



Petition Supplement: FAQs



*Brought to you by Caltech for Affordable Healthcare (CAH),
an autonomous campaign of the GSC Healthcare Committee*

This document will be updated as we receive feedback and questions. Last Modified 04-30-20

We've put together this supplementary document to provide background information on general healthcare terminology, share data about healthcare usage among the current graduate student population, and address some questions and concerns that people may have regarding the petition. We will continue to update this document as more questions arise. If you'd like to follow up, you can always contact us at caltechaffordablehealthcare@gmail.com.

While we have made every effort to ensure the information below is correct, we are working with limited data. Unfortunately the administration declined our invitation to answer our questions at our 03/14 Healthcare town hall. We welcome further engagement with the administration to provide explanations and clarifications on the figures we have presented.

Table of Contents

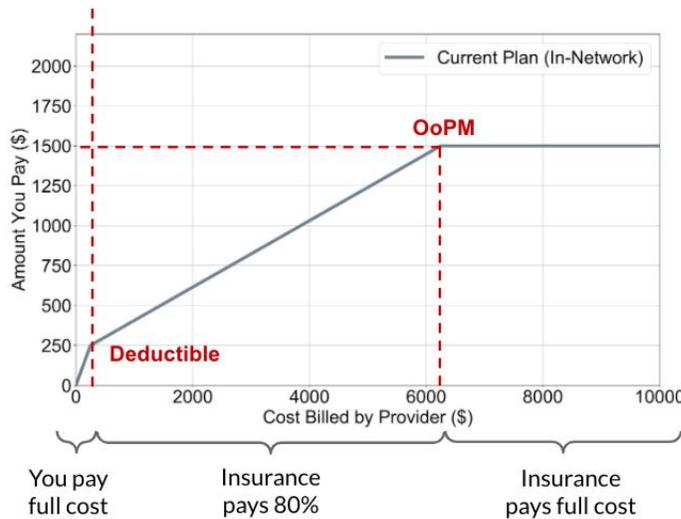
Frequently Asked Questions	2
On petition terminology	2
On the current state of graduate student healthcare	3
On healthcare advocacy in the time of COVID-19	7
On procedure	7
On cost estimates	10
Additional Sources	12

To stay up to date on what's going on with CAH
like us on Facebook [@CaltechCAH](#) and follow us on Twitter [@CAHgrads](#)

Frequently Asked Questions

On petition terminology

Q1: In the petition, we collectively demand that Caltech selects a student health insurance plan for 2020-2021 that does not cut benefits by increasing our *deductibles, co-payments, out-of-pocket maximums, or co-insurance*. What do all these terms mean?



You pay the full cost of services until you reach the **deductible** for the year.

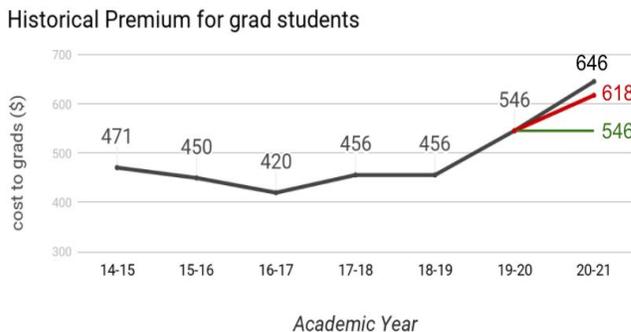
A **co-pay** is the amount you pay every time you see a doctor (not pictured).

Co-insurance is the fraction of cost you pay *after* you reach the deductible.

Once you hit the annual **out of pocket maximum (OoPM)** the insurance covers the full cost of medical expenses for the rest of the year.

This figure was made assuming a simplified model of no co-pays and 20% co-insurance

Q2: In the petition, we collectively demand that Caltech pays the entire cost of any resulting premium increase determined by the insurer for the 2020-21 academic year. What does this mean?



