

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 and Hospitals
(private pay or insurance)
- Community Clinics
(sliding scale ability to pay or free medical care)
- Public Hospitals & Clinics
(free medical care or sliding scale ability to pay)

Health Insurance is...

Promise to Pay — *for*

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

Insurance Options for Individuals

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

Health Insurance for Individuals How to Choose the Right Plan?

- Questions to Ask:
- Do you have any pre-existing health conditions?
 - What are your health care needs or plans?
 - e.g., do you have a spouse or children?
 - What is your residency status?
 - Are you leaving California?
 - What is your income level?
 - Are you starting a job soon?
 - Will you have health benefits? / When will benefits begin?
 - Are you still covered under a parent’s plan?
 - If yes, when do you lose eligibility?

Key Health Insurance Terms

- **HMO** (Health Maintenance Organization) Plan:
A plan in which you choose a primary care physician (PCP) who coordinates your care with providers in the plan network
- **PPO** (Preferred Provider Organization) Plan:
A plan in which you have direct access to providers in the plan network, as well as other providers at higher cost
- **Network or Participating Providers:** Providers (facilities and individuals) that accept a negotiated or contracted rate as full payment for services—no “balance billing”
- **Covered Expenses (“UCR”):** Expenses are tied to insurer’s fee reimbursement schedule that is based on “usual, customary and reasonable charges” (non-network)
- **Underwriting:** Review of medical history to assess the **RISK** of accepting an applicant for coverage or a policy

Key Health Insurance Terms

- **Policy / Period:** Contract for insurance benefits or covered services (“promise to pay”) for set time period, e.g., yearly
- **Premium:** Fee you pay to be enrolled in an insurance plan, usually monthly
- **Deductible:** Amount you must pay for services out-of-pocket first, before the insurer will pay for those services
- **Co-insurance:** Percentage of the cost you pay for covered services
- **Co-payment:** Set dollar amount you pay for covered services
- **Out-of-Pocket Maximum:** Limit to dollar amount you have to pay out of your own pocket for covered health care services during set time period, e.g., yearly
- **Lifetime Maximum:** Limit to amount of total claims payments an insurer will make for you the entire time you are covered by the plan
 - Any amounts above the “lifetime maximum” are your responsibility

SHIP Is a Good Example of a PPO Plan*

- Premium (per semester): \$698 for undergraduate students, \$966 for graduate and international students (2009-10)
- Coinsurance: Generally, 20% for outpatient services from a network provider; 40% for services from a non-network provider
- Deductible: \$200 per plan year (August 15 to August 14)
- Out-of-Pocket Maximum = \$3,000 per plan year
- Lifetime Maximum = \$400,000 lifetime
- Dollar limits on selected services per plan year: prescription drugs = \$5,000 maximum; physical therapy = \$2,000 maximum
- Copayments: \$15 (generic) or \$25 (brand name) copays for prescription drugs obtained at Tang

*NOT A COMPLETE LIST

Private Individual Health Insurance

- HMO and PPO plans
 - Private Insurance Plans
 - California Alumni Association Insurance Program for Alumni
- Anthem Blue Cross conversion plans for SHIP members
 - Guaranteed issue plan for students with ongoing medical conditions
- Short-term health plans

Private Individual Health Insurance — HMO and PPO Plans

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

California Alumni Association (CAA) Insurance Program

- CAA offers a discount program to all UC Berkeley Alumni through Marsh Affinity Services
 - Any Blue Shield plan is available (HMO or PPO)
 - 2% premium discount for all alumni enrollees
 - Guaranteed Acceptance for **graduating seniors under 30** who enroll within 135 days of graduation
 - ✓ Any Blue Shield plan is available at up to 125% of standard rate premium
 - ✓ No medical underwriting

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
- High premium – determined by age and residence
 - \$343/month for person under 30 in Alameda Co.
- Two plans: PPO 2500 and PPO 1000
 - PPO Conversion 2500 Plan—full benefits, but only after \$2,500 deductible is met (exception: \$35 office visit copay); 30% coinsurance (after deductible)
 - Basic PPO 1000 Conversion Plan—“hospitalization only” plan (no primary care, prescription drug or maternity benefits)
 - Must apply within 63 days of loss of group coverage (SHIP)
 - Must not be eligible for Medi-Cal, *or* have Medicare or other medical coverage
 - Must be a “permanent” resident of California

Short-Term Health (STH) Plans

- Coverage is from 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 condition while on a STH plan, you may be ineligible later for a standard individual plan

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 under one of three scenarios—usually, because you were denied individual coverage by an insurer
 - Must not be eligible for Medicare, COBRA or Cal-COBRA
 - Must be a resident of California
 - Participating MRMIP health plans: Anthem Blue Cross, Blue Shield, Kaiser and Contra Costa Health Plan

NOTE: MRMIP currently has a 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
- Medi-Cal Aid-related Programs
 - Individuals who receive cash aid through certain federal government programs are automatically entitled to Medi-Cal
 - These federally funded cash programs include CalWORKS, Supplemental Security Income (SSI) and several other programs
- 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

