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Save money on student health cover abroad

A cover from an Indian insurer also offers additional features compared to plans sold by foreign universities

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This time around, Indian students going abroad for studies (for the Fall semester) start receiving offer letters from foreign universities. By the end of April, they need to finalise their university and complete other formalities. General insurers in India have started campaigns highlighting the benefits of buying a student's travel insurance in India, as opposed to buying one offered by the university abroad.

In India, though this policy is classified as 'travel insurance', it primarily takes care of medical expenses incurred abroad. In the US, it's sold as a health policy. The cost of student health insurance from a foreign university is considerable. It typically starts at \$2,500 for a sum insured of \$200,000 in the US, and goes up to \$4,000 for a cover of \$600,000-

750,000. If a student buys the same policy in India, he can get it at one-fourth the cost, or even less. The same holds true for countries like Canada, the UK and Australia, where the majority of Indian students go to. "Besides cost saving, what makes the case for buying a cover in India compelling is the additional features that domestic insurers offer," says Nikhil Apte, chief product officer, Royal Sundaram General Insurance.

As the insurance plan offered in India is a travel policy, it covers loss of baggage and passport. Domestic insurers also provide personal liability and bail bond cover, in case the student gets arrested. The plan works even if the student leaves the country he is studying in and travels to another. The critical component - scope of medical coverage - is similar for policies offered by Indian

ADDITIONAL FEATURES AT LOWER COST

Features	Typical university cover	Indian insurer's cover
Deductible	\$250 to \$400	\$100
Medical evacuation	No	Yes
Accidental death	No	Yes
Personal liability	No	Yes
Loss of passport	No	Yes
Loss of checked-in baggage	No	Yes
Counselling	Yes	No
Preventive check-ups	Yes	No
Addiction rehabilitation	Yes	No

Source: Companies

insurers. If a student opts for one from a university, the scope of coverage (features) can vary widely.

Before you decide on where to buy from, compare the two products on deductible, co-pay, and scope of coverage. Most Indian insurers offer a \$100 deductible, which means the student has to bear the first \$100 of expense. The insurer will settle the bill above this amount. A university plan abroad has a deductible of

\$250-400. Typically, a plan from an Indian insurer will not have any co-pay. A plan purchased in the US or Canada may have co-payment requirement, besides the deductible. Also, check if the university plan is cashless and valid for the entire year. Some universities offer plans valid for a limited period - until the student is supposed to be on the campus. The coverage stops when the break starts.

Many universities offer waiver of insurance if you have one already. Some make it mandatory to buy from them. Insurers say that if a student makes a case for travel insurance, they may offer a waiver on a case-by-case basis. "Even if the university does not offer a waiver, a student should consider taking a travel cover for the additional benefits," says Bhaskar Nerurkar, head-health administration team, Bajaj Allianz General Insurance.

Among Indian plans, opt for one that does not distinguish between out-patient and in-patient treatment. If a student suffers from tuberculosis, a policy that does not cover out-patient treatment will be of no use. If you have any pre-existing disease, inform the insurer beforehand. Some domestic insurers, like Bajaj Allianz General Insurance, offer a rider for pre-existing diseases. Indian plans don't cover mental illnesses at present, which may be covered by a plan offered by US universities.

YOUR MONEY

