



HEALTH INSURANCE COVERAGE FOR CALIFORNIA'S COLLEGE STUDENTS

LANDSCAPE, GAPS, AND OPPORTUNITIES FOR POLICY IMPROVEMENT

A Study Conducted for the California Senate Office of Research

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TERMS AND ABBREVIATIONS

Student Health Centers (SHCs)
University of California (UC)
California State University (CSU)
California Community Colleges (CCC)
Student Health Insurance Plan (SHIP)
Fee-For-Service (FFS)
Premium Assistance (PA)

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DISCLAIMER

The author conducted this study as part of the program of professional education at the Goldman School of Public Policy, University of California at Berkeley. This paper is submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgements and conclusions are solely those of the author, and are not necessarily endorsed by the Goldman School of Public Policy, by the University of California or by any other agency.

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EXECUTIVE SUMMARY

Health insurance options for college students in California are not meeting the needs of many students who move throughout the state to pursue their education. The Affordable Care Act changed health insurance coverage for the college student population by expanding access to insurance coverage as dependents on parents' plans and expanding Medicaid eligibility to low-income adults, but these arrangements do not always provide portable coverage. For college students who are Medi-Cal beneficiaries and live in a different county for college, **the managed care model does not provide access to all health care services in both home and college locations.** Private health insurance plans can be based in one geographic area that does not provide access to covered health services in all areas where a student lives. Many students who move away from home to attend college will return home for academic breaks and pursue internships in new locations. Lack of coverage in areas where a student lives creates health and financial risks for college students when unexpected health care needs arise and ongoing health care issues must be addressed. These gaps are counter to the goals of expanding health insurance coverage; **students deserve health insurance and services that are accessible, affordable, portable, and comprehensive.**

College students receive many health care services at campus student health centers, although **student health centers do not provide comprehensive health care and most do not accept insurance.** Insurance requirements for enrolled students differ by campus and university system and these requirements dictate whether students' health insurance coverage must be based or accessible within their college area. Although the health care provided at student health centers is essential, **access to a student health center does not constitute comprehensive health insurance coverage.**

Several alternatives to providing health insurance coverage to college students with Medi-Cal and private dependent coverage are considered. Based on their propensity to provide accessible, affordable, portable, and comprehensive health care coverage to college students, expected program costs, and the political feasibility of implementing the program, I recommend the following:

- **Implement a SHIP Premium Assistance program in California** by piloting the use of Medi-Cal funds to purchase UC Student Health Insurance Plan (SHIP) coverage for UC students with Medi-Cal coverage.
- **Encourage employer-sponsored plans to adopt better plan options** for employees with college student dependents, such as expanding away-from-home options in managed care plans and utilizing employee benefits to purchase college-sponsored student health insurance plans.
- **Assess and publish information about statewide network adequacy and portability of Covered California plans** for college students and their parents who buy health insurance on the exchange.
- **Request data** on the number of college students who move away from home for college and conduct **further research into health insurance coverage for mobile Medi-Cal populations** similar to college students in order to better understand Medi-Cal reforms that will address the needs of multiple groups of Medi-Cal beneficiaries.

These recommendations address the need to provide health insurance coverage that college students can take with them in all areas that they live during the important and valuable time of pursuing their education. Actions taken to improve health insurance coverage in California should ensure that the needs of the lowest-income college students in the state are prioritized. Given California's investment in higher education and dedication to improving health insurance coverage, the state has a unique opportunity to address both of these important commitments by closing gaps in health insurance for college students.

INTRODUCTION

California is home to the largest university and higher education system in nation and serves over 2 million students.¹ A large majority of these students are California residents and are pursuing an undergraduate education, and most of these students (80%) are enrolled in a public college or university. California colleges serve a diverse population: 70% of California college students identify as non-white and 37% receive Pell Grants based on a financial need to pay for college.² Higher education spending is the third-largest general fund expenditure in the state after K-12 education and health and human services³, signaling the value that California places on providing a college education to its residents.

Health insurance is integral to ensuring that all Californians can thrive, and college students are no exception. However, the health insurance arrangements available to college students are not adequately meeting the needs of many. Implementation of the Affordable Care Act created new opportunities and requirements for young adults to get health care coverage, including the ability for dependents to remain on a parent's plan until age 26 and the expansion of Medicaid coverage to adults. Along with the benefits of improved and expanded health insurance coverage has arisen a new problem for many students who move away from home for college where they cannot access that coverage. These health insurance portability issues have brought to light new concerns around how the college student population is able to reliably access the health insurance coverage they have been afforded. Student Health Insurance Plans offered through some colleges can help to fill the gap but can be expensive and are not available to many college students in California. Unmet needs based on inadequate insurance coverage are of concern for students with managed care plans that limit access to a certain geographic region, for students who need ongoing or specialist care for chronic conditions, and for any students who find themselves in need of immediate but non-emergency care away from home. Students across the country are navigating these health insurance challenges as they move away to pursue their education.⁴

Current proposals for improving health access and insurance coverage in the state of California target concerns that affect young adults, making the need to address insurance gaps for college students all the more pressing. Although the individual mandate penalty was eliminated at the federal level in 2019, California is considering enforcing an individual mandate in the state, in large part because ensuring that younger, healthier individuals buy in to the insurance pool keeps premiums affordable for everyone. If college students are mandated to have health insurance coverage, that coverage should be adequately covering their needs. Governor Newsom has also proposed expanding Medi-Cal to undocumented adults. Addressing Medi-Cal portability concerns for the over 75,000 undocumented students⁵ who are enrolled in public colleges and universities in the state should be taken into consideration if Medi-Cal coverage is to be extended to college students who are undocumented. Finally, improving mental health care services for college students and other young adults is an important goal for the Governor⁶ and portability of insurance can raise particular issues for access to mental health care.

METHODOLOGY AND REPORT FOCUS

This report summarizes the **health insurance options available** to California college students and **health services available** on California college campuses. This report also details the **unique challenges that college students face** in accessing covered health care and **potential solutions the state of California can take** to improve health care access for college students.^a

The information presented in this report was collected through a review of relevant literature, available policy documentation, college health services websites, and information previously collected by legislative staff, and through interviews with experts and practitioners in college health and conversations with current college students. Descriptive data was collected from UC SHIP waiver data provided through the University of California Office of the President (UCOP), publicly-available enrollment data from Covered California, American College Health Association (ACHA) National College Health Assessment data provided through the California Community College Chancellor's Office, and publicly-available ACHA National College Health Assessment data. All student profiles presented are true stories of current college students' experiences. The appendix provides a full list of all individuals interviewed.

While these challenges apply to students moving within and outside of the state for college, **the focus of this report will be for students attending college within California who are California residents**. This is in part because students with Medi-Cal face particular difficulties and are the most likely to face financial barriers to getting care. Similarly, **this report focuses mainly on public university systems because of the large number of California college students pursuing their education at public institutions in the state**. Many of the same concerns exist for students at private colleges. Finally, **this report is most directly addressing problems facing college students under the age of 26**, who are eligible to be covered as dependents on their parents' health plan and are more likely to be returning to their parents' home during part of the year. However, many of the concerns addressed can still apply to students in older age groups and most of the alternatives proposed would have the potential to improve access for all California college students, regardless of age.

^a "College students" will be used in this report to refer to both college and university students pursuing undergraduate, graduate, and professional degrees.

SECTION 1: THE SYSTEMS

HOW DO CALIFORNIA COLLEGE STUDENTS GET HEALTH CARE?

College students receive health care from multiple sources and their care may consist of a patchwork of different providers and payers. Health insurance coverage does not necessarily guarantee access to health care services; this report will address college students' wholistic access to health care by examining access to *health insurance coverage* and *health care services*:

'HEALTH INSURANCE COVERAGE' describes a legal entitlement to payment or reimbursement for some or all of an insured student's health care costs by their health insurer.^b Health insurance plans are required by law to provide coverage for a comprehensive set of services and protections.⁷

'HEALTH CARE SERVICES' describes the provision of medical and other health-related services to patients. College students may have access to some health care services that are disconnected from their health insurance coverage.