A **premium** is the amount of money you pay to enroll in a healthcare plan. Currently, our insurer — United HealthCare Student Resources (UHCSR) — charges Caltech \$2726 per student, of which \$546 (20%) is passed on to graduate students¹. Under the proposed changes, which include the cuts to our benefits, UHCSR will still

¹ [Health Committee Report](#) to the Faculty Board, April 2020, data recently removed from the faculty website.

raise the premium charged to the Institute by about **\$400** per student. This petition item demands that Caltech fully cover the ~\$400 increase without passing any financial burden onto its graduate students. To see why Caltech is better suited to foot this bill than an individual graduate student, see **Q17**.

The above figure illustrates the historical graduate student premium contribution, along with three scenarios for next year's premium contribution. Each scenario assumes that Caltech covers at least 80% of the premium **increase**. The **red line** denotes an 80% subsidy **with benefit cuts**, while the **black line** denotes an 80% subsidy with **no cuts**. The **green line** indicates the cost of premium if this petition demand is met and **Caltech covers the premium increase**.

Q3: In the petition, we collectively demand that Caltech increase the Dependent Health Care Supplement to absorb the entire premium increase determined by the insurer for the 2020-21 academic year. What is this supplement and why are we doing this?

Currently, students with dependents are given a \$120 Dependent Health Care Supplement per month which covers about 53% of the healthcare premium for a dependent. In general, graduate students with dependents already face unique financial struggles compared to their peers. In the 2019 GSC Quality of Life Survey, **25% of graduate students with dependents reported that they had debt exceeding \$5,000 due to life events they felt were out of their control**. Only 7% of graduate students without dependents said the same. This petition item protects graduate students with dependents, who already have insufficient support, from further financial burdens. It is important that our healthcare plan for next year does not disproportionately affect the most vulnerable and burdened members of our community, including those with children and other dependents.

On the current state of graduate student healthcare

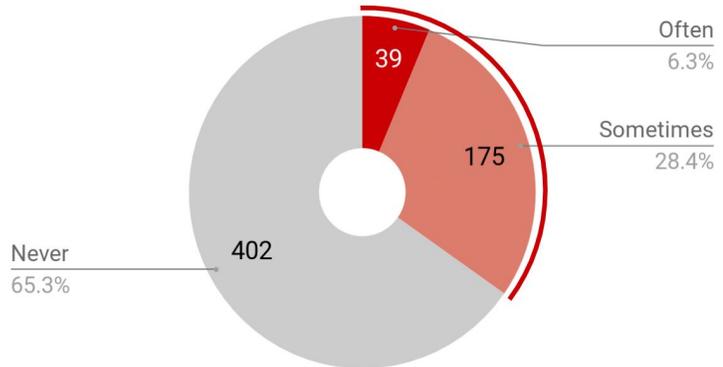
Q4: I think my health insurance is pretty good. Isn't it unreasonable to ask for better insurance when we're better off than most people?

In the 2019 GSC Quality of Life Survey, which was completed by 655 graduate students (54.6% response rate²), **over a third of overall respondents (34.7%) said they sometimes or often stopped themselves from seeking medical treatment that they felt was needed due to the expected financial burden**. For women, this number rose to 40%.

² 2019 Graduate Student Council Quality of Life [Survey Report](#)

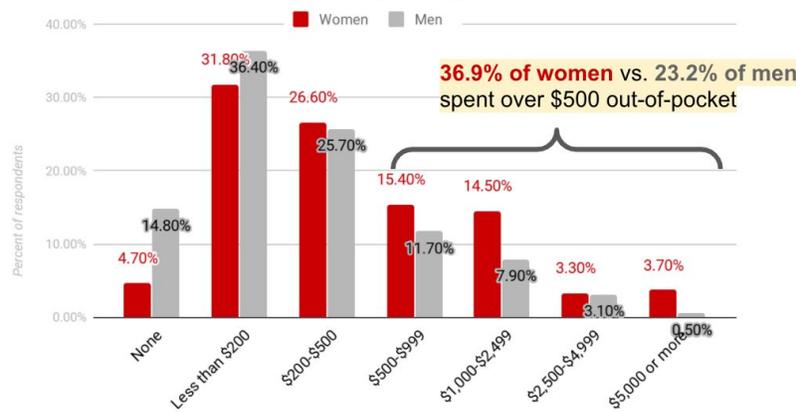
While graduate students at Caltech are in a more secure position than many workers across the country, a significant number of us are nevertheless suffering from inadequate access to healthcare. **Caltech has the resources and ability to lessen our burden and set an example by doing so. This does not mean that those less secure than us do not also deserve a lesser burden.**

Did you ever stop yourself from seeking medical treatment that you felt was needed due to the expected financial burden?



