

Recent grads' new hurdle: Finding affordable health insurance

Those without a policy hope they beat the chances of having medical bills.

By **NANCI BOMPEY**
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As students across the country graduate from college, many also become uninsured. The end of college means students are no longer covered by their school's insurance plan. Because they are not in school full time, they may not be covered under their parents' plans.

While some graduates may land a job with benefits, others enter professions that don't offer health insurance, and some are still job-hunting. These graduates must decide whether to spend the money to get health insurance or become one of 46 million uninsured Americans.

People ages 19 to 29 represent the largest and fastest-growing group without health insurance, according to The Commonwealth Fund.

"Most college students feel they are bullet-proof," said David Marlett, chairman of the department of finance, banking and insurance at Appalachian State University. "When they are faced with the choice to spend 80 bucks on health insurance rather than have a great weekend, it's not a hard decision."

Michelle Bailey, 23, graduated from North Carolina's Asheville-Buncombe Technical Community College in May and landed a job at The Market Place Restaurant in downtown Asheville. She does have health insurance.

"I hardly know anyone who works in a kitchen that has health insurance, and if I do, they're



JOHN FLETCHER/GANNETT NEWS SERVICE

Michelle Bailey chops herbs at the Market Place Restaurant in Asheville, N.C. A recent graduate of Asheville-Buncombe Technical Community College, Bailey's job does not offer her health insurance, and she, like many other recent graduates, cannot afford to buy it on her own.

probably the head guy," she said. "I looked into it, but it would be about \$150 a month and that would not fit into the budget at all. Hopefully, I don't get sick. That's the plan, I guess."

Marlett said graduates can afford to take some risk in the type of insurance plan they buy be-

cause they are young and healthy. But going without any insurance might be dangerous.

"The probability of getting into an accident or getting sick is pretty low, but if you are in a car accident, who's going to pay the bills?"

Lisa Honeycutt, benefits manager for the University of North Carolina at Asheville, said graduates should first check when their school insurance or parents' insurance plans end.

Honeycutt said graduates who were on parents' plans could get coverage under the federal Consolidated Omnibus Budget Reconciliation Act, or COBRA. It can be expensive, and is only temporary, so Honeycutt said buying a private policy might fit better into new graduate's budget.

Under some short-term plans, an individual can buy insurance for a fixed period — 30 to 90 days.

"Even with a high-deductible plan, you are still generally looking at \$100 to \$150 a month," Honeycutt said. "If you don't have a regular job, it still may not be affordable."

Honeycutt recommended that students shop online to compare providers and plans.

Ashley Pasteka said even short-term, high-deductible insurance plans are too costly. The Warren Wilson College graduate is working at the school this summer before she starts her job search this fall and said she wants to save money rather than spend it on health insurance.

"It makes my parents nervous, but I try not to think about it," Pasteka said about being uninsured. "As long as I don't get majorly sick, I guess it will be OK."

Check your options

If you are enrolled in your school's health insurance plan, you should check to see when it ends. Most plans are for a year and may not expire on graduation day.

If you are a dependent on your parents' health insurance plan, check with their plan and employer to find out at what age or education status coverage ends. Some plans require dependents older than a certain age to be enrolled in school full time.

If you were enrolled on your parents' health plan, you are eligible for COBRA benefits. You can stay under the same plan, but you must pay the premium in full, and coverage under COBRA is good for only a limited time.

If you get a health insurance plan on your own and you are in good health, look for plans with high deductibles or short-term plans.

Shop on the Internet to compare health plans or call your state's insurance department.

If you land a job with benefits, look for plans that have high deductibles or offer health savings accounts. David Marlett, chairman of the department of finance, banking and insurance at Appalachian State University, said that if you're healthy, these could be ways to save money.

Look at each plan that is offered to see how much of the premium the employer will pay.

For young people, managed-care plans may be a good option because they are usually cheaper than other plans.