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
- Alameda County CMSP
- Contra Costa Health Services Basic Health Care
 - Temporary health coverage programs for county residents
- Healthy San Francisco <http://www.healthysanfrancisco.org/>
 - *Healthy San Francisco* is a program created by the City of San Francisco that makes health care services accessible and affordable for uninsured residents, including employed persons

Alameda County CMSP*

Alameda County Medically Indigent Services Program (CMSP) serves medically indigent residents of Alameda County. All medical care covered by this program must be received at Alameda County Medical Center (ACMC) hospitals, ACMC primary care clinics, or through a provider network of 10 community-based clinics in Alameda County.

• Who Is Eligible

- Residents of Alameda County who:
 - have incomes no greater than 200% of FPL
 - have assets and real property with values within guidelines of the program
- No age limit: Children and elderly may be served while waiting for acceptance into other programs
- Medical Need is not required
- Duration of coverage is 12 months

• Cost

- Persons with income between 100% and 200% of FPL have a copay

*Information is based on November 2006 CHCF Study

Contra Costa Health Services Basic Health Care Program

- Basic Health Care is a temporary health coverage program for low-income, uninsured residents of Contra Costa County. All medical care covered by this program must be received at Contra Costa Regional Medical Center or at a County Health Center located throughout the county.
- **Who Is Eligible**
 - Residents of Contra Costa County who:
 - have incomes no greater than 300% of FPL
 - have assets and real property that meet program guidelines
 - are not eligible for Medi-Cal or Healthy Families
 - are not members of HMO or PPO health insurance plans
 - Proof of citizenship or legal residency is not required
- **Cost**
 - for adults, \$0-\$225 every three months
- **Program Term** is six months
 - must re-apply for program every six months

Healthy San Francisco

- Program for uninsured low-income San Francisco residents between the ages of 18 and 64 — regardless of immigration status, employment status, or pre-existing medical conditions
 - Comprehensive medical services are provided at county-operated hospitals and clinics and community clinics in the San Francisco Clinic Consortium
 - Income level must be at or below 500% of FPL
 - Participant fees and point of service fees are based on income level
 - Cannot be eligible for public insurance programs such as Medi-Cal or Access for Infants and Mothers (AIM)
- *Healthy San Francisco is not insurance*

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., Saylor & Hill)
 - Insurance company sales person
 - Internet broker (e.g., www.eHealthInsurance.com)
 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?
 - Anthem Blue Cross Conversion Plan
 - Cal Alumni Assn. Blue Shield plan with 'guaranteed acceptance' option—but only if you are a graduating senior under 30 years of age
 - Major Risk Medical Insurance Program
 - If you are low-income, county medically indigent program (not insurance)
 - If you are pregnant and low-income, 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, 2009**
 - Short Term Health Plan enrollment turn-around time is the shortest: 1-2 days
 - Long Term Health Plan enrollment minimum turn-around time is 10 to 14 business days (can be longer)
 - For Anthem Blue Shield Conversion Plan
 - MUST enroll within 63 days of August 14
 - For Blue Shield “guaranteed acceptance” approval
 - MUST enroll with 135 days of graduation with proof of graduation (undergrads under 30 *only*)
- ✓ **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 — Medi-Cal, MRMIP & private health plans: www.anthem.com/ca or (800) 777-6000
- Blue Shield of California — MRMIP & private health plans: www.blueshieldca.com or call (800) 660-3007
- Health Net – AIM & private health plans: www.healthnet.com or call (800) 909-3447 (commercial plans) or (800) 327-0502 (government programs)
- Kaiser Foundation Health Plan — MRMIP & private health plans: 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 Clinic — Medi-Cal & MISP enrollment assistance: call (510) 981-5350 or El Centro 981-5370 or <http://www.ci.berkeley.ca.us/publichealth/publichealthclinic/phc.html>
- San Francisco Public Health Dept. — Healthy San Francisco Program: <http://www.healthysanfrancisco.org/> or call (415) 615-4500
- MRMIP — Major Risk Medical Insurance Plan: <http://www.mrmib.ca.gov/mrmib/MRMIP.shtml> or call (800) 289-6574

Health Care & Insurance Resources

- Saylor & Hill — Licensed insurance broker for Anthem Blue Cross, Blue Shield of California, Health Net and Kaiser
www.saylorhill.com/individual_health or call 510-273-8888
- eHealthInsurance — Licensed online health insurance broker
www.ehealthinsurance.com
- Marsh Affinity Services — Cal Alumni Assn. insurance broker
http://www.alumni.berkeley.edu/Alumni/Membership_Services/Marsh.asp or call 888-560-2586
- Kathy Gage — Insurance Advisor, Student Health Insurance Office (SHIO), 3200 Tang Center ship@uhs.berkeley.edu or call 510-642-5700
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- 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