CALIFORNIA HEALTH POLICY STRATEGIES, L.L.C.

Policy Brief

Student Health Coverage for UC Students with Medi-Cal: Options to Improve Affordability and Access

October 2026

Executive Summary

This policy brief provides an overview of challenges faced by UC students with Medi-Cal coverage and options for improving affordability and accessibility. The University of California (UC) mandates that all students maintain comprehensive health insurance during their time in the UC system.[1] While this policy intends to ensure every student's access to healthcare services, navigating this requirement can be a hurdle, particularly for the estimated 88,000 students eligible for Medi-Cal. UC students are automatically enrolled in the Student Health Insurance Plan (SHIP), a health insurance plan offered by each UC campus. To waive SHIP, students enrolled in Medi-Cal are required to undergo the process of moving their Medi-Cal benefits from their home county to their university county if their coverage lies outside a certain geographic radius from their campus.

For those who do not complete the waiver, however, the UC has instituted a grant program to cover SHIP premiums for qualifying low-income students. We estimate that this currently costs roughly $185 million in one year, with an estimated $166 million (about 90%) given to students who may be eligible for Medi-Cal coverage. A large portion of the funding for these grants comes from return-to-aid, or the reallocation of tuition paid by higher-income students to those with financial need.[2,3] With many of those students already having access to medical services, these funds have the potential to enhance student experiences in the UC system in other ways, including addressing other affordability concerns.

Over the course of this project, through numerous conversations with applicable stakeholders and comprehensive data analysis, we have identified several structural challenges that students with Medi-Cal coverage experience, including:

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[1] "Health care & insurance," *University of California*.
[2] "Administrative Guidelines: University Student Aid Program and Other Selected Aid Policies," *University of California: Graduate, Undergraduate, and Equity Affairs,* July 2026.
[3] Definition of return-to-aid.

- **Change of Address Process.** Eligible low-income students are generally enrolled in a Medi-Cal managed care plan in their home county, but many must complete an address update and enroll in a new plan within their university's geographic region. Because this process often takes more than a month, students may miss the deadline to waive out of SHIP or struggle to move their coverage back and forth during academic breaks due to the time duration of completing single address update process.

- **SHIP Costs.** If the student fails to waive out of SHIP, they remain auto enrolled in campus SHIP coverage and pay a premium that financial aid does not always cover in full. Even if the premiums are covered, students are often left with out-of-pocket costs (e.g., deductibles, co-payments) for necessary medical services that they otherwise would not have faced with Medi-Cal coverage.

- **Communication Gaps.** Without adequate communication and administrative support, the cost of higher education is less affordable for the students most in need, leaving them without a clear path to navigate their healthcare coverage.

To address these challenges, we propose that UC campuses consider recognizing a delinked Medi-Cal Benefits Identification Card (BIC), which provides access to comprehensive care, as sufficient to satisfy their university's SHIP waiver requirements once the student initiates an address update, allowing students to submit the waiver sooner. To accomplish this, we suggest the following steps for immediate implementation:

1. **Allow a county "Notice of Action" letter for eligibility to satisfy UC waiver requirements.** Campuses should permit students who are completing the address update process to submit proof of an ongoing update, or a "Notice of Action" letter, to fulfill the waiver deadline. Once the change is complete, students may submit proof of local coverage.

2. **Improving systemwide communication with students.** The UC system should update all information distributed to students, including through UC campus websites and emails, to communicate this change and to better assist Medi-Cal enrollees in navigating their student coverage.

3. **Informing county Medi-Cal offices of correct transfer policies.** DHCS should consider issuing an updated Medi-Cal Eligibility Division Information Letter (MEDIL) to all counties regarding correct student address update procedures.

4. **Implementing optional campus bridge programs.** Campuses can consider implementing a bridge program, which allows students who waive SHIP to pay a set fee each term to access select medical services on campus. UC San Diego has already

initiated this through a Reduced Access Fee for Tritons (RAFT) program at $75 per quarter.[4]

5. **Implementing third-party billing for Medi-Cal.** Campuses should implement third-party billing for Medi-Cal providers at their student health centers (SHCs).

Other options include mandating "home" and "school" county provider options by insurers or working with DHCS to provide expedited address update timelines. We hope these insights serve as a catalyst to reevaluate and reform student health care in higher education.

Background

We estimate that roughly one-third of all undergraduate UC students, or 88,000 students, were eligible for Medi-Cal, California's Medicaid program offering no-cost and low-cost coverage, during the 2024-2025 academic year.[5] Our analysis is based on Pell Grant eligibility, as there is currently no available data on the number of UC students enrolled in Medi-Cal.[6]

SHIP Coverage and Costs

Regardless of their medical plan prior to university, students joining a UC campus are automatically enrolled in Student Health Insurance Plan (SHIP), a comprehensive health insurance plan offered to UC students that includes medical, dental, and vision plans.[7,8] It allows students to access services at their campus student health center (SHC) and other in-network providers with SHIP coverage, services that would otherwise require full payment due to the absence of third-party billing. For the 2026-27 academic year, the yearly SHIP premiums for undergraduate students range from $2,823 at UC Riverside to $5,066 at UC Berkeley, or $2,533 per semester (see Figure 1 and Table 1).[9]

Figure 1: Yearly Undergraduate SHIP Premiums and Grant Amounts at UC Campuses (2026-27 Academic Year)

[4] "RAFT: Reduced Access Fee for Tritons," *UC San Diego*.
[5] "Medi-Cal Help Center," *Department of Health Care Services.*
[6] The number of Pell Grant recipients can be found in released UC Student financial support data tables.
[7] Note: Berkeley and Irvine operate under their own SHIP. The other UC campuses utilize UC SHIP.
[8] "Overview," *UC SHIP.*
[9] 2026-27 campus premium data from UCOP.

