

Safeguarding study

Educators and agencies should safeguard their reputation by ensuring students have a suitable insurance product. How is the student insurance market evolving? Katie Duncan finds out.



“WITH THE AVERAGE age of international students being 24, many believe they are indestructible,” says Keith Segal, President & CEO of Guard.Me, “therefore do not recognise the importance of ensuring they have adequate coverage.”

Phillipe Gojon, General Manager of AVI International, a firm founded 43 years ago, backs up Segal’s point. And he points out he has observed an increase in popularity of “high risk” activities and sports such as free-diving and rock-jumping among his client base.

Insurance is one of the core products of the international education industry, yet it is often ignored or heeded with a minimum of detail.

The complexity of individual insurance plans is a complicated process and as René Gillet, Director of International Sales at Dr. Walter in Germany observes, “it is still very difficult for non-experts to evaluate the quality of the policy benefits and clauses”. Yet with more students than ever enriching their learning overseas, it is essential that agencies and educators understand the needs of young globe-trotters as well as the insurers themselves.

Some firms, such as Guard.Me, have developed insurance programmes that can be bought or renewed in any country, not just the student’s country of residence. This can be extremely useful, especially for students keen to extend their stay or continue their travels or try out winter sports impromptu.

Segal, whose company is a leading insurance provider with offices in Canada, Brazil, Europe and Australia, warns that without adequate insurance coverage, an incident can quickly escalate into a “disaster”. In the USA and Canada for example, the cost of a hospital bed for the night can be between US\$3,000 and US\$5,000.

Gillet likewise notes a distressing case in which an au-pair suffered a heart attack in Australia, resulting in five weeks of

hospitalisation, repatriation by air ambulance to Germany and overall costs of €200,000. Costs can quickly escalate.

In another serious incident, AVI International saved a teenage student 80 per cent of expenses after they were diagnosed with cancer while studying in the US. Other incidents insurance providers have experienced include death of students and students suffering from serious mental health issues.

Making sure students have proper coverage can actually enhance the reputation of an education provider too, if they are the party insisting on proof of cover, for example, says Ross Mason, CEO of InternationalStudentInsurance.com.

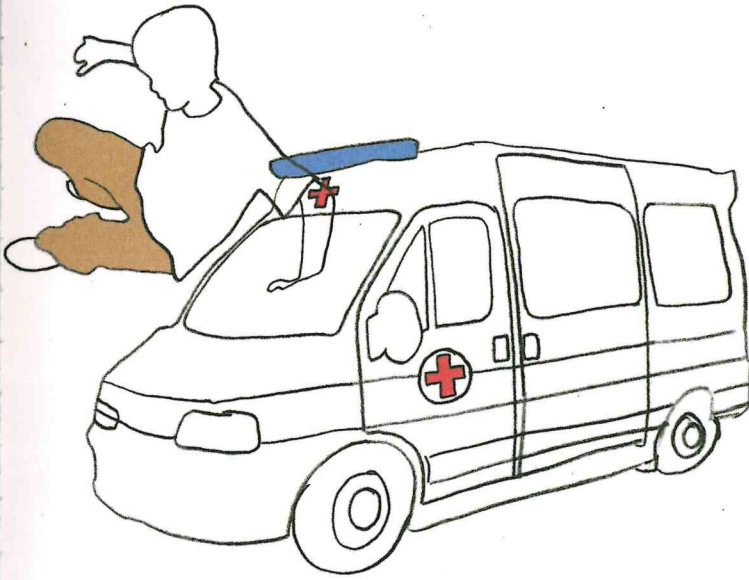
“You tend to see [some] carriers come into the market and then exit a few years later,” he says. “There are only a few players that are specialised for this market and therefore stand the test of time, as they understand the nature of the business and the intricacies of what is needed.”

Culturally, different nationalities prioritise, or rather disregard the importance of certain aspects of insurance, say the providers. Gillet of Dr. Walter says Europeans tend to opt for the most comprehensive cover they can afford. He adds that some nationalities will even avoid buying insurance at all, particularly if it’s not obligatory for obtaining a visa, which of course is “very risky.”

Mason explains that in his experience, South Americans typically expect a higher level of service when making claims, whereas North Americans are “a little more hands off.”

It is actually becoming more difficult to operate globally because of various local tax and underwriting regulations, says Gillet, and Gojon agrees that it is a challenge to be “compliant locally with a global approach”.

Looking ahead, the future of insurance in international education will see shifts towards digital innovation. InternationalStudentInsurance.com already has a number of students managing their plans through their online accounts or using their smartphones. ▶



► Dr. Walter is creating a new online product and AVI International not only wants to create a mobile app, but is also keen to bring its products to emerging countries.

Guard.Me is another one to watch, as it recently announced its introduction into the Australian market and is expanding its presence in many other countries.

At Ingle International, Robin Ingle also emphasises global reach via representatives in various countries and strategic

alliances with assistance which means multilingual in-house emergency medical assistance staff. "In our offices we have a very diverse group of intelligent people who make up our team," he says. "We also have doctors and nurses on staff in our contact centres who can provide telecare."

Ingle International's sister company, Intrepid 24/7, has also developed an app called Travel Navigator which has travel and assistance information and an emergency button for immediate access to assistance.

Overall, providers are trying making it easier than ever for students to get the right kind of coverage, as well as making that coverage available to a greater number of students across the world.

TOP 5 POINTS TO CHECK IN AN INSURANCE PLAN, according to experts:

1. Have enough benefit cover, more than US\$25,000 when in North America!; compare insured sums in detail.
2. Access to free 24/7 emergency medical assistance which enables insurers to follow up/make appointments on claimants' behalf.
3. Assess the carrier underwriting the insurance broker, is it A rated?
4. Check the exclusions for pre-existing illnesses/sports.
5. Is the medical/assistance network widespread enough? ◀

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