

Campus Health Care Fee Level Recommendation

2016-2017

Independent Analysis by Health Fee Advisory Board

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Executive Summary

The Health Fee Advisory Board (HFAB) recommends increasing the Campus Health Care Fee by 4.8% percent for the 2016-2017 academic year. This increase is the maximum allowable by the referendum as determined by the health care inflation rate for physician and clinical services calculated by the US Bureau of Labor Statistics.

Background

The Campus Health Fee was created as a result of a 2005 referendum that was designed to restore health service that had recently been cut and improve student access to services at the Tang Center. The original fee was set at \$43 each for the fall and spring semester and \$31 for the summer sessions. The referendum allowed for the fee to be raised each year based on the recommendation of the Health Fee Advisory Board. The health fee funds medical services, mental health services, preventative services, and ease of use technology.

Methods

The 2015-2016 U.C. Berkeley Health Fee Advisory Board primarily consists of four undergraduate students and two graduate students from across academic departments and student interest groups, including the Graduate Assembly (GA), the Associated Students of the University of California (ASUC), the Student Health Advisory Committee (SHAC) and the Committee on Student Fees (CSF). One member of the committee was serving for a second consecutive year, providing institutional memory and guidance throughout our discussions. University Health Services (UHS) Strategic Initiatives Manager, Bené Gatzert, as well as UHS Executive Director, Claudia Covello, helped facilitate meetings and provided a collection of data that helped us reach our decision.

Some of the methods of data collection include: UHS programs and budget analysis, interviews with UHS Directors, and a review of HFAB literature and previous reports. The committee was informed of the past increases in the Health Fee and how UHS used this funding to provide healthcare for a growing student body. During these meetings, we analyzed multiple budget reports and used historical trends to understand the necessities and constraints of the health services. For instance, one of the documents we received outlined estimated revenues and estimated expenses for UHS based on potential fee increases.

Overview of UHS programs and budgets provided HFAB members with information regarding UHS funding sources, proposed budget plans, and annual reports. Members also received Health Fee-specific documents, some of which broke down the impact of multiple possible fee increases, capped at 4.8%, translating these figures into actual dollar amount.

Fiscal Burden

Currently, UHS is running a deficit large driven by increased labor costs (this increase is outstripping the inflation rate calculated by the BLS). This deficit also extends to the services funded by the Campus Health Fee. Using the BLS inflation index, we can raise the fee by up-to 4.8%. This would correspond to a \$3.00 increase in the fee per semester and \$2.50 increase in the fee for the summer sessions. Even if we raise the fee the maximum allowable amount, the cost of services funded by this fee will still be larger than the estimated revenues generated by the fee for the 2016-2017 school year. UHS has warned that although we may be able to support the funded services this year without raising the fee, in the long-term failure to raise the fee will likely result in a cut in services. With the recommended fee increase of 4.8%, UHS will end the year with a deficit of \$37,983, compared to a deficit of \$214,650 if we do not change the fee for the 2016-2017 school year. These projections include the increase of students for the upcoming school year.

Recommendation Analysis

Our recommendation is that the fee be raised by the maximum amount, 4.8%, for the 2016-2017 school year. This corresponds to a \$3.00 increase for the fall/spring semester and a \$2.50 increase for the summer session. Based on our recommendation the Health Fee for the 2016-2017 school year would be \$69.50 per semester (fall/spring) and \$50.50 for the summer session.

The following key observations were cited as significant factors in our decision:

1. Without raising the fee, it is likely that services would be cut in the long-term. Not raising the fee this year is not a sustainable option if we want to continue to support UHS' mission of providing quality, accessible healthcare to students. We felt that making a short-term decision to not raise the fee this year would not "protect and improve student access to high quality, on-campus medical and mental health care¹."

¹ Language from the original 2005 fee authorization referendum

2. Last year, students voted to approve the Wellness Referendum Fee. Some of the revenues generated by this fee were used to extend hours and improve access to mental health care services at the Tang Center. Students demonstrated a clear stance in favor of supporting these services. It would be counterproductive and against students' expressed wishes to risk service cuts at the Tang Center less than a year after students approved a \$27 per semester fee increase that helped fund increased services at the Tang Center.
3. The proposed increase is very modest and will have a negligible impact on affordability of UC, Berkeley. Although we must be sensitive to increased costs that may negatively impact students, the \$3.00 per semester increase is unlikely to affect a student's ability to attend UC, Berkeley.

We are also recommending that UHS explore other revenue sources, such as modest increase in co-pays, and efficiencies to help reduce the dependence of UHS on the Campus Health Fee. While medical inflation is a reality, we would like to try to minimize reliance on annual fee increases as a critical funding source for UHS. Since the majority of the population served by UHS is young and healthy, extra cost saving measures may be another viable way to stabilize the UHS budget. Possible suggestions including outsourcing some lab work to Quest and partnering with other healthcare providers in the area (e.g. Kaiser Permanente, Sutter Health, etc.)

All members of the committee support this recommendation without reservation.

Additional Considerations

A major focus of this year's HFAB discussions focused on the growing needs of different student populations for mental health services. Based on the data presented to us, we would like to see some of the revenue generated by this fee go towards improving various populations' access to mental health care. Our key recommendations are:

1. Add dedicated Counseling and Psychiatric Services (CPS) satellite office(s) specifically for graduate students. Graduate students often act as GSIs and mentors to undergraduate students. It can be distressing and inhibitory for both graduate students and undergraduate students to see a mentor or mentee accessing mental health services. Hence, we want to ensure that graduate students have access to mental health satellite locations dedicated to graduate students. Such spaces will reduce the barriers of accessing care for both graduate and undergraduate students.

2. Add CPS satellite offices to the MLK basement. One of the greatest concerns amongst undergraduate students is the inaccessibility of the Tang Center. Many students live in the dorms, including the Foothill/Stern buildings. According to Google Maps, the Tang center is approximately a 20 minute walk from these housing locations. Adding locations to the MLK basement would help reduce the travel burden students face in seeking mental health care by creating a central location for more students.