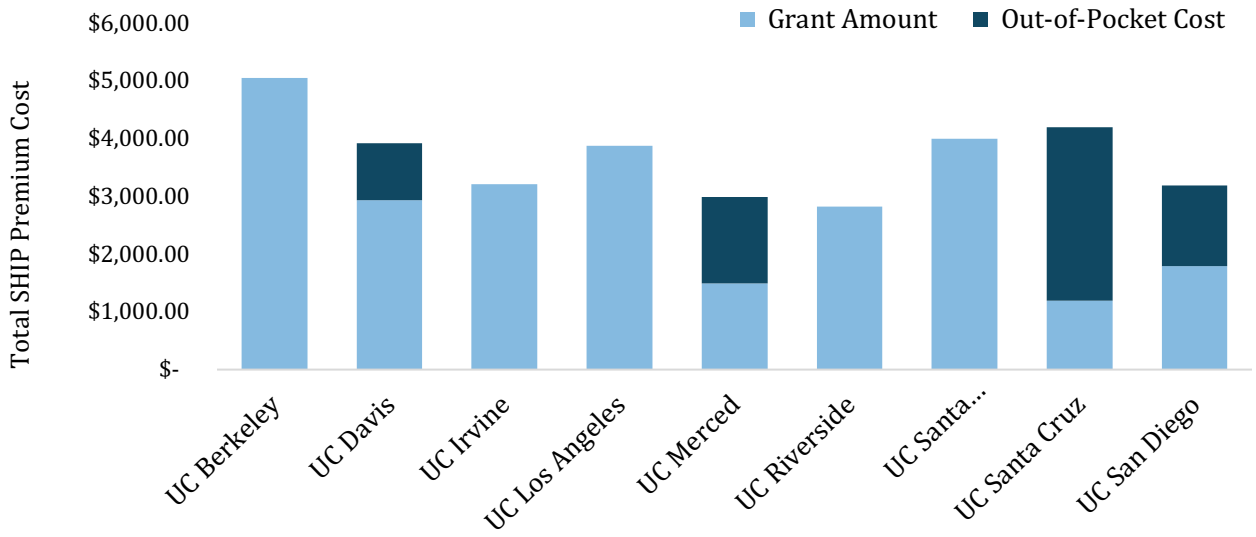


Table 1: Yearly Undergraduate SHIP Premiums and Grant Amounts at UC Campuses (2026-27 Academic Year)

UC Campus	SHIP Undergraduate Premium	SHIP Undergraduate Grant	% Covered
UC Berkeley	$5,066.00	$5,066.00	100%
UC Davis	$3,924.00	$2,943.00	75%
UC Irvine	$3,213.90	$3,213.90	100%
UC Los Angeles	$3,886.00	$3,886.00	100%
UC Merced	$2,995.28	$1,497.64	50%
UC Riverside	$2,823.27	$2,823.27	100%
UC Santa Barbara	$4,008.81	$4,008.81	100%
UC Santa Cruz	$4,210.26	$1,200.00	29%
UC San Diego	$3,192.81	$1,800.00	56%

Source: Premium and grant data provided by UCOP for the 2026-27 academic year.
**Grant amounts represent maximum grant value available at the respective campus. This is not reflective of the actual average grant amount; the average grant value for undergraduates at UC Davis, for example, was roughly $997 in the 2026-27 academic year.*

If the student qualifies for a UC need-based grant or the University Student Aid Program (USAP) and they enroll in SHIP, they will typically be eligible for a grant covering SHIP premiums.[10] The size of the grant, however, varies by student. If their calculated need is less than the premium, their grant may not cover the full cost of the premium. The grant also varies by campus; while five campuses offer grants covering the full SHIP premium, four cover less than 100% of the cost (see Figure 1 and Table 1). At UC Davis, the grant covers 75% of the premium for the 2026-27 academic year, and other campus grants (e.g., UC Santa Cruz) cover as little as 29%. Furthermore, even if a full grant is acquired, the student still faces several deductible costs and co-payments that would typically be covered under Medi-Cal (see Table 2).

