

## The U.S. Health Care Insurance Law and You

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**IMPORTANT** – This information applies to UCEAP students, who may be affected by federal health insurance regulations.

Several provisions of the Affordable Care Act (ACA), the U.S. health care reform law, went into effect on January 1, 2014.

The ACA requires most adults to have public or private health insurance in the U.S., for every month of the year, or face a financial penalty (See #3 below). The ACA applies to most Americans, including students, [unless you qualify for an exemption](#).

### **FACTS you need to know as a UCEAP participant:**

1. You are required to have health insurance that meets the Minimum Essential Coverage requirement of the Affordable Care Act (ACA) even if you are outside the U.S. Generally, U.S. citizens living or studying abroad are subject to the same individual shared responsibility provision as U.S. citizens living in the United States.
2. As a UCEAP participant you are covered by the UCEAP travel insurance while on UCEAP. Access the policy brochure through your Pre-Departure Checklist. This policy does not constitute comprehensive health insurance coverage (often referred to as "major medical coverage") and does not satisfy a person's individual obligation to secure the required Minimum Essential Coverage under the ACA.
3. *You may be subject to income tax penalties* if you do not obtain health insurance that meets ACA standards for Minimum Essential Coverage starting with the 2014 calendar year.
4. You will see changes related to the U.S. health care law as you file your tax return during tax time. The law requires you, and your dependents, to have health care coverage, qualify for an exemption, or make a payment with your return.
5. In 2014, the tax penalty was \$95 per individual or 1% of income, whichever is greater. The fee increases every year. In 2015 it was 2% of income or \$325 per person. In 2016 and later years will be 2.5% of income or \$695 per person. The fine will be assessed based on the number of months without coverage. You may be exempt from penalties if you are a UCEAP participant for 3 months or less. Contact [www.coveredca.com](http://www.coveredca.com) or [www.healthcare.gov](http://www.healthcare.gov) and find out if you qualify for a temporary exemption of the tax penalty.

## **Your UC campus requirement to carry an ACA-compliant health insurance plan while abroad**

1. Your UC campus requires you to 1) pay the required campus health insurance fee at your UC campus, or 2) obtain a health insurance waiver at your UC campus. UC-sponsored student health plans are fully compliant with health care reform laws. Review the plan benefits to ensure you understand the terms of coverage. Visit your Student Health Services website for information on eligibility requirements, how to enroll and costs of voluntary enrollment.

### **For Information about the Affordable Care Act, visit:**

[www.healthcare.gov](http://www.healthcare.gov)

[www.coveredca.com](http://www.coveredca.com)

updated 8/29/2017

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