

# Health Insurance after Graduation

## Individual Health Insurance in California

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### Health Care *vs.* Health Insurance

**Health Care is...  
 Provision of Medical  
 Services — *by***

- Private Physicians & Hospitals
- Community Clinics
- Public Hospitals & Clinics

**Method of Payment:**

- private pay or insurance
- sliding scale ability to pay
- free medical care

**Health Insurance is...  
 Promise to Pay — *for***

- ✓ Coverage of Specific Medical Services
- **Assumption of Risk**
  - ✓ Premium
- **Commodity**
  - ✓ “What the market will bear”

## Insurance Options for Individuals

1. Private Individual Health Insurance
  - HMO and PPO Plans
    - California Alumni Assn. Insurance Program
  - Short-Term Health Plans
2. Anthem Blue Cross Conversion Plans
3. Major Risk Medical Insurance Program
4. Public Health Care Programs
  - Medi-Cal Programs and Access for Infants and Mothers (AIM)
  - County “Medically Indigent” Programs
    - Alameda Co. CMSP, Contra Costa Co. Basic Health Care Plan, Healthy San Francisco

## Health Insurance for Individuals How to Find the Right Plan

- Questions to Ask:
  - ✓ Do you have any pre-existing health conditions?
    - If yes, you may not qualify for individual insurance
  - ✓ What is your residency status?
    - Are you leaving California?
  - ✓ What are your health care needs or plans?
    - e.g., are you pregnant; do you have a spouse or children?
  - ✓ Are you starting a job soon?
    - Will you have health benefits? / When will benefits begin?
  - ✓ Are you still covered under your parent’s plan?
    - If yes, when do you lose eligibility?
  - ✓ What is your income level?
    - Are public insurance programs available to you?

## Health Insurance for Individuals Health Care Reform Act

- Pre-existing health conditions
  - ✓ High Risk Pool must be established by end of June 2010 in every state (date may change) for persons with pre-existing conditions
    - ❖ California has existing major risk plan (MRMIP) that must be expanded to accommodate benefit requirements and # of eligible enrollees
- Coverage under your parent's plan
  - ✓ Beginning with next plan year (after January 1, 2011), children under 26 can be added as dependents to parents' coverage (both individual and group plans)
- Your residency status
  - ✓ By 2014, health care exchanges must be created allowing cross-state enrollment
- ✓ Your income level
  - By 2014, premium subsidies will be available for low-income persons who enroll in an exchange plan

BY 2014, ALL PERSONS MUST HAVE HEALTH INSURANCE

## Private Individual Health Insurance — HMO and PPO Plans

- California Insurers: Anthem Blue Cross, Kaiser Permanente, Blue Shield, Health Net, PacifiCare, Aetna
  - Health Questionnaire: must qualify for individual insurance
  - Rate Determination: Insurance companies rate individuals by age, gender (until Jan 2011), residence (zip code) and health status
  - Cost choices:
    1. High deductible = lower premium
    2. Full benefit plan vs. limited benefit plan
      - ✓ Most limited benefit plans exclude maternity benefits and provide generic-only prescription drug coverage
    3. Out-of-pocket maximum can also be an important cost factor

## California Alumni Association (CAA) Insurance Program

- CAA offers a discounted insurance program to all UC Berkeley Alumni through Marsh Affinity Group Services
  - Any Blue Shield plan is available (PPO or HMO)
  - 2% premium discount for all alumni enrollees
  - Guaranteed Acceptance provision for ***graduating students under 40*** who enroll within 135 days of graduation (May 14) = September 26
    - ✓ Any Blue Shield plan is available at 125% of standard premium
    - ✓ No medical underwriting

## California Short Term Health (STH) Plans

- Coverage is available for 30 to 185 days
  - Also known as “gap” insurance
  - Can be extended with limitations — ***not*** extendable if any claims in policy period
  - Ineligible if you have a pre-existing condition
- Must be a resident of California
- Premiums can be lower than standard individual plans
- Short health questionnaire — “streamlined” underwriting
- Anthem Blue Cross and Health Net offer STH plans

***Caution:*** *If you develop a health condition while on a STH plan, you may be ineligible later for a standard individual plan*

