, HFAB has noted that student accessibility still remains an issue in light of these new out-of-pocket fees and their unknown impacts.

## **ANALYSIS OF FEE RECOMMENDATION**

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Based on the conditions of the original referendum, the CHC fee can increase, decrease, or remain the same each year without the consent of the student body. In keeping with this mandate, HFAB considered various levels of fees ranging from a 20% cut up to a maximum increase of 4.6% of the current CHC fee (the maximum possible increase for 2010-11 based on Bureau of Labor Statistics inflation rates). The possible range of choices, after most of the Board disregarded any nominal cut, was further limited to whole dollar increments ranging from no increase to a \$6 increase spread over all three academic terms.

Furthermore, because unionized staff required contractual salary increases, as opposed to other staff raises which were at the discretion of management, a 0% increase in the health fee in effect translates into a decrease in resources available to the Tang Center. This fact was exacerbated by the requirement that employers must contribute an additional 4% of salary to their employees' pension fund.

### **The 2010-11 CHC fee decreases from the current level**

HFAB considered a decrease in the current fee level in light of recent budget cuts and the outrage generated by steep registration fee increases for the 20010-11 school year. This possibility was discarded due to low support among the Board (because of the large suspected negative effect on the Tang Center) as well as a desire to reach a consensus. In addition, in light of expected future budget cuts, decreasing the fee today would have the additional cost of preventing as large an increase next year because future

increases are always governed by inflation rates. This dampened our desire to decrease resources available to the Tang Center.

**The 2010-11 CHC fee remains at the current level**

HFAB dismissed the 0% nominal increase, which in effect would be a decrease in resources available to Tang, as too drastic. Given the budget cuts and increases in employee costs, cutting resources further was deemed too painful for the Tang Center, even if students may not notice the service decrease.

**The 2010-11 CHC fee increases from the current level**

Given the new pension requirement, even the maximum increase of 4.6% would not result in an increase in Tang funding. Therefore, in picking between these options, HFAB balanced the desire to keep fees low with the desire to maintain most of the current level of service.

Maintaining service is not as simple as increasing funding, however. Most if not all of the Tang departments told us more money is good, and less would result in service cuts. However, were it not for recent massive University budget cuts, copays would likely never have been implemented. Although the evidence is still inconclusive, the institution of copays may actually have improved service within Urgent Care by lessening wait times, although this comes at the expense of the frequent Tang Center users. This was a trade-off that was in the back of our minds - balancing the need to spread medical expenses across the student body with the desire to ensure students faced the proper incentives when seeking care.

Overall, there was very little analysis that could be done with the information HFAB has at its disposal. Ideally, we would like to know the operations effect of removing money from each department (Urgent Care, Primary Care, Pharmacy, etc.), the subsequent effect of the service change on all students (not just those that come to Tang), the reaction to this change by the Tang Center, and the ensuing reaction by students, etc. This information does not exist, nor is it easily predicted by any single person HFAB could interview. This information instead emerges from a trial and error process once new policies are initiated. In addition, once HFAB disregarded cutting the fee, our choices represented at most a change in Tang Center funding of only \$132,211.

Because we had limited information, our choices of which option was best was based in some part on other aspects besides the new fee's effect on service (finding middle ground, gravitating to whole numbers, allocating increases more to summer students).

## 2010-2011 FEE RECOMMENDATION

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After discussing funding fluctuations with each Tang Center department, the advisory board evaluated the Tang Center's financial needs against student body needs in light of the 32% increase in 2010-2011 student fees. After consideration of all the factors, we recommend an increase of 2.0% to the existing CHC fee for the fall and spring semesters, and a 1.4% increase for the 2010 academic summer. In absolute terms, this amounts to the following:

- Increase of \$1.00 per student per fall and spring semester, bringing the new CHC fee to \$52.00 per person per semester
- Increase of \$0.50 per UC Berkeley summer session enrollee, bringing the new CHC fee total to \$37.00 for the summer session.

Given the new policies guiding pension funds and the contractual salary increases, no fee level increase would allow a surplus of funds to be applied to Tang Center improvements. HFAB therefore felt it was necessary to establish a balance that would not be too severe of a cut for the Tang Center, and would be sensitive to students' increasing fees. The advisory board felt it was important to keep the increase in the summer and regular session (i.e. spring and fall) semester fees equitable in order to treat all students, regardless of their home university, similarly. Although this funding decrease recommendation provides a challenge to the Tang Center, HFAB is committed to

working with UHS to maintain quality, affordable care and to work towards improving services.