In evaluating the health services and insurance provision systems that are serving college students, four *coverage components* arose as core factors for describing adequate coverage. These factors are intended to address both the purposes of health insurance and the particular needs of college students.

ACCESSIBILITY of providers to college students in their area(s) of residence

AFFORDABILITY of health care services and insurance coverage for students and their families

PORTABILITY of insurance coverage across multiple locations

COMPREHENSIVENESS of the services provided and covered

HEALTH INSURANCE COVERAGE FOR CALIFORNIA COLLEGE STUDENTS

Since the passage of the Affordable Care Act (ACA) in 2010, health insurance options and requirements have changed significantly for college students in California.

The individual mandate created a requirement to obtain health insurance coverage, which contributed to a major decrease in the number of uninsured college students,⁸ in part because students often represent a younger and healthier population that may have otherwise forgone health insurance coverage.

The ACA required that health plans allow dependents covered under a parent's plan to **remain on the plan until age 26**. This change made coverage as a dependent on a parents' plan much easier to maintain for much of the college student population.

^b Based on definitions provided by HealthCare.gov

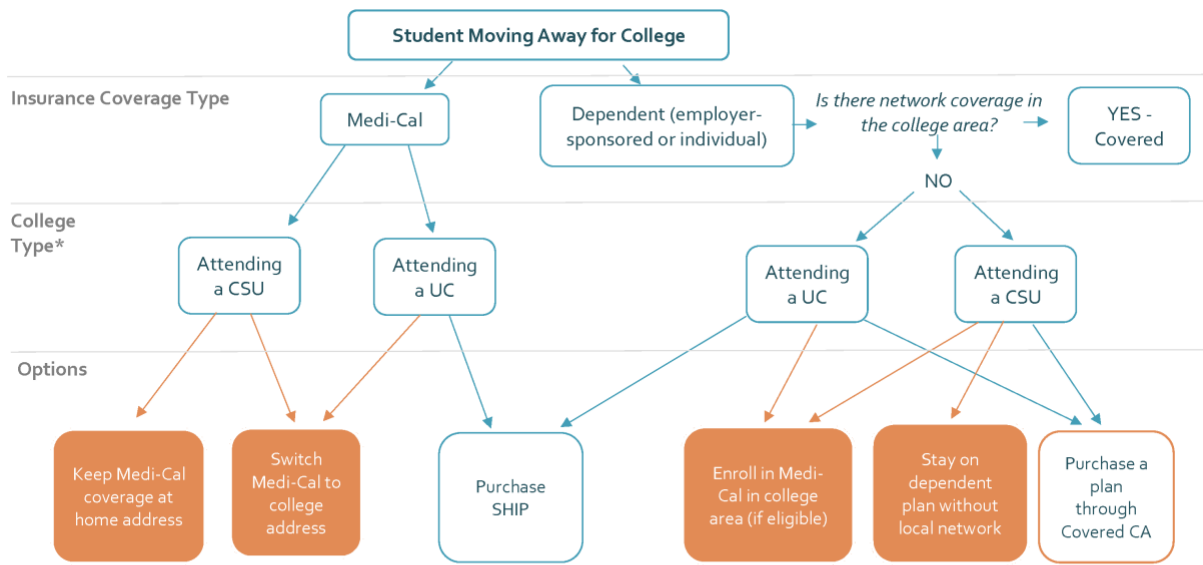
The ACA allowed states to **expand Medicaid coverage** to low-income adults without children. The Medicaid expansion in California allowed many college students who qualified based on their or their family’s income to enroll in Medi-Cal when California expanded coverage in 2014.

College students in California obtain their health insurance coverage in one of four ways^c:

1. As a dependent on their parents’ health plan (through an employer-sponsored plan or private coverage purchased on the individual market)
2. As a Medi-Cal beneficiary
3. On the individual market including the health insurance exchange, Covered California.
4. Through student health insurance plans (SHIPs) offered through their college or university

College students’ health insurance arrangements differ based on whether their college has a health insurance requirement that requires network providers to be accessible within the college area. The below figure outlines the insurance options for California college students moving away from home for those eligible to be covered under a parent’s plan.

**Health Insurance Options for California College Students:
Gaps in Coverage Persist**



^cUC options can also apply to a Private College with a Student Health Insurance Plan (SHIP) and a Mandated Insurance Requirement; CSU options can also apply to a Private College without a SHIP and no Mandated Insurance Requirement

= No access to covered care in 1 area (home or college)

= Access in both coverage areas varies by plan

^c A very small proportion of college students obtain their health insurance from other sources, included Medicare and TriCare.

Student Health Insurance Plans (SHIPs) provide an option for comprehensive health insurance coverage for enrolled students at the college or university where the SHIP is sponsored. Generally, a SHIP will provide insurance coverage for services received at the college student health centers (SHCs) and for services from providers within a broader existing network. A national survey of colleges found that 82% of four-year public colleges and 71% of private non-profit colleges offered a SHIP in 2007/2008.⁹ SHIPs offered at California universities in 2019 include plans provided through Anthem Blue Cross, Health Net, Aetna, United, and Cigna.

UNIVERSITY OF CALIFORNIA STUDENT HEALTH INSURANCE PLANS

UC SHIP AND BERKELEY SHIP PROVIDE PORTABLE HEALTH INSURANCE COVERAGE FOR STUDENTS

All UCs make available a university-sponsored student health insurance plan (SHIP) for students to purchase. SHIP provides *insurance coverage* for services received at the SHC *and* outside the SHC. **UC SHIP** is a self-funded plan covering students at 10 of 11 UC campuses. **Berkeley SHIP** is a fully-insured plan covering UC Berkeley students that is similar to UC SHIP on most core elements.

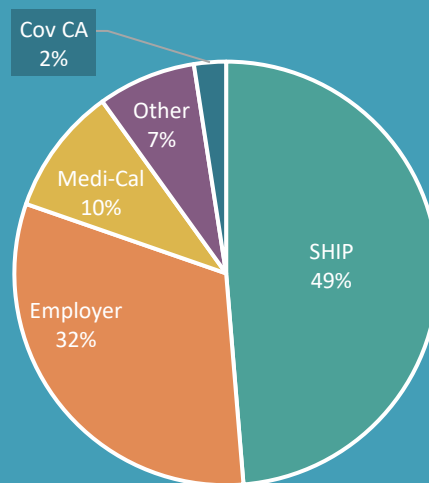
- UC SHIP and Berkeley SHIP cover **medical, dental, vision, and pharmacy benefits** for enrolled students
- UC SHIP and Berkeley SHIP are the only insurance plans accepted at UC SHCs
- SHIP-covered students use the **SHC as their primary care provider** and receive referrals for services provided outside the SHC
- SHIP provides access to the **Anthem Blue Cross network** of providers throughout California, across all US states, and internationally.
- SHIP-covered students may see an Anthem Blue Cross primary care provider without a referral when the SHC is closed for breaks. Students never need a referral for emergency and urgent care.

Premiums vary by campus and differ for graduate and undergraduate students: Premiums ranged from \$1,751-\$3,537 annually for undergraduates and \$2,970-\$6,317 annually for graduate/professional students in 2019.

SHIP enrollment varies by campus, but on average, approximately half of students enroll. SHIP can be purchased even if a student is already covered under a parent’s plan or with Medi-Cal; students cannot receive subsidies to purchase insurance through Covered California if they are covered under a SHIP.

For some students who receive financial aid to pay for college, SHIP premiums will be covered along with their tuition. SHIP cost-sharing, such as co-pays and deductibles, will not be covered.