## Anthem Blue Cross Conversion Plans

- Individual conversion plan is for students with ongoing medical conditions: no medical underwriting
  - COBRA is not an option for SHIP members
- PPO Conversion 2500 Plan – full benefits after \$2,500 deductible is met (exception: \$35 office visit copay); 30% coinsurance after deductible; plus \$500 brand-name Rx deductible
  - High premium – determined by age and residence  
\$381/month for individual under 30 living in Alameda Co.
- Other more limited conversion plans are also available
  - ✓ Must apply within 63 days of loss of group coverage (SHIP)
  - ✓ Cannot be eligible for Medi-Cal, *or* have Medicare or other medical coverage (group or individual)
  - ✓ Must be a “permanent” resident of California

## Major Risk Medical Insurance Program — “MRMIP”

- State government program administered by the Managed Risk Medical Insurance Board (MRMIB)
  - Comprehensive medical benefits for inpatient/outpatient physician & hospital services with an annual \$500 deductible
    - Medical benefits limited to \$75,000 per calendar year and \$750,000 in a lifetime
  - Must be unable to secure adequate coverage in last 12 months — usually, because you were denied individual coverage by an insurer
  - Cannot be eligible for Medicare, COBRA or Cal-COBRA
  - Must be a resident of California
  - Participating MRMIP health plans: Anthem Blue Cross, Kaiser, and Contra Costa Health Plan

***NOTE: MRMIP currently has a one to three month waiting list for enrollment***

## Public Health Care Programs

- Medi-Cal for Families
  - Families eligible under the former AFDC program continue to be eligible through the CalWORKS program
- Pregnancy-related Programs: Medi-Cal and Access for Infants and Mothers (AIM)
  - Services are provided to women — regardless of immigration status — to encourage early and appropriate utilization of prenatal care services
- Medi-Cal Aid-related Programs
  - Individuals who receive cash aid through certain federal government programs are automatically entitled to Medi-Cal including CalWORKS, Supplemental Security Income (SSI) and several other programs

*For all Medi-Cal programs, certain financial eligibility criteria apply, and the individual or family may or may not have a share of cost requirement*

## Options for Low-Income Individuals

### County Public Health Care Programs (NOT Medi-Cal)

- Under California law (CA Welfare & Institutions Code 17000), counties are the “providers of last resort” for health services to low income uninsured individuals with no other source of care. **These programs are *NOT* insurance .**
- Alameda County CMSP
- Contra Costa Health Services Basic Health Care
  - Temporary health coverage programs for county residents
- Healthy San Francisco <http://www.healthysanfrancisco.org/>
  - The City of San Francisco created this program to make health care services accessible and affordable for uninsured residents, including employed persons

## Be an Informed Consumer!

### ● Health Care IS a commodity today

Therefore, be an informed consumer:

1. **Compare** plans and prices. Contacts for assistance include
  - Licensed insurance agent or broker (e.g., Barney & Barney LLC)
  - Insurance company sales person
  - Internet broker
2. **Get** multiple quotes before applying
3. **Know** what you are purchasing:
  - MONEY —
    - premium, deductible, coinsurance, copayments, out-of-pocket maximum, lifetime maximum
  - SERVICES —
    - what's covered and what's not
    - how are services reimbursed (what's your financial responsibility?)
  - EXCLUSIONS —
    - e.g., maternity, brand name prescription drugs
  - LIMITATIONS —
    - e.g., inpatient and outpatient mental health services

## How to Get Started

- Know your medical history
  - Do you qualify for individual health insurance?
  - If you are declined coverage, what are your other insurance options?
    - CAA's Insurance Program with "guaranteed acceptance" (must meet certain requirements)
    - Anthem Blue Cross Conversion Plan
    - Major Risk Medical Insurance Program (MRMIP)
    - If you are low-income, you may qualify for a county medically indigent program (not insurance)
    - If you are pregnant and low-income, you may qualify for Medi-Cal or Access for Infants and Mothers (AIM)