Table 2: Out-of-Pocket Cost of Common Services with SHIP Coverage vs. Medi-Cal

Type of Service	Average In-Network Cost with SHIP	Sample In-Network Cost with Medi-Cal*
Physician Office Visit	$22	$0
Specialist Visit	$26	$0
X-Ray	14% of cost	$0
Lab Tests	14% of cost	$0
Inpatient Hospitalizations (assume non-Mental Health/Substance Abuse $5,000 bill)	$1000	$0
Emergency Room	$233	$0
Urgent Care Services	$38	$0
Pharmacy (Brand, SHC)	$24	$0

Source: Data provided by UCOP for the 2026-27 academic year; Medi-Cal FAQs and *My Medi-Cal*
Note: For some services at some universities, there is a different charge or no charge if the service is provided at the campus SHC, which is not accounted for in the table. Additionally, for physician office visits, specialist visits, emergency room and urgent care services, most costs listed are attributable to a waived deductible.
**These costs represent Managed Care Plan costs, as beneficiaries enrolled in a Medi-Cal managed care plan do not have co-payments. It also assumes qualification for Modified Adjusted Gross Income (MAGI) Medi-Cal, as some non-MAGI Medi-Cal programs may require Share of Cost (SOC) payments.*

SHIP Waiver Process

[10] Information from UCOP.

All students, however, have the option to complete a waiver application process each academic year to opt out of SHIP.[11] For most campuses, the waiver requires the student to have access to comprehensive medical care within a certain geographic radius determined by each campus (e.g., 50 miles for some campuses).[12] These deadlines fall as early as July for semester systems and September for quarter systems, giving incoming students limited time to sort out their coverage before classes even begin. Importantly, students are required to reapply for the waiver every academic year.

Students enrolled in Medi-Cal who desire to waive out of SHIP and have access to a primary care provider (PCP) within the named mile-radius are eligible to waive. If their PCP lies outside of this border, however, they must initiate a process to move their Medi-Cal benefits from their home county to a county within the mile-radius established by their campus (see Table 3).

Table 3: Address Update Process for Dependent Students with Medi-Cal Coverage

Step	Description
1 - Call local county office	At many campuses, the student must wait until they have a university address (e.g., a dorm assignment) before they can contact a local county office to request a temporary address update.
2 - Complete plan enrollment	Once the address update is complete, the student will be disenrolled from their current plan and be placed into Fee-For-Service (FFS) Medi-Cal to obtain health services until plan enrollment is completed. On average, students will be on FFS Medi-Cal for a month, usually the month after they indicate they wish to initiate an address update. If the new county has multiple plan options, the student must choose one; otherwise, they will be automatically placed in one. The additional step of choosing a health plan can further delay the transfer process.
3 - Find a PCP and waive	Once the new plan is active, the student has 30 days to select a new PCP. At some campuses, this step is required before the student can successfully submit their university SHIP waiver, as a named PCP may be required for the waiver application; at others, proof of plan enrollment is sufficient.[13]

[11] Waiver information listed on each UC campus website.
[12] Under Assembly Bill 594, UC Berkeley and UC Irvine no longer have mile-radius and PCP criteria starting July 1, 2026.
[13] Internal research through calls to campus SHCs.

Source: Internal research through calls with local county offices, plan, and campus SHCs; MEDIL from DHCS.
Note: This process is for students who are under 21 years of age and are dependents under their family's Medi-Cal case.

Importantly, roughly 17,800 SHIP waiver submissions across all undergraduate campuses for Medi-Cal enrollees were approved in Fall 2025, less than a quarter of the estimated population of 88,000 undergraduate Medi-Cal enrollees in the UC system.[14] This may suggest that a large portion of Medi-Cal students are dual-enrolled in both Medi-Cal and SHIP or have switched their coverage from Medi-Cal to SHIP.

Currently, UC campuses do not accept a student's Benefits Identification Card (BIC) for SHIP waiver documentation while the student is completing an address update.[15] Every individual enrolled in Medi-Cal has a BIC, which is linked to their plan and used by providers at each visit to handle payments and verify eligibility for Medi-Cal benefits.[16] Students hold their BIC for the full duration of their Medi-Cal enrollment, including during an address update.

The Department of Health Care Services (DHCS), however, has confirmed that when a student initiates the address update, the action triggers the delinking of the student's BIC from their current health plan, initiating FFS Medi-Cal.[17] This provides access to the range of health services that are required for alternate coverage under a SHIP waiver, enabling students to submit their waiver sooner. To verify on-the-ground acceptance of the BIC, five Federally Qualified Health Centers (FQHCs) were contacted, all of which confirmed that a BIC is sufficient to receive FFS Medi-Cal once delinking is complete.[18]

There has also been an attempt to make systemwide change in the waiver process through Assembly Bill 594. In 2026, the bill was signed into law, mandating fully-funded plans (UC Berkeley and UC Irvine SHIP) to allow any student with Minimum Essential Coverage (e.g., Medi-Cal) to waive out of campus coverage.[19] At UC Berkeley and UC Irvine, this legislation effectively removed PCP and mile-radius waiver requirements, allowing students to maintain their Medi-Cal coverage. Our team was a part of the process of achieving a collective understanding of AB 594 means for these fully-funded plans.