## **SPECIAL PROJECT AREAS**

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Traditionally HFAB has allotted a certain percentage of the Campus Health Care Fee (CHCF) money to fund Special Project Areas. The previous year's board prioritized Improving Medical Care Technology and Equipment, but also allocated certain funds to Primary Care and Urgent care, Mental Health, and Health Promotion Services. Although HFAB conducted interviews with these departments throughout the past fall, changing circumstances have left no excess money to fund these projects for the upcoming year. However, HFAB believes that it is still necessary to include the information that was obtained in these meetings, as a reference for future HFAB board members.

**1) Improving Medical Care Technology and Equipment [ETang]:** The Tang Center has employed certain technology initiatives to streamline the patient process and ensure greater accuracy. This includes allowing for students to make select appointments through the website, automate bill processing services, and initiating the process of transferring paper records to electronic forms. The past year's CHCF covered 12% of these projects- however, due to a breach in security at the end of the 2008-2009 school year, the technology department was greatly slowed down in their endeavors. The current year's HFAB board felt that furthering the work of ETang was a priority for Tang, but could not decide whether these technology advancements were more important than improving the services provided by Counseling and Mental Health. Before further research was conducted, the board was alerted that no funds would be available to fund these projects.

**2) Primary Care and Urgent Care:** Primary Care and Urgent Care stated that in previous years the Tang Center has spent unnecessary funds on urgent care staff. By using an advice nurse to triage students into those that need to be admitted and those that can wait, they have been much more efficient. Additionally the staff has allowed nurses to take on more roles, and reduce the number of staff hours. Throughout the conversation it was apparent that while this department felt a need for increased funding for direct patient care, as they stated they would rather see the money go towards Etang, which would allow them to be more organized and ready to serve patients.

**3) Mental Health/Counseling:** This department offers services throughout Berkeley, allowing students to access counselors outside the Tang Center. Counseling services has taken many measures to cut costs by implementing a graduate student internship program, as well as provide a night time non-urgent phone assistance program based in Oregon. However, they did feel that if one more FTE was added to Social Services, they would be able to drastically reduce wait times currently experienced by students. The HFAB board agreed one FTE would improve services provided, as indicated by the rise in Social Services visits by type between 2005-06 and 2006-07, when one FTE was added to the program. HFAB agreed that the services provided were important for students' well-being on campus, but did not come to a final decision regarding whether this department was the board's first priority for special projects.

**4) Communications/Marketing:** This department described the challenges facing them regarding increasing visibility, specifically amongst graduate students and international students. During the past few months the department was focused on publishing and spreading H1N1 flu awareness. The Communications/Marketing team stated, if granted CHCF funds, they would spend it on hiring a new communications assistant, as well as put it towards more projects aimed at health promotion. The HFAB board did not feel Communications/Marketing had as urgent a need for funds as other departments did.

## NOTES FOR FUTURE HFAB

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As the function and role of HFAB continues to evolve, there are many things that this year's committee learned and would like to pass on to future committee chairs and members:

- Future HFABs should continue to examine their role, mission, and priorities as a committee. The purpose and language of the original referendum should be critically re-assessed through the lens of today's campus climate and needs.
- This year's HFAB, like previous years, found it useful to rank the various UHS departments by priority in funding before the presentations process began. After every presentation, these rankings were reassigned based on the content and discussion of that day, allowing us to view departments relative to one another and within a relevant context. Such a process is recommended to future HFABs because of its ability to determine direction, priority, and perspective for the committee (for example, using the health fee for maintaining versus embellishing services) as well as create an effective and efficient process for HFAB members.
- It is useful to be provided with information about how last year's health fee funds were utilized. This allowed us to see any differences between how UHS thought they might use the funds to achieve the recommended goals and what actually occurred. We were also able to see which areas had improvements, increased access or efficiency, or

possibly the opposite. This helped us to understand how we might adjust our recommendations for the future. Thus, we urge our successors to also assess past health fee impacts in order to make educated decisions in fee allocations for the future.

- During meetings, HFAB should think about current funded positions and how they are doing and the impact they have. It is important to keep in mind that while past HFABs have been able to put extra funding in chosen areas, it is not always the case. Future HFABs should be reminded that funding for new projects are only available when there is extra money from the health care fee.