UC Students Health Insurance Coverage Arrangements 2017-2018



Source: UCOP

HEALTH CARE SERVICES AT CALIFORNIA COLLEGES AND UNIVERSITIES

All California public universities (UCs and CSUs) and many private colleges have an outpatient health center that is **accessible to all registered students, regardless of insurance coverage**. Campus student health centers (SHCs) are an important component of supporting student health and wellness because they provide care and education that is targeted to the college student population and highly accessible to students on campus.¹⁰ SHCs tend to have high utilization of primary care and mental health services.¹¹ In addition to health care services, SHCs generally provide prevention-oriented activities and outreach and health education tailored to a college setting.

UNIVERSITY OF CALIFORNIA (UCS)

UC Student Health Centers provide primary care services and some specialty care services to all registered students. The UC Health Executive Vice President is responsible for establishing minimum standards policies for all UC SHCs.¹² UC SHCs are supported by a student services fee paid with tuition by all students attending the UC, and **most SHCs include some copayments for health services received**. Fees vary by campus and fees for most services differ based on whether the student is insured under the university-sponsored SHIP. Registered students at any UC can receive health services from any other UC SHC and will pay the same fees as a student without the university-sponsored SHIP.^{13,d} UC SHCs do not bill insurance aside from the Student Health Insurance Plan (SHIP) offered through the university.

UC students are required to have health insurance that provides access to in-network providers within a reasonable distance to the university.^{14, e} The health insurance requirement was instituted for all UCs in 2001 before which an estimated 25% of academic withdrawals from UCs were due to medical issues.¹⁵ UC students are automatically enrolled in the university-sponsored SHIP unless they waive out of SHIP coverage by proving that they have adequate coverage from another source. Although a student health services fee helps to support the campus SHC, the student health services fee is separate from the SHIP premium and is not waived for non-SHIP-covered students. Some UCs offer “bridge plans” which are not insurance coverage but which allow registered students without SHIP to receive care at the SHC with no or lower co-payments.

CALIFORNIA STATE UNIVERSITY (CSUS)

CSU policy requires that all campuses maintain a student health center that provides basic services including primary care, family planning, health education, pharmacy services, and some diagnostic lab and x-ray services.¹⁶ All currently enrolled students are eligible to receive services at their campus SHC. CSU SHCs are supported by a student health fee included within tuition and all utilize some copayments for certain services, although **most basic services are provided at no additional cost to the student**. Although CSU SHCs are required to provide primary health care services, most are not intended to provide comprehensive care for ongoing chronic medical conditions.

^d UC Hastings SHC has a limited scope and is the only UC SHC that does not offer reciprocity to other UC students.

^e Proximity to an in-network provider required to waive SHIP ranges from within 30 miles to within 175 miles of campus.

Unlike UCs, CSUs do not have a health insurance requirement in order to enroll and do not offer a SHIP for all students.^f For this reason, CSU students' health insurance may remain based in another location while they are attending school. Most CSU SHCs do not accept insurance although many will bill Family PACT for family planning services.

CALIFORNIA COMMUNITY COLLEGES (CCC)

Around 60% of CCC campuses have an on-campus health center, which vary by size and scope of care provided, according to a CCC health representative. CCC SHCs are supported by a health fee that is included within tuition for enrolled students of a maximum of \$21 per semester. CCC SHCs provide basic services at no cost and can charge co-pays for certain services such as lab tests. CCC SHCs aid students in finding care outside of the SHC and in enrolling in Medi-Cal. CCC SHCs do not bill most insurance plans, although a small number bill Family PACT, the Local Educational Agency (LEA) Medi-Cal Billing Option Program, and the School-Based Medi-Cal Administrative Activities (SMAA) Program utilizing a third-party billing vendor. Most CCCs do not offer student health insurance nor require registered students to be covered. Given that CCCs are designed to serve students within their own communities, CCC students are probably less likely to face the challenges of portable health insurance, although I did not identify any data sources to describe how many CCC students move away from home for college. According to ACHA National College Health Assessment data from 10 CCCs in 2016, 49% of responding students have a parent's plan as their primary source of insurance.

PRIVATE COLLEGES AND UNIVERSITIES IN CALIFORNIA

A review of a sample of 15 private California college websites indicates that **many private colleges and universities have an SHC similar to those on UC and CSU campuses**, although I did not identify data on health services at all private colleges nor conduct a systematic review of private colleges' SHCs. A significant proportion of these private universities have a health insurance requirement for enrollment and offer a SHIP to their students. A 2014 survey of private colleges nationally found that 77% of private colleges surveyed had a student health insurance plan (SHIP) and 79% had some form of mandatory insurance.¹⁷

^f Exception for CSU Maritime Academy cadets and SHIP provided for international students at some CSU campuses.

Health Care Services on California College Campuses:
Availability Depends on Where Students Attend College

	Insurance in College Area Required	Student Health Insurance Plan Offered	SHC Available to All Students	SHC Bills Outside Insurance	Basic/Primary Care Available at SHC	Any Specialty Care Available at SHC
UCS	✓	✓	✓	∅	✓	✓
CSUS	∅	∅	✓	Varies	✓	Varies
PRIVATE COLLEGES	Varies	Varies	✓	∅	✓	Varies
COMMUNITY COLLEGES	∅	∅	Varies	∅	Varies	∅

SECTION 2: THE CHALLENGES

HEALTH SERVICES & INSURANCE COVERAGE GAPS FOR COLLEGE STUDENTS

California college students face different health services availability, insurance options, and insurance requirements depending on the college that they attend. College SHCs are an essential and valuable component of student health, but access to an SHC does not constitute the same coverage and security as health insurance coverage in the areas where a student lives. Concurrently, many health insurance plans contain gaps in coverage for college students who move away from home for college that cannot always be filled by an SHC. The following section details the challenges students face in getting comprehensive health care services and health insurance coverage that meets their unique needs.

GAPS IN COMPREHENSIVE CARE AT COLLEGE STUDENT HEALTH CENTERS

Campus SHCs provide important and necessary services, but **access to a campus SHC alone is not sufficient without health insurance**. Limitations of campus SHCs include the following:

Most campus SHCs do not provide care during evening and weekend hours. All UC and CSU SHCs are open Monday-Friday during business hours; all are closed during weekends, holidays and campus closures. If a student needs care outside of business hours and their insurance plan does not cover urgent care providers within the community near campus, that student can pay high costs out-of-pocket to get urgent care or they may choose to seek care in an emergency room unnecessarily because the visit would be covered by insurance.

Some insurance plans will not allow SHC referrals to be recognized by providers in their networks. Students who receive a referral from an SHC primary care provider may be required to obtain a new referral from a provider in their insurance network or repeat lab work or x-rays before being able to receive covered specialty care services. While some SHC staff may be able to negotiate with private insurance plans to recognize a referral, students with Medi-Cal coverage have experienced delays in care when referrals from SHC primary care providers have not been accepted for Medi-Cal services outside the SHC.

Many SHCs are not designed to manage chronic or long-term conditions. Several CSU SHC websites explicitly state that they are not able to serve as a primary care provider for

KAMILA'S CARE WAS DELAYED DESPITE AN SHC REFERRAL

*Kamila is a UC student with Medi-Cal coverage. Kamila gets most of her basic health care at the SHC because it is convenient, accessible, and already covered through her college tuition. When Kamila started experiencing discomfort from her IUD, the SHC provided her with a referral to get an ultrasound, a health service that the SHC does not provide. When Kamila tried to use the referral to access an ultrasound specialist, she was told she **would need to establish care as a new patient with a Medi-Cal primary care provider and obtain a new referral, all of which would take a month's time.** After multiple days of phone calls with her plan and various providers, Kamila was finally permitted to receive care at the local safety net hospital. This **process took time away from Kamila's studies and created barriers to care** even though Kamila had utilized the SHC primary care services designed for college students like her.*

managing chronic conditions.⁸ Similarly, many Counseling and Psychological Services on campuses only offer short-term counseling and have counseling appointment caps, which are inadequate for students with severe and ongoing mental health needs.

