

## Health Insurance Tips for 2012 College Grads: eHealthInsurance Releases Real-World Study Notes



MOUNTAIN VIEW, CA, Apr 17, 2012 (MARKETWIRE via COMTEX) -- Today eHealthInsurance [/quotes/zigman/100739/quotes/nls/ehth EHTH +1.76%](#), the leading online source of health insurance for individuals, families and small businesses, released tips to help 2012 college graduates understand their health insurance options and find the coverage best suited to their needs.

The economy is improving, but many of today's grads will likely struggle to find good jobs with employer-based medical benefits. Additionally, the looming Supreme Court decision and the 2012 presidential election may create more uncertainty about consumer health insurance options and the future of the Patient Protection and Affordable Care Act. Provisions of the 2010 law that were intended to help young adults find and retain coverage could be at risk.

In order to help young adults and their parents navigate their health insurance alternatives and find the best coverage options in the current environment, eHealthInsurance has compiled the following tips specifically for 2012 college grads:

### Top 8 Health Insurance Tips for 2012 College Grads:

1. Consider all your options. The three most common forms of coverage for college grads include employer-based plans, individually purchased plans, and coverage under a parent's policy. Each comes with special considerations:

-- Employer-based health insurance - These plans often provide rich benefits, and monthly premiums are split between employee and employer. No one can be turned down for employer-based coverage due to pre-existing medical conditions. However, not all employer plans are created equal. Weigh your employer's coverage options carefully and make sure you know how much will be taken from your wages and applied to your monthly premiums.

-- Individually-purchased health insurance - Young and relatively healthy grads should be able to find individual coverage at relatively affordable prices. Health care reform improved key aspects of these plans by doing away with lifetime coverage limits and improving access to many preventive medical services. A licensed agent like eHealthInsurance can provide you with free quotes and help you compare plans. Keep in mind that you may be declined if you have certain pre-existing medical conditions.

-- Health insurance coverage through a parent - Health care reform made it possible for children to stay on a parent's health insurance plan until age 26. However, if you live in different state than your parents, your benefit levels may be severely reduced. Parents may also need to actively re-enroll adult children every year. If you're offered coverage from your own employer, you could be dropped from your parent's plan.

2. Watch out for changes to the health care reform law. If you hadn't heard, the Supreme Court will be ruling on the constitutionality of the law this summer. This fall's presidential election could impact the law's prospects too. If it's struck down or radically altered, the provision of the law allowing young adults under age 26 to retain coverage under a parent's plan could be invalidated too. Be prepared and make sure you understand your other health insurance options in case things change in 2012.

3. Go Mobile. If you're like most young people, you spend many of your waking hours staring at a smart phone. There are some great apps out there that can help you find coverage, track your health, and manage your health care spending. Check out the eHealth mobile site and download our mobile app to compare quotes and benefits for different health insurance plans in your area -- and see how your current coverage stacks up.

4. Fill in the gaps with supplemental insurance. If you buy a high deductible health insurance plan, consider accident and/or critical illness insurance too. These plans can help you cover out-of-pocket costs if unexpected medical costs arise, and they're relatively affordable. In case of a qualifying event, they pay you directly, not the doctor. A bit of extra cash might come in handy if you're in the hospital facing steep medical bills, a high deductible, or other personal expenses.

5. Think about why you need coverage -- and for how long. Many young adults only want a health insurance plan that will provide back-up coverage in case of a serious injury or illness. Others may only need something to cover them for a few months until employer-based coverage kicks in. (According to an eHealthInsurance survey, 53% of small businesses impose waiting periods before coverage starts for new workers.) Either way, short-term health insurance may be a good option. Short-term coverage typically lasts up to six months at a time and does not cover preventive care, prescription drugs, or pre-existing medical conditions. Even so, it can still provide meaningful protection in case of unexpected hospitalization.

6. Don't be afraid of high deductibles. Some health insurance plans with lower monthly premiums tend to come with higher annual deductibles. High deductibles shouldn't necessarily scare you away from these plans, however. If you're relatively healthy and don't visit the doctor often, a high-deductible plan may be right for you. Just be sure that you could afford to pay the full annual

deductible in case of an unexpected injury or serious illness. Take a look at the annual "out-of-pocket limit" too: that's the true maximum amount you could be required to pay for covered services in any given year -- including copayments and coinsurance as well as your deductible.

7. Think about FSAs and HSAs, and know the difference. An FSA (Flexible Spending Account) is set up by your employer. Money from your wages can be deposited into an FSA on a pre-tax basis and used tax-free to pay for qualified medical expenses, including copayments, deductibles, and things like glasses or contacts. Any money left in the account at the end of the year reverts to your employer. An HSA (Health Savings Account) is similar but differs in important ways. HSAs are used in conjunction with qualifying high-deductible health insurance plans. Money can be deposited into the account on a pre-tax or tax-deductible basis to pay for the same kinds of medical expenses. But the account itself and the money in it belong to you and can accrue and earn interest year to year. Many employers offer HSA-eligible health insurance plans and some may even contribute to your account.

8. Don't go without health insurance. Healthy young people who almost never get sick often imagine they don't need health insurance. But you do need it. When you're fresh out of college your financial future is less than assured. An unexpected illness or injury could put you in a huge financial hole if you're uninsured. Don't hamstring your financial future before it even starts by going without coverage.

#### Additional Consumer Resources:

-- Download or request a FREE printed copy of our book,  
Individual Health

Insurance For Dummies, Health Care Reform Special Edition, produced  
in

cooperation with For Dummies(R), a branded imprint of Wiley, and  
co-authored by eHealthInsurance

-- Follow eHealthInsurance's consumer blog, Get Smart - Get Covered

-- Watch educational health insurance videos from eHealthInsurance on

YouTube

- Browse our answers to real-life health insurance questions on Yahoo Answers
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