Given the current economic downturn, there are several factors and practices we had to consider that future HFAB committees could benefit from keeping in mind as well:

- Because of the recent financial burdens being placed by budget strains and cutbacks, we urge future HFAB committees to consider the role of the health fee within a large, more holistic framework. Fluctuations of the health fee should be decided upon after considering fluctuations of other campus and registration fees as well as tuition increases. Such an approach allows us to take into account the total impact of the health fee on the student body by preventing us from operating within a vacuum.
- This year's HFAB took a look at a survey SHAC took that asked students representative of our campus if they thought an increase in the fee level would be acceptable and if so, how much of an increase would be acceptable. If possible, future

HFAB should look at this survey to determine whether or not students feel that an increase would be appropriate.

Lastly, transparency continues to be a high priority for HFAB, its methods, and its publications. As any fee increase is approached with criticism and skepticism in our economically difficult climate, accountability and thoroughness are necessary in maintaining the credibility of HFAB on the UC Berkeley campus.

### **Thank You**

HFAB wishes to thank the many UHS administrators, clinical staff, and campus staff that allowed HFAB to objectively examine the effects of the current CHC allocation on student health services. A special thank you goes to Bene Gatzert and Claudia Covello for their time and effort in helping to gather data and lead the committee through its examination of UHS services. HFAB would also like to thank the Student Health Advisory Committee, the ASUC, the GA and the Committee on Student Fees for their input and recommendations.

## Appendix: Data Reviewed

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### 1) Evolving History/Context of the Health Fee and Financial Information to Support Fee Level Analysis

- Evolving context of the Campus Health Fee
- Health Fee history: Finances, Student Experience and UHS Operations 2000-2006
- Historical Health Fee Levels
- Health Fee: Questions and Answers
- Campus Health Care Fee Background Information
- Campus Health Fee Referendum Language
- Health Fee Expenses and Revenue 2008-09
- Health Fee Allocation 2009-10
- Summary of all UC Berkeley Student Fees
- Overall UHS Budget Picture
- UHS Funding Sources
- UHS Students Advisory Committees and Their Various Roles
- UHS Student Feedback Contact Information and Flow Chart
- UHS Client Satisfaction Data
- UHS Utilization Data and Share of Office Visits per Clinic
- Unique Clients by Clinic (Medical and Mental Health)
- Final Campus Health Care Fee Level Recommendation for 2006-07
- Final Campus Health Care Fee Level Recommendation for 2007-08
- Final Campus Health Care Fee Level Recommendation for 2008-09
- Final Campus Health Care Fee Level Recommendation for 2009-10
- What Potential HFAB Decisions Means
- Results of Student Health Advisory Committee (SHAC) Feedback Survey on Health Fee Levels for 2009-10 and HFAB Special Project Funding Ideas
  - Financial Estimates Provided for Fee Level Estimates
  - Cost Estimates Requested by HFAB
  - Interview with Temina Madon, former UCB graduate student and leader of health fee effort

### 2) IT and Ease of Use

- Ease of Use and Information Technology (IT) Funding
- eTang Project Overview and Updates
- Online Scheduling Overview and Updates
- Online Scheduling Statistics
- Interviews with UHS Managers
  - o Harris Masket, MD (unable to attend at the last minute due to a patient emergency)
  - o Bené Gatzert, MPA

### 3) Prevention and Communication

- UHS Communication Efforts 2008-09, and How Health Fee Funding Was Utilized
- Health Promotion Overview
- Health Promotion Priorities for 2009-10 and 2010-11
- Interview with UHS Managers
  - o Kim LaPean, Communications Director
  - o Cathy Kodama, Health Promotion Director

### 4) Mental Health

- Overview of Mental Health Services offered by UHS
- UHS Mental Health Information and Utilization Data (Psychiatry, Counseling, Social Services)
- Interviews with UHS Managers
  - o Jeff Prince, CPS Director and Supervisor of Psychiatry
  - o Paula Flamm, Social Services Manager
  - o Brad Buchman, UHS Medical Director

### 5) Medical Care (Primary and Urgent Care)

- Overview of Medical Services and Health Fee Funding Primary and Urgent Care Client Visit Data
- Most Common Reasons for Student Medical Visits
- Student Self-Reports: Top Health Concerns Comparison of Visits with New Copays: Primary Care and Urgent Care
- Interviews with UHS Managers
  - o Brad Buchman, UHS Medical Director
  - o Jo Billington, Clinical Services Operations Director