## How to Get Started

### • Know your deadlines

- Applications for individual health insurance can be submitted within 30 days of loss of SHIP eligibility, which is **August 14, 2010**
- Enrollment turn-around times
  - Short-Term Health Plan (30 to 185 days) enrollment acceptance turn-around time is the shortest: 1-2 days
  - Standard individual monthly Health Plan enrollment acceptance *minimum* turn-around time is 10 to 14 business days (can be longer)
- For Anthem Blue Cross Conversion Plan
  - MUST enroll within 63 days of August 14 (by Oct. 16)
  - Can set retroactive enrollment date

**Don't forget to request a Certificate of Creditable Coverage from the Student Health Insurance Office!**

## Health Insurance — How to Apply Private Insurers

- Anthem Blue Cross of California — Private health plans & Medi-Cal, MRMIP: [www.anthem.com/ca](http://www.anthem.com/ca) or (800) 777-6000
- Blue Shield of California — Private health plans: [www.blueshieldca.com](http://www.blueshieldca.com) or call (800) 660-3007
- Health Net — Private health plans & AIM: [www.healthnet.com](http://www.healthnet.com) or call (800) 909-3447 (commercial plans) or (800) 327-0502 (government programs)
- Kaiser Foundation Health Plan — Private health plans & MRMIP: [www.kaiserpermanente.org/individuals](http://www.kaiserpermanente.org/individuals) or call (800) 232-5100

## Health Insurance — How to Apply County Public Agencies

- Alameda County Social Services Agency — Medi-Cal & County Medically Indigent Services Program (CMSP):  
[www.alamedasocialservices.org/public/services/medical\\_care/](http://www.alamedasocialservices.org/public/services/medical_care/) or call (510) 777-2300 or toll free (800) 698-1118; North County Office (510) 891-0700
- Contra Costa Health Plan — Medi-Cal, Contra Costa Basic Health Care (MISP), MRMIP, & private health plans: [http://www.cchealth.org/health\\_plan/](http://www.cchealth.org/health_plan/) or call (877) 661-6230
- San Francisco Health Plan — Medi-Cal:  
<http://www.sfhp.org/> or call (415) 547-7818

## Health Insurance — How to Apply Other Public Agencies

- City of Berkeley Public Health Dept. — Medi-Cal, AIM, & CMSP enrollment assistance:  
<http://www.ci.berkeley.ca.us/publichealth/publichealthclinic/phc.html> or call (510) 981-5350 or El Centro (510) 981-5370
- San Francisco Public Health Dept. — *Healthy San Francisco* Program:  
<http://www.healthysanfrancisco.org/> or call (415) 615-4500
- Managed Risk Medical Insurance Board — MRMIP:  
<http://www.mrmib.ca.gov/mrmib/MRMIP.shtml> or call (800) 289-6574

## Health Care & Insurance Resources

- Barney and Barney LLC (*formerly Saylor & Hill*) — Licensed insurance broker for Anthem Blue Cross, Blue Shield of California, Health Net, Kaiser, Aetna and PacifiCare  
<http://www.barneyandbarney.com/individual-family-students/> or call 510-273-8888
- eHealthInsurance — Licensed online health insurance broker  
[www.ehealthinsurance.com](http://www.ehealthinsurance.com)
- Marsh Affinity Group Services — Cal Alumni Assn. insurance broker <http://alumni.berkeley.edu/join/benefits/marsh-affinity-group-services-insurance> or call 888-560-2586
- Kathy Gage — Insurance Advisor, SHIO, 3200 Tang Center  
[ship@uhs.berkeley.edu](mailto:ship@uhs.berkeley.edu) or call 510-642-5742
- University Health Services (UHS), UC Berkeley — Online info  
<http://www.uhs.berkeley.edu/students/insurance/aftergraduation.shtml>

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- Foundation for Health Coverage Education — provider of educational tools and information about health insurance  
[www.coverageforall.org](http://www.coverageforall.org)
- California Office of the Patient Advocate — independent office in state government for HMO members [www.opa.ca.gov](http://www.opa.ca.gov)
- California Departments of Health Care Services  
[www.dhcs.ca.gov](http://www.dhcs.ca.gov), Insurance [www.doi.ca.gov](http://www.doi.ca.gov), & Managed Health Care [www.dmhca.ca.gov](http://www.dmhca.ca.gov)
- Managed Risk Medical Insurance Board [www.mrmib.ca.gov](http://www.mrmib.ca.gov)