UC SHIP plans, however, follow a self-funded model, for which AB 594 encourages but does not legally mandate the same requirements. Individuals within the UC system have raised concerns about the accessibility of Medi-Cal coverage in response to the proposed removal of the mile-radius and PCP requirements. Future research could explore how to best

[14] Fall 2025 Medi-Cal Waiver Submissions data from UCOP and UC Berkeley.
[15] Information from campus websites and internal research with campus leadership.
[16] "Medi-Cal Help Center," *Department of Health Care Services.*
[17] Internal information from DHCS.
[18] The five FQHCs are as follows: LifeLong Medical Care, Venice Family Clinic, AltaMed, WellSpace Health, and La Clínica.
[19] "AB 594: Student health insurance," *Cal Matters.*

address these concerns while extending the flexibility AB 594 offers for Medi-Cal enrollees to all UC campuses.

Key challenges for students with Medi-Cal coverage

While acknowledging that SHIP is in place to ensure every UC student has access to the health care they need, we have identified several key challenges in this process that increase costs and reduce access to health care services for students with Medi-Cal coverage. These include (1) SHIP premiums and the cost of care; (2) the address update timeline; (3) coordination of care between SHIP and Medi-Cal; and (4) student communication.

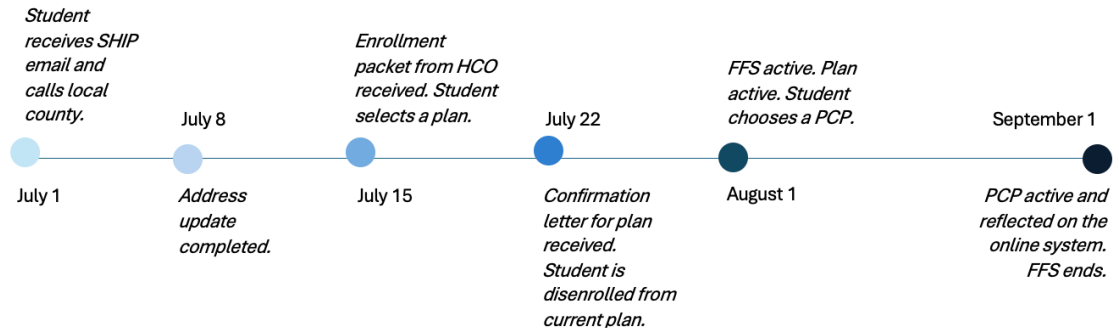
1. *SHIP premiums and cost of care.* Across every campus, the cost of SHIP is substantial relative to Medi-Cal. As a result, some low-income students may need to make significant out-of-pocket payments or take on additional loans to pay for health insurance despite being already eligible for Medi-Cal coverage. In addition, the SHIP grant is mostly funded through return-to-aid allocations, or the portion of tuition revenue that is set aside at each campus for financial aid offers.[20,21] This means that, ultimately, the cost of subsidizing SHIP for Medi-Cal students is largely borne by their peers.

   This is particularly important given the context of the UC system's total spend on SHIP grants. Based on the number of UC need-based grant recipients enrolled in SHIP from the 2024-25 academic year, the estimated systemwide expenditure on SHIP grants in one year is currently $185 million, with $166 million, or roughly 90%, likely attributable to grants for students with Medi-Cal coverage (see Appendix B). The estimated number of full-year SHIP grants attributable to Medi-Cal enrollees alone is approximately 52,000 in one year. Importantly, these numbers reflect a calculated estimate, yet they can provide insight into the scale of the budget dedicated to students who may already have sufficient coverage with Medi-Cal.

2. *Timeline process.* For students who are dependents, it can take more than two months from the initial call to their local county before they can have a registered PCP (see Figure 3).[22] Given that most freshmen in particular only acquire a housing address from June onwards, this timeline may make it difficult for SHIP waiver deadlines to be met.[23]

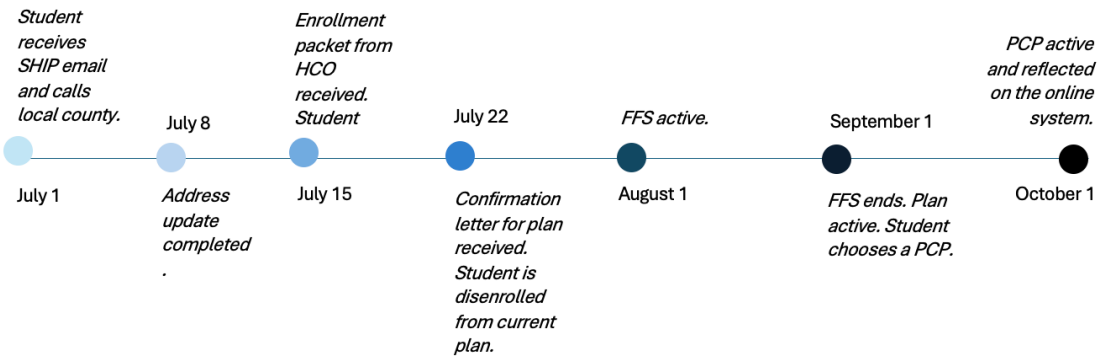
   Figure 2a: Address Update Timelines, Best Case for Plan Enrollment

[20] "Administrative Guidelines: University Student Aid Program and Other Selected Aid Policies," *University of California: Graduate, Undergraduate, and Equity Affairs,* July 2026.
[21] Definition of return-to-aid.
[22] Internal research through calls with local county offices and plans, as well as a MEDIL from DHCS.
[23] Housing information listed on campus websites.



