Date: April 28, 2014

To: Graduate Students, Deans and Department Chairs

From: Patrick Farrell

Subject: Injury and Sickness Insurance Subsidy Update

Access to good insurance is essential for the health of our students. To this end, the University established a subsidy program to help eligible graduate students pay for sickness and injury insurance and a payroll deduction option to help students who wish to avoid one large payment (see below for deadlines). Since the establishment of the subsidy program in spring 2003, more and more graduate students have received the subsidy and enrolled in the insurance program.

There has been much in the news over the past few years regarding Health Care Reform and The Patient Protection and Affordable Care Act (PPACA). The Department of Health and Human Services (HHS) issued some rules to establish requirements for student health insurance coverage under PPACA with phased implementations. For 2014-2015 Academic Year additional required changes have been made to the plan as follows:

- Increase Plan maximum per policy year benefit from $500,000 to unlimited
- Medical Evacuation and Repatriation to plan maximum

Implemented required changes to the previous academic years will continue in accordance with PPACA rules.

These benefit enhancements are great for the students covered under this plan, and are very much needed by some. We understand that fluctuations in premiums may cause a hardship for many of the Lehigh University students, but we also believe the new benefits are important for the insured population. Despite the new changes in the plan and now, tax assessments to health insurance premium, the insurance premium will only rise by $27 for the 2014-2015 Academic Year.

For 2014-2015, the annual premium for *student only* coverage will be $1,997.00. To help eligible students, (see criteria below), afford individual coverage, the University will provide a subsidy of $993.50 for the 2014-2015 academic year. The out-of-pocket cost for their individual coverage will be $1,003.50. Eligible students will receive a subsidy payment of $496.75, minus the appropriate taxes for each semester during which they qualify. The subsidy will be paid at the end of each semester (with the December 15th and May 16th paychecks). NOTE: If your paychecks stop before these dates, you will not be eligible to receive the subsidy.

The subsidy program is an integral part of the University’s commitment to providing our graduate students with a quality insurance program. Due to the drastic changes that have been occurring in the insurance industry and in an attempt to provide affordable insurance coverage to our graduate students, the University no longer offers coverage for dependents. In order to help those students that require dependent coverage explore the dependent coverage available, University Health Plans, the University’s
insurance broker, will maintain a website that will list insurance companies that may provide coverage for dependents.

*Criteria for Sickness/Injury Insurance Subsidy Program*

The subsidy program is offered to students who meet all criteria listed below on the payment subsidy date. PLEASE READ CAREFULLY:

1. Full-time or certified full-time graduate student. It is your responsibility to ensure that you are registered as full-time or certified full-time prior to the payment of the subsidy. Failure to do so without good cause will result in the loss of the subsidy payment.
2. Receiving assistantship or fellowship payments through the university payroll system
3. Have paid their Lehigh injury and sickness insurance premium in full or are signed up for payroll deduction of premiums.

Enroll in the insurance program by submitting to the Bursar (1) a completed application for the insurance plan AND (2) payment (check, cash, MasterCard, VISA, AMEX, proof of an approved pending loan, or payroll deduction form) before **September 9, 2014** (annual 2014/2015 coverage or coverage only for fall 2014 semester) and **January 23, 2015** (coverage only for spring 2015 semester). Students who are eligible to enroll for the fall semester and choose not to enroll are eligible to enroll for the spring semester only if the student has a “qualifying event” as described in the Injury and Sickness Brochure. Subsidy payments are automatically paid to all eligible students each semester and require no application forms.

All relevant forms are available at the Bursar’s Office. Enrollment applications can also be found at [www.universityhealthplans.com](http://www.universityhealthplans.com) then click on the Lehigh University link. Payroll deduction forms may be found on the Lehigh University Controller’s Office website [www.lehigh.edu/~inctr/forms_payroll.shtml](http://www.lehigh.edu/~inctr/forms_payroll.shtml) under Payroll forms.

cc: Kathy Miller, Controller’s Office
Darlene Barndt, Payroll Office
Robbyn Seier, Payroll Office
Mike King, Bursar’s Office
Patricia Johnson, Finance and Administration
Denise Blew, Finance and Administration
Richard Freeman, Risk Management
John Smeaton, Student Affairs
Kathleen Hutnik, Graduate Student Life
Susan Kitei, Health Center