

DATE: May 30, 2023

FROM: Rainer Glaser, Interim Vice Provost of Graduate Education

TO: Colin Potts, Provost and Executive Vice Chancellor for Academic Affair

SUBJECT: Stipend-X Recommendation for the Academic Year 2023-2024
Health Insurance Subsidy for Domestic Graduate Students

In its meeting on May 1, 2023, the *Graduate Faculty* unanimously voted in support of two motions which had been approved by *Graduate Council* on April 5, 2023. The motions numbered 10 and 11 on the agenda of the *Graduate Faculty* are as follows:

10. Motion Approved by Graduate Council on April 5, 2023
 - Whereas the current fee for health insurance for international graduate students is approximately \$2,508, and whereas the current fee for health insurance for domestic graduate students is approximately \$4,406, therefore, be it resolved that the Graduate Council recommends that Missouri S&T subsidize the difference in current fee for health insurance for domestic graduate students in an amount of approximately \$1,898.

11. Motion Approved by Graduate Council on April 5, 2023
 - Whereas the nationwide consumer price index rose by 6.41% during 2022, and whereas the consumer price index for the St. Louis area rose by 5.9% during 2022, therefore, be it resolved that the Graduate Council recommends that Missouri S&T increase Stipend-X by at least 6%, effective as soon as possible.

Context and Comments Regarding Item 10:

This request is not about an increase of Stipend-X to cover the insurance costs of all graduate students. The goal here is merely to ensure that domestic graduate students will not be disadvantaged if they want to buy health insurance. *The proposal stresses S&T's commitment to the education and well-being of Missourians and domestic students.*

International students are required to buy health insurance. Domestic students may buy health insurance. Currently the fee for international student coverage is \$2,508 annually for the student. The cost of domestic graduate student insurance is \$4,406 dollars annually.

The University of Missouri System evaluates student insurance premiums annually in a meeting run by Insurance and Risk Management for the UM system. Representatives from the four campuses meet and discuss any issues and review insurance cost and benefits. The goal is to offer insurance benefits that work best for most students at the lowest cost. The price of the insurance is set for the following academic year at these meetings.

It is unclear how many domestic graduate students remain insured through their parents and how many are uninsured. Information provided by Melinda Bryson, Director of Student Health, shows that the current number of enrolled domestic graduate students is only 18. Hence, the total annual cost of the subsidy would be modest (< \$40K). The more graduate students will buy insurance through the university, the lower the cost will be per person and the subsidy will decrease over time.

Graduate Education Addendum Regarding Item 10:

Going one step beyond the request of Item 10, *Graduate Education recommends* (but does not require) including the cost of graduate student health insurance in grants and contracts. Doing so would (a) relieve a huge burden on the expenses of all graduate students, (b) reduce the overall annual cost of the requested health insurance subsidy for domestic graduate students, and (c) moderate student demands for health insurance coverage by way of increasing Stipend-X rates.

Regarding Item 11:

According to the U.S. Bureau of Labor Statistics' [CPI Inflation Calculator \(bls.gov\)](https://www.bls.gov/calculators/cpi-inflation-calculator), overall inflation since August 2016 amounts to 26%.

The image shows a screenshot of the 'CPI Inflation Calculator' from the U.S. Bureau of Labor Statistics. The interface is as follows:
- Title: CPI Inflation Calculator
- Input 1: A text box containing '\$ 100.00'.
- Input 2: A dropdown menu set to 'August' followed by a date dropdown set to '2016'.
- Text: 'has the same buying power as'
- Output: A yellow box containing '\$125.96'.
- Input 3: A dropdown menu set to 'April' followed by a date dropdown set to '2023'.
- Button: A blue 'Calculate' button.

A 5% increase in Stipend-X was authorized at the beginning of AY22/23. Before AY22/23, the last increase to Stipend-X occurred in AY16/17 and amounted to 1%. Even with the 6% increase recommended in the present cycle, the Stipend-X increases overall barely cover one half of CPI inflation.

Cc:
Daniel Oerther, President, Graduate Faculty
Melinda Bryson, Director, Student Health Services
Alysha O'Neil, Vice Chancellor of Finance and Operations
Lucretia Eaton, Director, Business Managers