

Patient Protection and Affordable Care Act (ACA) FAQs for Nonimmigrant Students and Scholars

What is the law?

The Patient Protection and Affordable Care Act, commonly called the Affordable Care Act (ACA), was signed into law by President Obama in 2010. The intention of the law is to improve the quality and affordability of health insurance and to lower the rate of uninsured individuals present in the United States.

What is the Individual Mandate?

Beginning January 1, 2014, individuals who do not maintain “minimum essential healthcare coverage” must make an additional payment to the IRS when they pay their taxes. This is often called the “individual mandate.”

Are F-1 and J-1 status individuals and their dependents subject to the law?

J-1 visa holders and their dependents are required by regulation and the State Department to maintain health insurance for the duration of their stay. The minimum J-1 visa health insurance requirements include:

- Medical benefits of at least \$50,000 per accident or illness;
- Repatriation of remains in the amount of \$7,500;
- Medical evacuation to the student’s home country in the amount of \$10,000;
- A deductible not to exceed \$500 per accident or illness.

Although there are no specific insurance requirements for F-1 students and their dependents, many schools require F-1 students to carry health insurance as a matter of policy. The University of Maryland requires **all** undergraduate students to carry health insurance, including J-1 and F-1 visa students. Please visit <http://www.international.umd.edu/ies/2750> for more information.

Are F-1 and J-1 status individuals subject to the individual mandate?

For lawfully-present aliens such as F-1 or J-1 visa holders and their dependents, it is the alien's tax status that determines whether he or she is subject to the individual mandate. If you will be filing your taxes as a non-resident alien for tax purposes (NRA), then you are considered exempt from the ACA’s individual mandate. For more information and to determine your alien tax status please visit <http://www.irs.gov/Individuals/International-Taxpayers/Determining-Alien-Tax-Status>.

Keep in mind, despite their tax status, J-1 visa holders must carry health insurance with the minimum requirements set forth above.

Does the UMD student health insurance plan meet the requirements of the ACA?

Yes, the UMD student health plan complies with the ACA and meets the definition of “minimum essential health coverage.” Starting in 2014, some changes to student health plans will be rolled out in accordance with the ACA.

How do I know if my policy meets the requirements of the ACA?

Ask your health insurance company for documentation that it does, or check to see if the policy expressly states that it meets the requirements of the ACA.

What is the health insurance marketplace? Can I use the health insurance marketplace to find coverage?

Health insurance marketplaces are organizations that facilitate the purchase of health insurance. The marketplace allows individuals who are lawfully present in the United States to shop for insurance plans and apply for health insurance policies. To view the federal health insurance marketplace, visit <https://www.healthcare.gov/>. To view the Maryland State health insurance marketplace, visit <http://marylandhbe.com/>.