Q5: Are graduate students really spending that much money on healthcare?

What was your total out-of-pocket spending on healthcare in 2018?



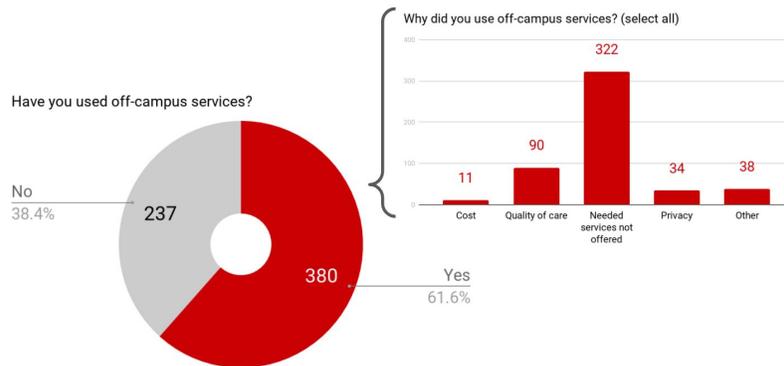
The figure at left shows total out-of-pocket spending on healthcare by graduate students in 2018³. During that year, **36.9% of women and 23.2% of men spent over \$500 in out-of-pocket expenses**. Furthermore, a small but measurable portion of our community spent \$5,000 or more (or about 14% of the current minimum

annual graduate stipend (\$35,000) on healthcare. Subsequent cuts in benefits will further harm graduate students with high healthcare costs. Additionally, there are healthcare costs not covered by insurance such as off-label prescriptions, transgender care procedures, and fertility treatments which can lead to several people having expenses in excess of the out-of-pocket maximum to obtain essential care they need to stay healthy.

³ 2019 Graduate Student Council Quality of Life [Survey Report](#)

Q6: How do students end up spending so much out of pocket? Aren't campus services sufficient for most students' health needs?

When surveyed, over 60% of graduate student respondents stated that they have used off-campus services for their health needs. The most common reason for seeking off-campus healthcare was due to **needing services not offered on campus**. While services offered on-campus are free, **more than half of students surveyed must seek care elsewhere, thereby exposing themselves to potentially high out-of-pocket costs.**



Expanding the services offered on campus can help to address this issue to a limited extent, but many students need to visit specialists or prefer care with their regular doctor, so it is insufficient to fully address the needs of our community. Furthermore, the small size of Caltech as an institution, and the fact that it does not have a medical school, makes it difficult to offer as many services on-site as other larger institutions.

Q7: Why don't we just use the Emergency Fund money to pay for extraneous medical expenses? Why don't you push the administration for a dedicated Emergency Fund to help alleviate healthcare costs?

Although the Caltech Emergency Fund has been offered as a potential source of financial relief for students with acute medical costs, this fund is not a substitute for high-quality, affordable health insurance. Firstly, we anticipate the fund will be strained by increased need due to COVID-19. In fact, a Facebook post from April 2nd in the Caltech alumni group calls for donations to the fund mentioning its *'nearly depleted'* status (see the **Additional Sources** section for the full post). Secondly, In applying for the Emergency Fund, **you have to disclose private medical information with Caltech administrators**. This is tantamount to a requirement to share medical details with an employer, which many graduate students may not feel comfortable with.

Additionally, there are **intrinsic delays and uncertainties associated with a reimbursement-based process**. This can lead to students paying huge costs up front without any guarantee of when they will get their money back – if at all. Students who are unable to afford large upfront costs may thus decide to forgo or delay necessary medical treatment.

The Emergency Fund creates an additional step that members of our community have to take to pay for medical expenses. This step not only obfuscates the process of paying health bills, but may also be a barrier to those who feel uncomfortable seeking help in this way. **Having these costs covered as part of the healthcare process makes it much simpler for those with large health expenses while not adding to the costs Caltech is covering.**

Many personal stories of frustration and disappointment with this fund have been shared with CAH throughout this process. Consult the [Stories document](#) for a few examples.

