Mandatory Health Insurance for All Incoming MSU Students for the Fall Semester of 2011 and for All MSU Students for the Fall Semester of 2012

Incoming students registering for the Fall Semester of 2011, or subsequent semesters, will be asked to certify that they are covered by health insurance that meets certain minimum standards of coverage. If they do not have insurance with the minimum coverage level, they will be required to purchase insurance that meets a designated minimum level of coverage. All international students will continue to be required to present actual physical evidence of insurance coverage.

All students registering for the Fall Semester of 2012, and for subsequent semesters, will be asked to certify that they are covered by health insurance that meets certain minimum standards of coverage. If they do not have insurance with the minimum coverage level, they will be required to purchase either the policy negotiated by MSU or other coverage that does meet the minimum level.

FREQUENTLY ASKED QUESTIONS

1. Why is this requirement necessary? Uninsured students are at risk for being unable to afford medical care needed for their continued health and for ability to continue their studies. They are also at risk for incurring crippling medical bills for treatment that they do receive. The Student Health Center at Olin provides accessible, but limited outpatient care, but does not provide all outpatient services any inpatient services.

2. Do other institutions like ours require insurance? The majority of the Big Ten Universities do require all students to have health insurance. Many institutions, such as the University of North Carolina System have started requiring coverage within the last two years.

3. How many students will be affected? Currently an estimated 60% of students have insurance through their families, about 20% purchase the insurance negotiated with AETNA by MSU and another 20% do not have insurance. With the Health Care Reform act, parents’ employer’s insurance will be required to provide coverage for offspring up to age 26. This act will decrease the number of uninsured students, but will not insure coverage for the entire population.

4. Will requiring insurance for all students change the cost of the policy negotiated by the University? If requiring insurance has an effect of insurance cost, that effect will probably be to lower cost. Currently, insurance companies assume that students most likely to use healthcare services will be most likely to buy coverage. Insurance companies call this effect “adverse selection” and use it as a rationale for increasing costs. By adding other students, the adverse selection effect should be reduced, while the whole pool is expanded, also leading to a possible reduction in price.

5. If I am not sure whether or not my coverage is adequate, how will I find out? MSU will have an online program to aid in assessment of the level of coverage students currently have. In addition, we will have “live people” available to help answer questions. Will MSU Office of
Financial Aid help with the costs of purchasing insurance? Student financial aid budgets already include the cost of insurance and related medical care for independent students, including all graduate and professional students. Similar costs will be added to the financial aid budgets of dependent students who are required to purchase an insurance policy to meet the MSU policy.

6. What are the minimum levels of coverage that I will be required to have? The levels of coverage that MSU HR has negotiated with AETNA represents the minimum level of insurance required. The online waiver program currently used by the medical colleges can be extended to all incoming students.

7. How does this policy impact incoming GA/TA’s? They will be unaffected. The insurance that they receive will meet requirements.

8. How will students certify coverage? The process will be the same currently used for the health colleges. Students will have to apply online for a waiver and the online program will guide them through the minimum levels of insurance required, but will not have to produce a copy of the policy. International students will continue to be required to show proof of insurance.

9. What are the consequences if students indicate that they have the minimum level of coverage, but do not actually obtain such coverage? The University expects students to answer questions related to application and enrollment truthfully. There will be consequences for knowingly falsifying information.

10. What if one or both of my parents is an employee of MSU, if I am over 26 and if I wish to be added to my parent(s) insurance policy? Please contact MSU Human Resources ay (517)353-4434 or via email at benefitsinfo@hr.msu.edu