THE PROBLEM OF PORTABLE HEALTH INSURANCE

The shifts put in motion by healthcare reform significantly increased the proportion of college students in California who were insured - clearly aligned with the goals of the ACA and the state of California's choice to expand Medi-Cal. With more universal and better-protected health insurance coverage has come new concerns about how well these arrangements are covering the unique population of college-going young adults.

For many students in California, going to college can mean moving to a new area that may be far away from home, even if their college is within their home state of California. A college student from San Diego, California who attends the northernmost public university in the state in Humboldt would be nearly 800 miles away from home. This geographic reality can present problems for California college students who move away from home

COLLEGE STUDENTS ARE MOBILE

Students may live in different areas throughout the year for:

- College Away from Home
- Academic Breaks
- Internships & Fellowships
- Study Abroad
- Clinical Rotations

during part of the year to attend college. I was unable to find any data describing the number of students who move away from home for college in California. However, given that California public colleges and universities draw heavily from California high school graduates and California residents for enrollment, the public higher education system of California is clearly designed to support California students in attending college throughout the state, regardless of their home area. In 2017, 95% of CSU students were from California and 77% of UC students were California residents.¹⁸

Many health plans base coverage and provider networks within limited geographic areas that will not provide access to covered health care in both counties in which a student lives. If a student remains on their parent's plan associated with their home address, they can face a limited,

or even non-existent, network of providers in their college county that will accept their insurance. If they obtain coverage based in their college county, they may have trouble getting the care they need when returning home for the summer, during other academic breaks, or while completing academic obligations like internships or clinical rotations in other areas. Most insured students will be covered if they seek emergency care and they may have access to free or low-cost basic care through an SHC, but these options are not comprehensive.

Gaps in access to full, comprehensive coverage in the areas where a student resides can represent a significant impediment to maintaining good health and being fully able to participate in higher education. For some students and their families, any additional cost that must be paid in order to obtain care can be a barrier large

⁸ For example, see [CSU Bakersfield](#) and [CSU Humboldt](#).

enough to delay or deny care. Eighty percent of CSU students receive any financial aid, and approximately half of CSU undergraduates are recipients of a Pell Grant, a federal education subsidy provided to students with financial need;¹⁸ 38% of UC undergraduates are Pell Grant recipients.¹⁹ Many of these students qualify for Medi-Cal - an estimated 30% of CSU students are Medi-Cal-eligible and 10% of UC students waived the campus student health insurance plan (SHIP) for Medi-Cal in 2017/2018.^h These are significant proportions of students with demonstrated financial need who may not have the means to pay for health care costs out of pocket if a need for a service that is not covered in their area arises.

California law requires that managed care plans provide timely access to health care services. All managed care plans in California are subject to regulations based on the Knox-Keene Health Care Service Plan Act of 1975.²⁰ Knox Keene establishes network adequacy requirements that network primary care providers and hospitals are within 15 miles or 30 minutes from the enrollee's residence and that appointments be made available within a designated amount of time. However, these regulations do not account for accessibility for dependents who are living at a different address from the primary plan holder and so, presumably, do not apply for college students who move away from home for part of the year to attend college.

In order to better understand this problem for particular California college students, the systems of accessing health insurance coverage are each described in the following sections.

THE MEDI-CAL PROBLEM FOR COLLEGE STUDENTS

For college students who are Medi-Cal beneficiaries and live in a different county from home for college, the managed care model does not provide access to all health care services in both home and college locations. The majority of Medi-Cal beneficiaries (82%) receive their coverage through a Medi-Cal managed care plan, each of which is county-based.²¹ Medi-Cal eligibility is determined through an application to a county-eligibility office. Because of the county-based managed care model, students who move to a different county for college will

STEPHANIE WAS DENIED CARE BASED ON HER MEDI-CAL ADDRESS CHANGE

Stephanie is a UC student enrolled in her parents' Medi-Cal plan based in Los Angeles. Stephanie changed her address to her residence in San Francisco in order to access care while she is at school. Stephanie has experienced several serious medical issues as a student requiring specialty care and prescription medications and has faced continual difficulties getting the care she needs at college and back home. On multiple occasions, upon attempting to pick up her medications, Stephanie has been told that her coverage in San Francisco was terminated because her parents' Medi-Cal coverage is based in Los Angeles. After each incident of being denied care, she has been required to spend hours on the phone to speak with the Medi-Cal eligibility workers, the county health plans, and the providers before she is able to resolve her eligibility in San Francisco. On one occasion, the ombudsman provided Stephanie with specific instructions to relay to her health plan about the Medi-Cal process for temporarily switching her address, a responsibility that should not be that of a patient. To make matters worse, Stephanie was unable to get timely treatment of a serious infection that occurred over an academic break while home in Los Angeles. Although her Kaiser plan would have normally allowed her to see the specialist needed to treat her condition, Stephanie sought care at an urgent care location and eventually the ER in order to obtain care that was covered by insurance. By the time she was finally able to see the necessary specialist covered by her insurance, her condition had worsened to a point that required painful treatment, an intervention that should not have been necessary had her care not been delayed.

^h Based on CSU representative estimates and data provided by UC SHIP

PROCESS FOR CHANGING A COLLEGE STUDENTS' ADDRESS WITH MEDI-CAL

The **student** or their family notifies the county that the student is moving to a new county for college.

The **county** processes the student's temporary address change to allow the student to enroll in a managed care plan in their college area.

The **managed care plans** operate on a month-to-month basis and using a 30-day cycle. Once a student notifies their county about a new address, they may wait 30 days or more before they are able to utilize health care services in the new area. If they have already accessed any health services in that month, they will not be allowed to enroll in a new plan until the following month.

likely be unable to use their existing plan to pay for non-emergency care in their college area. Students with Medi-Cal who need care in the area not covered by their plan may pay more to get the care they need or forego some care due to costs.

College students with Medi-Cal who are temporarily moving away from home to attend college can switch their eligibility to the county in which their college is located. The Department of Health Care Services issued formal guidance to all counties in 2015 describing the process for updating the address of students who attend college in another county.²² This address change is considered a temporary move, rather than a county transfer.

The process of temporarily switching a Medi-Cal eligibility address can be cumbersome and unlikely to allow continuous coverage in both counties in which a student lives. Given the time cost of switching plans multiple times within a year and the long processing times, it is not feasible for most college students to switch their coverage every time they return home for breaks. Even if a student did switch their address with the Medi-Cal plan for each break, academic breaks do not usually align with the start of a calendar month, and some breaks last for less than a full month, so students would likely still experience gaps in coverage. For students who move within the state for internships or clinical rotations, utilizing the address switching process can be an impossibility. Based on the

experience of a County Welfare Director Association official, it is also unlikely that many college students are aware that they should be using this process to switch their Medi-Cal coverage to their new county.

THE EMPLOYER-SPONSORED DEPENDENT COVERAGE PROBLEM FOR COLLEGE STUDENTS

Some students with dependent coverage through a parent's employer-sponsored health plan face challenges getting access to covered care while at college. Although most private plans are not county-based, employer-sponsored plans usually prioritize access to a network of providers that is within the region where the plan holders live. For dependents of HMO plan-holders, a closed network of providers can mean that college students have no access to insured services beyond emergency care in their college area. Most students can still access basic care at their college SHC, but most SHCs do not bill outside insurance and students will need to pay for any services they need outside of the SHC.