Q8: How many mental health visits do people actually need?

Mental health is a significant issue in the Caltech community, so much so that Caltech has taken serious steps (e.g. the CARE network) to help mitigate the mental health concerns members of our community regularly face. From the Health Committee Report to the Faculty Board (April 2020, recently removed from the [Officers of the Faculty Website](#)), **the average behavioral health visits per claimant is 13.7 visits annually (this language was taken from the Health Committee Report and the exact definition of claimant here is unclear to us).**⁴ This means that many will continue to be fully covered if the 25 annual covered visits remains the same and that the average claimant would not be fully covered if this had been reduced to 12. Those who use services weekly are still not fully covered and it's also worth noting that extended weekly visits are often necessary for some individuals to properly address their health concerns, excluding the possibility of simply using services less often. Part of addressing the mental health issue our community faces is reducing the financial burden associated with regular therapy, lowering the barrier to entry for those needing help. For a more detailed analysis of the cost of weekly therapy visits under the proposed plan, see **Q17**.

Furthermore, **mental health issues within graduate education are widespread, beyond just Caltech**, as highlighted in a recent Science article on the topic.⁵ One study mentioned in the article reported results from a clinically validated questionnaire completed by 2279 individuals, mostly PhD candidates, from 234 institutions across 26 countries. Of these respondents, 41% showed moderate to severe anxiety and 39% showed moderate to severe depression. The article cites strides made by peer institutes like UC Berkeley⁶ and Johns Hopkins University⁷ to combat this epidemic. **These results emphasize the need for expanded mental health services to graduate students, not a cut in the form of a co-pay increase or a reduction in covered annual visits.** For comparison, after a [recent graduate student campaign at MIT](#), their covered mental health visits are increasing from 12 to 52 per year.

⁴ [Health Committee Report](#) to the Faculty Board, April 2020

⁵ Pain, E. (2018). [Graduate students need more mental health support, new study highlights](#). *Science*.

⁶ [UC Berkeley satellite counseling services](#)

⁷ [Johns Hopkins Task Force on Student Mental Health and Well-being](#)

Q9: Why don't we cut out the parts of our current healthcare plans that are used by only a few students in order to reduce costs?

The figure in Q5 highlights the exorbitant healthcare costs some graduate students already face. If we removed parts of our healthcare plan that are only used by a few students, this would further increase costs for these students as those services would no longer be covered by the insurance. **It is important that we fight for the health of our entire community, not just a segment of it.**

Q10: What if I'm not on Caltech's health insurance plan? What if I'm planning on graduating this year? Should I still sign?

Yes! Even if you are not one of the ~92% of grads currently enrolled in Caltech's health insurance plan, or if the changes will not affect you, you can still sign the petition as a graduate student to show your support for those who will be affected. Our goal is to gather as many signatures as possible to demonstrate that this is an issue of importance to the graduate community. Your signature on the petition is valuable because this is about the health of our community at large.

On healthcare advocacy in the time of COVID-19

Q11: In response to recent losses in the endowment, Caltech administration is freezing pay increases for faculty/staff. How can graduate students demand high quality, affordable health insurance while everyone is taking a financial hit and when the cost of healthcare is rising nationwide?

Graduate students, postdoctoral scholars, staff, and faculty are the engine that drive Caltech, and as such, Caltech has an obligation to ensure that we are healthy. While Caltech administrators have implemented severe spending reductions such as freezing staff and faculty pay as a response to the economic downturn due to COVID-19, the proposed cuts to our benefits are totally unconnected to the current global pandemic. Nevertheless, both these measures have been framed as sacrifices that we must all equally bear. **Despite the differing institutional roles played by graduate students, faculty, and staff, ultimately Caltech as an institution, with its vast overhead revenues and its over \$2B endowment, is enormously better positioned to absorb rising healthcare costs during a pandemic than *any* of its employees.** We reject the notion that improved health benefits for students must come at the expense of pay or benefits for other Caltech employees. Caltech can and must commit to protecting *all* of its employees during this global crisis. **We stand in solidarity with all employees**

of Caltech and are eager to work with them to ensure Caltech prioritizes its community in its future financial planning.

