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don't want to take on such a high-risk population."

Moreover, Clark said the University's program is unique because it is run by students and it is a voluntary program. "The problem with a voluntary program is the people who will most likely need insurance are purchasing it," he said. "That doesn't make good business sense for Prudential or any other insurance company."

ASUO's local insurance consultant, Brian Corcoran of Cramer & Giles Insurance Inc., said the rise in the University's rates are part of a trend in the overall insurance industry.

"Everyone is experiencing big increases," Corcoran said. "There's a lot of costs of people who can't pay their bills ... which are shifting to people who can pay."

"There's also a big increase in utilization of benefits," he added. "People just seem to be using their health insurance more."

Local insurance broker Garry Liday agreed that most insurance rates are increasing, but "what is unusual is they (Prudential) raised it over 50 percent."

"The fact that they've lost money, therefore they need to raise rates, that's accurate," Liday said. "But they raised the rates just too much."

More benefits, lower rates

Liday, who has been in the insurance business for more than 20 years, said the typical insurance plan he offers students has better benefits at lower rates. With these plans, students can choose one of three deductibles ranging from \$100 to \$500. The plan pays 80 percent of the claims up to \$4,000 and 100 percent of claims after \$4,000 up to \$1 million.

Although the student plan has better pregnancy and mental health care provisions, the alternative plans have no limit to prescription medication, which is limited to \$100 by the ASUO program, Liday said.

In addition, these plans are offered at better premiums, Liday said. He said an individual student plan for one year ranges from \$265 to \$350. Husband and wife policies are usually between \$600 and \$720, and a policy for three people will cost from \$650 to \$857.

However, Newman warned students to be careful about these alternative plans because they are often more restrictive plans.

"Our rule is not to go out and look for the cheapest policy and underprice them," Newman said. "We have to base our rates on our experience with this group, and we've already lost thousands of

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Scott Wyckoff, law students Mike McVey and Marianne Hyland, and international student Richard Ong.

SHIC hires an insurance coordinator to oversee an insurance staff contracted by the Student Projects Inc. Board of Directors. The current insurance coordinator, Cathy Curran, was hired in mid-September.

In addition, international student adviser Ginny Stark also serves on SHIC in a non-voting capacity.

Stark also functions as a liaison for the University administration, under a written agreement between the University and the ASUO, said Assistant Dean of Students Gregg Lobisser. The administration representative is appointed by Gerry Moseley, vice provost for academic support, and has input on the formation of policy, Lobisser said.

The current insurance carrier for ASUO, The Prudential Insurance Co. of America, "is not the only one that underwrites (student health insurance)," Clark said. "There are eight companies, but Prudential is the only one to bring with it the financial security, and (it) truly accepts us for what we are: a volunteer program," Clark said.

"The American College of Health Association (ACHA) through Prudential offered stability and a chance to at least not have the prob-

lems we did" with the previous carrier, Lone Star, Wyckoff said.

ACHA is a non-profit national organization of college and university health services, underwritten and administered by Prudential, according to the ASUO Student Health Insurance Handbook.

The ASUO has held a position on the seven-member ACHA committee since 1986, said Clark.

Lone Star was bought out in a merger in 1986, said Clark. Moreover, the firm "did not have the financial resources to back student service, and they had lousy service."

On the other hand, the ASUO has "had very few claims problems with Prudential and they're sticking with us," Clark said, despite losing money on the ACHA program for the past two years.

Because the ASUO health insurance program is a voluntary plan run by students, it has experienced rate increase and insurance carrier difficulties, Clark said.

SHIC is seeking information for solutions to the insurance dilemma at a forum Oct. 12 at 7:30 p.m. in the EMU Fir Room. Present at the forum will be insurance consultant Steve Beckley with Byerly & Company in Denver, and insurance consultant Brian Corcoran with Cramer and Giles Insurance Inc. in Eugene.

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