



Overseas Travel Insurance for Students

Know what your policy does not cover

A travel insurance policy that covers the student for the entire period of study abroad is not only essential but also insisted upon by many universities/institutes. Preparations for sending your child to study abroad can take months and need you to take care of several details, from getting prospectuses to filling up forms, applying for scholarships and writing exams, to calculating expenses and booking air tickets. The matter of getting an insurance cover may end up getting pushed to the bottom of the to-do list. It becomes all the more important then to have a ready reference/checklist that will guide you as you go about buying the right insurance. What all should a good student insurance cover apart from medical situations or loss of belongings? In the following report, we will focus on these aspects and also assess the various insurance plans on some standard parameters.

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For this study, we chose 10 insurance plans based on consumer feedback and product structure. The parameters on which we have compared them include minimum and maximum entry age, maximum policy term, personal accident, personal liability, loss of checked-in baggage, delay in checked-in baggage, loss of passport, medical cover, dental treatment, study interruption, sponsor protection, family visit, bail bond, and premium for one-year policy. We gave the highest weightage (15 points) to consumer feedback, which helped in determining product quality as

well as the most important and beneficial variables. These variables have a direct bearing on the product structure. Our questionnaire covering various features of the plans received responses from a cross-section of product users.

This study does not cover travel to the United States and Canada because insurance companies charge higher rates of premium for standard coverage when it comes to these countries. Besides, since a sizeable number of students opt to study in countries other than the USA and Canada, we thought it better to stick to comparable plans.

OVERSEAS TRAVEL INSURANCE PLANS FOR STUDENTS:

CV Weightage Points (100)		HDFC Ergo (Student Suraksha – Bronze)	Bharti AXA (Smart Traveller Student – Standard)	Chola MS (Student Travel Protection Plan – Gold)	
Only for information	Plan options available	5	4	3	
4	Minimum entry age (years)	16 (2)	16 (2)	16 (2)	
5	Maximum entry age (years)	35 (1)	40 (3)	35 (1)	
3	Maximum policy term (years)	2 (2)	2 (2)	1 (1)	
5	Loss of checked-in baggage	1,000 (5)	1,000 (5)	1,000 (5)	
5	Loss of passport	200 (4)	125 (2)	120 (2)	
4	Delay in checked-in baggage	100 (3)	100 (3)	NS (0)	
2	Personal liability	100,000 (2)	100,000 (2)	100,000 (2)	
10	Personal accident	20,000 (8)	25,000 (10)	25,000 (10)	
4	Sponsor protection	10,000 (4)	10,000 (4)	10,000 (4)	
10	Study interruption	7,500 (7)	10,000 (10)	7,500 (7)	
7	Medical cover	50,000 (4)	100,000 (7)	100,000 (7)	
5	Dental treatment	250 (5)	500 (5)	150 (1)	
3	Family visit	7,500 (3)	5,000 (2)	7,500 (3)	
5	Bail-bond insurance	5,000 (5)	1,000 (2)	5,000 (5)	
13	Premium for 1 year policy (in INR)	5,024 (10)	8,356 (3)	5,271 (10)	
15	Consumer feedback	12	2	4	
100	Total	74	64	64	

Notes:

- Information given here has been sourced from websites/brochures/customer care as on 03-01-2019.
- Sum assured and premium are dependent upon plans and period of insurance opted for.
- We have selected for this study only those insurance companies that offer overseas travel insurance for students' studies abroad.
- The figures mentioned above are in US \$.
- For this study, only those plans have been taken up which are homogeneous and comparable.
- Overseas travel/study for the comparative chart excludes visits to the USA and Canada.
- NS – not specified; NA – not applicable
- The variables mentioned in the chart are inbuilt (with individual capping) under the medical cover shown herein and are available within the premium payable.
- In many companies the GST is included/excluded in the premium and is hence not specified here.