There is a lack of information made available to students and their parents about private health plan options available to them that would provide access to care in both areas where a student lives. Parents may opt to enroll their students in a university-sponsored SHIP, if available, for assurance that the student will have access to care at college. This represents an added expense for families that could be especially burdensome for some families who

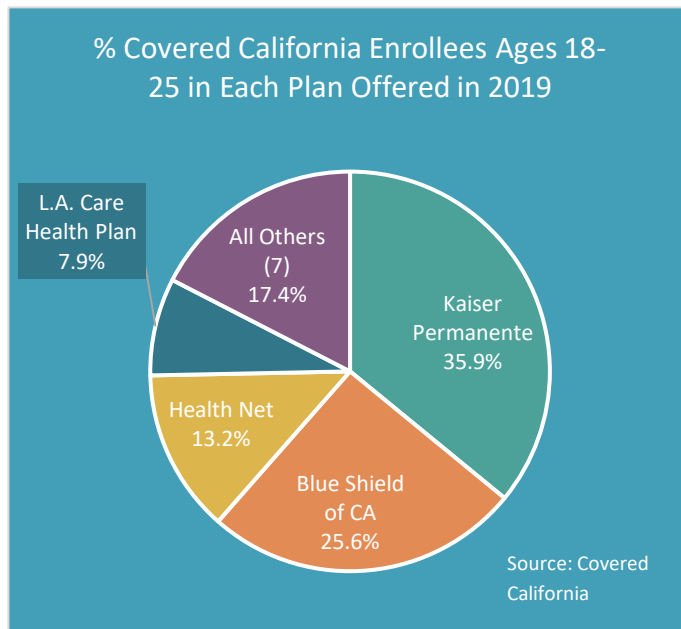
are still paying into an employer-sponsored plan for themselves and other dependents. In some cases, this may also mean that families are double-paying for their college student’s health insurance.

COVERED CALIFORNIA AND ACCESS TO COVERED CARE FOR COLLEGE STUDENTS

College students can be covered under a plan purchased through Covered California as a dependent on their parents’ plan up to age 26 or individually. During the 2019 plan year, approximately 13.4% of enrollees in Covered California plans were between the ages of 18-25,ⁱ although publicly-available data does not exist to indicate how many of these beneficiaries are dependents on a parent’s plan. Enrollees in this age group represented 14% of all enrollees who were subsidy-eligible and only 9.8% of all enrollees who were not subsidy-eligible, indicating that this age group may be less likely to purchase health insurance on the exchange if they have a higher family income.

ANNA’S ONLY AFFORDABLE CHOICE WAS THE EMERGENCY ROOM

*Anna is a UC student who is covered under her parents’ insurance outside of the area where she attends pharmacy school. When Anna began experiencing unexpected health issues while at college, she found that she **did not have access to urgent care centers in her college area** nor mental health care providers that were part of her insurance network. For example, when Anna came down with strep throat over a weekend, the student health center was closed and she **could not afford to pay for urgent care out-of-pocket**. So, Anna got care in the emergency room where her care would be covered by her insurance. Anna’s condition didn’t require a visit to the ER, but she felt she had no other option. Anna had already established mental health care in her home area, but she **has not been receiving therapy as often as she needs** during college because of the high cost of getting care from out-of-network providers.*



Covered California makes plans available for purchase based on 19 pricing regions and plans available for purchase vary depending on the purchaser’s region.²³ **Some plans offered are regional** (such as Chinese Community Health Plan in San Francisco and San Mateo counties and L.A. Care in Los Angeles County), so **college students enrolled in these plans at home may have trouble getting covered care if their college is located in another area**. Blue Shield of California and Kaiser Permanente offer plans in all of the pricing regions, and the Blue Shield PPO was the only plan offered in 2019 available in every zip code. Blue Shield of California represented coverage for 25.6% of enrollees ages 18-25 through Covered California in 2019 (27.5% of all enrollees) and offers a PPO plan

ⁱ Data accessed from [Covered California data repository](#)

with a network across the state. Given its availability and wide network, this may provide a good option for families purchasing a plan on the exchange with a dependent moving to another area for college. Kaiser Permanente represents the largest share of enrollees (35.9% of all enrollees and of enrollees ages 18-25 in 2019) and operates a closed network that does not provide access in some parts of the state. Covered California plans adhere to network adequacy requirements established by law in California, and like the rest of the state, timely and geographic access standards apply specifically to the region in which the plan-holder is enrolled.²⁴ The Covered California website explicitly states that students attending school far away from home should consider their parents' coverage network before deciding to remain on their parents' plan, but does not link to information about which plans offer broad state coverage.²⁵

Health Services and Insurance Coverage Components:

Existing Options Do Not Meet Adequate Standards

	Accessibility	Affordability	Portability	Comprehensiveness
STUDENT HEALTH CENTER (SHC)	✓	✓		
UC SHIP	✓		✓	✓
MEDI-CAL MANAGED CARE		✓		✓
EMPLOYER-SPONSORED DEPENDENT COVERAGE	?	?	?	✓
COVERED CALIFORNIA PLANS	?	✓	?	✓

SECTION 3: POLICY SOLUTIONS

ALTERNATIVE HEALTH INSURANCE ARRANGEMENTS FOR COLLEGE STUDENTS

Gaps in health insurance coverage pose tangible challenges for California college students pursuing higher education in their home state, especially for those with low incomes who are at greatest risk of delaying or denying care due to high costs. Health care reform has created an opportunity to improve coverage for this population and the state should continue to consider how to make health insurance coverage more accessible to its college student population. In particular, the state is in a position to address health care coverage for its Medi-Cal beneficiaries who qualify for no-cost-sharing health coverage and are therefore some of the most financially vulnerable college students in the state.

The following policy alternatives describe options for addressing health insurance coverage gaps for college students. Because the state has the greatest capacity to address coverage for Medi-Cal beneficiaries and because these represent the lowest income students, the alternatives focus mostly on Medi-Cal reforms. Recommendations for improvement and further research into employer-sponsored and individual market plans is also addressed.

ALTERNATIVES FOR MEDI-CAL BENEFICIARIES

In order to assess costs of Medi-Cal coverage changes for college students, the baseline estimates for Medi-Cal managed care are estimated as follows:

ESTIMATE OF MEDI-CAL MANAGED CARE PER MEMBER PER MONTH RATE: According to LAO estimates, the per member per month upper-bound estimate for covering a Medi-Cal beneficiary in managed care for the usual college student population (adults covered in the Medicaid expansion under age 26) is approximately \$388, or \$4,656 for a year of coverage. If we assume that the college student population may be slightly less costly than the expected age group overall at \$250 per member per month, this lower-bound estimate would amount to \$3,000 per year. **Therefore, I utilize the cost estimate range of \$3,000-\$4,656 for Medi-Cal managed care per member per year.**

MEDI-CAL PREMIUM ASSISTANCE FOR STUDENT HEALTH INSURANCE PLANS

Premium assistance (PA) is a program designed to use Medicaid funds to pay for private market health plans that are shown to be more cost-effective for the state than covering a beneficiary using the state's Medicaid program. As of January 2019, thirty-six states have Medicaid PA programs that will pay the cost of an employer-sponsored health plan for those who are Medicaid-eligible when the alternative coverage is determined cost-effective.²⁶

Since the ACA expanded Medicaid eligibility to many young adults, some states have begun using the PA model to pay for Student Health Insurance Plans (SHIPs) for college students eligible for Medicaid, sometimes referred to as "SHIP in lieu of Medicaid." SHIP PA programs currently operate in Massachusetts, Montana, Minnesota, and Cornell University in New York, and several other states are considering piloting SHIP PA programs. A 2018 press release by The Lookout Mountain Group, a nonpartisan group that studies the needs of college students under health reform, recommends SHIP PA programs to address geographic gaps in access to care for Medicaid-eligible college students.⁸ Proponents on SHIP PA contend that these programs are often more affordable for state Medicaid programs, provide access to a wider network of providers across geographic areas, and improve access to care that is better suited for college student populations.^{27,28}

California does not currently offer a full premium assistance program. The state's Health Insurance Premium Payment (HIPP) program, which serves a very small number of Medi-Cal beneficiaries, allows the state to pay for individual or group health insurance for beneficiaries with specified medical conditions and who are enrolled in fee-for-service Medi-Cal.²⁹

UC SHIP would strongly support a Medi-Cal premium assistance program in the state. UC SHIP administrators have indicated interest in piloting PA with UC SHIP and advocates of CSUs adopting a health insurance requirement for students would also have a strong incentive to support a Medi-Cal PA program in California.