**This example reflects a student who is initiating a change of address during the first week of the month and is moving into a multi-plan county. It assumes that the student makes necessary selections as soon as possible and plan selection is approved in time for a quick effective date.*

Figure 2b: Address Update Timelines, Worst Case for Plan Enrollment



**This example reflects a student who is initiating a change of address during the first week of the month and is moving into a multi-plan county. It assumes that the student makes necessary selections as soon as possible, but the effective date of the plan is 30+ days after its approval.*

In parallel, this process causes confusion in communication with counties and families, as counties may disenroll students entirely from their home county's Medi-Cal case and instead require them to complete an inter-county transfer (ICT), or a complete transfer of their Medi-Cal case.[24] This process is of much longer duration and makes meeting the waiver deadline even more of a hurdle. Students have also reported instances whereby applying for CalFresh benefits in their university county will automatically move their Medi-Cal coverage from their home county to their university county as well, even if it is not the intention of the student.[25]

These challenges are intensified during shorter academic breaks, when students may need to shift their coverage in a tight timeline from their school county to their

[24] Internal research with campus staff.
[25] Internal research with campus staff and student testimonials.

home county to access a full range of services and would be required to repeat the process again once the break ends.

3. *Coordination of care between SHIP and Medi-Cal.* For students who are enrolled in both Medi-Cal and SHIP, the lack of coordination between both payers results in students paying out-of-pocket costs for care.[26] Once a student purchases SHIP, Medi-Cal becomes a secondary payer, which many students are unaware of. This can cause students' use of providers and medications to result in out-of-pocket costs, and Medi-Cal often does not cover the remaining cost due to a lack of coordination between campuses and Medi-Cal providers, as well as students reaching out to SHIP providers that do not accept Medi-Cal. Furthermore, upon graduation, many students once enrolled in UC SHIP experience delays in removing the Anthem Blue Cross (UC SHIP insurance provider) from the state's Medi-Cal eligibility database.[27] Observing active commercial insurance in the system, Medi-Cal providers subsequently turn graduated students away for health services if they are unable to pay out-of-pocket for the visit.

4. *Student communication.* Throughout our research, we observed unclear communication and insufficient support for Medi-Cal enrollees, particularly for the process of moving their benefits and navigating enrollment in both SHIP and Medi-Cal. For example, multiple UC campus websites lack detailed, step-by-step instructions for Medi-Cal students who desire to waive SHIP or contain minimal information tailored to them.[28] Due to wide variance in county processes, this lack of clear guidance may affect a student's ability to complete the process in a timely manner.

Experiences of students with Medi-Cal coverage

Below are the stories of three individuals from the focus group held, helping characterize these challenges from a student perspective:[29]

1. **Expensive coverage and specialty care.** For Emily, a UC Davis student from the Bay Area, the cost of SHIP made opting out a necessity rather than a choice. The expensive treatments needed under her specialty cover were also unable to be covered by SHIP, and access to Medi-Cal had allowed her to access the same care for free.

   However, with her Medi-Cal plan now moved from Alameda County to Yolo County, continuing specialized care in the Bay Area initially meant needing referrals that

[26] Internal research with campus staff and student testimonials.
[27] Internal information from campus staff. We are not certain if this challenge exists for students at UC Irvine and UC Berkeley as well.
[28] Examples: UC Santa Barbara, UC Riverside, UC Davis, UCLA
[29] Pseudonyms used to maintain privacy.

took an extended amount of time to approve. Furthermore, she had to continuously switch her plan back and forth due to interference from CalFresh benefit logistics.

2. **Academic breaks and out-of-pocket costs.** David, a UC Berkeley student from Orange County, found that moving Medi-Cal coverage between counties during academic breaks was difficult to time. At one point, the address update timeline and the possibility of delays resulted in David being unable to meet a medical specialist for needed care.

   Later, David received a SHIP grant and enrolled in SHIP for their sophomore year. Their coverage, however, resulted in co-payments that they did not pay for most medical services under Medi-Cal. These out-of-pocket costs included a $300 charge for a prescription that was normally covered for David.

3. **Dual enrollment and communication.** Michael, a UC Berkeley student, moved from Merced County and was initially unable to waive SHIP during their freshman year due to ineffective and slow communication from their local county Medi-Cal office. They were also unaware if they had received a SHIP grant prior to the waiver deadline, as the university provided aid estimates only a few weeks before the start of the academic term.

   Furthermore, once enrolled in both SHIP and Medi-Cal, Michael faced out-of-pocket costs due to lack of communication regarding dual enrollment, as well as the lack of coordination of care. One instance was during a summer break in Merced, where Michael had to pay for a needed oral surgery partially out-of-pocket when they could not find a surgeon willing to accept SHIP in Merced County and perform the operation on short notice.

