

Student coverage

Aetna on the Issues

June 2009

The Issue

Of the 45.7 million uninsured U.S. residents, an estimated 10%-12% are college and university students, including part-time and full-time students of all ages.ⁱ Young adults between the ages of 19 and 29 represent the largest segment of the uninsured, with nearly one in three (approximately 13.7 million) lacking health insurance. Many uninsured in this age group are also students.

Students face unique obstacles to obtaining health insurance because they often do not have access to common sources of insurance such as employer-sponsored coverage, dependent coverage from a parent's plan, government programs or affordable individual coverage.

Predictably, those without coverage often defer necessary preventive, medical and mental health care. In addition, costs to the health care system as a whole rise when uninsured students cannot pay for care they have received — provider fees and insurance premiums typically increase to offset these uncompensated care costs.ⁱⁱ

Fast Facts

- An estimated 4.5 to 5.5 million college and university students are uninsured (out of an estimated 17.5 million students).ⁱⁱⁱ
- Students who participate in health insurance plans offered by colleges and universities that require student coverage generally are healthier than those who voluntarily participate in plans offered by colleges and universities without a requirement.^{iv}
- Nearly 37% of uninsured young adults were carrying medical debt in 2007.^v
- More than one in 10 uninsured young adults have a chronic condition requiring regular medical services.^{vi}

The Aetna Perspective

Requiring student health insurance as a condition to college and university enrollment could not only result in healthier students, but could also provide them with comprehensive coverage at premiums often comparable to those offered by large group employers. Aetna supports legislation that would require:

- All colleges and universities to offer their students health insurance;
- Students to participate in their college or university insurance plan or show proof of existing comparable coverage as a condition to college or university enrollment; and
- Colleges and universities to consider premiums as part of tuition, helping students in need to qualify for a variety of financial assistance.

In addition, Aetna recommends implementation of a student coverage requirement with the following components:

- **A customized plan**, allowing colleges and universities to select a plan that fits their in-place health services, costs and student needs, and reflects *American College Health Association* standards; and
- **Products equipped with information tools like Aetna's**, such as a 24-hour nurse helpline, an online provider directory, a secure member website for personalized claims information and online health information.

For further detail, please see reverse.

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A Solution

Targeting coverage for students can address many of the problems related to this distinct group of the uninsured. More specifically, requiring student health insurance coverage as a condition to enrollment in a college or university could:

- **Reduce the state's uninsured and uncompensated health care costs**, by requiring that all students have health insurance to help pay for covered medical services;
- **Provide more affordable coverage**, by adding healthier lives to the college's or university's existing student health insurance pool, thereby spreading the risk and lowering premiums;
- **Increase student retention rates and reduce medical debt**, by creating a financial safety net for students in the event of illness or injury; and
- **Improve access to broader health services**, by extending coverage to include more specialty services in both medical and behavioral health.

Others' Positions

The *American College Health Association* recommends a student coverage requirement in its standards for college-sponsored student health insurance programs.^{vii}

Opportunities

Coverage through a college or university provides advantages through an existing delivery system:

- College and university-based medical and behavioral health services already act as a student's "medical base," offering primary medical and mental health

services. Complementary private health insurance can offer additional coverage of specialty care from community providers.

- College and university health services have a higher adoption rate for electronic health records systems than private sector physician practices, which can contribute to improved delivery of care for students.

State Landscape

Many colleges and universities already see the benefits of requiring student coverage; approximately 30% of schools required it in the 2007-2008 academic year.^{viii} Understanding the benefits of such a requirement, many states are taking action regarding student coverage:

STATES	ACTION
MA, NJ	Law requires student coverage
CA, FL, ID, IL, MN, MT	Public colleges and universities require student coverage
FL, MD, ME, NM, NY, OR, PA, TX, UT	Colleges, universities and legislators are considering student coverage requirements

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ⁱEstimate based on and extrapolated from Government Accountability Office, "Health Insurance: Most College Students are Covered Through Employer-Sponsored Plans, and Some Colleges and States are Taking Steps to Increase Coverage," (p.11) March 2008; Lookout Mountain Group, "Considering Health Care Reform for the College Student Population," (p.5) June 2, 2009. Estimate includes students enrolled in two and four year public and private colleges and universities.

ⁱⁱGovernment Accountability Office (p.1) March 2008.

ⁱⁱⁱSee Endnote i.

^{iv}Government Accountability Office (p.30).

^vKriss, Jennifer et al., "Rite Of Passage? Why Young Adults Become Uninsured and How New Policies Can Help, 2008 Update," Commonwealth Fund (p.12) May 2008.

^{vi}Schwartz, Karyn et al., "Uninsured Young Adults: A Profile and Overview of Coverage Options," Kaiser Family Foundation (p.6) June 2008.

^{vii}ACHA Standards for Student Health Insurance/Benefit Programs, March 2008 (www.acha.org/info_resources/stu_health_ins.pdf).

^{viii}Government Accountability Office (p.29).

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