HOW DOES SHIP PREMIUM ASSISTANCE WORK IN OTHER STATES?

SHIP PREMIUM ASSISTANCE IN MASSACHUSETTS

Since the 2017/2018 academic year, the state of MA has operated a mandatory SHIP PA program for college students eligible for the state Medicaid program (MassHealth). As of the 2018/2019 academic year, all public colleges and universities in the state and 51 private colleges are participating in the program. The program began in 2016 as an opt-in pilot for public colleges and universities to allow MassHealth to purchase their SHIP for Medicaid-enrolled students. Following the 2014 expansion of Medicaid that expanded coverage to many college-age adults without children, many students were opting out of the SHIPs for MassHealth, eroding enrollment in the SHIPs that are required by law in MA in order to fulfill the state's insurance mandate for college and university students. The SHIP PA program has allowed MassHealth eligible students to access a broader network of providers in US states and abroad through the SHIP's Blue Cross PPO network and increased enrollment in the college/university SHIPs. During the pilot year, the SHIP PA program resulted in approximately \$10 million net savings to MassHealth compared to paying for standard MassHealth coverage, and following full program rollout for the 2017/2018 academic year, the program resulted in a net savings of an estimated \$25 million.

In order to implement the MassHealth SHIP PA program, the state sought a Medicaid State Plan Amendment to obtain authority to purchase individual coverage using Medicaid funds and a 1115 Medicaid waiver in order to obtain authority to require students to enroll in SHIP PA if available and to allow continuous eligibility for the SHIP PA while the student is enrolled in college. Once a student is covered through MassHealth SHIP PA, they may access health care services from any in-network provider of the SHIP. Claims are paid for by the SHIP and wrap-around services, such as co-pays, are picked up by MassHealth. Because each SHIP can be different for each college or university, MassHealth wrap-around coverage is provided through a fee-for-service design to allow the SHIP PA program to be scalable across all Massachusetts colleges. If a college or university does not participate in the SHIP PA program, students are allowed to opt out of SHIP for traditional MassHealth coverage. At the end of the 2017/2018 academic year, approximately 32,000 students were enrolled in the program.

SHIP PREMIUM ASSISTANCE AT CORNELL UNIVERSITY IN NEW YORK

Cornell University, a private university in rural Ithaca, New York, has operated a SHIP PA program for Medicaid-eligible students, called Student Health Plan Plus (SHP+), since 2014. The program was created following New York state's expansion of Medicaid and in response to limited access to care for students with Medicaid who needed referrals for care outside of the SHC. Cornell operates a self-funded SHIP and so designed SHP+ to match the NY Medicaid coverage, meaning that wrap-around coverage is not necessary. Currently, approximately 500 Cornell students are enrolled in SHP+. The current program is operated as a university-specific pilot so has not required a Medicaid waiver. The university manages the eligibility determination. The program has remained cost-effective and has received high-satisfaction ratings from enrolled students. Evaluations of SHP+ are continuing to measure program effectiveness, as defined by cost-effectiveness and improved access to care, and will be used in ongoing efforts to expand the SHIP PA program to other universities in the state.

OPTION: ADOPT A SHIP PREMIUM ASSISTANCE PROGRAM IN CALIFORNIA TO ALLOW MEDI-CAL FUNDS TO PAY SHIP PREMIUMS IN LIEU OF COVERING COLLEGE STUDENTS ELIGIBLE FOR MEDI-CAL USING COUNTY-BASED MANAGED CARE PLANS.

Premium assistance for UC SHIP could serve as a pilot program for the state: UC SHIP provides portable and comprehensive coverage that is accessible on UC campuses, but coverage is not affordable for many Medi-Cal students. A SHIP PA would close this gap for students in the program by paying for the SHIP premium and covering all cost-sharing components. In addition to portability across the state, students could utilize their coverage in other states and internationally.

UC SHIP could cover students at other California public colleges: UC SHIP currently covers students at 10 of the 11 UC campuses. UC SHIP bylaws state that UC SHIP is intended to provide insurance coverage for “graduate and undergraduate students enrolled at Public Postsecondary Education Institutions of the State of California”, meaning that students attending other public California universities, including UC Berkeley and CSUs, could be covered by UC SHIP. UC SHIP officials indicated that UC Berkeley Medi-Cal-eligible students could be covered in a UC SHIP PA program if implemented, and CSU students could be covered under UC SHIP if CSU instituted an insurance requirement for enrollment. A full-scale SHIP PA program could be expandable to any university-sponsored SHIP, so private universities could participate if they arranged their health plans to meet Medicaid requirements.

Medi-Cal and SHIPs would need to determine how to provide wrap-around services: States must provide wrap-around coverage to ensure all Medicaid benefits are covered under the plan paid for with premium assistance, including no-cost-sharing.³⁰ Some services to which Medicaid beneficiaries are entitled, such as non-emergency medical transportation, are generally not covered in a SHIP. UC SHIP officials have indicated that it could be possible to implement no-cost-sharing if a SHIP PA was established. For other services, Medi-Cal would need to offer those services outside of the SHIP or apply for a waiver to modify benefits for SHIP PA enrollees.

Medi-Cal may not require a Section 1115 Waiver to implement a pilot: States are permitted to use Medicaid funds to purchase individual health plans on the private insurance market if costs are comparable to the state coverage and participation is voluntary.²⁷ The state would need a 1115 Medicaid waiver if the state will use a different cost-effectiveness calculation from the CMS definition, to modify benefits or cost-sharing for Medicaid beneficiaries, or if students were required to enroll in SHIP PA.^{31,32}

A SHIP PA program in California could be cost-saving to the state: In order to implement a SHIP PA, the state would need to show that enrolling Medi-Cal-eligible students in SHIPs would be cost-effective compared to managed care capitation rates. Given that the college-age population tends to be healthier and lower utilizers of care, this may be possible. The UC SHIP monthly premium varies by campus but costs, on average, \$186 per member per month accounting for both undergraduate and graduate students.³³ Accounting for average UC SHIP deductibles for services outside of the SHC (\$300 per year) and assuming co-pays for three primary care appointments (\$20 per appointment) and three specialist service co-pays (\$30 per appointment), the average cost of covering UC SHIP would be \$2,682 per student per year. This is approximately \$2,000 less than the upper-bound Medi-Cal managed care estimate for this population and slightly less costly than the lower-bound estimate.

In the 2017-18 academic year, premium assistance to cover UC SHIP for all UC students who waived SHIP for Medi-Cal could have resulted in an estimated cost savings to the state between \$5.2 million and \$32.6 million (based on lower- and upper-bound Medi-Cal estimates).

EXPAND MEDI-CAL FEE-FOR-SERVICE ELIGIBILITY

Fee-for-service (FFS), a payment system that pays providers per health service provided based on a Medi-Cal fee schedule, is utilized for a minority of the Medi-Cal population (18% in 2018).²¹ FFS arrangements are typically more expensive than managed care plans, in which organizations are paid a fixed rate for each beneficiary whose care they cover. Nearly all growth in Medi-Cal enrollment since 2008 has been within managed care plans, within which the majority of Medi-Cal beneficiaries are now required to enroll.³⁴ Only specific populations are allowed coverage under Medi-Cal FFS and beneficiaries are responsible for finding their own providers who will accept their Medi-Cal coverage.

Because Medi-Cal managed care plans are county-based, opening FFS eligibility for college students could provide access to Medi-Cal providers across multiple counties within the state. This could be accomplished in several ways:

OPTION: ALLOW ENROLLED COLLEGE STUDENTS TO ACCESS THE EXISTING FFS PROVIDER NETWORK.