Our petition in particular highlights a very real and very disturbing trend in the graduate student community, borne out by data, in which over **one-third of graduate students are avoiding necessary medical treatment due to cost**. The stakes for students to access high-quality, affordable medical care are even higher during this pandemic. Caltech, rather than cutting our benefits, could maintain current benefits for graduate students while covering 100% of the premium increase imposed by the insurer for 2020-21 by spending under \$300,000!⁸

On procedure

Q12: What is the Faculty's Standing Health Committee? How is it different from the Graduate Student Council (GSC)?

The **Faculty's Standing Health Committee** is a subcommittee of the Faculty Board. It is chaired by a faculty member and has around fourteen members, including two graduate student representatives. This committee researches student health plan options in collaboration with HR and makes recommendations to Caltech on next year's healthcare plan. This group does NOT decide how much of the graduate student premium will be subsidized by Caltech.

The **GSC Healthcare Committee** is a recently formed GSC committee, which receives funding from the GSC budget. The goal of this group is to better represent graduate student interests in the healthcare plan selection process and to educate graduate students on healthcare issues.

Caltech for Affordable Healthcare (CAH) is the group that is putting forward this petition. We are an autonomous campaign of the GSC Healthcare Committee, focused specifically on advocating for improved coverage in the 2020-2021 academic year. We are supported in a budgetary (but not advisory) capacity by the GSC.

Q13: Why are you advocating for increased graduate student participation in healthcare decision-making when the most pressing situation now is the cuts to our benefits?

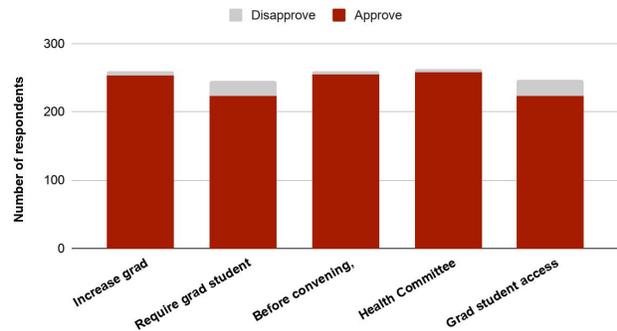
It is essential that we both reject the proposed cuts to our benefits *and* advocate for increased participation in future healthcare decision-making. Without a seat at the table, we have no way of preventing even more severe cuts to our benefits in the future. In fact, if a graduate student representative on the Faculty's Standing Health Committee had not shared the proposed cuts with the graduate student population, we would not have heard about these changes until after

⁸Computed using numbers from [Health Committee Report](#) to the Faculty Board, April 2020

the decisions were finalized. It is unacceptable to have such a minimal say in decisions surrounding our healthcare needs.

The figure to the right shows responses from a CAH survey about petition items regarding transparency. As shown, **these transparency demands were overwhelmingly supported by the over 260 students who took the survey, with the lowest approval rate at 84.2%.** We have since incorporated the suggestions of respondents to further strengthen these demands and reflect the opinions of the broad graduate student population.

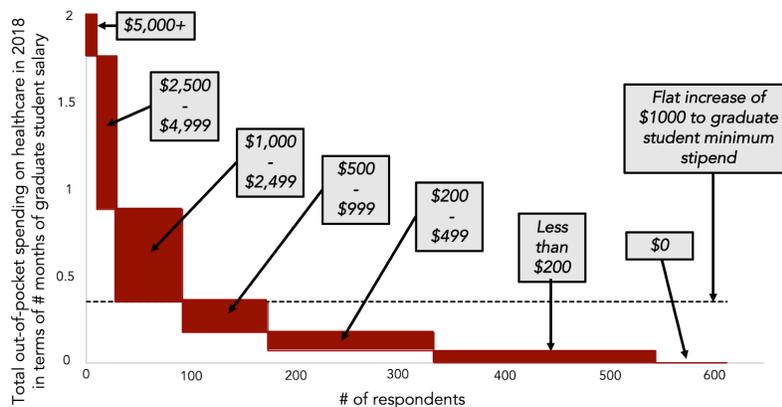
CAH Survey Results on Initial Transparency Related Demands



Q14: Caltech administrators have not included students in student health insurance decisions in the past. Why would administrators act on the petition’s demands when these changes would represent a shift in the way decisions about students are made at Caltech?

