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**Contact:** HHS Press Office

(202) 690-6343

## **New Rule Ensures Students Get Health Insurance Protections of the Affordable Care Act**

A new proposed regulation announced today by the Department of Health and Human Services (HHS) would ensure students enrolled in health insurance coverage through their college or university benefit from critical consumer protections created by the Affordable Care Act. Students enrolled in college plans would have the freedom from worrying about losing their insurance, or having it capped unexpectedly if they are in an accident or become sick.

“Thanks to the Affordable Care Act, college students will have more control over their health care,” said Secretary Sebelius. “This rule would ensure that these plans remain a viable, affordable option for students while guaranteeing that they are regulated consistently and offer transparent benefits to students.”

Student health plans are often purchased when family coverage is not available, or is unaffordable. Approximately 1,500-2,000 institutions of higher education across the country offer some type of health coverage; however, what benefits are covered by these plans, as well as how they’re regulated vary widely. The proposed regulation would ensure students enrolled in these plans benefit from important consumer protections created by the Affordable Care Act by clarifying that these plans will be defined as “individual health insurance coverage.” Under the proposed rules, some of the new health insurance protections include:

- **No Lifetime Limits on Coverage:** Insurance companies would no longer be able to impose lifetime dollar limits on the amount they spend on health benefits in student health plans.
- **No Arbitrary Rescissions of Insurance Coverage:** Insurance companies can no longer drop coverage when student health plan enrollees get sick because of an unintentional mistake on an application.
- **No Pre-Existing Condition Exclusions for Students Under Age 19:** Insurance companies cannot deny or exclude coverage for students under age 19 because of a pre-existing condition.

Today, some student health plans, only offer limited benefits with low annual dollar limits on health care, or have limited networks of doctors, and other health care providers. For many students, these health plans are their only health insurance option.

The Affordable Care Act allows HHS to take steps to preserve market stability while ensuring student health plans remain affordable until all Americans have new coverage options through the state-based Exchanges that will be established in 2014. Under the proposed rule announced today, student health insurance plans would be allowed to have annual dollar limits on essential health benefits of no less than \$100,000 for policy years beginning before September 23, 2012. Student health plans with policy years beginning after that date must fully comply with the Affordable Care Act’s annual limit restrictions.

The proposed rules would also require insurance companies to clearly tell students enrolled in student health plans whether or not their plan meets the new requirements laid out under the Affordable Care Act—bringing transparency to this marketplace and enabling students to understand the value and quality of the coverage they have.

As a part of the new proposed rule, HHS also is requesting comments on how other Affordable Care Act protections might apply to student health plans, including the choice of medical provider and application of the new medical loss ratio rules.

To find the new proposed rule, visit [www.ofr.gov/inspection.aspx](http://www.ofr.gov/inspection.aspx). For a fact sheet on the new proposed rule, visit [www.HealthCare.gov/news/factsheets/students02092011a.html](http://www.HealthCare.gov/news/factsheets/students02092011a.html). For more information about the new patient protections created under the Affordable Care Act, visit [www.HealthCare.gov](http://www.HealthCare.gov).

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