

Students' insurance costs skyrocket

By JIM ALLEN
Of the Emerald

Rising hospital costs and declining student enrollment at the University are largely responsible for the recent sharp increases in ASUO health insurance, says a local insurance salesman.

Lance Bloom, broker for the ASUO's student health insurance, has seen the full-year price of that insurance climb from \$53 during the 1975-76 school year to more than \$121 this year.

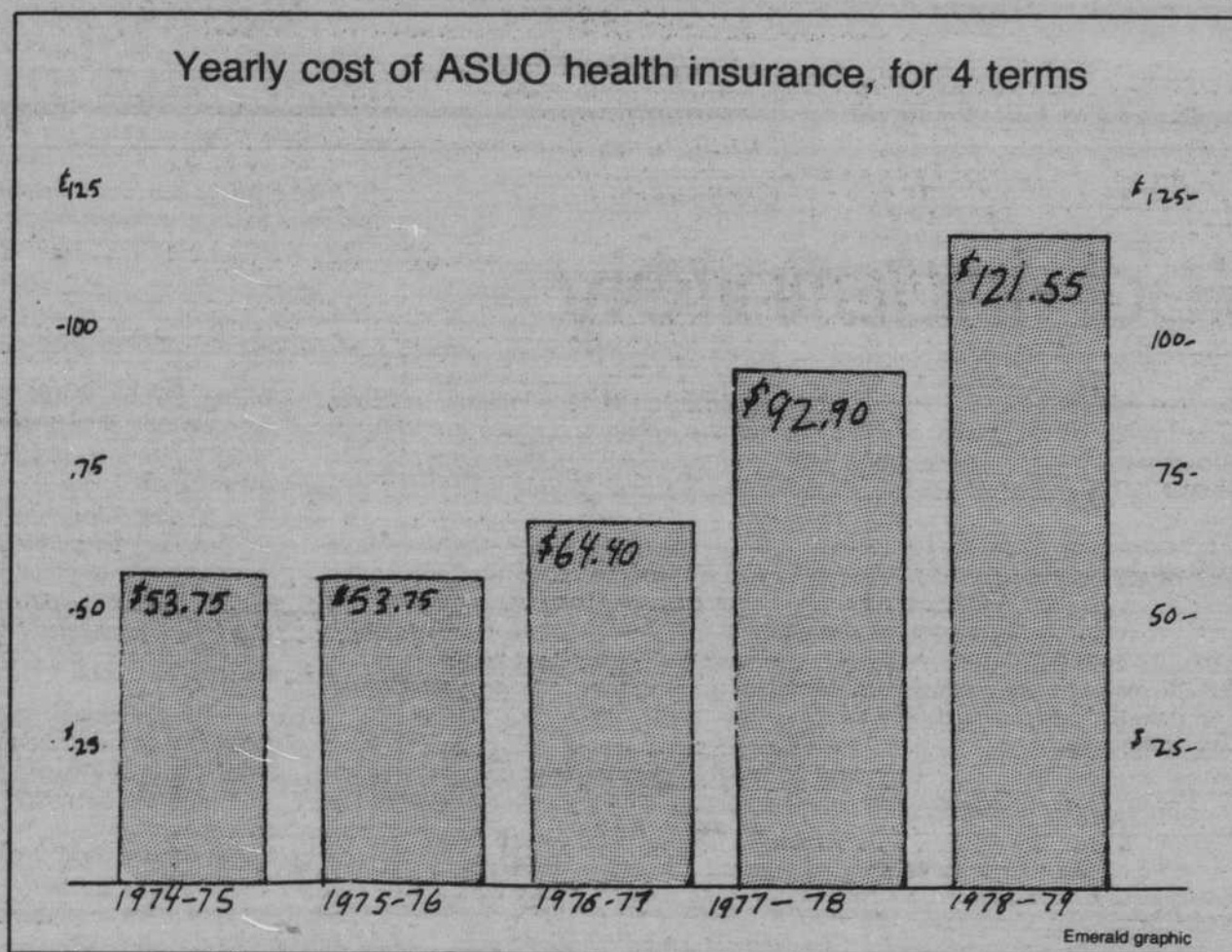
Bloom, whose office is located with Metzger and Associates of Eugene near campus, acts as a mediator between the ASUO and the sponsoring company, United Pacific Life Insurance Company of Tacoma.

"Hospital costs are a major factor here," Bloom says, "but there are some other major reasons for the increase."

"These rates are based upon student utilization," he continues. "In 1976-77, we paid out 90 cents on every dollar in premiums, while the figure was 91 cents in 1975-76. Also, the number of students using the policy has gone down, mainly because of declining enrollment at the school."

ASUO insurance serves about 2,200 students this year, a decline of 10 percent from 1977-78.

Student utilization figures for



1977-78 will not be complete until June, because of a one-year grace period for collecting of benefits from the company, but Bloom credits the high rate of be-

nefits paid for the increase in premiums.

"We also live in an era of the big claim," Bloom says. "The costs of these large payments is reflected in the higher premiums."

Bloom attributes some of the increase to additional coverage for pregnancy and radiation therapy, both of which were instituted this

year.

"This year the ASUO has decided to cover pregnancy on a claim basis and will pay out benefits in certain cases, such as an illness or a sickness," Bloom says. "That's the way the Department of Health, Education and Welfare has taken it."

The rates for ASUO health in-

urance are reviewed and set by a five-member student committee under the supervision of the ASUO. The committee then works through Bloom with the sponsoring insurance company.

Next year the committee will open the ASUO contract up to other insurance companies in an open-bidding process, according to Bloom.

"We will put out bids to all interested groups," Bloom says. "We plan to advertise in a variety of journals."

"But, despite the increases, this is the best contract in terms of benefits that I'm involved with," says Bloom, who is also the insurance agent for the Lane County branch of the Oregon State Homebuilders' Association.

"These are very good rates compared to other rates for similar coverage from other companies. We've had very few complaints about the rates, and in fact most of the questions we receive are about the benefits."

"However, I don't think we're going to see a large increase in medical costs in the near future," Bloom says. "For example, Sacred Heart Hospital has initiated a new program to make more efficient use of their facilities, to cut down on costs."

"These rising hospital costs are part of the reason companies now refuse to grant two-year rate guarantees to the ASUO, as they had done in the past," Bloom says. "The large number of big claims is another reason."

Young Demos form group

An organization for University students interested in participating in Democratic Party politics has been formed.

University Young Democrats will try to concentrate on issues directly affecting students on this campus, according to Kathy Bickers, a founding member of the group.

Bickers cited the proposed divestiture by the Oregon State System of Higher Education, of stock in corporations doing business in South Africa, as the kind of issue

that directly concerns University students. But, she says, it falls outside the purview of groups such as the Lane County Young Democrats.

Persons interested in UYD should contact Bickers at 342-2256 or Clark Harris at 686-6307.

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INFORMATION: Mon - Thurs, Nov. 27 - 30. Lobby, EMU

INTERVIEWS: Tues & Wed, Nov. 28 - 29, Placement Office, Susan Campbell Hall, 9 am - 4 pm

FILM & SEMINAR: Tues, Nov. 28, 7 p.m. EMU