



## Back to School: Health Insurance Options for College Students in a Post-Reform World

August 18, 2010

MOUNTAIN VIEW, CA, Aug 18, 2010 (MARKETWIRE via COMTEX) --eHealthInsurance (NASDAQ: EHTH), the leading online source of health insurance for individuals and families, today released a series of frequently asked questions (FAQs) to help new and returning college students and their parents better understand their health insurance options after the passage of health reform legislation. The company also released an updated version of its 'Health Insurance 101' student health insurance buyer's guide to reflect new health reform laws and implications for college students and graduates.

Answers to Frequently Asked Questions An estimated 19 million students will be enrolling in classes this fall<sup>(1)</sup>, and as many as 12%<sup>(2)</sup> of these may be uninsured. With several provisions of health reform legislation coming into effect on September 23, 2010, college students and their parents may not fully understand their health insurance options this year. The following FAQs are designed to answer specific concerns and help this year's students find the best health insurance solution for their personal needs and budget:

### **Question: Do I need to have health insurance when I go to school?**

Answer: Most colleges and universities require students to have some kind of health insurance coverage. Contact your school for more information, but keep in mind that health insurance is about more than getting access to health care when you need it. It also helps limit your financial liability for expenses that may arise from an unforeseen accident or injury -- expenses that could potentially bankrupt you or your parents and seriously damage your prospects for the future. Whether or not your school requires it, make sure you're covered.

### **Question: What are the health insurance options students can choose from this year?**

Answer: Most college students in 2010 will choose from among the following five types of health insurance coverage:

- Parents' health insurance plans. A provision of health reform law that becomes effective in 2010 allows adult children to keep their coverage under a parent's health insurance policy until age 26, whether or not they are currently enrolled in college. The parent's policy might be group coverage sponsored through an employer or an individual or family policy purchased by the parent. Some employer-based plans are accepting students now while others may wait until January 1, 2011 before allowing students to re-enroll.
- Individually-purchased health insurance plans. Many students purchase coverage on their own in the form of an individual, non-group policy. There is a broad variety of individual coverage options to choose from nationwide. However, until 2014, in most states it is still possible to be declined for individual coverage based on pre-existing medical conditions.
- School-sponsored health plans. Many colleges and universities offer their own health insurance plans to students. Some of these plans place strict limits on the range of benefits covered and may limit access to only those doctors and services available through an on-campus student health center. As regulations for health reform laws continue to be written, the future of school-sponsored plans is uncertain.
- Individually-purchased student health plans. These plans may resemble school-sponsored plans by placing specific limits on certain benefits, but they typically offer more freedom in obtaining medical care away from campus. Student health plans may be especially valuable for those going to school in a different state. While the post-reform future of these products is also uncertain, new and innovative student health plans with richer benefits are being introduced to the market.
- Government insurance options. These may include state or federal insurance programs such as Medicaid or high risk pools. In order to qualify for some of these products you must have a diagnosis for a pre-existing medical condition on file with your doctor. You may also need to have been previously uninsured for a minimum of six months.

### **Question: How did the passage of health reform change things for students this year?**

Answer: Some of the most profound changes to the health insurance market won't come into effect until 2014, but here are four ways that health reform has changed options for students looking for health insurance this year:

1. Health reform allows students (and non-students) to stay on their parents' plans until age 26. Before the passage of health reform, some students lost coverage under parents' plans earlier.

2. Health reform strengthens protections for individually purchased coverage. After September 23, 2010, new individual health insurance policies will cover certain preventive care screenings (women's health screenings, for example) with no out-of-pocket cost to you. Health reform also made it more difficult for the insurance company to cancel your individual coverage retroactively if you become ill.
3. New high risk pool coverage will be made available beginning in 2010 for persons who may not qualify for individual coverage due to a pre-existing medical condition.
4. It's still not entirely clear, but school-sponsored health plans and other student health plans may be forced to expand their coverage as a result of health reform. Many of these plans currently limit coverage to a maximum dollar amount on a per-condition basis. Health reform may erase such dollar limits.

**Question: Isn't it best to stick with my parents' health insurance plan?**

Answer: Not necessarily. It may be convenient to stay on your parents' plan, and the levels of coverage available through some employer-sponsored group plans can be excellent. However, if you are going to school in a different state than the one in which your parents live, you may find that your coverage levels are significantly lower when you're away from home, and there may be no in-network doctors or hospitals available to you near your school.

Furthermore, while a parent's employer may keep you on their group policy as a dependent, they may not contribute very much toward your monthly premiums. Your parents may have to pay significantly more to keep you on their plan than it may cost for you to purchase comparable individual coverage on your own. It's a good idea to go over the dollars involved and the levels of coverage you'll enjoy while at school to see if it may make more sense to move to an individual policy or student health plan, with or without assistance from your parents.

**Question: My school offers coverage. Shouldn't I just take what they're offering?**

Answer: Look over the benefit levels offered and what kind of coverage such a plan would provide if you had to seek medical attention while away from school or through a medical service provider other than the student health center. You should also be aware of any dollar limitations placed on your benefits. Many school-sponsored health plans limit your coverage on a per-condition basis. After considering your options, you may still decide that a school-sponsored plan is best for you. But don't assume that it's your only option.

