

As of September 1, 1994, every person in J-1 or J-2 status is required to maintain a government-mandated minimum level of health insurance **for the full duration of their stay in J status**. Government regulations stipulate that if J-1 students or scholars willfully fail to maintain the required level of health insurance, their participation in the J-1 program will be **subject to termination**.

**Rationale:**

In the United States it is unwise not to have adequate health insurance. Not only does having health insurance permit access to better and more timely health care, but it also provides the only protection against the potentially enormous cost of medical services. Since a single day of hospitalization and medical treatment can cost thousands of dollars, many hospitals and doctors refuse to treat uninsured patients except in life-threatening emergencies. As a result, most Americans rely on health insurance to make sure that they will receive the care they need, when they need it. Unfortunately, although in many countries the government bears the expense of health care for its residents, individuals and families in the United States are responsible for the costs themselves.

**How to choose a policy:**

All Rice international J-1 scholars and their dependents are required to maintain health insurance coverage for the full duration of their J visa status. In some cases, you may be able to purchase health insurance from your home country that meets the requirements below.

**Note to J-1 Complimentary Scholars:** Unlike J-1 employees of Rice University, J-1 complimentary scholars do not qualify for participation in Rice's Aetna insurance plan. Therefore, the J-1 complimentary scholar and his or her family members will need to select health insurance policies on their own.

**There are three options available to Rice international scholars:**

- 1) **University Aetna insurance plan** - Rice international scholars who are benefits-eligible may participate in the approved Rice-employee insurance plan by Aetna. However, this plan does not include the required medical evacuation and repatriation insurance. You will need to purchase a supplemental policy separately, at a cost about \$30 per year.
- 2) **Alternate insurance plan meeting all minimum requirements** – Rice international scholars may choose to participate in an alternate insurance plan of their choice, so long as the insurance plan meets *all* the requirements listed below including medical evacuation and repatriation coverage. If an insurance plan does not cover medical evacuation and repatriation, please see option #3 below.  
**Example: Rice University-approved alternate plan by SAS** – to enroll in this plan, please visit <http://oiss.rice.edu/gateway.aspx?id=228>
- 3) **Alternate insurance plan + supplemental medical evacuation and repatriation plan** – Rice international scholars may choose to participate in an alternate plan that does not cover medical evacuation and repatriation. However, they will need to purchase a separate supplemental plan which covers medical evacuation and repatriation to meet all the minimum insurance requirements at a cost of about \$30 per year.

**Minimum requirements for alternate insurance plan\*\*:**

- Medical benefits of at least \$100,000 for each accident or illness (a higher benefit is better)
- Medical evacuation in the amount of \$50,000, should you need to be sent home on the advice of a doctor
- Repatriation of remains in the amount of \$25,000, should you die while in the U.S.
- Coverage must include the semester for which you are at Rice University
- Minimum 75% coverage for each accident or illness
- Maximum deductible of \$500 per condition per plan year
- A pre-existing “wait period” limitation of no more than six months
- The policy must be backed by the full faith and credit of home country government (for those covered by their home country's national insurance plan), or the company providing the insurance must meet minimum rating requirements established by the U.S. government (an A.M. Best rating of "A-" or above, an Insurance Solvency International, Ltd. (ISI) rating of "A-" or above, a Standard & Pool's Claims-paying Ability rating of "A-" or above, or a Research, Inc. rating of B+ or above). Policy must be in English
- All exchange visitors and any accompanying dependents may also be subject to the requirements of the Affordable Care Act (22 CFR 62.14(a))
- Policy must be in English

\*\* **NOTE:** Minimum requirements, by law, must be met for all J visa holders.

### Considerations in choosing a plan include:

1. *The reliability of the company.* Plans offered through Rice or approved by NAFSA should be from reliable companies. Plans advertised outside of our campus should be checked out with someone who is familiar with that company. The recommendation from the person selling the insurance is not always sufficient in order to make a good decision as to which policy to buy. Companies vary in their level of service to customers, how promptly they pay claims, and if they pay the full amount expected by their policy holders.
2. *Deductible amounts.* Most insurance policies require their holders to pay part of their health expenses themselves (called the deductible) before the company pays anything. Under some policies the deductible is a yearly figure, and the holders must pay up to that amount only once each year. Under other plans, the deductible must be paid each time there is an illness or injury. ***The J regulations require that you select a policy where the deductible is no more than \$500 per accident or illness,*** but many policies offer a lower, more advantageous one. In choosing insurance, think carefully about how much you can afford to pay out of your own pocket each time you are sick or injured, and weigh the deductible against the premium before you decide.
3. *Co-insurance.* Usually an insurance policy only pays a percentage of the medical expenses, even after the deductible is paid. The policy might pay 80%, for example, and the remaining 20% (which holders still have to pay) is called the co-insurance. For example: \$3,000 in medical expenses covered by a policy with a \$400 deductible and a 20% co-insurance would cover \$2,080 of your expenses and require you to pay \$400 in deductible and \$520 in co-insurance. ***The J regulations require that insurance policy you choose must pay at least 75% of covered medical expenses.***
4. *Life/per-occurrence maximums.* Many insurance policies limit the amount they will pay for any single individual's medical bills or for any specific illness or injury. Exchange Visitors must have insurance with a maximum no lower than \$50,000 for each specific illness or injury, which may be enough for most conditions. Major illnesses, however, can cost the patient several times that amount.
5. *Benefit periods.* Some insurance policies limit the amount of time they will go on paying for each illness or injury. In that case, after the benefit period for a condition has expired, the policy holders must pay the full cost of continuing treatment of the illness, even if they are still insured by the company. A policy with a long benefit period provides the best coverage.
6. *Exclusions.* Most insurance policies exclude coverage for certain conditions. ***The J regulations require that if a particular activity is part of your Exchange Visitor program, your insurance must cover injuries resulting from your participation in that activity.*** For example, if a person comes to the U.S. to conduct chemical experiments, s/he would have to be covered for laboratory accidents. Finally most insurance companies do not pay for treatment of what they consider to be ***pre-existing conditions***. That is, if the policy holder was previously diagnosed and/or treated for a problem before purchasing the insurance, the new insurance policy will not pay for continued treatment of that problem.

### Cost:

With the broad range of choices, the actual cost for health care in the United States cannot be measured. Much depends on the level of insurance coverage, the number of times the policy holder visits the doctor and/or hospital during his/her stay here. For the basic policies displayed in the OISS, there is an average monthly cost of \$100 for the individual, with an additional \$320-\$500 per month to include coverage for the spouse and/or children. ***Be sure to include cost estimates for health insurance in planning your budget for your expenses during your stay in the U.S.***

Read the policy information carefully, and don't be afraid to ask questions before purchasing a policy. Insurance agents make their living from selling insurance policies to individuals and groups. If purchasing a policy through an insurance agent, feel free to ask questions and take the time to learn about and understand several choices before making a decision. Don't sign anything if you are uncertain or confused. Consult a knowledgeable friend, your academic department, or the OISS for help.

***Important note for all Rice University J-1 visa holders:*** *When you check-in with the OISS, you will be required to show proof of health insurance for you and you family. Failure to maintain adequate health insurance can, by law, result in the termination of your J-1 status.*