

MASSACHUSETTS BURSAR'S ASSOCIATION MEETING

12/6/2013

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

ACA BENEFIT CHANGES BY PLAN YEAR

- **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

MEDICAID EXPANSION

- 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

SUBSIDIES THROUGH THE INSURANCE MARKETPLACES

- 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

SUBSIDIES THROUGH THE INSURANCE MARKETPLACES

- 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

MASSACHUSETTS REGULATIONS

- 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 - ?)

MASSACHUSETTS REGULATIONS

- **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

MASSACHUSETTS REGULATIONS

- **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

MASSACHUSETTS REGULATIONS

- **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?

MASSACHUSETTS REGULATIONS

- **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. 1st deadline to Feb. 1st
- Next year will be May 1st

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

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

Insurance Provider Networks & Service Quality should be considered when comparing plans

CONTACT INFORMATION

- **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>

QUESTIONS & ANSWERS