A COMPARATIVE CHART

	Royal Sundaram (Travel Secure – Student Travel – Gold)	ICICI Lombard (Globetrotter – Overseas Individual Student- Gold)	Apollo Munich (Educare – Bronze)	Bajaj Allianz (Student Elite – Standard)	Religare Health (Student Explore Plus)	Future Generali (Future Student Suraksha – Standard)	Star Health (Student Travel – Gold)
	5	3	4	4	4	5	3
	12 (3)	16 (2)	10 (4)	16 (2)	12 (3)	18 (1)	NS (0)
	40 (3)	35 (1)	50 (5)	35 (1)	40 (3)	35 (1)	NS (0)
	NS (0)	2 (2)	3 (3)	1 (1)	2 (2)	2 (2)	NS (0)
	1,000 (5)	1,000 (5)	1,000 (5)	1,000 (5)	500 (3)	1,000 (5)	300 (1)
	225 (4)	150 (3)	250 (14)	NS (0)	150 (3)	175 (3)	NA (0)
	50 (2)	NS (0)	150 (4)	NS (0)	Nil (0)	150 (4)	NS (0)
	100,000 (2)	100,000 (2)	100,000 (2)	100,000 (2)	100,000 (2)	100,000 (2)	10,000 (1)
	25,000 (10)	25,000 (10)	10,000 (4)	25,000 (10)	15,000 (6)	7,500 (2)	5,000 (1)
	10,000 (4)	10,000 (4)	10,000 (4)	10,000 (4)	10,000 (4)	10,000 (4)	5,000 (2)
	7,500 (7)	7,500 (7)	7,500 (7)	NS (0)	7,500 (7)	NS (0)	5,000 (3)
	100,000 (7)	50,000 (4)	50,000 (4)	50,000 (4)	50,000 (4)	50,000 (4)	50,000 (4)
	300 (3)	150 (1)	150 (1)	500 (5)	250 (5)	250 (5)	NA (0)
	5,000 (2)	7,500 (3)	7,500 (3)	7,500 (3)	Nil (0)	5,000 (2)	5,000 (2)
	1,000 (2)	5,000 (5)	2,500 (4)	500 (1)	500 (1)	500 (1)	2,000 (3)
	12,302 (1)	7,865 (6)	7,008 (6)	4,973 (13)	5,506 (10)	8,840 (1)	4,762 (13)
	8	7	1	8	1	2	1
	63	62	61	59	51	36	31

CV RECOMMENDATIONS

Best Buy

HDFC ERGO (Student Suraksha)

Good Buys

Bharti AXA (Smart Traveller Student)

Chola MS (Student Travel Protection)

Fair Buy

**Royal Sundaram
(Travel Secure – Student Travel)**





Is taking travel insurance mandatory?

Yes, it is. Many universities/institutes insist on a travel insurance policy that covers the student (understudy) for the entire period of study abroad. During the admission procedure, look for the overseas travel insurance clauses that may give some clue as to what needs to be done. Some universities make it mandatory for students to buy insurance from them. Some do not accept an insurance policy from insurance carriers outside their country. Some have clauses that Indian insurers' policies may not comply with. If nothing is specified, you are free to choose one that suits your requirements at the country of your stay during the study period. The policy term can be from less than a year to up to three years.

How different will it be if you buy insurance abroad?

One can buy insurance abroad if the admission form contains such a clause, but it is going to be costlier (when compared to those available in India). If the admission procedure does not mandate it, it is better to buy from any insurer in India.

Reasons Why

Apart from the reason that some universities and institutes mandate travel insurance, there are other factors too which make it important to get one.

- a) There is always the risk of accident to self.
- b) Costs of medication/hospitalization in developed countries are relatively high.
- c) Most of these policies cover study interruption, family visit in case of illness/hospitalization, dental treatment costs, etc.

While Choosing the Policy

- a) Look for exclusions, sub-limits and deductibles.
- b) Ensure that the policy term (policy period) matches with your overseas stay.
- c) See that the policy is available for cashless claims (either in-house or through a reputed third-party administrator [TPA]).
- d) Remember that pre-existing diseases (called PED) are not covered by these policies automatically, as there are certain waiting periods before the diseases are covered.