Requires policy change to add college students as a Medi-Cal FFS-eligible population: Creation of a new exception for covering students' care using FFS payments would be needed. Medi-Cal eligibility determinations are county-based; in order to implement, the Department of Health Care Services would also need to determine in which county a student's eligibility should be established.

System for identification of eligible students must be created and maintained: A system for identifying Medi-Cal beneficiaries who are college students would be needed. If the state wanted to limit FFS eligibility to only those who actually need it, it would also require a process of determining which college students are attending college outside of their home county.

Provides affordable, portable, and comprehensive coverage; accessibility must be assessed: Accessibility would be dependent upon the network of providers available in each college area. Given the small population currently served by Medi-Cal FFS, the Medi-Cal program would need to evaluate whether the existing provider network could adequately meet the needs of an expanded FFS-eligible population before such a policy could be implemented. Medi-Cal FFS eligibility would reach Medi-Cal-eligible college students in all college systems, but provider network adequacy may vary by county, especially for students in rural areas. Access to providers who accept Medi-Cal FFS payments is an important consideration: the California Department of Health Care Services (DHCS) has highlighted difficulties in assessing access given the limited populations currently served within the FFS system.³⁴

Extending FFS access could be cost-neutral or costlier to the state, depending on program design: FFS cost estimates for this population are more difficult to define given the limited special populations currently covered under FFS arrangements in Medi-Cal. Given that college students belong to a population that tends to include healthier young adults who may utilize fewer health care services, I estimate that this option may cost as little as the lower-bound estimate of managed care rates at \$250 per member per month or \$3,000 per year if students were moved fully into FFS. If instead students were allowed to remain enrolled in managed care in their home area while still providing access to FFS in their college area when needed, the FFS amount would be an additional cost on top of the capitated rate per member per month for managed care. Assuming the lower bound for each of these estimates, the cost would be approximately \$500 per member per month or \$6,000 per year.

OPTION: REQUIRE COLLEGE STUDENT HEALTH CENTERS TO ACCEPT MEDI-CAL FFS PAYMENTS FOR STUDENTS' HEALTH CARE.

Requires Student Health Center providers to become providers for the Medi-Cal program: SHCs would be required to undergo the provider enrollment application process with Medi-Cal.

Student Health Centers anticipate challenges billing outside insurance: Campus SHCs may face challenges in becoming Medi-Cal providers, especially for those who currently do not bill insurance or only bill the campus SHIP. During my interviews, campus SHC staff cited prohibitive costs that included the need to hire additional staff to manage billing to multiple insurance plans and costs of switching to a different electronic health record (EHR) provider in order to accommodate billing of other insurance plans. These costs are a shared concern with other SHCs throughout the country who are now serving students covered by many different insurance providers since implementation of the ACA.¹⁰ In addition, some SHCs, especially on CSU campuses, do not charge co-pays for most services. One CSU representative expressed concern that Medi-Cal billing at CSU SHCs would negatively affect their care processes because many services are currently offered for free to all students; billing for some students' care would reduce parity among students and alter provider incentives for managing care.

Provides accessible and affordable care, but lacks comprehensiveness and portability: Requiring SHCs to accept Medi-Cal payments would allow for accessibility and affordability of services at college campus SHCs by covering any co-pays or cost-sharing amounts students must pay to receive care on campus. However, this alone would not provide portable nor comprehensive coverage because services outside the SHC, where many specialty services are accessed, would not be covered. If this policy was combined with access to the broader FFS provider network, all coverage criteria could be met.

OPTION: EXPAND ELIGIBILITY FOR MEDI-CAL MEDICAL EXCEPTION REQUESTS

Existing process could be applied for college students with chronic conditions: Medi-Cal manages a Temporary Medical Exemption from Plan Enrollment request process for beneficiaries with complex medical needs.³⁵ This program currently only serves those who are already enrolled in Medi-Cal FFS, are receiving ongoing care from a Medi-Cal provider, and whose condition could get worse if they enrolled in a managed care plan. FFS eligibility for students who have a chronic condition requiring ongoing care could be expanded by adding college students to the program's eligibility list. This would change access for a much smaller population of college students who already have a complex condition but would allow those with particular conditions the option of finding Medi-Cal providers in both their home and college counties. As it currently operates, Medi-Cal beneficiaries with this exemption must reapply for the medical exemption every 12 months.

Provides affordable, portable, and comprehensive coverage for a limited population: Coverage components would be similar to expanding Medi-Cal FFS eligibility more broadly, but the reach of this expansion would be much narrower, given that the program would only apply to those with existing chronic conditions. In the Fall 2018 ACHA National College Health Assessment, 5.8% of all students reported living with a chronic illness.³⁶

Cost increases to the state would be minimal: This program would only apply to college students with a chronic condition that requires ongoing care, so the cost of covering these students in FFS should be expected to be higher than covering their condition in a managed care plan. The number expected to participate would be small, however, so costs to the state would be expected to increase only minimally.

CHANGE MEDI-CAL MANAGED CARE COUNTY-BASED ENROLLMENT

Currently, Medi-Cal managed care plans provide county-based coverage that is not easily portable between different regions across the state. Alternatives to the way managed care plans cover college students could address portability of managed care while continuing to enroll college students in capitated-rate plans.

OPTION: ALLOW COLLEGE STUDENTS WHO MOVE AWAY FOR COLLEGE TO ENROLL IN MANAGED CARE IN BOTH COUNTIES.

Medi-Cal would need to allow concurrent enrollment in two health plans: A new coverage arrangement for college students who move away from home for the academic terms would need to be created to allow dual-enrollment. Medi-Cal would make payments to two managed care plans for those college students who alert the program that they will be moving to another area for college. Managed care plans would need to establish guidelines for information and records sharing in order to maintain care coordination for patients in their plans. This option could be analogous to away-from-home plans offered through some private insurance plans.

Protocol similar to the current temporary move process could be utilized: Counties could use a similar process as is currently used for temporary moves in which a student's dual-enrollment is initiated when they contact Medi-Cal about moving away for college. The Department of Health Care Services would need to develop a system for renewal of dual-coverage such that students are disenrolled when they are no longer eligible.

Provides accessible, affordable, and comprehensive coverage with defined portability: Enrollment in a Medi-Cal managed care plan in each of the counties where a student lives would cover all services needed at college and at home. This option would allow better portability of coverage than the current system which requires students to transfer their plan each time they will be in another area and which operates on a monthly cycle not aligned with most academic breaks. Enrollment in two plans would not provide portable coverage outside of those two areas, such as during study abroad or summer internships.

Medicaid State Plan Amendment would be required: The state would need to submit a State Plan Amendment in order to make a change to program policy allowing enrollment in multiple managed care plans.

Dual enrollment would increase costs to the state: This option would require double payments to pay college students' managed care capitation rate in each area. Using our lower- and upper-bound estimates, this could range from approximately \$500 - \$776 per member per month or \$6,000 to \$9,312 per year.

OPTION: CREATE A STATEWIDE MEDI-CAL MANAGED CARE PLAN

Could provide portable coverage with the advantages of managed care: Many of the main challenges addressed in this report for Medi-Cal beneficiary college students are due to the managed care model that bases Medi-Cal coverage on county eligibility and administration. If Medi-Cal created a plan that provided statewide coverage, college students who move away from home for college could utilize this option to obtain coverage that travels with them throughout the state.

Research on cost, feasibility, and other populations needed: In considering this option, the state would need to consider how many other Medi-Cal beneficiaries may opt for this plan and whether shifts in enrollment would affect enrollment and guaranteed rates in managed care contracts.

Medi-Cal Alternative Cost & Coverage Components

	Accessibility	Affordability	Portability	Comprehensiveness	Cost
UC SHIP PREMIUM ASSISTANCE	✓	✓	✓	✓	\$
MEDI-CAL FFS ACCESS	?	✓	✓	✓	\$
MEDI-CAL COVERAGE AT STUDENT HEALTH CENTERS	✓	✓			\$\$
DUAL MEDI-CAL MANAGED CARE PLANS	✓	✓	✓	✓	\$\$\$
STATEWIDE MEDI-CAL MANAGED CARE PLAN	?	✓	✓	✓	?

