

**RESOLUTION OF  
THE BOARD OF GOVERNORS OF  
THE UNIVERSITY OF NORTH CAROLINA  
January 19, 2023  
Student Health Insurance**

**WHEREAS**, the Board of Governors has set goals to reduce student debt by limiting increases in the cost of attendance; and

**WHEREAS**, since 2010 those costs have included student health insurance coverage under a Board of Governors requirement that all students have health insurance; and

**WHEREAS**, the University of North Carolina System has contracted with Blue Cross and Blue Shield of North Carolina to provide a fully insured health plan (Student Blue) to all students and acts as a default for students who do not waive coverage by providing proof of insurance; and

**WHEREAS**, over the course of 2021-22, the University of North Carolina System Office partnered with external experts to conduct a study of student health insurance billing and best practices; and

**WHEREAS**, based on the size and scope of the existing student health plan and experience in other university systems, the study recommended that the Board of Governors consider developing a self-funded student health insurance program to reduce administrative expense, enhance affordability, and increase flexibility and access to care; and

**WHEREAS**, the Task Force on Pricing, Flexibility, and Affordability has discussed the potential benefits and risks of developing a self-funded plan, along with reforms to state statutes, policy and regulation that may be necessary;

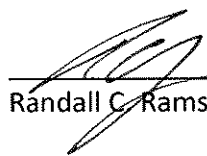
**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Governors calls on the President and System Office staff to develop a proposed implementation plan for a self-funded student health insurance program to be presented to the Committee on Budget and Finance for review and approval no later than its November 2023 meeting; and

**BE IT FURTHER RESOLVED**, that the implementation plan shall include a summary of the potential benefits and risks of moving to a self-funded model, including lessons learned from other universities that have done so; an actuarial study of projected claims and premium costs; estimates of necessary funding reserves, costs of stop-loss coverage, and savings to students and the System; identification of the administrative capacity necessary to run a self-funded student

health plan and the options for administering such a program; and any other information that the Board requires to decide on the appropriate course of action; and

**BE IT FURTHER RESOLVED**, that the Board of Governors calls on the President and System Office staff to identify and develop any policy and regulatory changes that are a necessary precondition to implementing a self-funded plan and present those to the Board for review.

This the 19 day of January 2023

  
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Randall C. Ramsey, Chair

  
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Meredith R. McCullen, Secretary