Federal Health Care Reform and Your Student Health Insurance Plan

Why are Student Health Insurance Plans being affected by Federal Health Care Reform right now?

Even though the Patient Protection and Affordable Care Act (PPACA) was passed in 2010, the U.S. Department of Health & Human Services didn't specifically answer how Student Health Insurance Plans (SHIPs) would fit into health care reform until March 2012 when they released their final ruling.

How will SHIPs change for the 2012-2013 academic year as a result of Federal Health Care Reform?

 The final ruling states that student health plan must provide specific coverage for Essential
 Benefits up to a minimum of \$100,000 per policy year, removing any internal limits on these benefits. For example, if you currently have a maximum on your prescription drug benefit, the or

Essential Benefits:

- 1. Ambulatory Patient Services
- 2. Emergency Services
- 3. Hospitalization
- 4. Maternity & Newborn Care
- 5. Mental Health / Substance Abuse
 Disorder Services
- 6. Rehabilitative Services
- 7. Durable Medical Equipment / Devices
- 8. Prescription Drugs
- 9. Diagnostic Tests
- 10. Wellness / Preventive Care

maximum on your prescription drug benefit, the current maximum benefit for outpatient prescriptions will be removed and covered up to the Plan maximum.

Are there any new benefits as a result of these changes?

 As an additional enhancement, SHIPs will now offer comprehensive Preventive Care Benefits (including annual GYN exam, STI Testing, physicals and immunizations), which are covered at 100% without cost-sharing at in-network providers.

How will the cost of the SHIP be impacted?

• The changes that need to be made to the SHIP include removing internal limits on essential benefits up to the plan maximum (which must be at least \$100,000) and implementing comprehensive preventive care services. These changes greatly enhance the benefits and access to care that students will have, but could also significantly impact the 2012-2013 cost of the SHIP compared to 2011-2012.

What about if the U.S. Supreme Court decides that Health Care Reform is unconstitutional?

 At this time, the Supreme Court's review and decision is focused on the individual mandate that all citizens carry health insurance. The Court's decision will not affect the benefits provided under your SHIP for 2012-2013, nor will it change the requirements that your College or University may have requiring you to carry health insurance as a condition of enrollment.

How can I find out more about the enhanced benefits under my SHIP?

 To view your College or University's benefit summary, brochure and Frequently-Asked Questions for 2012-2013, visit www.gallagherkoster.com. Your Plan will incorporate the regulations as required by Federal Health Care Reform / PPACA, as well as any additional coverage mandated by your State.