Short-term policy proposal

Based on our research, many challenges Medi-Cal enrollees face are rooted in the process of meeting UC waiver requirements. Therefore, UC campuses can consider recognizing a delinked BIC as sufficient to satisfy their university's SHIP waiver requirements once the student initiates an address update. To accomplish this, we suggest the following steps for immediate implementation:

1. **Allow a county "Notice of Action" letter for eligibility to satisfy UC waiver requirements.** Campuses can consider permitting students who are actively moving their Medi-Cal coverage to the area surrounding their campus to submit proof of an ongoing update, or a "Notice of Action" letter, in fulfillment of the waiver deadline. This letter is sent by the original county to notify Medi-Cal beneficiaries of a change in their Medi-Cal coverage.[30] Once the change is complete, students may submit proof of local coverage; however, the submission of this documentation need

[30] "Medi-Cal Notice of Action (NOA) – Frequently Asked Questions," *Department of Health Care Services*.

not be subject to the waiver deadline. Meanwhile, a BIC can serve as a mechanism for temporarily accessing comprehensive medical services during this process.

2. **Improving systemwide communication with students.** The UC system should update all information distributed to students, including through UC campus websites and emails, to communicate this change and to better assist Medi-Cal enrollees in navigating their student coverage. This is particularly important for communications regarding moving Medi-Cal coverage, enrolling in a new plan, selecting a PCP, navigating dual coverage, and disenrolling from SHIP.[31] Some campuses have already taken steps towards this; UC Merced and UC San Diego, for example, outline detailed procedures for moving Medi-Cal coverage and inform students that they can use their university's or their student health center's address if their own housing address is not ready.[32]

   Assistance outside of online communications can be incorporated as well; for example, campuses should consider hosting summer webinars for Medi-Cal enrollees from the time the student shows intent to register till the late waiver deadline to address questions surrounding student health insurance coverage. Campuses can also hire dedicated staff to help students navigate their health insurance coverage.

3. **Informing county Medi-Cal offices of correct transfer policies.** To reduce the variations of procedures within and between county offices, DHCS should consider issuing a MEDIL to all counties regarding correct student address update procedures. Importantly, the last MEDIL issued to all county welfare directors regarding this matter was in 2015.

6. **Implementing Optional Campus Bridge Programs.** Campuses can consider implementing a bridge program, which allows students who waive SHIP to pay a set fee each term to access select medical services on campus. UC San Diego has already initiated this through a Reduced Access Fee for Tritons (RAFT) program at $75 per quarter.[33] This offers an affordable alternative to SHIP that complements the short-term accessibility to services that a delinked BIC offers.

4. **Implementing third-party billing for Medi-Cal.** Campuses should implement third-party billing for Medi-Cal at their SHCs, allowing students to access SHCs without needing SHIP. Multiple UC campuses are already investigating the possibility of third-party billing at their SHCs.[34]

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[31] Information on how to remove other health coverage for Medi-Cal members.
[32] UC Merced and UC San Diego campus websites, as well as internal information from UC San Diego staff.
[33] "RAFT: Reduced Access Fee for Tritons," *UC San Diego*.
[34] Internal research with campus leadership and UCOP. We understand that UC San Diego is in the process of establishing third-party billing for Medi-Cal as well; it is unknown which phase other campuses are at with Medi-Cal third-party billing.

Given that this proposal necessitates a comprehensive evaluation and thoughtful assessment, we outline below some key benefits and concerns for consideration:

Table 4: Cost-Benefit Analysis of Short-term Proposal

Benefits	Concerns
Reduced UC Grant Spend: More students may be able to waive SHIP successfully or will desire to waive SHIP, allowing the UC system to reduce expenditures on grants covering SHIP for students with Medi-Cal.	*Decreased Campus Revenue:* If more students waive SHIP, campuses may experience a decrease in revenue from SHIP premiums and SHC services.
Direct Student Savings: Students save money on expensive premiums and out-of-pocket costs by waiving SHIP while successfully maintaining their Medi-Cal coverage.	*Access to Care:* Finding short-term care at a nearby FQHC during the address update process may be very difficult for students enrolled in Medi-Cal, particularly for those who require frequent or specialty care.
Extended Time and Flexibility: Students gain needed time to complete the waiver process, choose their plan and PCP in the Medi-Cal address update process, and evaluate which coverage option best suits their needs.	*Delayed Student Action and Compliance Risk*: Extended waiver timelines may result in students delaying tasks in their address update processes such as selecting a plan and PCP. Students may also get approval for a waiver yet face hurdles in finishing the address update process, leaving them without full access to care.

It is important to acknowledge that these challenges are complex, and altering aspects of this system may result in inevitable tradeoffs. For example, while SHIP does help ensure that all students stay covered, its structural design can ultimately restrict individual choice and impose a heavy financial burden on those who already have adequate coverage. Conversations with individuals in the UC system also highlighted financial concerns in regard to some of the recommendations listed above, as reduced enrollment in SHIP is a resulting possibility of such actions. Therefore, balancing these competing priorities is a challenge that policymakers, researchers, and administrators must consistently navigate (see Appendix C for more policy options).

