

Generation Y grows up

Health insurance alternatives for the class of 2008 in 10 minutes or less

By Jim Kenneally



High school and college graduation season is nearly upon us and for many young adults, graduation signals the completion of parental dependence. With independence, however, comes responsibility – and obtaining health insurance coverage becomes a necessary task. When a child graduates from college, he or she is generally no longer covered under his or her parents' health plan. Fortunately, college graduates can turn to short-term medical insurance (STM) as a cost effective alternative to individual health insurance plans.

STM insurance is a major-medical insurance product available in most states. It has a deductible and co-insurance, similar to traditional major medical, but typically costs 30-35 percent less than individual health policies and does not have network provider restrictions. STM policies offer an economic advantage, in part, because of their limited length of coverage.

College graduates may find STM insurance beneficial, even if they have

a job lined up right after graduation. Many employers impose a waiting period of a few to several months before health benefits begin, so an STM policy can be used to bridge this gap in coverage.

Not Just For Grads

STM insurance is a viable and often overlooked option for many people, not just recent college graduates. Prime candidates for STM coverage include individuals between jobs, individuals working in seasonal or part-time jobs, newly hired employees not yet eligible for their new employer's group health plan; independent contractors and temporary workers; individuals recently discharged from the military; and individuals recently divorced and no longer on a spouse's policy.

The Internet has made the ability to research plan options, obtain rates, apply, and secure STM coverage a 10-minute process. For healthy individuals with short-term health insurance needs, STM is emerging as

a smart, affordable solution to fill the health insurance gap for many people. The high cost of health care and the risk of being uninsured make STM a very attractive alternative.

Short-term major medical insurance special features

- \$2 million lifetime maximum per covered person
- Freedom to choose any doctor or hospital
- Re-apply for coverage an unlimited amount of times
- Convenient payment options
- Pay monthly up to 6 or 12 months of coverage
- Discounts available for single payments made on 30-180 day coverage

Talk to your CA representative about health insurance options for young adults, and beyond.



Jim Kenneally is chief sales and marketing officer for Health Plan Administrators, Inc. (HPA), a wholly owned subsidiary of The IHC Group, an insurance organization composed of Independence Holding Company (NYSE: IHC) and its operating subsidiaries. HPA is a full-service third-party administrator specializing in short-term medical insurance.