

## **HEALTH INSURANCE COVERAGE ~ MANDATORY**

### **PURCHASING INSURANCE OUTSIDE OF UAF:**

Currently, UAF does not offer an employee health insurance plan that complies with the U.S. DepartF:

## **MANDATORY HEALTH INSURANCE**

### **PURPOSE OF THIS SHEET**

The U.S. Department of State, the U.S. federal department responsible for the J-1 visa category, requires

Co-insurance. Usually, even after you have paid the deductible, an insurance policy pays only a percentage of the medical expenses. For example, the policy may pay 80% of the expense after the deductible and the remaining 20% you would have to pay (called co-insurance). Therefore, if you were injured and incurred \$3,000 in medical expenses, a policy (with a \$400 deductible and 20% co-insurance) would pay \$2,080, or 80% of 2,600. **The J regulations require the insurance company to pay at least 75% of covered medical expenses.**

Specific limits. Some policies state specific dollar limits on what they will pay for particular services. Other policies pay "usual" or "reasonable and customary" charges, which means they pay what is usually charged in the local area. Be very careful in evaluating policies with specific dollar limits; for serious illnesses, the limit might be far too low and you might have large medical bills not covered by your insurance.

Lifetime/"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**

**Insurance Examples:**

You have purchased a policy that has a \$500 deductible, that will pay 80% of customary charges and that has a limit of \$50,000 per incident. The policy also has specific limits (\$200 per incident) on what it will pay for diagnostic tests such as x-rays and laboratory tests. So you went skiing and fell. The people who helped you at the ski slope think that you broke your leg and called an ambulance to take you to a hospital. At the hospital, the doctor ordered three x-rays of your leg. The doctor determined that you had cracked the bone but not broken it and prescribed a walking cast for three weeks. He tells you to see him at the office (not the hospital) once a week for the next two weeks. Your bill might look like this:

Ambulance		\$500
Hospital		
	Emergency Room	300
	X-rays, 3 @ \$200 each	600
	Walking cast	300
	Medication for pain	150
Doctor #1	(who actually saw you)	
	Charge for seeing you at hospital	250
	Charge for seeing you in his office	
	\$80 each visit x 2	160
Doctor #2	(the radiologist – the specialist in x-rays)	<u>250</u>
Total		\$2,510

You will receive four bills, the first from the ambulance company, the second from the hospital, the third from Doctor #1, and the fourth from Doctor #2. When you arrived at the hospital, they asked you for insurance information. You will have to provide that information to the others also. In most cases they will bill the insurance company first, but the bills will not arrive at the insurance company at the same time.

You know that you have a \$500 deductible. If the insurance company gets the hospital bill first (\$1350),



- (f) At the request of a non-governmental sponsor of an exchange visitor program, and upon a showing that such sponsor has funds readily available and under its control sufficient to meet the requirements of this section, the Department of State may permit the sponsor to self-insure or to accept full financial responsibility for such requirements.
- (g) The Department of State may, in its sole discretion, condition its approval of self-insurance or the acceptance of full financial responsibility by the non-governmental sponsor by requiring such sponsor to secure a payment bond in favor of the Department of State guaranteeing the sponsor's obligations hereunder.
- (h) Accompanying spouses and dependents are required to be covered by insurance in the amounts set forth in paragraph (b) of this section. Sponsors must inform exchange visitors of this requirement, in writing, in advance of the exchange visitor's arrival in the United States.
- (i) Exchange visitors who willfully fail to maintain the insurance coverage set forth above while a participant in an exchange visitor program or who make material misrepresentations to the sponsor concerning such coverage will be deemed to be in violation of these regulations and will be subject to termination as an exchange visitor.
- (j) Sponsors must terminate an exchange visitor's participation in their program if the sponsor determines that the exchange visitor or any accompanying spouse or dependent willfully fails to remain in compliance with this section.