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
  - 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/ 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/ 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]

- 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] 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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- California HealthCare Foundation — research and news about health care [www.chcf.org]

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- Foundation for Health Coverage Education — provider of educational tools and information about health insurance [www.coverageforall.org]

- California Office of the Patient Advocate — independent office in state government for HMO members [www.opa.ca.gov]

- California Departments of Health Care Services [www.dhcs.ca.gov], Insurance [www.doi.ca.gov], & Managed Health Care [www.dmhc.ca.gov]

- Managed Risk Medical Insurance Board [www.mrmib.ca.gov]