

Date: 18.6.2018

Publication: Financial Chronicle

Page No: 1,10

Edition: Delhi, Hyderabad, Mumbai, Chennai, Bangalore

US, Canada bound students have to take maternity, mental illness, drug addiction cover

SANGEETHA G
Chennai

STUDENTS who are keen on studying in the US and Canada have to buy travel insurance policies that will include maternity and baby cover and riders covering mental illnesses and alcoholic disorders.

Usually, travel insurance is taken to protect a person travelling abroad from untoward incidents, including loss of baggage, travel documents and



INSURANCE PAIN

■ Authorities in the US and Canada do not want the onus of providing medical care to fall upon them, as health care is quite expensive there

■ Many US and Canadian universities have now started asking for inclusion of several new riders in the travel policies

medical emergency. Universities and embassies in the US, Canada and some of the European

countries mandatorily require travel insurance for foreign students.

But now these travel

insurance policies are becoming full-fledged health insurance policies. The authorities do not want the onus of providing medical care to fall upon them, as medical treatment in these countries is quite expensive. In the past few years, many American and Canadian universities have started asking for inclusion of several new riders in the travel policies.

Turn to P10

50% of US universities demanding maternity cover

From P1

"Of late we are seeing students asking for newer covers in the travel policy as mandated by these universities. We had included maternity and baby cover for US and Canada bound students two years back. Whether they are married or unmarried, this cover is mandatory for all women students. Roughly 50 per cent of the universities in the US are demanding maternity cover, a trend which is not seen in European universities yet," said Anurag Rastogi, member of executive management,

HDFC ERGO General Insurance.

"Now they also need cover for mental disorders, nervous breakdown, drug addiction and alcohol-related disorders probably because the universities are increasingly witnessing incidences of such disorders among foreign students. Some universities would be presuming higher chances of such incidences as the students stay away from home and are vulnerable to such risks," he added.

HDFC Ergo is in the process of seeking approval from the Insurance Regulatory and Development Au-

thority (IRDA) for adding riders covering these disorders in the travel insurance policy. Other general insurance companies also have either included or are in the process of including the new riders.

"Our student travel policies are very extensive with inbuilt coverage such as suicide, loss of laptop, accident to sponsor, bail bond insurance and tuition fee. They also provide the flexibility to the students to choose the relevant riders as per university requirements such as maternity and baby cover, mental illness and alcohol related

disorders, pre-existing conditions, HIV and cancer screening and mammography cover," said Bhaskar Nerurkar, head-health administration team, Bajaj Allianz General Insurance. The company has also seen claims arising out of these covers.

Inclusion of such riders is also making insurance cover costlier for the students. Average premium for a base \$1 lakh cover of Bajaj Allianz is approximately Rs 12,500 plus taxes and with riders that can go up to Rs 29,000 plus taxes for a 365-day policy.

The premium for stu-

dent travel policies also varies depending upon the country. US and Canada bound students have to pay the highest premium. European countries are slightly less expensive while Asian countries are comparatively cheaper.

According to Rastogi, travel insurance purchase among students is growing by 14 to 15 per cent year-on-year as the number of students opting for overseas education is also going up. Though there are several other countries which do not mandate travel insurance, the awareness about the benefits have started

building among students going to those countries as well. The uptake is not very significant yet.

"We have not seen an uptake for countries where it is not mandatory to have travel insurance for the students. However, awareness around the student travel product should be created on student platforms as this is a must have advantage while studying away from home. This can prove to be a helpful tool for students in order to deal with exigencies as the expenses could be 10 times higher overseas than in India," said Nerurkar.