

THE EXCHANGE VISITOR HEALTH INSURANCE REQUIREMENT

This handout is designed for J-1 exchange visitors and their dependents. It explains the need for health insurance in the United States and outlines the minimum provisions of the coverage required, *updated as of May 15, 2015*, of **every person in J-1 or J-2 status**. It also defines some of the terms generally used in discussions of health insurance.

The health insurance requirement

As an Exchange Visitor in the United States, you must carry health insurance as well as repatriation and medical evacuation coverage for **yourself and your J-2 dependents** for the full duration of your J program. Government regulations stipulate that if you willfully fail to carry insurance for yourself and your dependents, your J-1 sponsor must terminate your program and report the termination to the Department of State(ECA).

The reason for the requirement and the need for health insurance

It is **extremely risky** to be in the United States without adequate health insurance. Although in many countries the government bears the expense of health care for its citizens, and sometimes even for visitors, individuals and families in the United States are responsible for these costs themselves. 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. Most Americans rely on insurance, and you should do the same. Insurance gives you access to better and more timely health care, and provides the only protection against the enormous costs of health care in this country.

How medical insurance works

When you purchase health insurance coverage, the money you pay (your premium) is combined with the premiums of others to form a pool of money. That money is then used to pay the medical bills of those participants who need health care. Your coverage remains valid only as long as you continue to pay your insurance premiums.

Once you purchase insurance, the company will provide you with an insurance identification card for use as proof of your coverage when you are seeking health care from a hospital or doctor. The company will also provide written instructions for reporting and documenting medical expenses (filing a claim). The company will evaluate any claim that you file, and make the appropriate payment for coverage under your particular policy. In some cases, the company pays the hospital or doctor directly; in others, the company reimburses the policy holder after he or she has paid the bills.

Choosing an insurance policy

East-West Center exchange visitors currently qualify to enroll in the HMSA Plan offered at the University of Hawai'i at Manoa <http://www.HMSA.com/portal/student/> or the EWC Student/Scholar Plan <https://buy.sevencorners.com/policygroup/HW7CTX8/HW7KC38/>. The Seven Corners plan includes a 6-month waiting period for coverage of pre-existing conditions. Both of the above plans require the enrollment of the J-1 principal and are recognized by University Health Services across the street from the East-West Center. Another plan offered by www.hccmis.com (click on 'Products', then Atlas Series) will accept enrollment for international scholars, students, and dependents who may not necessarily be in J-1 status. For the Atlas Plan, please read required specifications before enrollment.

Exchange visitors may elect to use another insurance plan that meets the USG required insurance specifications for J exchange visitors, but benefit information to confirm that the policy meets specifications and confirmation of enrollment should be sent your program officer/scholarship coordinator and to the Visa Office (wongv@eastwestcenter.org) BEFORE issuance or extension of your DS-2019. If you do not understand the requirements, please contact the EWC Visa Officer PRIOR to purchasing a policy and request a VERIFICATION OF HEALTH INSURANCE

Please note that you may need to purchase a supplemental policy for repatriation and medical evacuation (RME) if these benefits are not included in your basic medical coverage. Companies offering separate RME coverage include Betins – Basic Emergency Travel Assistance (BETA) Scholastic Plan (<http://www.betins.com>) and International SOS (<http://www.internationalsos.com/visitorusa>).

Required insurance specifications

The Department of State (ECA) updated (effective May 15, 2015) the following requirements for the type and amounts of coverage you must carry if you hold J-1 or J-2 status:

- The policy must provide "**medical benefits of at least \$100,000 per accident or illness.**" Since insurance companies cover no *more* than the policy-holder's expenses (minus a deductible and, under co-insurance, a percentage), and never provide a *minimum* amount for each accident or illness, the quoted text presumably was intended to mean that an acceptable policy cannot set a maximum lower than \$50,000 in benefits for each accident or illness.
- A **deductible amount not to exceed \$500 per accident or illness.** Most insurance policies require you to cover part of your health expenses yourself (your part is called the deductible), before the company pays anything. The J regulations limit the deductible to \$500 per accident or illness, but many policies offer a lower, more advantageous one.
- **Co-insurance:** The policy must pay **at least 75% of covered medical expenses.** Usually, even after you have paid the deductible, an insurance policy pays only a percentage of your medical expenses. The policy might pay 80%, for example, and the remaining 20% , which you would have to pay, is called co-insurance.
- **Repatriation:** If you should die in the United States, the policy must provide **at least \$25,000** in benefits to send your remains to your home country for burial.
- **Medical Evacuation:** If, because of a serious illness or injury, you must be sent home on the advice of a doctor, the policy must pay **up to \$50,000** for the expenses of your travel.
- The policy may establish a **waiting period before it covers pre-existing conditions** (health problems you had before you bought the insurance), as long as the waiting period is reasonable by current standards in the insurance industry.
- The policy must be **(1) backed by the full faith and credit of your home country government, or (2) the company providing the insurance must meet minimum rating requirements** established by the Department of State (ECA) (an A.M. Best rating of "A-" or above, an Insurance Solvency International, Ltd. (ISI) rating of "A-1" or above, a Standard & Poor's Claims-paying Ability rating of "A-" or above, or a Weiss Research, Inc. rating of B+ or above), **or (3) be part of a health benefits program offered on a group basis to employees or enrolled students by a designated sponsor,**

or (4) be offered through or underwritten by a federally qualified Health Maintenance Organization (HMO) or eligible Competitive Medical Plan (CMP).