

Advantages and Disadvantages of Different Coverage Arrangements for College Students

Each of the different types of health coverage arrangements pose advantages and disadvantages for college students. The chart below shows some of the advantages and disadvantages of the different coverage arrangements through which students receive health insurance and health services:

Type of Coverage	Advantages	Disadvantages
Dependent Coverage (employer-sponsored)	<p>Employers typically pay a percentage of the premium amount for dependent coverage.</p> <p>Coverage is paid for by the employer and the employee through pre-tax dollars.</p> <p>Health insurance coverage costs are significant without an employer subsidy. According to the KFF study, the average family policy in 2017 is \$18,764, with employers paying on average \$13,049 and the employee paying \$5,714.</p>	<p>In an employer-sponsored plan with a regional service area that does not include the student's college campus, the student is out-of-network for on-going care needs, such as specialist services, while he or she is attending school.</p> <p>Colleges can require students to have insurance that provides access in the area surrounding the university.</p>
Medi-Cal Coverage	<p>No premium.</p> <p>No or limited cost-sharing.</p> <p>Broad range of services, including vision services (for children) and comprehensive dental coverage.</p>	<p>If the student's Medi-Cal managed care plan does not provide coverage in the service area of student's college campus, the student is out-of-network for non-emergency services and would need to switch Medi-Cal managed care plans for regular care. For college students, this could occur several times in the course of a year.</p> <p>Student would need to switch county of residence (if over age 21), through county social service departments.</p> <p>The state does not reduce the amount paid to Medi-Cal managed care plans when students with Medi-Cal coverage are (in effect) in a limited benefit situation (eligible for emergency services only) while attending school.</p>

<p>Student Health Insurance</p>	<p>Access to local provider network while student attends college.</p> <p>Access to services (including student health center services) on campus.</p> <p>The student’s financial aid package may cover the cost of the student health plan.</p> <p>Coverage may be able to be used in both the student’s home and campus residence, other affiliated campuses and internationally if the student travels abroad.</p> <p>Coverage may continue for one additional academic term (e.g., post-graduation) or if the student goes on a leave of absence.</p>	<p>Students with dependent coverage may not want to purchase coverage because of employer-contribution to existing coverage and pre-tax purchasing of employer-sponsored coverage.</p> <p>Students with Medi-Cal cannot select student health insurance plans under existing Medi-Cal managed care arrangements. No surveyed Medi-Cal managed care plans sub-contract with student health insurers.</p> <p>Student health plans are not offered through Covered California, so student health insurance is it not eligible for federal advanced premium tax credits and cost-sharing subsidies.</p> <p>Referral from a student health center may be required for non-emergency care outside a designated radius surround the campus.</p>
<p>Individual Market</p>	<p>A college student who is not a tax dependent may be eligible for premium and cost-sharing subsidies in Covered California (however, if a student is still a tax dependent, the family income is taken into account in determining eligibility for subsidies).</p>	<p>The entire premium cost is paid for out-of-pocket (no employer contribution) for an individual who is not subsidy-eligible.</p> <p>The plan may have a regional service area that does not include either his or her home address or college address, meaning the student would be out-of-network for on-going care needs during part of the year.</p>

<p>Student Health Center</p>	<p>Convenient health care access for students.</p>	<p>Student health center unlikely to accept health insurance (except for student health insurance), FFS Medi-Cal or Medi-Cal managed care.</p> <p>Student health centers are not a substitute for health insurance if the student needs hospitalization or other expensive services.</p> <p>The student may not be able to opt out of the health center fee even if the student has other coverage and is able to access in-network services in the community in which the college campus is located.</p>
<p>Medicaid Premium Assistance (if implemented)</p>	<p>The student receives Medi-Cal coverage through his or her student health plan and is able to access providers near and on-campus.</p> <p>The student would receive broader benefit coverage with no premiums or cost-sharing, as compared to coverage under the student health insurance alone.</p> <p>Depending upon the structure of the student health plan, could extend coverage across county and campus lines and internationally (if the student studies abroad).</p>	<p>Administrative complexity of providing Medi-Cal benefits through wrap-around coverage (additional services provided by Medicaid not provided by the student health insurance plan).</p> <p>Administrative complexity of wrap-around coverage to ensure Medicaid cost-sharing is met.</p> <p>Federal requirement for cost neutrality (legislation to implement a Medicaid wrap around Covered California coverage for newly qualified immigrants below 138% of the FPL and for pregnant women was repealed in part due to advocate concern with the complexity of the proposal for beneficiaries to navigate).</p> <p>Limited enrollment in premium assistance nationally and in California.</p>