

In the Spotlight: Considerations for young adults

It's a mantra that's been repeated time and time again across the state of North Carolina: reform impacts everyone differently. That's especially true for individuals and families who purchase their own insurance – there are subsidies, grandfathered plans, and transitional plans, oh my! In particular, young adults have many considerations when choosing how to carry insurance for the year 2014. A lot of the choices depend on an individual's circumstances and age. This paper will explain the different options for folks in this age group.

If you attend a college or university full-time...

...you may have access to a student plan. In North Carolina, the entire public university system is insured by Blue Cross and Blue Shield of North Carolina (BCBSNC). This means that students attending one of the public system's universities or colleges will have access to a Student Blue plan, with rich coverage at student health centers and access to the entire BCBSNC provider network when students are traveling or home. These plans are generally lower in cost but largely have the same benefits included in any new individual plan. This means they have no annual or lifetime limits and contraceptive coverage and preventive visits at no cost to the student.

If your parents have coverage...

...you should have access to stay on your parents' coverage until age 26. That is true if they have an employer plan or an individual plan. If your parents' household income and size (and they meet other requirements) qualifies them for subsidies, your plan should be subsidized as well. This is true even if you get married or a job (although whatever you make at your job will be included in the household income). Once turning 26, however, individuals do need to sign up for their own coverage or purchase it through work. Losing coverage would qualify an individual for a special enrollment period so individuals will have the opportunity to choose a plan at that time. Per North Carolina law, disabled dependents should be able to stay on their parents' plan beyond age 26.

If you have a job and are not claimed as a dependent...

...you may have access to employer-sponsored insurance or subsidies on the Marketplace. If you are working and your employer does not offer health insurance coverage, you may be able to purchase a subsidized plan on the Marketplace if your income also meets certain requirements. If your employer offers affordable coverage that meets certain standards, you may have the ability to use insurance at work. Young adults can also purchase a type of plan called "catastrophic" coverage. This is coverage that does not meet the minimum benefit requirements of reform and is only available to individuals under age 30, those who meet certain income hardship requirements, or those who had their previous coverage canceled by their insurer and did not have the opportunity to renew for one year. Catastrophic plans offer several primary care visits with a copay and include certain preventive care benefits but generally have higher deductibles and cost-sharing than is permissible for other new individual coverage.

BCBSNC Views

BCBSNC believes each individual should look closely at all their options for health coverage. BCBSNC has travelled across the state to educate North Carolinians about how reform could be impacting them. We believe that maximizing choices is in the best interest of our consumers. We encourage young adult customers, like all North Carolinians, to carefully consider their options and needs based on their specific situation.

This information has been prepared by Blue Cross and Blue Shield of North Carolina to assist our customers in understanding Health Care Reform. This publication is for information purposes only. It is not legal or tax advice. Please consult with your attorney or tax advisor for further advice. As regulations and other interpretive guidance are published, this information may change. We will continue to work with our customers going forward to provide updates and further assistance. ®SM are registered marks of the Blue Cross and Blue Shield Association. ©, 2013 Blue Cross and Blue Shield of North Carolina is an independent licensee of the Blue Cross and Blue Shield Association. U#7259aao