

■ **GIVE**
“A PROMISE OF HOPE”

■ **Donate a Clever**
“Promise of Hope”

- Appreciated stock that you have owned for at least a year.
- Frequent-flier miles and similar perks from credit cards or other rebate programs.
- A gift for a child from a child - help your children or grandchildren pick out a stuffed animal or toy to give to a child in the hospital.
- Time – Volunteer for Patient Advocate Foundation.

Become a Partner in Progress with a Monetary “Promise of Hope”

- Donate a tax-deductible contribution In Memory of or In Honor of someone special.
- Encourage the company or organization you are employed with to match your contribution.
- Consider making a donation even if you don’t have cash, using your VISA or MasterCard.
- Remember Patient Advocate Foundation in your estate.

Patient Advocate Foundation

700 Thimble Shoals Blvd., Suite 200
Newport News, VA 23606
Toll Free: 1-800-532-5274
Fax: (757) 873-8999
Email: info@patientadvocate.org
Website: www.patientadvocate.org

Publication No. 11, 7/2007

A Greater Understanding

Health Insurance for Young Adults: *Why you need it & How to keep it*



PAF Patient Advocate Foundation

A Greater Understanding

Patient Advocate Foundation

■ MISSION STATEMENT

Patient Advocate Foundation is a national non-profit organization that serves as an active liaison between the patient and their insurer, employer and/or creditors to resolve insurance, job retention and/or debt crisis matters relative to their diagnosis through case managers, doctors and attorneys. Patient Advocate Foundation seeks to safeguard patients through effective mediation assuring access to care, maintenance of employment and preservation of their financial stability.

Editors Note:

This is the eleventh in the series “A Greater Understanding” brochures developed by the Patient Advocate Foundation. The information contained herein is in response to frequently asked questions (FAQ’s) by patients. This brochure is intended to provide a general yet informative response to these inquiries. Any incident, inquiry or issue may vary according to these specific facts and circumstances relating to the individual.

Patient Advocate Foundation

■ PUBLICATIONS

- *The Managed Care Answer Guide*
Available in English & Spanish
- *The Patient Pal*
Available in English & Spanish
- *Your Guide to the Appeal Process*
Available in English & Spanish
- *First My Illness...Now Job Discrimination: Steps to Resolution*
Available in English & Spanish
- *Your Guide to the Disability Process*
Available in English & Spanish
- *The National Financial Resource Guide for Patients: A State-By-State Directory*
- *Too Young To Be Ill...*
A Practical Survival Guide for Caregivers of Children and Young Adults
- *Guide to Health Savings Accounts*
- *Promoting a Healthier African American community*
- *Promoting a Healthier American Indian and Alaska Native Community*
- *“A Greater Understanding” series*
A series of pamphlets written to provide answers to the most frequently asked questions regarding health care.

If you would like further information about any of these publications, please contact our office or visit our website:
www.patientadvocate.org



■ Health Insurance Portability and Accountability Act (HIPAA)

Provides protections for beneficiaries covered by group health plans.

HIPAA:

- Limits exclusions for preexisting conditions
- Prohibits discrimination against employees and dependents based on their health status
- Guarantees renewability and availability of health coverage to certain employees and individuals

In order for protection under HIPAA there cannot be a lapse or break in coverage of more than 63 days.

Once a member is no longer covered by a plan they will be issued a certificate of credible coverage to demonstrate previous credible coverage to a new insurer. To learn more about your protections under HIPAA, visit <http://www.dol.gov/dol/topic/health-plans/portability.htm>

■ Consolidated Omnibus Budget Reconciliation Act (COBRA)

Provides that certain employers with 20 or more full-time employees or equivalent in the previous 12 months are required to offer continuation of coverage under COBRA to qualified beneficiaries. A qualified beneficiary is any individual covered by the plan the day before the qualifying event. Each beneficiary can elect COBRA independently. To learn more about your rights under COBRA you may visit, <http://www.dol.gov/dol/pwba>.

Upon graduation of high school, young Americans have the world ahead of them with a host of decisions and choices to make. When a young patient is diagnosed with a progressive illness such as cancer, so many choices are taken away. It can feel as though the future has now been decided for them and they have no choices available to them. A student continuing their education at the college level may find it necessary to withdraw from classes in order to return home to have treatment for their illness. One promising reality to keep in mind is that as diagnostic tools and treatment options improve, students are able to return to complete their education. One important area of immediate concern is health care coverage. If formerly covered under a parent's plan, one may no longer qualify under the definition of the plan because of loss of dependent status under plan rules, (the patient is no longer a full time student). If covered

under a student plan through the college or university, again the eligibility requirement will now not be met. The obstacle of immediate concern is maintaining or securing health coverage for needed medical treatment. The challenge, long term is maintaining health coverage for any future needs. There are protections and resources available to patients and education will empower the patient and help them avoid problems that can disrupt much needed medical care.

A student, covered by a parent's plan, is eligible to elect coverage under COBRA (Consolidated Omnibus Budget Reconciliation Act) should they lose dependent status as defined by the plan language. Under COBRA, the qualifying beneficiary and the qualifying event determines the length of time COBRA coverage is available. Loss of dependent status under plan provisions provides that COBRA benefits are obtainable for a period of 36 months. The premium for COBRA coverage is more expensive as the employer no longer contributes their portion to the plan. Therefore, the patient has to pay up to 102% (100% of the premium cost and a 2% administration fee) for the premium. Although this may seem to be an outrageous amount to pay, the cost of treatment would far exceed the cost of a COBRA premium. Some states have health insurance premium payment benefits under their Medicaid program. If an individual is eligible for coverage under Medicaid and also eligible for coverage under a COBRA plan, the state may provide benefits in the form of premium payments and allow the individual to maintain current coverage rather than be provided Medicaid benefits. To find out if your

state offers this benefit you can contact your local Medicaid office.

Maintaining credible coverage is a concern for any individual but to a patient diagnosed with a progressive disease it is critical. Under the Health Insurance Portability and Accountability Act, beneficiaries covered by group health plans are safeguarded. A student will have to be diligent in maintaining group health coverage. Under private or individual plans, the insurer may impose a complete preexisting exclusion of anything related to your critical diagnosis.

For patients facing coverage concerns, you may seek the assistance of a professional case manager at the Patient Advocate Foundation, toll-free at 1-800-532-5274 or via the internet at help@patientadvocate.org.

Individuals who currently do not have health insurance coverage and are in need of diagnostic services should contact your local health department. Patients diagnosed through certain programs may be entitled to immediate coverage through state or federal reimbursement programs.

For patients facing a critical diagnosis, especially at a very young age, maintaining health coverage and understanding all available options can seem overwhelming. The Patient Advocate Foundation offers direct patient services by professional case managers to assist patients through all of the insurance obstacles that they may face. PAF services and publications are provided at no charge to patients.