**Question: What should I do if I can't re-enroll in my parents' plan until January 2011?**

Answer: The provision of health reform that allows adult children to stay on their parents' plan comes into effect on September 23, 2010. However, due to open enrollment schedules, some employer-based plans may not allow you to re-enroll in a parent's plan until January 2011. If you need a stop-gap to provide you with coverage until then, consider purchasing an individual health insurance plan, which can be paid month-to-month and cancelled at any time. Short-term health insurance plans offer another solution, but please note that short-term plans typically don't cover preventive care, pre-existing medical conditions or prescription drugs.

**Question: What if I have a pre-existing medical condition or am too old to stay on a parent's plan?**

Answer: If you have a pre-existing medical condition that makes it difficult to obtain health insurance on your own in the individual market and you're too old to stay on a parent's plan, you may have a couple choices. First, consider the school-sponsored plans available through your college or university. You may be eligible to enroll in these plans regardless of your medical history. Look at the fine print, however, and make sure that you understand any limitations that would be placed on your coverage. For example, some school-sponsored plans may limit coverage per-condition to \$50,000 or less. That may sound like a lot, but a few days in the hospital for a serious condition could quickly use up those funds.

You should also consider an individually-purchased student health plan (the kind not offered through a specific school). For example, there's a student health plan called GradGuard(TM) which allows for coverage up to \$500,000 per-condition. No one is turned down for coverage based on pre-existing medical conditions, though GradGuard(TM) has a pre-existing condition exclusion period of twelve months. If you can show that you have had other coverage in place for the past year, however, then the exclusion period may be waived. Students of any age can qualify for coverage with GradGuard(TM).

Finally, you may wish to consider government-sponsored options available in your area. The non-profit Foundation for Health Coverage Education (FHCE) can help you find out what your choices are and help you enroll if you qualify. You can contact FHCE through their website at [www.coverageforall.org](http://www.coverageforall.org).

Updated 'Health Insurance 101' Buyer's Guide The updated 'Health Insurance 101' guide, originally released in May 2010, includes a helpful matrix of all major health insurance options for college students, comparing the pros and cons of school-sponsored plans, individual health insurance plans, student health insurance and coverage provided by parents. The guide can be accessed in the following ways:

- By PDF here: [www.ehealthinsurance.com/101guide](http://www.ehealthinsurance.com/101guide)
- Through the eHealthInsurance resource page for students and grads: <http://www.ehealthinsurance.com/student-health-insurance/resources/>

**Additional Resources:**

- Do your homework: Research individual and family health insurance policies at eHealthInsurance.com.
- Talk to a licensed agent for personal help: If you have questions, call a licensed agent at 1-800-977-8860. eHealthInsurance has agents

- who are licensed in all 50 states, plus DC.
- Don't let pre-existing conditions scare you: If you have pre-existing medical conditions, talk to an agent first to see if you might qualify with certain carriers, or to learn more about HIPAA plans. Then contact the Foundation for Health Coverage Education ([www.coverageforall.org/](http://www.coverageforall.org/)) to review public options available in your area.
  - Get informed: Whether you are insured or uninsured, improve your understanding of medical costs using the helpful research and comparison tools at Healthcare Blue Book ([www.healthcarebluebook.com/](http://www.healthcarebluebook.com/)).

(1) U.S. National Center for Education Statistics as cited in the Statistical Abstract of the United States: 2010, Table 214 <http://www.census.gov/compendia/statab/> (2) eHealthInsurance's 2010 College Student Survey ([http://news.ehealthinsurance.com/pr/ehi/document/Combined\\_Topline\\_Results\\_eHealth\\_College\\_Graduates\\_and\\_Health\\_Reform\\_Survey.pdf](http://news.ehealthinsurance.com/pr/ehi/document/Combined_Topline_Results_eHealth_College_Graduates_and_Health_Reform_Survey.pdf) )

#### About eHealth

eHealth, Inc. (NASDAQ: EHTH) is the parent company of eHealthInsurance, the nation's leading online source of health insurance for individuals, families and small businesses. Through the company's website, <http://www.eHealthInsurance.com>, consumers can get quotes from leading health insurance carriers, compare plans side by side, and apply for and purchase health insurance. eHealthInsurance offers thousands of health plans underwritten by more than 180 of the nation's leading health insurance companies. eHealthInsurance is licensed to sell health insurance in all 50 states and the District of Columbia, making it the ideal model of a successful, high-functioning health insurance exchange. Through its eCommerce On-Demand solution (eOD), [www.ehealth.com/eOD](http://www.ehealth.com/eOD), eHealth is also a leading provider of on-demand e-commerce software services. eHealth's eOD platform provides a suite of hosted solutions that enable health plan providers and resellers to market and distribute products online. eHealth's eCommerce On-Demand solution is currently available to health plan providers in all 50 states and the District of Columbia. eHealthInsurance and eHealth are registered trademarks of eHealthInsurance Services, Inc. eHealth, Inc. also provides powerful online and pharmacy-based tools to help seniors navigate Medicare health insurance options and choose the right plan through its wholly-owned subsidiary, PlanPrescriber (<http://www.planprescriber.com>). PlanPrescriber's decision support tools are licensed to and incorporated into the websites and pharmacy counters of a number of major pharmacy chains and retailers. These pharmacy partnerships also drive high quality Medicare traffic to [www.planprescriber.com](http://www.planprescriber.com).

For media inquiries, please contact:

Sande Drew  
eHealth, Inc.  
(916) 207-7674  
[sande.drew@ehealth.com](mailto:sande.drew@ehealth.com)

Kris Kraves  
Cogenta Communications  
(805) 527-7733 - direct  
[kris@coagentacom.com](mailto:kris@coagentacom.com)

SOURCE: eHealth, Inc.