The petition demands garnered overwhelming support from the more than 260 students who submitted our petition survey, and the text of the petition highlights a very real and very disturbing trend, borne out by data, where one third of graduate students are avoiding necessary medical treatment due to cost. We are submitting these demands to the consideration of Caltech administrators with a strong democratic mandate, and we hope that they will negotiate with us to ensure the best outcomes for the students who make up a key segment of the Caltech community and a critical component of Caltech’s research and teaching functions.

Q15: Shouldn’t we push for more stipend increases rather than changes to our health insurance? Wasn’t our stipend increase this year meant to cover these changes to our healthcare?



The figure at left shows the same data as Q5 presented in a different way. A flat stipend increase of \$1000 (or slightly more than a third of a month’s salary under the 2018-2019 graduate minimum stipend of \$34,000) is shown as a dotted black line. This plot

demonstrates the uneven distribution of out-of-pocket healthcare costs within the graduate population. **In 2018, some students had little to no out-of-pocket healthcare costs while others spent two full months or more of salary on healthcare related costs.** The exorbitant expenses faced by graduate students who heavily rely on our healthcare to protect their health and safety are not covered by a flat stipend increase across the graduate population. **While a flat increase in the minimum graduate student stipend is helpful for addressing concerns like rising costs of housing in Pasadena, it does not address this uneven distribution of costs in regards to healthcare. Health insurance is uniquely suited to address this issue.** Without access to quality, affordable healthcare, the members of our community who already have disproportionately high costs will be subject to even further financial burden.

As far as the stipend increase this year, the GSC advocated for that based on the rising cost of housing in Pasadena and last year's 2019-2020 healthcare costs. This increase was not meant to defray the new healthcare costs (2020-2021)⁹.

Q16: Won't the administration see these demands as unreasonable? Shouldn't we try to work with them and not be confrontational?

Throughout this process, graduate students have made numerous good faith efforts to engage with the administration about these impending cuts, but were rebuffed at every stage. The graduate student healthcare representative who shared details of the planned cuts was reprimanded. Administrators answered only a tiny fraction of the 90+ healthcare related questions submitted at the COVID-19 GSC Town Hall on March 2nd, as well as saying that there would be no further input into healthcare plans from graduate students this year. The administration then declined to attend our 03/14 Healthcare Town Hall, and stopped staff members who had already accepted our invitation from attending.

Yet, as evidenced by the over 260 survey responses and 80+ stories submitted, there are many graduate students who are deeply affected by the impending cuts and care deeply about this issue. **We are eager to continue to try and work with the administration to address these issues within our community and hope that they share in that sentiment.**

We think the question to ask here is 'what is the problem, and how do we solve it?' We know that graduate students are already struggling to afford healthcare, and some will continue to struggle even if all of our demands are met. We believe that graduate students not being able to afford healthcare is unreasonable and that asking the administration to ensure that graduate students can afford healthcare is reasonable.

⁹ Section 3.5 of the 2019 GSC Advocacy Committee [Survey Report](#)

On cost estimates

Q17: Approximately how much (additional) money can grads in various situations (chronic illness, grads with dependants, weekly therapy, sports injury, COVID-19 treatment etc.) expect to pay given X scenario?

The additional cost depends on the scenario. As an example, someone seeking emergency treatment at Huntington Hospital for a broken wrist can expect to pay an **additional \$208** as a result of the proposed changes¹⁰. Someone seeking weekly therapy for a full year will pay an **additional \$270** as a result of the proposed changes¹¹. In both of these cases, the increase is primarily due to the **deductible increase (\$250)** – meaning one can expect to pay a similar amount for scenarios with a significant cost but that are below the out-of-pocket maximum. For scenarios where one is hitting the out-of-pocket maximum, one can expect to pay a larger amount associated with the **out-of-pocket maximum increase (\$500)**. Neither of these additional amounts cover the **premium increases** which graduate students may take on the burden of paying for if Caltech does not cover this.

