Value Proposition of Student Health Insurance Plans

The implementation of the Patient Protection and Affordable Care Act, commonly referred to as PPACA, ACA, or Obamacare, has left many questioning the value of a Student Health Insurance Plan as opposed to the other options available to students.

As of January 2014, students will have access to the following health insurance options:

- Remain a dependent on Parents' health insurance plan to the age of 26;
- Exchanges/Marketplaces - with premium tax credit, or subsidy, if income requirements are met;
- Catastrophic Plan, often referred to as ‘Young Invincible’ plans, offered through the Exchange/Marketplace;
- Medicaid - based on expanded eligibility requirements in some States;
- Individual Health Plan offered outside of the Exchange/Marketplace;
- School-Sponsored Student Health Insurance Plan.

With all of these options, why should students consider enrolling in their School's sponsored Student Health Insurance Plan?

- It may be the more affordable option!
- Student Health Insurance Plans offer lower deductibles, copayments, out-of-pocket maximums, and premiums as compared to the lower cost options (i.e. Bronze and Catastrophic) offered through the Exchanges/Marketplaces. It is important to explore all options and choose the one that is the most cost effective when taking into consideration both premium cost and out-of-pocket costs.
- Student Health Insurance Plans reimburse medical expenses incurred regionally, nationally or internationally outside of the Student Health Center. This is often not the case with certain types of plans offered through employers or the Exchanges/Marketplaces.
- Student Health Insurance Plans include Travel Assistance Coverage which guarantees coverage through the year, including summer vacation and even while traveling or studying abroad.
- Student Health Insurance Plans are designed to “wrap around” campus Student Health/Counseling/Athletic Services to provide the best access to primary and preventive healthcare.
- Student Health Insurance is purchased through the College or University at preferred pricing. Though there is no premium tax credit (subsidy) available, there are also no tax implications.
- Depending on the institution, in some cases students can use Financial Aid to purchase Student Health Insurance.