Conclusion

For years, the UC's health insurance coverage mandate has led to critical challenges for UC students with Medi-Cal coverage, affecting their ability to access and afford health care services. While SHIP was initially designed to ensure all students maintain health insurance, its current implementation imposes a heavy financial and logistical burden on students from more underprivileged backgrounds. It also restricts students in their

freedom of choice regarding which insurance plan best fits their health needs. Furthermore, roughly $166 million of the systemwide UC budget is likely spent providing SHIP coverage to these students, many of whom may already have access to the low- or no-cost healthcare they need via Medi-Cal.

Therefore, by implementing short-term administrative fixes, including a "Notice of Action" adjustment to waiver policy, immediate reforms can be made to support students with the most financial need. Meanwhile, continuous and proactive conversation on long-term transformation is a necessity, and the policy options above provide a key starting point for structural change.

About the Authors

- **Calvin Yang** is a research assistant at CalHPS and an MPH candidate at the University of California, Berkeley. His policy interests include improving the affordability and accessibility of health insurance for vulnerable populations and working on patient-centered solutions that most effectively address access to care issues.

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About California Health Policy Strategies (CalHPS), LLC

- CalHPS is a mission-driven health policy consulting group based in Sacramento. For more information, visit www.calhps.com

Appendix A: Acknowledgments

Several individuals were consulted throughout the duration of this project to gather the information needed. We express our gratitude to the following individuals who generously shared their time and expertise during this initiative:

- UC Davis and UC Irvine faculty (Dr. Michelle Ko, Dr. Robb Davis, Dr. Dylan Roby) and Basic Needs staff (Aury Gutierrez-Zavala): Statewide collaborative informing overall project framing
- UC Berkeley & UC Davis students: Focus group and testimonials on lived experience of Medi-Cal enrollees
- UC employees: SHIP, financial aid, and SHC operations
- DHCS: BIC functionality
- County social services offices, MCPs, FQHCs: Process and timeline for transferring Medi-Cal, BIC functionality
- UCOP staff and UC Regents: Briefings on key findings and policy options

Appendix B: SHIP Grant Expenditure Methodology

The table presents the methodology for estimating undergraduate campus-level expenditures on SHIP grants alongside expenditures for Medi-Cal-eligible students specifically. The analysis utilizes SHIP enrollment data for need-based grant recipients from the 2024-25 academic year, SHIP grant values for the 2026-27 academic year, and UC financial aid data from the 2024-25 academic year.[35]

Figure 5: Total Undergraduate Campus-Level Expenditure on SHIP Grants

Undergraduate Campus	Total Annualized SHIP Enrollment (Need-Based)	Pell / Need-Based	Total Annualized SHIP Enrollment (Medi-Cal)	Per-Student Full-Year Grant ($)	Total Expenditure ($)	Total Expenditure (Medi-Cal) ($)
UC Berkeley	7,910	0.85	6,742	5,066.00	40,072,060	34,155,823
UC Davis	6,950	0.83	5,736	2,943.00	20,453,850	16,880,639
UC Irvine	6,751	0.95	6,389	3,213.90	21,697,039	20,534,893
UC Los Angeles	8,598	0.89	7,636	3,886.00	33,410,533	29,674,854
UC Merced**	2,663	1	2,663	1,497.64	3,987,467	3,987,467
UC Riverside	7,422	0.96	7,151	2,823.27	20,954,310	20,190,527
UC San Diego***	7,599	0.94	7,172	1,800.00	12,910,264	12,910,264
UC Santa Barbara	6,496	0.86	5,618	4,008.81	26,039,894	22,520,662
UC Santa Cruz	4,765	0.87	4,164	1,200.00	5,717,600	4,996,526
Total					**185,243,015**	**165,851,653**

Note: The listed column values are rounded, but calculations used unrounded figures.
***For UCM, the ratio was greater than one. Therefore, the value was capped at one, since the number of SHIP grants are limited to the number of need-based grant recipients.*
****Apart from need-based grant recipient qualification, UCSD also requires Pell Grant eligibility for SHIP grant awards. Therefore, "Total Expenditure ($)" for UCSD is equal to 'Total Expenditure (Medi-Cal) ($).'*

For each campus, the total annualized SHIP enrollment is calculated by dividing the total number of academic terms that all undergraduate UC need-based grant recipients enrolled in SHIP by the number of terms in each campus's standard academic year (three quarters or two semesters). Apart from UC San Diego, students can receive a SHIP grant if they qualify for a UC need-based grant and enroll in SHIP, suggesting that the annualized enrollment figures are representative of the number of SHIP grants distributed.

To estimate the proportion of this enrollment attributable to Medi-Cal-eligible students, the number of Pell Grant recipients is used as a proxy. The "Pell / Need-Based" column takes the ratio of the headcount of Pell Grant recipients to the headcount of UC need-based grant recipients at each campus during the 2024-25 academic year. This ratio is then multiplied

[35] SHIP enrollment and grant data were given by the UC Office of the President (UCOP). The "Pell / Need-Based" ratios utilize 2024-25 academic year data from the UC student financial support data tables.

by the annualized total enrollment to estimate the "Total Annualized SHIP Enrollment (Medi-Cal)" column.