Q18: How did you get your estimate of \$300,000 for Caltech to cover the premium increases? Can Caltech afford this?

It is common practice for US universities to pay for most – if not all¹² – of the health insurance premium of their graduate students. For the current 2019-20 academic year, the total premium charged by United Healthcare Student Resources (UHCSR) is \$2,726. This year, Caltech paid for 80% of this premium, while passing on the remaining 20% to graduate students (\$546).

To renew the **identical** plan for 2020-21, UHCSR will charge a total premium of \$3,217, which is a 17% increase from this year's premium. In an effort to reduce costs, Caltech asked UHCSR to provide quotes for plans with **reduced benefits**. Based on an April presentation to the Faculty Board, implementing all the downgrades recommended by the Faculty's Standing Health Committee will decrease the total 2020-21 premium by **only 3.5 percent** (to approximately \$3,100).

There are approximately 1200 graduate students enrolled on the UHCSR plan. Using the Health Committee's recommended plan as a baseline, the added cost to Caltech to **retain current benefits for graduate students** can be estimated as:

¹⁰ Computed separately from but presented more thoroughly in our [Town Hall Slides](#)

¹¹ Ibid.

¹² Based on public and anecdotal information, full premium coverage is provided by [Harvard](#) (covered by grant), [Princeton](#) (covered by tuition), [Yale](#) (covered by grant), [Columbia](#) (covered by grant), UC Berkeley (covered by tuition), UC Davis, [Duke](#), [MIT](#) (program-dependent), [USC](#) (program-dependent), [UCSB](#) (program-dependent), and [UChicago](#) (program-dependent).

$$\begin{aligned}
 & (\text{Premium without cuts} - \text{Premium with cuts}) \times \text{Institute Contribution} \times N(\text{Students}) \\
 & = (\$3,217 - \$3,100) \times 80\% \times 1200 \\
 & = \mathbf{\$112,320}
 \end{aligned}$$

The added cost to the institute to **not increase the graduate student premium contribution** from 2019-20 can be estimated as:

$$\begin{aligned}
 & (\text{Premium without cuts} - 2019-20 \text{ Premium}) \times \text{Student Contribution} \times N(\text{Students}) \\
 & = (\$3,217 - \$2,726) \times 20\% \times 1200 \\
 & = \mathbf{\$117,840}
 \end{aligned}$$

Adding both changes together yields a grand total of **\$230,160**. This is miniscule cost relative to Caltech's annual revenues of **\$689 million** (2019, excluding JPL contract) and well within the means of administrators' discretionary budgets.

Additional Sources

[2019 GSC Advocacy Survey Report](#)

[2019 GSC Quality of Life Survey Results](#)

[Kaiser Family Foundation 2018 Employer Health Benefits Survey](#)

[Kaiser Family Foundation 2019 Employer Health Benefits Survey](#)

[Health Committee Report to Faculty Board April 2020](#)

[Officers of the Faculty Website where Modified Health Committee Report can be found](#)

[Doug Rees' Email on Graduate Student Health Insurance, April 2nd, 2020](#)

[Slides from the CAH Townhall Spring 2020](#)

Facebook post regarding the Emergency Fund (April 2nd 2020)



As hopefully none of you knew, Caltech maintains a Student Emergency Fund (https://deans.caltech.edu/Grants_Funding/short-term-and-emergency-resources) to help students, both undergrad and grad, who have an emergency hardship. Many students, including nearly every undergrad, are currently experiencing such hardships due to the sudden requirement to move off campus and attend classes online. This has nearly depleted the fund, so your help in refilling it would be appreciated. Caltech is having a drive until the end of the day (Pacific time) to try and raise as much as possible for the Student Emergency Fund, so please consider giving: <https://www.givecampus.com/schools/CaliforniaInstituteofTechnology/caltechttogether/?a=3640152#updates> . If you miss the deadline, you can always give by visiting fund.caltech.edu and clicking "Give Now."

If anybody is curious about how Caltech is moving forward in the face of COVID-19, I am happy to chat – just reach out! The short version is that classes are still happening but are entirely online, and on-campus research is suspended with few exceptions (our lab is not an exception.)

