Health Care Reform &
Student Health Insurance Plans
OVERVIEW - IMPACT OF ACA ON STUDENT PLANS

- Benefit Requirements
- Medicaid Expansion
- Subsidies
- Domestic Students
- International Students
- Massachusetts Regulations
- Marketplace Plans/SHP Comparison
2013/2014
- Increase Plan Maximum to $500,000

2014/2015
- Increase Plan Maximum to Unlimited
- Add Pediatric Dental and Vision (may change)
- Coverage for Pre-Existing Conditions
Eligibility extended to adults age 19-64 based on income ($15,282 for an individual/133% FPL)

Remains state-based

Out-of-state Medicaid is not comparable to SHIP

Availability of participating providers is a concern

Residency requirements vary by state

International students do not qualify
Federal and State Marketplaces (Open enrollment 10/1/13 - 3/31/14)

- Premium Tax Credits based on household income (< 400% FPL or < $45,960 for Individual/ $94,200 for Family of 4)

- Cost Sharing Subsidies for household income < 250% FPL (MA < 300% FPL)

- If claimed as a dependent for tax purposes, eligibility based on parent’s income

- State residency required to participate in a Marketplace
Various Carriers Participating

PPO and HMOs offering different plan designs

“Metallic” Marketplace Plans
- Platinum – 90% Actuarial Value (AV)
- Gold – 80% AV
- Silver – 70% AV
- Bronze – 60% AV

Subsidies do **NOT** apply to catastrophic plans
- Catastrophic – less than 60% AV
- Deductible is $6,350
DOMESTIC STUDENTS

- May qualify for Medicaid based on income
- Eligibility for most undergraduates will be based on parent’s household income
- “Bronze” lower cost plans with high deductibles and 60% coverage being marketed to “young adult”
- May qualify for subsidy with a “Bronze” plan allowing the student to opt-in at little to no cost
- Can remain under parent’s plan to age 26
- TAs, GAs, and Post Docs
INTERNATIONAL STUDENTS

- Do not qualify for Medicaid
- Eligible for State Marketplace Plans as long as they reside in-state, no subsidies
- May be asked for intent to reside – Could be an Issue
- May purchase “Bronze” coverage not realizing cost vs. benefits
- Marketplace plans include limited provider networks and do not provide Medical Evacuation/Repatriation
- Expected to be **Effective 1/3/14**
- Enrollment Administration
  - Fall and Spring Charges – recommended at hearing
- At minimum an Annual Waiver still required
- Online only students and students enrolled in short-term courses NOT required to participate
- Must Accept Waivers from a student enrolled in a subsidized Health Benefit Plan through the **Connector** or Mass Health (1/3/14 - ?)
Waivers NOT Allowed for:

- Mass Health Limited, Health Safety Net, Children’s Medical Security
- Foreign National Health Service Plans
- Non US Insurance Companies
- Closed Networks from outside of the local area
- **QSHIP maximum deductible requirement** expected to increase from $250/yr. to $2,000/yr.
  - Catastrophic plans and deductibles over $2,000 are not comparable
- A school may require more comprehensive coverage
  - We need clarification
Mandatory Premium Refunds and Partial Year Coverage

“Must offer prorated premium refund to any student who paid to enroll in a SHIP for an entire School Year but is not a student at the beginning of a term during that School Year”

- Term needs to be defined – Fall and Spring Semester?

“Offer the students the opportunity to enroll in partial year coverage, which may be prorated by term”

- Administration?

Prorated refunds mentioned at the hearing

- Term or Monthly and 30 or 60 days period for request?
- Financial Aid packages?
Other Questions
- Qualifying Event Enrollment likely to change from 30 day period to 60 day
- Certificate Programs
- Pediatric Dental and Vision Requirements

Annual Reporting
- This year moved from Nov. 1\textsuperscript{st} deadline to Feb. 1\textsuperscript{st}
- Next year will be May 1\textsuperscript{st}
MARKETPLACE PLANS vs. SHIPs

- Marketplace plans typically have higher deductibles and co-insurance
- SHIPs and “Platinum” level plans have comparable benefits, but SHIPs are better value
- Fewer participating providers in Marketplace plans
- Schools can require minimum coverage levels
# MARKETPLACE PLANS vs. SHIPs

<table>
<thead>
<tr>
<th></th>
<th>BRONZE</th>
<th>SILVER</th>
<th>GOLD</th>
<th>PLATINUM</th>
<th>AVG SHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>$2,012-$3,928</td>
<td>$2,550-$4,585</td>
<td>$3,140-$5,843</td>
<td>$3,957-$7,637</td>
<td>$1,800-$2,400</td>
</tr>
<tr>
<td>Ded – Ind.</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$1,000-$2,000</td>
<td>$0-$500</td>
<td>$0</td>
</tr>
<tr>
<td>OOP – Ind.</td>
<td>$6,350</td>
<td>$6,350</td>
<td>$4,000-$5,000</td>
<td>$1,500</td>
<td>$1,500-$5,000</td>
</tr>
<tr>
<td>PCP OV</td>
<td>$50</td>
<td>$30 (no ded)</td>
<td>$25-$30 (no ded)</td>
<td>$20-$15 (no ded)</td>
<td>$15-$25</td>
</tr>
<tr>
<td>Specialist OV</td>
<td>$75</td>
<td>$50 (no ded)</td>
<td>$40-$45 (no ded)</td>
<td>$35-$40 (no ded)</td>
<td>$15-$40</td>
</tr>
<tr>
<td>ER Visit</td>
<td>$750</td>
<td>$350</td>
<td>$150-$200</td>
<td>$100-$150</td>
<td>$50-$150</td>
</tr>
<tr>
<td>Hospital</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$0-$500</td>
<td>$0-$500</td>
<td>$0-20% co-in</td>
</tr>
<tr>
<td>RX Tier 1/2/3</td>
<td>$30/50%/50%</td>
<td>$20/$40/$70</td>
<td>$20/$30/$50</td>
<td>$15/$30/$50</td>
<td>$15/$30/$50</td>
</tr>
</tbody>
</table>

*Insurance Provider Networks & Service Quality should be considered when comparing plans*
• Bill Devine, UHP President
  • E-mail: bdevine@univhealthplans.com
  • Toll Free Number: 1-800-437-6448 ext. 113
• This presentation can be found on UHP’s website via the following link:
  http://www.universityhealthplans.com/newsletter