

BYU student health plan exemption expires

Link: <http://www.deseretnews.com/article/865635959/BYU-student-health-plan-exemption-expires.html?pg=1>

By Daphne Chen
Deseret News
September 2, 2015

PROVO — They say marriage is a joyous occasion.

But for Mike and Ariel Smith, both in their junior year at BYU, it also came with an unexpected headache: Ariel, a 20-year-old astrophysics student, can no longer stay on her parents' insurance.



"We're pretty much either not going to be covered and then be breaking BYU rules for a little bit, or get forced into buying the BYU stuff," Mike Smith said. "It's a pickle."

BYU students are weighing their options for health insurance now that the school's student health plan no longer qualifies as "minimum essential coverage" under President Barack Obama's health care law.

That means students on the plan may face fines from the government for not having a qualifying health care plan.

"The ACA, as we all know, is complicated and evolving, and at this point, we do not meet the government-imposed requirements," BYU spokeswoman Carri Jenkins said in a statement.

"There are numerous government-imposed requirements that we do not believe are necessary to provide good health care coverage for our students," she said.

The Affordable Care Act requires student health care plans to meet certain affordability standards and provide certain benefits.

Because the BYU student health plan is self-funded — meaning it's paid for by those who participate — the school was granted a temporary extension that protected students from being fined for not having a qualifying health plan.

That exemption ran out Monday, meaning students enrolled in the plan may now face fines from the IRS for not having a qualifying insurance plan.

Jenkins said BYU's student health plan does not comply with a number of rules imposed by the Affordable Care Act, including those that say insurers can't place annual dollar limits on benefits and others that place limits on how much insurers may spend on administration, marketing and profits.

The issue of contraception, which the health care law requires insurance plans to cover for free, was also “one of the factors,” Jenkins said.

As the health care law has been rolled out, colleges and universities that offer student health insurance have had to retool their offerings to make them compliant or decide whether to offer them at all.

At the University of Utah, whose student health plan is considered compliant, student health insurance manager Kerry Hill said the school had to make several changes, including lifting annual and lifetime limits and adding provisions for prescription reimbursement.

Hill said the changes increased expenses, but “we’ve been surprised at how low our prices have remained.”

Other institutions of higher learning have made headlines for dropping or attempting to drop student insurance plans entirely.

In July, Wheaton College, an Evangelical Protestant Christian college in Illinois, announced it would stop providing health insurance for students due to the contraception provision.

School officials there said they would not request a religious exemption because the insurance company would still be required to provide the services directly to students.

And the University of Missouri announced in August it would stop providing health insurance subsidies for graduate student workers, arguing that the health care law doesn't allow employers to give employees money to buy health insurance.

The school later reinstated the subsidies after backlash.

It's unclear how the expiration of BYU's exemption will affect its students.

About one-third of the student body is enrolled in the school health plan, according to Jenkins.

She said school officials believe most qualify for fee exemptions based on their income or will be able to get onto their parents' health insurance.

Dodd Greer, an Affordable Care Act navigator at Community Health Connect in Provo, said he's already received dozens of phone calls from BYU students who want to know how they can avoid fines.

"Last week they were in pre-med classes. This week they're scrambling to find out, 'Oh, my gosh. What do I do?'" he said.

Students who earn less than 100 percent of the federal poverty line are exempt from any fines that the IRS might levy for not having a qualifying health plan, he said.

Based on 2015 federal poverty charts, that threshold is \$11,770 for a single person, \$15,930 for a couple and \$20,090 for a family of three.

Still, Greer said about half the students he's talked to so far fall into the "coverage gap" — people who make too much to qualify for Medicaid but too little to qualify for subsidies.

Greer said students who are confused about their health insurance options should call an Affordable Care Act navigator, who can explain whether they qualify for exemptions, guide them through buying a health insurance plan, or point them in the direction of low-cost health care clinics.

"The important thing for the students right now is find out what your options are. That's what we're here to do," he said.

Jason Stevenson of the Utah Health Policy Project encouraged students to look at the options offered in the marketplace at healthcare.gov/see-plans.

"Oftentimes, the deductible and the copays for student insurance are way higher than they would be for Affordable Care Act insurance," Stevenson said, pointing out a silver level plan from SelectHealth with a \$23 monthly premium and no deductible.

"There's more options than just your student insurance, and oftentimes that insurance through the private market is a lot better and a lot more affordable," he said.

For Brianna Sterling, 22, a BYU senior who is on the student health plan, it's all a lot to take in.

She didn't know her plan wasn't considered compliant with the health care law.

"I'm pretty sure I have a message about it somewhere, but I probably just glazed over it," Sterling said.

The recently married student said she mainly uses the health center to get her birth control prescriptions, which are \$18 per month. But Sterling said she may re-evaluate her health insurance plan, especially because the price jumped from less than \$300 to \$474 after she got married last year.

"This is definitely on the pricier side, but then again, I'm still an emerging adult who is figuring out the real world finances that are required of me," she said.

As for the Smiths, they're dealing with some of the same questions now that they're navigating the health insurance marketplace for the first time.

"What fee?" Mike Smith said, when asked if his wife knows if they qualify for fee exemptions.

All they know is that the BYU plan is too expensive for them and that it doesn't meet the health care law requirements.

Because the university requires students to have some type of health insurance, Ariel Smith recently signed up for Obamacare and is waiting to get approved.

But that could take weeks. If the approval doesn't come through in time, the school will automatically enroll her in the student health plan. So she and her husband are crossing their fingers, hoping they get an extension from the university and that their application goes through.

"For somebody in her situation, it's really tricky," Mike Smith said.

Email: dchen@deseretnews.com

Twitter: [DaphneChen_](#)