ALTERNATIVES FOR THE EMPLOYER-SPONSORED AND PRIVATE INSURANCE MARKETS

EXPAND AWAY-FROM-HOME OPTIONS IN PRIVATE MARKET PLANS

Away-from-Home options in private health plans provide an example of portable health coverage for HMO plans. Some private insurance plans offer away-from-home options designed to provide access to covered health care for college students who move away from home for college. For example, Anthem Blue Cross and Blue Shield HMO members can utilize the Guest Membership^j program to enroll dependents going to college in another state in a participating HMO in their college region. Students remain enrolled in their HMO plan at home so they are able to access covered health care in both their home and college areas. Kaiser Permanente also offers a guest membership plan that provides access to care in Kaiser Permanente service areas outside of the home area for some of its non-Medicaid beneficiary members.^k

Private health plans should account for care of dependents living away from home given ACA expansion of dependent coverage to age 26. The away-from-home option could be incorporated into more private market plans to extend this benefit to more families. In order to better serve families purchasing health insurance coverage on the exchange, offering a health plan that includes an away-from-home option through Covered California could be a viable solution to help families with incomes too high to qualify for Medi-Cal but who still face a financial burden to pay for college students' care away from home.

Some health plans on the private and individual markets are designed to allow college students moving away from home to access care, but students and their families are not always aware of these options. For those plans that already include away-from-home options in their plans, **better communication about availability and assistance with plan choice can aid families in ensuring access to covered care for students.**

APPLY EMPLOYEE BENEFITS TO PURCHASE SHIPS IN LIEU OF DEPENDENT COVERAGE

Similar to the cost-savings of purchasing some SHIPs over standard Medicaid coverage, many SHIPs can be more cost-effective than traditional employer-sponsored coverage because the pool of insured students represents a younger population. **Company policies could allow their employees to utilize their benefits that would normally be applied to purchasing dependent coverage within their employer-sponsored plan to instead purchase a university-provided SHIP up to age 26.** This would allow students to be covered under a plan better tailored for the college student population, including portability, and could potentially be cost-saving to the employer. A similar proposal in the context of the health care reform during the 1990s predicted lower costs to employers, a new source of revenue for college SHIPs and a lowered burden on SHIP waiver processing systems, and more affordable, better tailored insurance plans for college students.³⁷

^j For example, see [Anthem Blue Cross HMO Guest Membership Flyer](#)

^k For example, see [Kaiser Permanente Member Guidance](#)

RECOMMENDATIONS

IMPLEMENT A MEDI-CAL PREMIUM ASSISTANCE PROGRAM USING A PILOT WITH UC SHIP

Given the expected cost-savings to the state and the opportunity to provide portable coverage to many students within California, **a premium assistance program has the greatest potential to improve access to covered care in all areas where a student might live during college.** Premium assistance is an alternative with evidence and models from other states that can be utilized in the development of a program in California. **A premium assistance pilot with UC SHIP would allow the state to test the program** with a well-established and systemwide insurance plan before premium assistance was expanded to include SHIPs at private universities. A pilot could also allow the state to test the program without the need to file for a Medicaid waiver; based on the program experience, the state could then determine whether a waiver would be needed.

Although other Medi-Cal program changes can help close portability gaps in the state, SHIP PA would have the additional benefit of extending coverage to other states and internationally where students may have internships, clinical rotations, and study abroad opportunities. This added level of health insurance portability would act as a **support for equal access to educational opportunities for students from low-income backgrounds.** Because SHIP plans are specifically designed for college students, this option allows students access to a plan designed for their unique needs. Several professional-degree students cited the cost of SHIP as too high and as the biggest factor in their choice to remain enrolled in Medi-Cal, among other plans. This option would allow those students equal access to their college SHIP without imposing additional costs on the students.

In order to reach the greatest number of students, a SHIP will need to be made available to CSU students, which could be possible if UC SHIP premium assistance pilot was shown to be cost-effective. CSU does not currently have a health insurance mandate for its students, but the university system may be incentivized to implement a mandate if participation in a PA program is possible.

ASSESS & PUBLISH INFORMATION ABOUT STATEWIDE NETWORK ADEQUACY AND PORTABILITY OF COVERED CALIFORNIA PLANS FOR COLLEGE STUDENTS

Health Insurance plans offered through Covered California provide coverage to California college students who do not qualify for Medi-Cal but who may receive subsidies to purchase coverage on the exchange. **Covered California should include information about network adequacy statewide for each of the options on the exchange.** Easily identifiable information about which plans will provide portable coverage outside of the purchasing region for college students would help college students and their families in choosing the plans that best fit their needs. This process would also help Covered California identify whether plans offered in each region are providing adequate, portable coverage that is affordable for college students.

REQUEST COLLEGE DATA ON THE NUMBER OF STUDENTS WHO MOVE AWAY FROM HOME TO ATTEND COLLEGE

Currently, there is no publicly available data to describe how many college students are moving between home and college throughout the year. Obtaining this information would contribute to a better understanding of the extent and reach of health insurance coverage issues for college students in the state. The state should advocate for public colleges and universities to track and share information with the state about the percentage of students who expect to move between home and their college area throughout college.

ENCOURAGE PRIVATE EMPLOYER-SPONSORED PLANS TO ADOPT BETTER OPTIONS FOR COLLEGE STUDENTS

Employer-sponsored plans represent a large proportion of plans covering college-student dependents under the age of 26. Employers who offer health coverage to their employees should assess the health insurance needs of their employees and integrate options that allow their employees with dependents in college to fully utilize the benefits to which they are entitled.

FURTHER RESEARCH NEEDED ON HEALTH INSURANCE GAPS FOR MOBILE MEDI-CAL POPULATIONS

As part of an ongoing efforts to improve health insurance coverage in California, the state should further research gaps in health insurance for Medi-Cal populations who are mobile throughout the state and may have difficulty receiving the care they need within the current managed care model. California should further explore the possibility of offering a statewide managed care plan and any resulting consequences that would be expected.

CONCLUSION

College students represent a significant and vital part of the California population. Health care reforms established by the ACA improved options for college students to obtain health insurance coverage, but the availability of needed services has not yet met the high standard for which the state is striving. Health insurance options should provide college students with portability and accessibility to best facilitate their pursuit of higher education along with affordability and comprehensiveness that is promised by law. As a state committed to achieving universal health care coverage and dedicated to supporting its celebrated higher education systems, California has a window of opportunity to improve on coverage for this important population.

APPENDIX

INFORMATION IN THIS REPORT WAS COLLECTED IN PART THROUGH INTERVIEWS AND MEETINGS WITH THE FOLLOWING:

Zina Slaughter, UC SHIP Director

UC SHIP Executive Oversight Board

Assmaa Elayyat, County Welfare Directors Associations

Valerie Lyon, Cornell University

Teresa Koster, Gallagher Student Health Team

Bahar Navab, Berkeley SHIP

Katherine Kane, CSU Monterey Bay

Joy Stewart-James, The WELL at Sacramento State University

Colleen Ganley, California Community Colleges Chancellor's Office

Ben Johnson, Legislative Analyst's Office

UC Students (note: some names have been changed to protect the privacy of the students)

MEDI-CAL MANAGED CARE COST ESTIMATE CALCULATION

Upper-bound estimate (LAO):

Medi-Cal managed care capitation rate for young adult age group: \$334 per member per month

Carve-out expenditures estimate: \$54 per member per month

Total: \$388 per member per month

Lower-bound estimate (derived in reference to LAO estimate):

Medi-Cal managed care capitation rate for young adult age group: \$250 per member per month

Carve-out expenditures estimate: \$0 per member per month

Total: \$250 per member per month

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