Finally, each campus's maximum full-year SHIP grant value is multiplied by the respective annualized enrollment figures to generate the "Total Expenditure ($)" columns, which estimate total campus spend on SHIP grants. Across all nine undergraduate campuses, estimated total expenditure is $185 million, with roughly $166 million attributable to Medi-Cal-eligible students. This suggests that Medi-Cal students account for roughly 90% of all SHIP grant expenditures systemwide.

Number of SHIP Grants. A similar process was used to calculate the number of full-year SHIP grants attributable to students with Medi-Cal coverage. For each campus, the number of students enrolled in a full year of SHIP (Fall and Spring semesters or Fall, Winter, and Spring quarters) was multiplied by the "Pell / Need-Based" ratio to calculate the estimated full-year enrollment for Medi-Cal enrollees. The sum of these estimates was roughly 52,000 grants.

Limitations. The enrollment and grant figures reflect the different academic years which we received data for, which may impact the accuracy of calculated estimates. Additionally, because the calculations rely on the maximum SHIP grant each campus offers, the analysis may overestimate actual expenditures, as not all students likely qualify for full coverage of their SHIP premium.

For UC Merced specifically, the campus website notes that the per-student annual SHIP premium is split unevenly between the Fall and Spring/Summer terms, likely affecting the division of the grant as well.[36] The expenditure figures, however, assume that the grant is split evenly between both terms for simplicity of calculations, which may impact the accuracy of calculated estimates.

Finally, all UC undergraduate campuses were contacted to verify the accuracy of these figures. However, only four campuses responded, of which UC Berkeley and UC Davis provided the following data of their undergraduate SHIP spend for the 2024-25 academic year:

- UC Davis. Roughly $24.6M (~20% more than our estimate)
- UC Berkeley. Roughly $34.4M (~14% lower than our estimate)

[36] UC Merced Insurance Rates and Dates.

Appendix C: Long-term Policy Options

Below are other initiatives that were discussed in this project but would need further research to understand, develop, and implement:

Table 5: Cost-Benefit Analysis of Long-Term Policy Options

Policy Option	Description	Benefits	Concerns
Premium assistance	Medi-Cal works with SHIP to pay for SHIP premiums on behalf of Medi-Cal enrollees.	Helps students continue free or low-cost coverage while accessing on-campus care.	Medi-Cal covers services that SHIP does not, a requirement for this contract. Additionally, the Medi-Cal per-member rate does not cover the full cost of the SHIP premium.
Student code	A student code for Medi-Cal enrollees is embedded in UC or DHCS systems.	Acknowledges this specific population's needs and develop policies tailored to them.	Requires large-scale systemwide changes, such as additional data collection.
Shortening the transfer timeline	DHCS shortens the timeline of address updates and/or works with plans to offer an expedited student timeline.	Grants students a larger amount of time to move their Medi-Cal coverage and meet campus waiver deadlines.	Requires additional communication and guidance to Medi-Cal members and county eligibility workers regarding changed office processes.
Home and school provider options by insurers	All insurers become required to have options for both "home" and "school" providers.	Allows students to access care without the hassle of moving their coverage.	Requires large-scale systemwide changes to the structure of health insurance.

Appendix D: Limitations of Our Study

The above findings and policy recommendations are the result of engagement with several stakeholders across the system within the student coverage landscape. We began with convening a focus group composed of UC Berkeley and UC Davis students with Medi-Cal coverage, which allowed us to hear directly from affected students about the challenges they face. From there, we engaged several systemwide stakeholders, from local Medi-Cal county offices to the UC Office of the President (UCOP), to gain a deeper understanding of the student health insurance landscape for this population.

There are multiple limitations we faced in pursuit of this project that future studies could address:

1. **Number of Medi-Cal recipients.** There has historically been no data matching of UC academic enrollment data with Medi-Cal enrollment data. Therefore, there is no record of the exact number of students in the UC system who are enrolled in Medi-Cal. Future studies could attempt to catalyze data sharing between DHCS and UC to understand the scope of this student population.

2. **Number of SHIP grants systemwide.** There is no official record of the exact number of grants offered to students that are specifically designated for SHIP premiums. Based on information we acquired, we were able to form an estimate, yet future studies could also attempt to work with UCOP and UC campuses to more accurately produce this number.

3. **Number of student experiences represented.** Over the course of our project, our team was only able to speak with a limited number of UC students who are (or have been) enrolled in Medi-Cal. The experiences of the students in our focus group are not reflective of all experiences in this population, and it is important to continue having conversations with students to ensure that their voices are being heard.

4. **Variations within and between county office policies.** Based on the conversations we had with Medi-Cal eligibility workers and university staff who assist students in these processes, there appear to be significant discrepancies in how the temporary shift of student plans is handled. As mentioned earlier, workers may guide students through an ICT process rather than a change of address, which delays the timeline for students. Within DHCS Health Care Options and local county offices, workers gave varying durations for the address update process to be completed, ranging from instantaneous change to over a week. Additionally, multiple workers seemed to be unaware of the difference between an address update and ICT and described each process in differing detail, causing additional confusion. Due to these variations, we were left only with a best estimate for the timeline of the entire address update process.