

Fiscal Estimate Narratives

UWS 4/30/2007

LRB Number 07-2084/1	Introduction Number AB-0280	Estimate Type Original
Description Health insurance coverage of a full-time student on medical leave		

Assumptions Used in Arriving at Fiscal Estimate

The specific fiscal impact of AB 280 cannot be determined.

Only when a dependent student loses student status early in the calendar year, when tuition can be refunded, would this legislation have an impact. At the present time, the student's coverage would be terminated in this event. Under AB 280, the coverage would be continued when the loss of student status is the result of a medical leave of absence.

Under current law, if the dependent student withdraws at a point in the semester when tuition is no longer refundable, he/she currently remains covered under the health insurance plan for the rest of the calendar year (the only exception is if the dependent marries or if he/she is no longer dependent on a parent for at least 50% of support).

In addition, the proposed continuation of coverage would have no financial impact on the costs for the employer and employee, if the employee has other insured dependents because in this case the family coverage premium amount remains the same.

Long-Range Fiscal Implications