- e) In view of the occasional racial attacks or assaults that have happened in some countries, you may want to ensure that your policy covers them all.
- f) Look for additional covers (this entails payment of additional premium).
- g) Look for both credibility and global presence of the TPA for ease of access to them in case of emergencies/when filing claims.

What Do These Policies Offer?

- **Personal liability:** The cover indemnifies the insured person in the event of their becoming legally liable to a third party under law or in case of an incident that results in death, injury or damage to the health of such third party or to their property/properties.
- **Personal accident:** This cover will compensate the insured person or his/her legal heir for any

injury he/she sustains during the period of their stay abroad and as covered in the policy, solely and directly caused by accident occurring during the period of insurance, thereby resulting in permanent disablement or death within 12 months (365 days) of the occurrence of this injury.

- **Study interruption:** This cover compensates for the tuition fees paid in advance in case the student is unable to continue studies due to hospitalization (for more than one consecutive month) necessitated by injury or sickness, or in the case of death of an immediate family member which leads the student to discontinue his/her studies during the remaining period/part of the study.
- **Sponsor protection:** This covers the reimbursement of tuition fees in case of death of the sponsor for the remaining period of education (simultaneous claims under this category or under 'study interruption' are not permissible).





- **Medical cover:** This is a cover by way of monetary reimbursement available to the insured person for expenses incurred for availing immediate emergency medical assistance, required on account of any illness/injury sustained or contracted whilst abroad and covered under the policy on the following—
 - o Outpatient treatment
 - o Inpatient treatment
 - o Medical aid as prescribed
 - o Radiotherapy
 - o X-ray and diagnostic tests
 - o Cost of transportation
 - o Costs of special clinic if so advised
 - o Life-saving unforeseen emergency measures
 - o Transportation of the insured person and the accompanying person either to the nearest hospital/permanent place of residence as advised
 - o Repatriation of mortal remains
- **Compassionate/Family visit:** This covers one round trip (to and fro) in economy class air ticket and cost of stay for one immediate family member in the event of the insured person having got hospitalized for more than seven days and requiring assistance of the family member.
- **Bail-bond insurance:** This is a cover available to the insured person if he/she is wrongfully arrested/detained by the police/judicial authorities and the offence is bailable.

Normal Exclusions in Policy (list is not exhaustive)

- Local stay in India (on holidays back home/abroad) during the policy period
- Medical treatment abroad
- Pre-existing disease
- Suicide
- Any claim arising directly or indirectly from using alcohol or drugs
- Mental or psychological disorders
- Cosmetic/Plastic treatment/surgery
- Pregnancy/Childbirth
- Participation in winter sports through land, air and sea
- Rehabilitation methods such as through physiotherapy/orthopaedic treatment

How Will You File a Claim?

- a) Read the policy document under this head.
- b) Note down the international toll-free number.
- c) Look for network hospitals. These can provide you cashless hospitalization.
- d) Send an email to customer care/claim helpline. They will guide you/send claim forms.
- e) Submit supporting documents along with your claim form.

Takeaways

- a) Choose a policy that provides cover for personal accident (including racial attacks) in addition to medical cover, bail-bond cover and personal liability cover.
- b) Look for a reasonable premium that puts minimal burden on your sponsor.
- c) Check out the claim filing/settlement procedures including availability of international toll-free number/helpline in the policy.
- d) Combine this policy with a domestic health insurance.
- e) Go for a long-term policy to cover your study period.

Consumer Voice Recommendations

- o At present, there seems to be no income tax deduction available on the premium paid on this policy. The government of India can reduce a part of the burden on the sponsor by giving some kind of income tax deduction on the premium paid, perhaps with a rider that on completion of the study the student will work in India for at least three to five years.
- o Bring down the premium costs (remember that the sponsor is being billed).
- o Include racial abuse/attack/assault, both verbal and physical, in the policy cover.
- o Bring put a package policy to include major events/mishaps.

