

# College Students and the Affordable Care Act

The healthcare landscape is changing. New healthcare provisions are changing the way health insurance policies are structured. In 2014, a number of federally mandated health insurance provisions under the Affordable Care Act (ACA) will come into effect, including expanding coverage to virtually all Americans and the mandatory coverage provision requiring individuals to carry health insurance or pay a penalty to the IRS. Because of these changes, the West Virginia Higher Education Policy Commission (HEPC) wants to make you aware of the health care changes and how it may affect your insurance options. Students have the following options available to them:

**Stay on their parents' health insurance plan.** Under ACA, young adults can stay on their parents' health insurance plan until age 26. The young adult can stay on their parents' policy even if they are not otherwise a dependent. They can be married, employed, in college, living in another state and be eligible. The only prohibition is if the young adult is offered health coverage through an employer. Eighteen thousand young adults in West Virginia took advantage of this option in 2012.

**Enroll in Medicaid.** Young adults, who are residents of West Virginia, will be eligible for Medicaid beginning January 1, 2014 if they are not dependents and earn less than 138 percent of the Federal Poverty Level or \$ 15,856 for an individual. Married students (a family of two) will be eligible if their household income is less than \$21,404. There is no cost to the student for premiums but there will be some co-pays.

**Enroll in a student health plan.** Student health plans are considered qualified essential health benefits under PPACA. According to the College Health Association, in order to qualify, student health plans must:

- Include at least a \$500,000 medical benefit maximum for the 2013-2014 school year
- Pre-existing condition exclusions apply to the 2013-2014 school year; however, if you have less than a 61 day gap in insurance coverage, you may not be subject to the pre-existing condition limitations. Pre-existing conditions limitations will not be apply for the 2014-15 school year.
- Have no lifetime or annual limits after the 2014-2015 school year
- No pre-existing condition exclusions after the 2014-2015 school year
- Provide essential health benefits

**Enroll in a private health insurance plan through the Health Insurance Marketplace.** If student health plans are not available, students with an income above 138 percent of the Federal Poverty Level may enroll in a private health insurance plan in the Health Insurance Marketplace and receive a subsidy for coverage. The amount of the subsidy depends on the student's income.