



Consumer Alert

Nebraska Department of Insurance
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College Insurance Needs

Parents - Review Your Insurance Policies Before Your Student Goes Off to School

Sending a child to college can be an emotional and trying time. Remembering to pack everything they will need while away from home is a challenge — and so is understanding your changing insurance needs. The following tips will help you review and update your insurance policies to cover your college student.

Health Insurance

Most health insurance policies cover dependents who are full-time students until the age of 23. Generally, a student must be enrolled in at least 12 credit hours per semester to be considered a full-time student. Individual policies differ, so check with your health insurer or benefits administrator about how the policy defines a full-time student and the maximum age of coverage.

Know Your Policy---Before leaving home, make sure your student has a copy of the relevant insurance cards and knows about obtaining referrals and approvals, if necessary, before seeking treatment. If you are insured by a health maintenance organization (HMO), check to see if your student will be outside the HMO service area while away at school. If this occurs, the student likely will have coverage for emergency care, but might have to travel to a physician or hospital within the HMO service area for routine care. If your insurer is part of a preferred provider organization (PPO), your insurer may pay benefits at out-of-network levels if you are outside your network. Check your plan provisions or speak with your insurer to find out what level of benefits are provided by your policy.

Student Health Insurance Plans---If your student's healthcare coverage is limited by the network service area, another option is a student health insurance plan. These plans are sold by an insurer that has contracted with a college to offer coverage to its students. In general, these plans have more limited benefits and more exclusions than traditional health insurance plans. Many policies also will exclude routine examinations and injuries sustained while under the influence of alcohol or drugs.

Renter's Insurance

Many students bring thousands of dollars worth of personal items — such as electronics, a computer, textbooks, clothes, furniture or a bicycle — with them to school. So, whether your student is living on- or off-campus, it's a good idea to review your homeowners policy to see whether your student's personal items will be covered.

Does Your Student Need Renter's Insurance?---If your student is younger than 26 years old, enrolled in classes and living in on-campus housing, your homeowners policy will likely extend to the belongings they take with them. However, if your student is living off-campus, talk with your insurance agent about whether your homeowners coverage will extend to the rental property. If it does not, you might want to consider renter's insurance to protect your student's personal property in the event that it is damaged, destroyed, or stolen.

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A Home Inventory---A comprehensive list of your student's possessions, including purchase prices, model numbers and serial numbers, will help you decide how much renter's insurance your student will need. It's also a good idea to have a detailed inventory in case of disaster, as it will help you and your student should you have to file an insurance claim following a catastrophe. Make sure to take photos or video of the possessions, and store the inventory in a secure, off-site location. Parents should also keep a copy of the inventory and photos.

The Big Move---Before you pack all of your student's belongings into a car or rental trailer, make sure to talk with your insurance agent about insuring the contents. Ask if your homeowners insurance policy will cover the belongings in the student's car or rental trailer before they get to campus. If your student is going to live off-campus, ask your insurance agent if coverage in their renter's policy will extend to the belongings during the move. If not, ask your insurance agent about a separate rider in case of accident or theft.

Auto Insurance

A significant move away from home can have a big impact on your auto insurance policy. If your student is taking a car with them to school, check with your agent about the existing insurance policy. Ask about the rates for the college's city and state before deciding whether to keep your student's car on the family's auto policy. In addition, the insurance company should be notified each semester if the student maintains good grades. Maintaining a certain G.P.A. might make your child eligible for a good student discount.

Identity Theft Insurance

As a college student, your child may be more vulnerable to identity theft because of the availability of personal information and the way many students handle this data. College students are more likely to be hit by identity thieves because they are generally unprepared to protect themselves when the steady stream of requests for personal information begin. Identity theft insurance cannot protect you or your student from becoming a victim of identity theft and does not cover direct monetary losses incurred as a result. Instead, identity theft insurance provides coverages for the cost of reclaiming your or your student's financial identity, such as the costs of making phone calls, making copies, mailing documents, taking time off from work without pay (lost wages), and hiring an attorney.

Before You Buy---Check to see if your homeowners policy includes identity theft insurance, and ask your insurance agent if this extends to your student living away from a primary residence. If not, you might be able to purchase a stand-alone policy from another insurer, bank, or credit card company. If your student is renting an apartment, ask if their renter's insurance covers identity theft, or if it could be added to the policy.